SpiceJet Limited
319 Udyog Vihar, Phase-IV,
Gurugram 122016, Haryana, India.
Tel: + 91 124 3913939
Fax: + 91 124 3913844

September 16, 2024

Department of Corporate Services,
BSE Limited,
Phiroz Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001

Reference: Scrip Code: 500285 and Scrip ID: SPICEJET

Subject: Audited financial statements for financial year ended March 31, 2024

Dear Sir,

Please find attached audited financial statements (including audited consolidated financial statements) of the Company for the financial year ended March 31, 2024 together with report of the statutory auditors thereon. These financials statements shall be adopted by the members of the Company in the forthcoming annual general meeting of the Company.

This is for your information and further dissemination.

Thanking you,

Yours truly,
For SpiceJet Limited

Chandan
Sand

Digitally signed by Chandan Sand
DN: c=IN, o=Personal, title=4708,
pseudonym=12A42B3E9D9B1CF3769BC229C8A8952B,
2.5.4.20=2d2cf6e74d4323a25a239200f5b51c85bbca18c13
53925c71fa11d7dff26efff, postalCode=122018,
st=Haryana,
serialNumber=26D0D80BC2CDEB31581055C734550541C7
92B47EB5BE566AA517AE0ABF34E481, cn=Chandan Sand
Date: 2024.09.16 19:10:30 +05'30'

Chandan Sand
Sr. VP (Legal) & Company Secretary

Encl.: As above

Walker Chandiok & Co LLP
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Independent Auditor's Report

To the Members of SpiceJet Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

1. We have audited the accompanying standalone financial statements of SpiceJet Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

3. We report that the Company is in non-compliance with various laws and regulations applicable to the Company as detailed in Note 48 to the accompanying standalone financial statements. Pending regularising of these non-compliances under the respective laws and regulations, the management is of the view that the impact of the aforesaid non-compliances on the accompanying standalone financial statements is presently unascertainable. In the absence of necessary assessment of the impact of the aforesaid matter, including fine and penalties that may be levied, we are unable to comment on the adjustments, if any, that may be required to the accompanying standalone financial statements on account of aforesaid matter.

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4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty Related to Going Concern

5. We draw attention to Note 2A(a)(iii) to the accompanying standalone financial statement which describes that the Company has incurred a net loss (after other comprehensive income) of Rs. 4,042.38 million for the year ended March 31, 2024, and, as of that date, the Company's accumulated losses amounts to Rs. 78,125.79 million which have resulted in complete erosion of its net worth and the current liabilities have exceeded its current assets by Rs. 64,831.47 million as at March 31, 2024. These conditions together with other matters as described in note 2A(a)(iii), indicates the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, based on management's assessment of future business projections and other mitigating factors as described in the aforesaid note, which, inter alia, is dependent on successful raising of additional funds, the management is of the view that the going concern basis of accounting is appropriate for preparation of accompanying standalone financial statement.

   In relation to the above key audit matter, our audit work included, but was not restricted to, the following procedures:

   - Obtained an understanding of the management's process for identification of events or conditions that may cast significant doubt over the Company's ability to continue as a going concern and the process to assess the corresponding mitigating factors existing against each such event or condition;
   - Evaluated the design and tested the operating effectiveness of key controls around aforesaid identification of events or conditions and mitigating factors, and controls around cash flow projections prepared by the management;
   - Obtained the cash flow projections for the next twelve months from the management, basis their future business plans;
   - Held discussions with the management personnel to understand the assumptions used and estimates made by them for determining the cash flow projections for the next twelve months;
   - Evaluated the reasonableness of the key assumptions such as expected growth in the revenue, expected optimisation in the costs etc. based on historical data trends, future market trends, existing market conditions, business plans and our understanding of the business and the industry;
   - Tested the arithmetical accuracy of the calculations and performed sensitivity analysis around possible variation in the above key assumptions; and
   - Evaluated the appropriateness and adequacy of disclosures in the standalone financial statements with respect to this matter in accordance with the applicable accounting standards.

   Our opinion is not modified in respect of this matter.

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Emphasis of Matter

6. We draw attention to Note 50 which describe the uncertainty relating to the outcome of ongoing litigation with erstwhile promoters which is pending with the Hon'ble High Court, New Delhi and certain resultant possible non-compliances of applicable provisions of the Act. Subsequent to year end, the Commercial Appellate Jurisdiction – Hon'ble High Court, New Delhi vide order dated May 17, 2024, has set aside the judgement dated July 31, 2023 passed by the Single Judge of Hon'ble High Court, New Delhi and has directed the appeal filed by the Company under Section 34 of the Arbitration and Conciliation Act, 1996 to be considered afresh. The management basis their assessment and legal advice obtained, is of the view that no material liability is likely to arise out of the aforesaid matter and accordingly, no adjustment has been made to the accompanying standalone financial statements in this respect. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

8. In addition to the matters described in the Basis for Qualified Opinion section and Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Recognition of passenger revenue	
We refer to notes 2A(g) and 32 to the standalone financial statements for accounting policies and disclosures relating passenger revenue. The Company recognizes passenger revenue on flown basis i.e., when the service is rendered. Till that time, the money received is presented as contract liabilities (i.e., deferred revenue) in the balance sheet under the head other current liabilities and is measured basis the net sales price to the customer. In accounting for its passenger revenue, the Company relies on the effectiveness of the integrated Information Technology ('IT') system which processes large volumes of individually low value transactions. Based on the data provided by the said IT system, the journal entries are manually posted into the general ledger (financial reporting IT system) for recognition of passenger revenue. Considering the significance of amount involved and complicated IT systems that handle large volumes of transaction data, including exchange of information with online travel agents, recognition of passenger revenue has been identified as a key audit matter for current year's audit.	Our procedures in relation to passenger revenue included, but not limited to the following: • Obtained and updated our understanding of the business process for each stream of revenue; • Understood the passenger revenue recognition policy of the Company and ensured that it is in line with Ind AS 115 'Revenue from Contracts with Customers'; • Involved our IT specialists to evaluate design and test operating effectiveness of IT general controls and key automated controls of the Company's IT system and third-party systems (assessed the SSAE 16 assurance report) which govern revenue recognition, and tested key manual internal controls over passenger revenue recognition; • Verified the reconciliation of data between the third-party system and the general ledger (financial reporting IT system) to corroborate the completeness of revenue; • Performed data analytics to identify unusual patterns by comparing the trend in monthly revenue, sector-wise revenue and average revenue per passenger;

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Key audit matter	How our audit addressed the key audit matter
	• For samples selected during the year and samples selected in reference to cut-off procedures, tested the supporting documents; and • Evaluated the appropriateness and adequacy of the disclosures made in the standalone financial statements for passenger revenue recognised during the year.
Provision for maintenance in relation to aircrafts We refer to notes 2A(I)(ii), 24 and 31 of the standalone financial statements for accounting policies, disclosures and information related to accounting judgements, assumptions and estimates relating to provision for aircraft maintenance. The Company operates aircrafts held under lease arrangements and incurs liabilities for maintenance costs in respect of these aircrafts during the term of the lease. As at March 31, 2024, the Company has recognised provisions for aircraft maintenance amounting to Rs. 2,950.58 million. These costs arise from regulatory and contractual obligations relating to the condition of the aircrafts and/or specific components when they are returned to the lessors. At each reporting date, the calculation of the maintenance provision includes a number of variable factors and assumptions including: anticipated utilisation of the aircraft; the cost of the expected heavy maintenance check; the condition of the aircraft engine, contractual return condition and the expected drawdown from the supplemental rental contribution. Considering the inherent level of complexity and subjectivity involved in the management estimates and judgements for assessing the variable factors, in order to quantify the provision amounts and hence, provision for aircraft maintenance has been selected as a key audit matter for the current year's audit.	Our audit procedures in relation to provision for aircraft maintenance included, but not limited to the following: • Obtained an understanding from the management with respect to process and controls followed by the Company to ensure appropriateness of recognition, measurement and completeness of provision for maintenance in relation to aircrafts; • Evaluated the design and tested the operating effectiveness of the internal financial controls over maintenance process including accounting for provision for aircrafts maintenance held under the lease contract; • Read the maintenance contracts with third parties to gain an understanding of the significant terms relating to maintenance of aircrafts and its components; • Obtained information from engineering department about the aircrafts utilisation pattern (basis analysis of historical flight hours) and expected condition of the aircraft (basis underlying engine inspections and results) in reference to the expected future maintenance event dates and expected estimated cost of maintenance work; • Evaluated the consistency and reasonableness of the above judgements, assumptions and estimates by testing the input data basis historical available trends/information, contract terms and Company's past experience; • Tested the arithmetical accuracy of the calculation for provision balance outstanding as at March 31, 2024; and • Evaluated appropriateness and adequacy of the disclosures made in standalone financial statements with respect to the provision for aircrafts maintenance.

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Key audit matter	How our audit addressed the key audit matter
Impairment of non-financial assets We refer to notes 2A(e), 3 and 4 of the standalone financial statements for accounting policies and information related to accounting judgements, assumptions and estimates relating to impairment of non-financial assets. During the current year, due to the carried forward impact of Covid-19 pandemic and other business reasons, impairment indicators were identified in reference to non-financial assets namely right-of-use (ROU) assets and property, plant and equipment (PPE). The Company has identified its fleet of passenger aircrafts and freighter aircrafts as separate cash generating units (CGUs) and accordingly performed impairment assessment of passenger aircrafts in accordance with the accounting principles and determined the value-in-use of its cash generating units (CGUs) and compared with the carrying value. The future cash flow projections and its discounting involved significant inputs such as expected fuel prices, foreign exchange rates, growth rate and discount rate. The management has concluded that the recoverable amount of the CGUs is higher than its carrying amount and accordingly, no impairment provision has been recorded as at March 31, 2024. Considering significant management judgements involved in determination of said inputs used in computation, impairment of non-financial assets has been identified as a key audit matter for the current year's audit.	Our audit procedures in relation to impairment assessment included, but not limited to the following: • Obtained an understanding of the management process for identification of possible impairment indicators and process performed by the management for impairment testing and the management process of determining the Value-in-Use (VIU); • Evaluated design and tested the operating effectiveness of relevant internal financial controls implemented for impairment assessment; • Obtained and assessed the management's impairment assessment computation by testing the underlying assumptions used in determining the cash flow projections and VIU; • Together with our valuation specialists, challenged the management on the underlying key assumptions used for cash flow projections and discount rate, considering evidence available to support these assumptions and our understanding of the business; • Performed sensitivity analysis on these key assumptions to assess potential impact of downside in the underlying cash flow forecasts and assessed the possible mitigating actions identified by management; • Tested the arithmetical accuracy of the cash flow projections; and • Evaluated the appropriateness and adequacy of the disclosures made in the standalone financial statements with respect to impairment of non-financial assets.

Information other than the Standalone Financial Statements and Auditor's Report thereon

9. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

10. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also 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 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

11. In preparing the standalone financial statements, the Board of Directors is 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.

12. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

13. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are 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 Standards on Auditing 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 these standalone financial statements.

14. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the standalone financial statements, 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

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- Conclude on the appropriateness of 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 Company's ability 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 standalone financial statements 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; and

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

15. 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.

16. 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.

17. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

18. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

19. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

20. Further to our comments in Annexure A, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, 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 of the accompanying standalone financial statements;

    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, except for the effects of the matters described in the Basis for Qualified Opinion section and except for the matters stated in paragraph 20(j)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    c) The standalone financial statements dealt with by this report are in agreement with the books of account;

    d) Except for the effects of the matters described in the Basis for Qualified Opinion section, in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

    e) The matters described in paragraph 3 of the Basis for Qualified Opinion section, paragraph 5 of the Material Uncertainty Related to Going Concern section and paragraph 6 of the Emphasis of Matter section, in our opinion, may have an adverse effect on the functioning of the Company;

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Independent Auditor's Report to the members of SpiceJet Limited on the standalone financial statements for the year ended March 31, 2024 (cont'd)

f) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of section 164(2) of the Act;

g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 3 of the Basis for Qualified Opinion section, paragraph 20(b) above on reporting under section 143(3)(b) of the Act and paragraph 20(j)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on March 31, 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed a modified opinion; and

i) 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, as detailed in note 47 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at March 31, 2024;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2024;

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 March 31, 2024;

iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 63 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 63 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the 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; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended March 31, 2024; and

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Independent Auditor's Report to the members of SpiceJet Limited on the standalone financial statements for the year ended March 31, 2024 (cont'd)

vi. As stated in note 62 to the standalone financial statements and based on our examination which included test checks, except for instances mentioned below, the Company, in respect of financial year commencing on April 1, 2023, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exceptions given below.

1) The audit trail feature was not enabled at the database level for an accounting software to log any direct data changes, used for maintenance of all accounting records by the Company.

2) The accounting software used for maintenance of revenue and payroll records of the Company are operated by third-party software service providers. In the absence of any information on existence of audit trail (edit logs) for any direct changes made at the database level in the 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with ISAE 3402, Assurance Reports on Controls at a Service Organisation), we are unable to comment on whether audit trail feature with respect to the database level of the said software was enabled and operated throughout the year.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No.: 099514

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UDIN: 24099514BKCMXJ4718

Place: Gurugram
Date: July 15, 2024

Annexure A referred to in paragraph 19 of the Independent Auditor's Report of even date to the members of SpiceJet Limited on the standalone financial statements for the year ended March 31, 2024

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress, and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its property, plant and equipment, capital work-in-progress, and relevant details of right-of-use assets under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment, capital work-in-progress, and relevant details of right-of-use assets were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in Note 3 to the standalone financial statements, are held in the name of the Company. For title deeds of immovable properties in the nature of land situated at Gurugram, Haryana with gross carrying values of Rs. 171.37 million as at March 31, 2024, which have been mortgaged as security for loans or borrowings taken by the Company, confirmations with respect to title of the Company have been directly obtained by us from the respective lenders.

(d) The Company has adopted cost model for its property, plant and equipment (including right-of-use assets) and intangible assets. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.

(b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) The Company has not provided any guarantee or security or granted any advances in the nature of loans to companies, firms, limited liability partnerships during the year. Further, the Company has made investments in and granted unsecured loans to companies during the year, in respect of which:

(a) The Company has provided loans to subsidiaries during the year as per details given below:

Particulars	Loans (Rs. in millions)
Aggregate amount granted during the year – subsidiaries	0.40
Balance outstanding as at balance sheet date in respect of above cases - subsidiaries	137.18

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Annexure A referred to in Paragraph 19 of the Independent Auditor's Report of even date to the members of SpiceJet Limited on the standalone financial statements for the year ended March 31, 2024 (cont'd)

(b) The Company has not provided any guarantee or given any security or granted any advances in the nature of loans during the year. However, the Company has made investment in two entities amounting to Rs. 149.77 million (year end balance Rs. 149.87 million) and in our opinion, and according to the information and explanations given to us, such investments made are, prima facie, not prejudicial to the interest of the Company. Further, the terms and conditions of the grant of all the loans are, prima facie, not prejudicial to the interest of the Company.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and principal amount is not due for repayment currently.

(d) There is no overdue amount in respect of loans granted to such companies.

(e) The Company has not granted any loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans that existed as at the beginning of the year.

(f) The Company has not granted any loan, which is repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans granted and investments made, as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of guarantees and security provided by it.

(v) In our opinion, and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India ('the RBI'), the provisions of sections 73 to 76 or other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) as applicable, with regard to the deposits accepted or amounts which have been deemed to be deposits, except for the non-compliance as detailed in note 50 of the standalone financial statements relating to advances which were received towards securities proposed to be issued. However, on account of ongoing litigation as detailed in the aforesaid note, such securities have not been issued till date and accordingly, such amounts are considered as deemed deposits under the provisions of the Act. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or RBI or any Court or any other Tribunal, in this regard.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii)(a) In our opinion and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have not been regularly deposited with the appropriate authorities and there have been significant delays in a large number of cases. Undisputed amounts payable in respect thereof, which were outstanding at the year-end for a period of more than six months from the date they became payable are as follows:

Statement of arrears of statutory dues outstanding for more than six months:

Name of the statute	Nature of the dues	Amount (Rs. in millions)	Period to which the amount relates	Due Date	Date of Payment
The Income-tax Act, 1961	Tax deducted at source	112.59	April 2020 to March 2021	Multiple dates	Not paid
The Income-tax Act, 1961	Tax deducted at source	278.06	April 2021 to March 2022	Multiple dates	Not paid

Annexure A referred to in Paragraph 19 of the Independent Auditor's Report of even date to the members of SpiceJet Limited on the standalone financial statements for the year ended March 31, 2024 (cont'd)

Name of the statute	Nature of the dues	Amount (Rs. in millions)	Period to which the amount relates	Due Date	Date of Payment
The Income-tax Act, 1961	Tax deducted at source	959.58	April 2022 to March 2023	Multiple dates	Not paid
The Income-tax Act, 1961	Tax deducted at source	848.05	April 2023 to August 2023	Multiple dates	Not paid
Central Goods and Services Tax Act,2017	Goods and services tax	519.32	February 2020 to March 2021	Multiple dates	Not paid
Central Goods and Services Tax Act,2017	Goods and services tax	73.08	April 2021 to March 2022	Multiple dates	Not paid
Central Goods and Services Tax Act,2017	Goods and services tax	71.82	April 2022 to March 2023	Multiple dates	Not paid
Central Goods and Services Tax Act,2017	Goods and services tax	50.56	April 2023 to August 2023	Multiple dates	Not paid
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident fund	0.20	April 2020 to March 2021	Multiple dates	Not paid
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident fund	193.33	April 2021 to March 2022	Multiple dates	Not paid
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident fund	878.54	April 2022 to March 2023	Multiple dates	Not paid
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident fund	282.72	April 2023 to August 2023	Multiple dates	Not paid

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure A referred to in Paragraph 19 of the Independent Auditor's Report of even date to the members of SpiceJet Limited on the standalone financial statements for the year ended March 31, 2024 (cont'd)

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (Rs. in millions)	Amount paid under Protest (Rs. in million)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service tax (including penalty for delay)	170.70	-	April 2006 to March 2012	Customs, Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service tax (including penalty for delay)	255.60	-	2009-10 to 2011-12	Customs, Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service tax (including penalty for delay)	484.19	-	F Y 2014-15	Customs, Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service tax (including penalty for delay)	285.36	-	F Y 2015-16	Customs, Excise and Service Tax Appellate Tribunal
Customs Act, 1962	Customs (including penalty for delay)	1.20	-	October 2010 to March 2015	Customs, Excise and Service Tax Appellate Tribunal
Customs Act, 1962	Customs (including penalty for delay)	26.88	-	December 2012 to September 2016	Customs, Excise and Service Tax Appellate Tribunal
Customs Act, 1962	Customs (including penalty for delay)	6.78	-	October 2016 to March 2017	Customs, Excise and Service Tax Appellate Tribunal
Customs Act, 1962	Customs	40.41	-	April 2017 to March 2018	Customs, Excise and Service Tax Appellate Tribunal
Customs Act, 1962	Customs	72.50	-	April 2018 to March 2019	Customs, Excise and Service Tax Appellate Tribunal
Customs Act, 1962	Customs	46.80	-	April 2019 to March 2020	Customs, Excise and Service Tax Appellate Tribunal
Customs Act, 1962	Customs	50.80	-	September 2020 to Dec 2021	Customs, Excise and Service Tax Appellate Tribunal

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure A referred to in Paragraph 19 of the Independent Auditor's Report of even date to the members of SpiceJet Limited on the standalone financial statements for the year ended March 31, 2024 (cont'd)

Name of the statute	Nature of dues	Gross Amount (Rs. in millions)	Amount paid under Protest (Rs. in million)	Period to which the amount relates	Forum where dispute is pending
Customs Act, 1962	Customs	23.19	-	July 2017 to December 2020	Customs, Excise and Service Tax Appellate Tribunal
Customs Act, 1962	Customs	19.60	-	November 2018 to December 2021	Customs Commisionerate
Customs Act, 1962	Customs	1.80	-	August 2014 to December 2014	Office of the Commissioner of Customs (Appeals), Kolkata
Goods and Services Tax Act, 2017	Integrated goods and services tax	619.62	619.62	August 2017 to March 2021	Hon'ble Supreme Court of India
Goods and Services Tax Act, 2017	Good and services tax	40.45	-	July 2017 to March 2019	GST Appellate Tribunal
Goods and Services Tax Act, 2017	Good and services tax	112.14	-	July 2017 to March 2019	Hon'ble Supreme Court of India
Goods and Services Tax Act, 2017	Good and services tax	3.10	-	April 2017 to March 2018	GST Appellate Tribunal
Goods and Services Tax Act, 2017	Good and services tax	4.77	-	April 2018 to March 2019	GST Appellate Tribunal
Goods and Services Tax Act, 2017	Good and services tax	0.34	-	April 2019 to March 2020	GST Appellate Tribunal
Goods and Services Tax Act, 2017	Good and services tax	2.26	-	April 2022 to July 2022	GST Appellate Tribunal
Goods and Services Tax Act, 2017	Good and services tax	6.51	-	April 2017 to March 2018	GST Appellate Tribunal
Goods and Services Tax Act, 2017	Good and services tax	239.11	-	April 2017 to March 2018	GST Appellate Authority
Goods and Services Tax Act, 2017	Good and services tax	17.45	-	April 2018 to March 2019	Office of the Joint Commissioner of State Taxes, Patna
Goods and Services Tax Act, 2017	Good and services tax	134.26	-	April 2017 to March 2018	Office of Excise and taxation Officer, Haryana

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure A referred to in Paragraph 19 of the Independent Auditor's Report of even date to the members of SpiceJet Limited on the standalone financial statements for the year ended March 31, 2024 (cont'd)

Name of the statute	Nature of dues	Gross Amount (Rs. in millions)	Amount paid under Protest (Rs. in million)	Period to which the amount relates	Forum where dispute is pending
Goods and Services Tax Act, 2017	Good and services tax	203.41	-	April 2018 to March 2019	Office of Deputy Comissioner of State Tax
Goods and Services Tax Act, 2017	Good and services tax	65.87	-	April 2018 to March 2019	Office of Assistant Commissioner of State Tax
Goods and Services Tax Act, 2017	Good and services tax	15.65	-	April 2018 to March 2019	Office of Commisioner of GST
Income Tax Act, 1961	Tax deducted at source	222.54	-	AY 2009-10	CIT (Appeals)
Income Tax Act, 1961	Tax deducted at source	122.01	-	AY 2010-11	CIT (Appeals)
Income Tax Act, 1961	Tax deducted at source	180.77	-	AY 2011-12	Hon'ble High court, New Delhi
Income Tax Act, 1961	Tax deducted at source	171.65	-	AY 2012-13	Hon'ble High court, New Delhi
Income Tax Act, 1961	Tax deducted at source	21.37	-	AY 2013-14	Hon'ble High court, New Delhi

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix)(a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure A referred to in Paragraph 19 of the Independent Auditor's Report of even date to the members of SpiceJet Limited on the standalone financial statements for the year ended March 31, 2024 (cont'd)

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has made preferential allotment of equity shares. In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of section 42 and section 62 of the Act and the rules framed thereunder with respect to the same. Further, the amounts so raised have not been utilised by the Company for the purposes for which such funds were raised, the details of which are given below:

Nature of securities	Purpose for which funds raised	Total amount raised/Opening unutilised balance (Rs. millions)	Amount utilised for the other purpose (Rs. millions)*	Unutilised balance as at March 31, 2024 (Rs. millions)
Equity shares	Payment of statutory obligations such as tax deducted at source, goods and services tax, provident fund etc.	1,423.49	619.32	179.17
Equity shares	Settlement of creditors for past dues	1,132.32	-	0.72
Equity shares	Uplifting and un-grounding of fleet and new fleet acquisition	1,419.83	-	0.43
Equity shares	Aviation turbine fuel expenses	575.08	-	-
Equity shares	Employee expenses	227.34	-	10.04
Equity shares	General corporate purposes	1,586.94	-	39.14

** This has also been used for aviation turbine fuel related expenses.*

(xi)(a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure A referred to in Paragraph 19 of the Independent Auditor's Report of even date to the members of SpiceJet Limited on the standalone financial statements for the year ended March 31, 2024 (cont'd)

(xiv)(a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

(xvi)(a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has incurred cash losses in the current financial year and in the immediately preceding financial years amounting to Rs. 4,000.71 millions and 10,554.09 millions respectively. For the purpose of reporting under this clause, while arriving at the amount of cash losses, the possible effects of the qualification as described in 'Basis for Qualified Opinion' section of our audit report of current as well immediately preceding financial year, in respect of which we are unable to determine the effect thereof on the cash losses reported under this clause due to lack of necessary information, have not been taken into consideration.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, in our opinion, a material uncertainty exists as on the date of the audit report indicating that Company may 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. Further, refer paragraph 5 under section 'Material Uncertainty related to Going Concern' in our audit report.

(xx) According to the information and explanations given to us, the Company has met the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, however, in the absence of average net profits in the immediately three preceding years, there is no requirement for the Company to spend any amount under sub-section (5) of section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure A referred to in Paragraph 19 of the Independent Auditor's Report of even date to the members of SpiceJet Limited on the standalone financial statements for the year ended March 31, 2024 (cont'd)

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No.: 099514

UDIN: 24099514BKCMXJ4718

Place: Gurugram
Date: July 15, 2024

Annexure B to the Independent Auditor's Report of even date to the members of SpiceJet Limited on the standalone financial statements for the year ended March 31, 2024

Annexure B

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of SpiceJet Limited ('the Company') as at and for the year ended March 31, 2024, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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 ('the Guidance Note') 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 the Company's 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 Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. 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 with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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 standalone financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 standalone financial statements.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure B to the Independent Auditor's Report of even date to the members of SpiceJet Limited, on the standalone financial statements for the year ended March 31, 2024 (cont'd)

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified opinion

8. According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Company's internal financial controls with reference to financial statements as at March 31, 2024:

   The Company's internal financial controls over estimation of consequences towards non-compliances with laws and regulations as more fully explained in Note 48 to the standalone financial statements, were not operating effectively, which could potentially result in an inappropriate assessment of the accuracy and completeness of provision for fines/penalties. This could lead to potential material misstatement in the value of fines/penalties payable, and its consequential impact on the loss after tax, reserve and surplus and related disclosures respect thereof as at and for the year ended March 31, 2024.

   A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

9. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements as at March 31, 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI, and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to financial statements were operating effectively as at March 31, 2024.

10. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company as at and for the year ended March 31, 2024, and the material weakness has affected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Neeraj Goel
Partner
Membership No.: 099514

UDIN: 24099514BKCMXJ4718

Place: Gurugram
Date: July 15, 2024

SpiceJet Limited
Standalone balance sheet as at March 31, 2024
(All amounts are in millions of Indian Rupees, unless otherwise stated)

	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	11,436.20	12,052.22
Capital work-in-progress	5A	53.61	60.27
Right of use assets	4	13,924.69	27,672.57
Intangible assets	5	0.25	6.21
Financial assets			
(i) Investments	6	185.01	27.62
(ii) Loans	7	30.40	296.82
(iii) Other receivables	8	25,507.70	25,557.70
(iv) Other financial assets	9	3,042.82	4,979.63
Income-tax assets (net)	10	1,512.78	1,311.15
Other non-current assets	11	9,145.23	9,649.78
Total non-current assets		**64,838.69**	**81,613.97**
Current assets			
Inventories	12	1,657.00	1,563.21
Financial assets			
(i) Investments	13	4.91	4.56
(ii) Trade receivables	14	1,919.42	1,538.78
(iii) Other receivables	15	8,513.02	9,454.82
(iv) Cash and cash equivalents	16A	1,866.86	323.36
(v) Bank balances other than (iv) above	16B	108.66	12.77
(vi) Other financial assets	17	4,284.45	3,598.89
Other current assets	18	6,372.94	4,687.38
Total current assets		**24,727.26**	**21,183.77**
Total assets		**89,565.95**	**1,02,797.74**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	7,834.05	6,018.46
Other equity	20	(33,692.52)	(38,334.53)
Total equity		**(25,858.47)**	**(32,316.07)**
Non-current liabilities			
Financial liabilities			
(i) Borrowings	21	8,923.49	4,655.89
(ii) Lease liabilities	22	14,985.51	28,440.69
(iii) Trade payables	23		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		408.08	1,341.27
Provisions	24	1,464.17	1,626.92
Other non-current liabilities	25	84.44	101.53
Total non-current liabilities		**25,865.69**	**36,166.30**
Current liabilities			
Financial liabilities			
(i) Borrowings	26	2,592.61	7,196.77
(ii) Lease liabilities	27	27,253.78	33,188.78
(iii) Trade payables	28		
Total outstanding dues of micro enterprises and small enterprises		663.98	491.09
Total outstanding dues of creditors other than micro enterprises and small enterprises		32,504.56	30,213.93
(iv) Other financial liabilities	29	1,388.28	1,728.18
Other current liabilities	30	21,032.17	21,974.17
Provisions	31	4,123.35	4,154.59
Total current liabilities		**89,558.73**	**98,947.51**
Total liabilities		**1,15,424.42**	**1,35,113.81**
Total equity and liabilities		**89,565.95**	**1,02,797.74**
Summary of material accounting policies	2		

The accompanying notes including summary of material accounting policies and other explanatory information are an integral part of these standalone financial statements.

This is the standalone balance sheet referred to in our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
ICAI Firm Registration No. 001076N/N500013

Neeraj Goel
Partner
Membership No. 099514

Place: Gurugram
Date: July 15, 2024

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

For and on behalf of the Board of Directors

Ajay Singh
Chairman and Managing Director

Place: Gurugram
Date: July 15, 2024

Jayakesh Podder
Deputy Chief Financial Officer

Place: Gurugram
Date: July 15, 2024

Chandan Sand
Company Secretary

Place: Gurugram
Date: July 15, 2024

SpiceJet Limited
Standalone statement of profit and loss for the year ended March 31, 2024
(All amounts are in millions of Indian Rupees, unless otherwise stated)

	Notes	Year ended March 31, 2024	Year ended March 31, 2023
Income			
Revenue from operations	32	70,499.74	88,688.40
Other income	33	14,186.66	9,909.10
Total income		**84,686.40**	**98,597.50**
Expenses			
Operating expenses	35A	54,528.37	74,199.04
Purchases of stock-in-trade	35B	731.05	957.84
Changes in inventories of stock-in-trade	35C	(26.93)	(54.92)
Employee benefits expense	36	7,705.43	8,438.71
Sales and marketing expenses	37	3,535.28	2,278.11
Other expenses	38	9,518.23	6,320.57
Foreign exchange loss (net)	40	980.26	6,789.51
Total expense		**76,971.69**	**98,928.86**
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**7,714.71**	**(331.36)**
Depreciation and amortisation expense	41	(7,479.13)	(10,193.64)
Finance income	34	283.29	551.36
Finance costs	39	(4,613.26)	(5,056.51)
Loss before tax		**(4,094.39)**	**(15,030.15)**
Tax expense		-	-
Loss for the year		**(4,094.39)**	**(15,030.15)**
Other comprehensive income			
Items that will not be reclassified to statement of profit and loss			
Remeasurement gain/(loss) on defined benefit obligations		52.01	(1.10)
Income tax impact		-	-
Other comprehensive income for the year		**52.01**	**(1.10)**
Total comprehensive income for the year		**(4,042.38)**	**(15,031.25)**
Earnings per equity share (Rs.)	42		
- Basic		(6.17)	(24.97)
- Diluted		(6.17)	(24.97)
Summary of material accounting policies	2		

The accompanying notes including summary of material accounting policies and other explanatory information are an integral part of these standalone financial statements.

This is the standalone statement of profit and loss referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
ICAI Firm Registration No. 001076N/N500013

Neeraj Goel
Neeraj Goel
Partner
Membership No. 099514

Place: Gurugram
Date: July 15, 2024

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

For and on behalf of the Board of Directors

Ajay Singh
Chairman and Managing Director

Place: Gurugram
Date: July 15, 2024

Joyakesh Podder
Deputy Chief Financial Officer

Place: Gurugram
Date: July 15, 2024

Chandan Sand
Company Secretary

Place: Gurugram
Date: July 15, 2024

SpiceJet Limited
Standalone cash flow statement as at March 31, 2024
(All amounts are in millions of Indian Rupees, unless otherwise stated)

Particulars		Year ended March 31, 2024	Year ended March 31, 2023
Cash flows from operating activities			
Loss before tax		**(4,094.39)**	**(15,030.15)**
Adjustments for			
Depreciation and amortisation expense		7,479.13	10,193.64
Impairment of trade receivables		236.91	99.41
Loss/(profit) on sale of property, plant and equipment (net)		36.36	(7.62)
Impairment of advances and other advances/amounts written off		2,589.53	537.15
Impairment of capital advances		1,247.00	381.36
Share based payment expense		11.76	18.87
Liabilities/provision no longer required written back		(8,146.72)	(7,224.48)
Gain on de-recognition of lease liabilities and right of use assets		(5,784.30)	(2,423.31)
Interest on lease liabilities		2,176.89	3,128.43
Finance cost - others		2,436.37	1,928.08
Interest income from financial assets measured at amortised cost		(152.37)	(228.59)
Net gain on financial assets measured at fair value through profit or loss		(0.36)	(0.23)
Interest income		(130.92)	(322.77)
Unrealised foreign exchange loss (net)		841.96	5,823.05
Operating loss before working capital changes		**(1,253.15)**	**(3,127.16)**
Movements in working capital:			
Trade and other receivables		(2,006.39)	(616.27)
Inventories		(93.79)	(112.48)
Other financial assets		(879.38)	(262.49)
Other assets		(3,335.33)	(3,329.87)
Trade payables		3,166.87	4,731.10
Other financial liabilities		178.32	437.74
Other liabilities		(1,929.76)	3,503.22
Provisions		178.30	516.75
Cash (used in)/flows from operations		**(5,974.31)**	**1,740.54**
Income taxes paid (net of refunds)		(159.86)	(429.37)
Net cash (used in)/flows from operating activities	A	**(6,134.17)**	**1,311.17**
Cash flows from investing activities			
Purchase of property, plant and equipment and capital work-in-progress (including capital advances)		(473.40)	(247.61)
Proceeds from sale of property, plant and equipment		13.81	56.74
Loans given to subsidiaries		(0.40)	(49.10)
Loans received back from subsidiaries		220.78	60.00
Purchase of investments		(99.76)	(0.08)
Movement in fixed deposits (net)		(95.89)	494.43
Movement in margin money (net)		679.60	4,485.86
Finance income received		121.49	426.11
Net cash flows from investing activities	B	**366.23**	**5,226.35**
Cash flows from financing activities			
Proceeds from issue of equity shares (including securities premium and net of transaction costs)		5,778.74	0.49
Proceeds from issue of share warrants		2,391.97	-
Proceeds from long-term borrowings		3,411.82	3,021.71
Repayment of long-term borrowings		(477.00)	(624.37)
Movement in short-term borrowings (net)		(590.00)	(1,957.73)
Repayment of lease liabilities (including interest of Rs. 2,176.89 million (March 31, 2023: Rs. 3,128.43 million)*		(4,239.50)	(6,259.97)
Finance costs paid		(956.63)	(496.58)
Net cash flows from/(used in) financing activities	C	**7,319.40**	**(6,316.44)**
Net increase in cash and cash equivalents	(A+B+C)	**1,551.46**	**221.08**
Effects of exchange difference on cash and cash equivalents held in foreign currency		(7.96)	6.49
Cash and cash equivalents at the beginning of the year		323.36	95.79
Cash and cash equivalents at the end of the year		**1,866.86**	**323.36**
Notes:			
Components of cash and cash equivalents (refer note 16A)			
Balances with banks:			
- In current accounts		1,865.14	218.20
- In deposit accounts (with original maturity upto 3 months)		0.02	0.33
Cash on hand		1.70	104.83
		1,866.86	**323.36**

* Repayments for lease liabilities have first been attributed to interest expense for the year and balance to principal.

The accompanying notes including summary of material accounting policies and other explanatory information are an integral part of these standalone financial statements.

This is the standalone cash flow statement referred to in our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
ICAI Firm Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Neeraj Goel
Partner
Membership No: 099514

Place: Gurugram
Date: July 15, 2024

For and on behalf of the Board of Directors

Ajay Singh
Chairman & Managing Director

Place: Gurugram
Date: July 15, 2024

Jayakesh Podder
Deputy Chief Financial Officer

Place: Gurugram
Date: July 15, 2024

Chandan Sand
Company Secretary

Place: Gurugram
Date: July 15, 2024

SpiceJet Limited

Standalone statement of changes in equity for the year ended March 31, 2024

(All amounts are in millions of Indian Rupees, unless otherwise stated)

A. Equity share capital:

Equity shares of Rs. 10 each issued, subscribed and fully paid	Number	Amount
As at April 01, 2022	**60,17,96,615**	**6,017.97**
Issued during the year pursuant to exercise of employee stock options	49,050	0.49
As at March 31, 2023	**60,18,45,665**	**6,018.46**
Issued during the year pursuant to preferential issue	18,13,61,852	1,813.62
Issued during the year pursuant to exercise of employee stock options	1,97,200	1.97
As at March 31, 2024	**78,34,04,717**	**7,834.05**

B. Other equity

For the year ended March 31, 2024

Particulars	Reserves and surplus				Money received against share warrants	Total other equity
	Capital reserve	Securities premium	Share options outstanding account	Retained earnings		
As at April 01, 2023	**25,573.65**	**10,140.54**	**59.11**	**(74,107.83)**	-	**(38,334.53)**
Loss for the year	-	-	-	(4,094.39)	-	(4,094.39)
Other comprehensive income for the year	-	-	-	52.01	-	52.01
Total comprehensive income for the year	**25,573.65**	**10,140.54**	**59.11**	**(78,150.21)**	-	**(42,376.91)**
Transactions with owners in their capacity as owners:						
Transfer to retained earnings on account of stock options lapsed	-	-	(24.42)	24.42	-	-
Share based payment expense	-	-	19.35	-	-	19.35
Issue of equity shares	-	6,273.07	-	-	-	6,273.07
Transfer to securities premium on exercise of stock options	-	10.60	(10.60)	-	-	-
Money received against share warrants	-	-	-	-	2,391.97	2,391.97
As at March 31, 2024	**25,573.65**	**16,424.21**	**43.44**	**(78,125.79)**	**2,391.97**	**(33,692.52)**

For the year ended March 31, 2023

Particulars	Reserves and surplus				Money received against share warrants	Total other equity
	Capital reserve	Securities premium	Share options outstanding account	Retained earnings		
As at April 01, 2022	-	**10,134.09**	**40.20**	**(59,076.58)**	-	**(48,902.29)**
Loss for the year	-	-	-	(15,030.15)	-	(15,030.15)
Other comprehensive income for the year	-	-	-	(1.10)	-	(1.10)
Total comprehensive income for the year	-	**10,134.09**	**40.20**	**(74,107.83)**	-	**(63,933.54)**
Transfer to retained earnings	-	-	-	-		-
Transactions with owners in their capacity as owners:						
Share based payment expense	-	-	25.36	-	-	25.36
Transfer to securities premium on exercise of stock options	-	6.45	(6.45)	-	-	-
Adjustment on account of slump sale (refer note 51)	25,573.65	-	-	-	-	25,573.65
As at March 31, 2023	**25,573.65**	**10,140.54**	**59.11**	**(74,107.83)**	-	**(38,334.53)**

The accompanying notes to the standalone financial statements including summary of material accounting policies and other explanatory information are an integral part of these standalone financial statements

This is the standalone statement of changes in equity referred to in our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
ICAI Firm Registration No. 00[illegible]76N/N500013

Neeraj Goel
Partner
Membership No. 099514

Place: Gurugram
Date: July 15, 2024

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

For and on behalf of the Board of Directors

Ajay Singh
Chairman and Managing Director

Place: Gurugram
Date: July 15, 2024

Jayakesh Podder
Deputy Chief Financial Officer

Place: Gurugram
Date: July 15, 2024

Chandan Sand
Company Secretary

Place: Gurugram
Date: July 15, 2024

1. Corporate information

SpiceJet Limited ('SpiceJet' or 'the Company') was incorporated on February 9, 1984 as a limited company under the Companies Act and is listed on the BSE Limited ('BSE'). The Company is principally engaged in the business of providing air transport services for the carriage of passengers and cargo. The Company is a low-cost carrier ('LCC') operating under the brand name of 'SpiceJet' in India since May 23, 2005. The Company has a reasonable fleet size operating across various routes in India and abroad as at March 31, 2024. The registered office of the Company is located at Indira Gandhi International Airport, Terminal 1D, New Delhi – 110037.

The standalone financial statements were approved for issue by the board of directors on July 15, 2024.

2. A. Summary of material accounting policies

a) Basis of preparation of financial statements

i. Statement of compliance

The standalone financial statements ('financial statements') of the Company for the year ended March 31, 2024 have been prepared in accordance with Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read together with the Companies (Indian Accounting Standards) Rules 2015, as amended.

The financial statements are presented in Indian Rupees (Rs.) (its functional and presentation currency) and all values are rounded off to the nearest millions, except where otherwise indicated.

ii. Historical cost convention

The financial statements have been prepared on the historical cost basis, except for certain financial assets and financial liabilities that are measured at fair value or amortised cost.

iii. Going concern assumption

The Company has incurred a net loss (after other comprehensive income) of Rs. 4,042.38 million for the year ended March 31, 2024, and as of that date, the Company has negative retained earnings of Rs. 78,125.79 million and negative net worth of Rs. 25,858.47 million and the current liabilities have exceeded its current assets by Rs. 64,831.47 million as at March 31, 2024.

Losses over the last few years have been primarily driven by adjustments on account of implementation of Ind AS 116, adverse foreign exchange rates, operational disruption during Covid 19 followed by sub-optimal operations due to liquidity constraints faced by the Company.

On account of its operational and financial position, the Company has deferred payments to various parties, including lessors and other vendors and its dues to statutory authorities as also described in Note 48. Where determinable, the Company has accrued for additional liabilities, if any, on such delays in accordance with contractual terms/applicable laws and regulations and based on necessary estimates and assumptions. Additionally, the Company has also accounted for liabilities arising out of various litigation settlements. However, it is not practically possible to determine the amount of all such costs or any penalties or other similar consequences resulting from contractual or regulatory non-compliances. The management is confident that they will be able to negotiate further settlements in order to minimize/avoid any or further penalties. Further, the Company continues to defend itself in certain litigations at various Appellate/Judicial levels including matters summarised in Note 50.

The aforesaid conditions indicate the existence of uncertainty that may create doubt about the Company's ability to continue as a going concern.

The Company continues to implement various measures such as return to service of its grounded fleet, enhancing customer experience, improving selling and distribution, revenue management, fleet rationalization, optimizing aircraft utilization, redeployment of capacity in key focus markets, management and employee compensation revision, renegotiation of contracts and other costs control measures, to help the Company establish consistent profitable operations and cash flows in the future. These initiatives are heavily dependent upon Company's ability to raise funds. During the year ended March 31, 2023, the Company had received funds aggregating to Rs. 4,498.17 million under Emergency Credit Line Guarantee Scheme ('ECLGS') scheme. The Company has further received Rs. 5,412.96 million under ECLGS scheme during the year ended March 31, 2024. During the year, Company has also issued fresh equity shares and equity warrants to the promoter group for value aggregating to Rs. 4,940.92 million and also issued equity shares to one of the large lessor against some of its outstanding dues. The Company has further issued fresh equity shares and equity warrants on preferential basis to various investors under non-promoter category aggregating to issue size of Rs. 10,600.00 million. The Company is also in ongoing discussions with certain potential investors for raising additional funds and is also expecting relief from certain lessors for settlement of their outstanding dues. Based on the foregoing and its effect on business plans and cash flow projections, the management is of the view that the Company will be able to raise funds as necessary and achieve profitable operations, in order to meet its liabilities as they fall due.

Accordingly, these standalone financial statements have been prepared on the basis that the Company will continue as a going concern for the foreseeable future. The auditors have included 'Material Uncertainty Related to Going Concern' paragraph in their audit report in this regard.

iv. Critical accounting estimates and judgements

In preparing these financial statements, the management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about significant areas of estimation/uncertainty and judgements in applying accounting policies that have the most significant effect on the standalone financial statements are as follows:

Note 2(A) (h)(iii) and 45 – estimates required for employee benefits.

Note 2(A) (k) – estimates/judgement required for leases.

Note 2(A) (c) and (d) – measurement of useful life and residual values of property, plant and equipment and intangible assets.

Note 2(A) (l) and (p) – estimation of provision of maintenance.

Note 2(A) (e) and (q) – estimates/judgement required in impairment assessment.

Note 2(A) (i) – judgement required to determine probability of recognition of deferred tax assets.

Note 2(A) (k)(i) – estimation of provision for aircraft redelivery.

Note 2(A) (w) – judgment relation to contingent liabilities.

Note 2(A) (u) – estimates/judgement required to determine grant date fair value of stock options.

b) 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 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.

The Company classifies all other liabilities as non-current.

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

The Company has identified twelve months as its operating cycle.

c) Business combination and asset acquisition

In case, the acquisition of an asset or a group of assets that does constitute a business, identifiable acquired assets and liabilities and contingent liabilities assumed in a business combination are measured initially at their acquisition-date fair values. Goodwill is measured as excess of the aggregate of the fair value of the consideration transferred, the amount recognized for non-controlling interests and fair value of any previous interest held, over the fair value of the net of identifiable assets acquired and liabilities assumed. If the fair value of the net of identifiable assets acquired and liabilities assumed is in excess of the aggregate mentioned above, the resulting gain on bargain purchase is recognized in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

In case, the acquisition of an asset or a group of assets that does not constitute a business, the acquirer identifies and recognises the individual identifiable assets acquired (including those assets that meet the definition and recognition criteria for intangible assets) and liabilities assumed. The cost of the group (i.e. consideration paid) shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase.

d) Property, plant and equipment

Recognition and measurement
Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

The cost of property, plant and equipment not ready for intended use before such date is disclosed under capital work-in-progress.

For depreciation purposes, the Company identifies and determines cost of asset significant to the total cost of the asset having useful life that is materially different from that of the life of the principal asset and depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied and the same is depreciated based on their specific useful lives. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure, are charged to the statement of profit and loss for the year during which such expenses are incurred.

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The Company has opted to avail the exemption under Ind AS 101 to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in financial statements for the year ended immediately before beginning of first Ind AS financial reporting period as per Indian GAAP (i.e., till 31 March 2016). Consequent to which exchange differences arising on long-term foreign currency monetary items related to acquisition of certain Q400 aircrafts are capitalized and depreciated over the remaining useful life of the asset.

Depreciation
The Company, based on technical assessment and management estimates, depreciates certain items of property, plant and equipment over-estimated useful lives which are different from the useful life prescribed in Schedule II to the Act. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The Company has used the following rates to provide depreciation on its property, plant and equipment.

Asset description	**Useful life estimated by the management (years)**
Plant and equipment	15
Rotable and tools	20
Office equipment	5
Computers	3 – 6
Furniture and fixtures	10
Motor vehicles	8
Leasehold improvements	Over the period of lease
Aircraft, engines and landing gear (excluding cost of major inspection)	8 – 20
Cost of major inspection	Over the expected period from current shop visit to next shop visit

Derecognition
An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

e) Intangible assets

Recognition and measurement
Intangible assets (software) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Depreciation
Costs incurred towards purchase of computer software are amortised using the straight-line method over a period based on management's estimate of useful lives of such software being in the range of 2-6 years, or over the license period of the software, whichever is shorter.

De-recognition
Intangible asset is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss when the asset is derecognised.

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f) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units ('CGU') fair value less cost of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period as relevant for asset or CGU tested for impairment. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a growth rate for subsequent years.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation/amortization is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation/amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

g) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

h) Revenue from contracts with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer (point in time consideration) at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. The revenue is recognized net of amounts collected on behalf of third parties. No significant element of financing is deemed present as the sales are either made with a nil credit term or with a credit period of 0-90 days.

<u>Rendering of services</u>

Passenger revenues are recognised on flown basis i.e. when the service is rendered and cargo revenue is recognised when goods are transported i.e. when the service is rendered. Amounts received in advance towards travel bookings/reservations are shown under other current liabilities as contract liability. If the Company performs by transferring services to a customer before the consideration is due and billed, a contract asset is recognised for the earned consideration.

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When another party is involved in providing services to its customer, the Company determines whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer. The Company is a principal and records revenue on a gross basis if it controls the promised services before providing them to the customer. However, if the Company's role is only to arrange for another entity to provide the services, then the Company is an agent and will need to record revenue at the net amount that it retains for its agency services.

The Company recognizes an expected breakage amount as revenue in proportion to the pattern of rights exercised by the customer. Breakage revenue represents the amount of unexercised rights of customers which are non-refundable in nature.

The unutilized balances in unearned revenue is recognized as income based on past statistics, trends and management estimates, after considering the Company's refund policy.

Fees charged for cancellations or any changes to flight tickets and towards special service requests are recognized as revenue on rendering of related services.

Government grants

Grants from the government are recognised where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. The grant which is revenue in nature is recognised as other operating revenue on a systematic basis over the period for which such grant is entitled.

Other revenues

Income in respect of hiring/renting out of space in premises and equipment is recognised at rates agreed with the customers, as and when related services are rendered.

Tours and packages

Income and related expense from sale of tours and packages are recognised upon services being rendered and where applicable, are stated net of discounts and applicable taxes. The income and expense are stated on gross basis. The sale of tours and packages not yet serviced is credited to unearned revenue, i.e., 'Contract liabilities' disclosed under other current liabilities.

Sale of food and beverages

Revenue from sale of food and beverages is recognised when the goods are delivered or served to the customer. Revenue from such sale is measured at the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Amounts received in advance towards food and beverages are shown under other current liabilities.

Training income

Revenue from training income is recognized proportionately with the degree of completion of services, based on management estimates of the relative efforts as well as the period over which related training activities are rendered.

Interest

Interest income is recorded using the effective interest rate ('EIR'). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. Interest income is included in finance income in the statement of profit and loss.

i) Employee benefits

i. Short-term employee benefits

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Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

ii. Other long-term employee benefits

The Company also provides benefit of compensated absences to its employees (as per policy of the Company) which are in the nature of long-term employee benefit plan. The Company measures the expected cost of compensated absences which are expected to be settled within 12 months as an additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. Liability in respect of compensated absences becoming due and expected to be carried forward beyond twelve months are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

iii. Post-employment benefits

The Company operates the following post-employment schemes:

a. Defined benefit plans – gratuity

The Company has unfunded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. This is based on standard rates of inflation, salary growth rate and mortality.

Discount factors are determined close to each year-end by reference to market yields on government bonds that have terms to maturity approximating the terms of the related liability. Service cost and net interest expense on the Company's defined benefit plan is included in employee benefits expense.

Actuarial gains/losses resulting from re-measurements of the defined benefit obligation are included in other comprehensive income.

b. Defined contribution plan – provident fund

Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. The Company recognizes contribution paid as an expense, when an employee renders the related service.

j) Taxes

Current income tax

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.

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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). 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.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax asset is recognised for the carry forward of unused tax losses (including unabsorbed depreciation) and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.
The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the 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 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.

k) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

l) Leases

The Company's lease asset classes primarily consist of leases for aircrafts, aircraft components (including engines) and buildings. The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

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i) Right of use assets

At the commencement date, the right of use assets are measured at cost. The cost includes an amount equal to the lease liabilities plus any lease payments made before the commencement date and any initial direct costs, less any incentives received from equipment manufacturer in terms of the same lease. An estimate of costs to be incurred in respect of redelivery obligation, in accordance with the terms of the lease, is also included in the right of use assets at commencement date.

After the commencement date, the right of use assets are measured in accordance with the accounting policy for property, plant and equipment i.e. right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Aircrafts – 1 to 12 years
Aircraft components – 1 to 10 years
Buildings – 2 to 10 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policy in point (e) above on impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, plus variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Lease term

At the commencement date, the Company determines the lease term which represents non-cancellable period of initial lease for which the asset is expected to be used, together with the periods covered by an option to extend or terminate the lease, if the Company is reasonably certain at the commencement date to exercise the extension or termination option.

iv) Sale and leaseback transactions

Where sale proceeds received are judged to reflect the aircraft's fair value, any gain or loss arising on disposal is recognised in the income statement, to the extent that it relates to the rights that have been transferred. Gains and losses that relate to the rights that have been retained are included in the carrying amount of the right of use assets recognised at commencement of the lease. Where sale proceeds received are not at the aircraft's fair value, any below market terms are recognised as a prepayment of lease payments, and above market terms are recognised as additional financing provided by the lessor.

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v) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of building and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term or another systematic basis which is more representative of the pattern of use of underlying asset.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

m) Supplementary rentals and aircraft repair and maintenance

i) Supplementary rentals
The Company accrues monthly expenses in the form of supplementary rentals which are based on aircraft utilisation that is calculated with reference to the number of hours or cycles operated during each month. Accrual of supplementary rentals are made for heavy maintenance visits, engine overhaul and landing gear overhaul for aircraft taken on lease.

ii) Aircraft repair and maintenance
Aircraft repairs and maintenance includes additional accrual, beyond supplementary rentals, for the estimated future costs of engine maintenance checks. These accruals are based on past trends for costs incurred on such events, future expected utilization of engine, condition of the engine and expected maintenance interval and are recorded over the period of the next expected maintenance visit.

Aircraft maintenance covered by third party maintenance agreements, wherein the cost is charged to the statement of profit and loss at a contractual rate per hour in accordance with the terms of the agreements. The Company recognises aircraft repair and maintenance cost (other than major inspection costs) in the statement of profit and loss on incurred basis.

n) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash on hand and at banks 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 statement of cash flow, 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.

o) Foreign currency transactions

The financial statements of the Company is presented in Indian Rupees (Rs.) which is also the Company's functional and presentation currency.

Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at the average rates that closely approximate the rate at the date of the transaction.

Conversion

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Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Non-monetary items which are measured in terms of historical cost denominated in a foreign currency are translated using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value denominated in a foreign currency are translated using the exchange rates that existed when the values were determined.

Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss except to the extent it is treated as an adjustment to borrowing costs.

p) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Involvement of external valuers is decided upon annually by the Company. At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

q) 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.

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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. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. The expense relating to a provision is recognised in the statement of profit and loss.

r) 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 (except trade receivables) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

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 and derivatives at fair value through profit or loss ('FVTPL'); or
- Equity instruments at fair value through profit or loss ('FVTPL') or 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:

a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
b. 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 statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

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 and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to statement of profit and loss. The Company does not have any debt instrument as at FVTOCI.

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 statement of profit and loss. The Company does not have any debt instrument at FVTPL.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. 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 statement of profit and loss, 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 statement of profit and loss. The Company has classified its investments in mutual funds as investments at FVTPL and investments in unquoted equity instruments as investments in OCI.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the statement of profit and loss.

Impairment of financial assets

The Company applies expected credit loss model for recognising impairment loss on financial assets measured at amortised cost.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk rather, it recognises impairment loss allowance based on lifetime expected credit loss ('ECL') at each reporting date, right from its initial recognition.

For recognition of impairment loss on loans and other financial assets, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

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Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Impairment loss allowance (or reversal) for the year is recognized in the statement of profit and loss.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortized cost, net of directly attributable transaction costs.

Subsequent measurement

All financial liabilities (except derivatives and fair value liabilities) are subsequently measured at amortised cost using the effective interest rate method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

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 and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the 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.

Investments in equity instruments of subsidiaries

These are measured at cost in accordance with Ind AS 27 'Separate Financial Statements'.

s) Inventories

Inventories comprising expendable aircraft spares, miscellaneous stores and in-flight inventories which are valued at cost or net realizable value, whichever is lower after providing for obsolescence and other losses, where considered necessary. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition and is determined on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

t) Manufacturers' incentives

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Cash incentives

The Company receives incentives from original equipment manufacturers ('OEMs') of aircraft components in connection with acquisition of aircraft and engines. In case of owned aircraft, incentives are recorded as a reduction to the cost of related aircraft and engines. In case of aircraft and engines held under leases, the incentives are recorded as reduction to the carrying amount of right to use assets at the commencement of lease of the respective aircraft.

Where the aircraft is held under finance lease as per erstwhile Ind AS, the milestone incentives are deferred and recognised under the head 'Other operating revenue' in the statement of profit and loss, on a straight line basis over the remaining initial lease period of the respective aircraft for which the aircraft is expected to be used. In case of prepayment of finance lease obligations for aircraft taken on finance lease and consequently taking the ownership of the aircraft, before the expiry of the lease term, the unamortised balance of such deferred incentive is recorded as a reduction to the carrying value of the aircraft.

Non-cash incentives

Non-cash incentives relating to aircraft are recorded as and when due to the Company by setting up a deferred asset and a corresponding deferred incentive. These incentives are recorded as a reduction to the cost of related aircraft and engines in case of owned aircraft. In case of aircraft held under leases, the incentives are recorded as reduction to the carrying amount of right to use assets at the commencement of lease of the respective aircraft. The deferred asset explained above is reduced on the basis of utilization against purchase of goods and services.

u) Commission to agents

Commission expense is recognized as an expense coinciding with the recognition of related revenues considering various estimates including applicable commission slabs, performance of individual agents with respect to their targets etc.

v) Share-based payment expense

Employees (including senior executives) of the Company receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value of instrument at the date when the grant is made using an appropriate valuation model.

That cost is recognised as employee benefits expense, together with a corresponding increase in stock options outstanding account in equity over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense (or reversal) for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of equity-settled transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through statement of profit and loss.

w) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

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x) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of Company or present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are disclosed only when inflow of economic benefits therefrom is probable and recognize only when realization of income is virtually certain.

y) Measurement of earnings before interest, tax, depreciation and amortization ('EBITDA')

The Company has elected to present EBITDA as a separate line item on the face of the statement of profit and loss. In its measurement, the Company does not include depreciation and amortization, finance income, finance costs and tax expense.

B. Recent accounting pronouncement and new and amended accounting standards adopted by the Company

a) Ministry of Corporate Affairs ('MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules 2015, as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

b) The Ministry of Corporate Affairs ('MCA') vide its notification dated March 31, 2023, notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective April 1, 2023:

- Disclosure of accounting policies - amendments to Ind AS 1
- Definition of accounting estimates - amendments to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction - amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

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(All amounts are in millions of Indian Rupees, unless otherwise stated)

Note 3 - Property, plant and equipment^

Particulars	Plant and equipment**	Rotable and tools**	Office equipment	Computers	Furniture and fixtures	Motor vehicles**	Leasehold improvements	Aircraft	Freehold land	Total
Gross block										
As at April 01, 2022	**1,331.36**	**3,817.33**	**272.99**	**468.29**	**43.10**	**773.42**	**106.57**	**17,837.18**	**171.37**	**24,821.61**
Additions	0.70	178.88	7.79	9.08	3.00	0.47	4.86	-	-	204.78
Disposals	81.15	0.46	5.74	0.83	3.23	91.57	1.25	-	-	184.23
Adjustment on account of slump sale arrangement $	1.94	55.57	25.79	9.37	3.84	99.96	5.96	-	-	202.43
Exchange differences *	-	-	-	-	-	-	-	539.43	-	539.43
As at March 31, 2023	**1,248.97**	**3,940.18**	**249.25**	**467.17**	**39.03**	**582.36**	**104.22**	**18,376.61**	**171.37**	**25,179.16**
Additions	0.84	190.92	0.85	8.00	3.23	-	20.49	727.40	-	951.73
Disposals	56.72	30.44	5.24	0.37	1.81	43.16	0.36	-	-	138.10
Exchange differences *	-	-	-	-	-	-	-	93.54	-	93.54
As at March 31, 2024	**1,193.09**	**4,100.66**	**244.86**	**474.80**	**40.45**	**539.20**	**124.35**	**19,197.55**	**171.37**	**26,086.33**
Accumulated depreciation										
As at April 01, 2022	**436.85**	**1,200.79**	**173.18**	**386.65**	**32.62**	**475.49**	**80.88**	**8,869.02**	**-**	**11,655.48**
Depreciation charge for the year	92.63	255.77	39.40	53.10	2.83	68.46	14.98	1,056.65	-	1,583.82
Disposals	39.07	0.38	2.47	0.65	0.56	92.63	0.41	-	-	136.17
Exchange differences *	-	-	-	-	-	-	-	149.21	-	149.21
Adjustment on account of slump sale arrangement $	0.67	12.66	15.30	7.24	2.75	80.94	5.84	-	-	125.40
As at March 31, 2023	**489.74**	**1,443.52**	**194.81**	**431.86**	**32.14**	**370.38**	**89.61**	**10,074.88**	**-**	**13,126.94**
Depreciation charge for the year	85.18	250.47	26.45	23.38	3.17	56.31	12.77	805.80	-	1,263.53
Disposals	28.64	13.52	4.73	0.37	1.01	39.43	0.20	-	-	87.90
Exchange differences *	-	-	-	-	-	-	-	347.56	-	347.56
As at March 31, 2024	**546.28**	**1,680.47**	**216.53**	**454.87**	**34.30**	**387.26**	**102.18**	**11,228.24**	**-**	**14,650.13**
Net block										
As at March 31, 2023	**759.23**	**2,496.66**	**54.44**	**35.31**	**6.89**	**211.98**	**14.61**	**8,301.73**	**171.37**	**12,052.22**
As at March 31, 2024	**646.81**	**2,420.19**	**28.33**	**19.93**	**6.15**	**151.94**	**22.17**	**7,969.31**	**171.37**	**11,436.20**

* Represents foreign exchange loss capitalised during the year and depreciation thereon. Refer note 2(A)(c) for details.

**Rotables and tools, ground support equipment and motor vehicles are subject to a first charge to secure the facilities provided by Indian Bank (erstwhile Allahabad Bank).

$ During the previous year ended March 31, 2023, the Company (the "transferee") has entered into business transfer agreement with SpiceXpress and Logistics Private Limited (the "acquiree") for transfering Cargo business undertaking and accordingly, transferred the above assets. Refer note 51 for details.

^Refer note 21 for details of mortgage related to property, plant and equipment on various borrowings and refer note 46 for contractual commitments for the acquisition of property, plant and equipment.

(All amounts are in millions of Indian Rupees, unless otherwise stated)

Note 4 - Right of use assets

Particulars	Aircraft	Aircraft components	Buildings	Total
Gross block				
As at April 01, 2022	**71,142.71**	**4,462.19**	**638.91**	**76,243.81**
Additions	2,169.34	-	-	2,169.34
Deletions/modification	13,677.49	-	6.26	13,683.75
Balance as at March 31, 2023	**59,634.56**	**4,462.19**	**632.65**	**64,729.40**
Additions	127.44	-	126.09	253.53
Deletions/modification	18,037.19	1,853.71	22.67	19,913.57
Balance as at March 31, 2024	**41,724.81**	**2,608.48**	**736.07**	**45,069.36**
Accumulated depreciation				
As at April 01, 2022	**31,561.49**	**2,250.90**	**219.26**	**34,031.65**
Depreciation charge for the year	7,797.69	557.53	80.33	8,435.55
Deletions	5,410.37	-	-	5,410.37
Balance as at March 31, 2023	**33,948.81**	**2,808.43**	**299.59**	**37,056.83**
Depreciation charge for the year	5,367.00	415.68	79.40	5,862.08
Deletions	10,413.53	1,347.36	13.35	11,774.24
Balance as at March 31, 2024	**28,902.28**	**1,876.75**	**365.64**	**31,144.67**
Net block				
As at March 31, 2023	**25,685.75**	**1,653.76**	**333.06**	**27,672.57**
As at March 31, 2024	**12,822.53**	**731.73**	**370.43**	**13,924.69**

Note 5 - Intangible assets

Particulars	Software	Total
Gross block		
As at April 01, 2022	**381.86**	**381.86**
Additions	7.71	7.71
Deletions	-	-
As at March 31, 2023	**389.57**	**389.57**
Additions	-	-
Deletions	-	-
As at March 31, 2024	**389.57**	**389.57**
Accumulated amortisation		
As at April 01, 2022	**358.30**	**358.30**
Amortisation charge for the year	25.06	25.06
Deletions	-	-
As at March 31, 2023	**383.36**	**383.36**
Amortisation charge for the year	5.96	5.96
Deletions	-	-
As at March 31, 2024	**389.32**	**389.32**
Net block		
As at March 31, 2023	**6.21**	**6.21**
As at March 31, 2024	**0.25**	**0.25**

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(All amounts are in millions of Indian Rupees, unless otherwise stated)

Note No.	Particulars	As at March 31, 2024	As at March 31, 2023
5A	**Capital work-in-progress**		
	Capital work-in-progress ('CWIP')	53.61	60.27
		53.61	**60.27**
	Movement of capital work-in-progress is as follows:		
	At the beginning of the year	60.27	60.27
	Capitalised during the year	6.66	-
	At the end of the year	**53.61**	**60.27**

The following table represent ageing of capital work-in-progress as at March 31, 2024:

CWIP	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended*	-	-	-	53.61	53.61
Total	-	-	-	53.61	53.61

The following table represent ageing of capital work-in-progress as at March 31, 2023:

CWIP	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	1.92	3.47	1.27	6.66
Projects temporarily suspended*	-	-	-	53.61	53.61
Total	-	1.92	3.47	54.88	60.27

* Project temporarily suspended pertains to construction of premises which has been put on hold due to stay order from government.

Note No.	Particulars	As at March 31, 2024	As at March 31, 2023
6	**Non-current investments (fully paid up)**		
	a. Unquoted equity investments in subsidiaries, measured at cost		
	10,000 (March 31, 2023: 10,000) equity shares of SpiceJet Merchandise Private Limited*#	0.10	0.10
	2,010,000 (March 31, 2023: 2,010,000) equity shares of SpiceJet Technic Private Limited*#	20.10	20.10
	10,000 (March 31, 2023: 10,000) equity shares of Canvin Real Estate Private Limited*#	0.10	0.10
	10,000 (March 31, 2023: 10,000) equity shares of SpiceJet Interactive Private Limited*#	0.10	0.10
	10,000 (March 31, 2023: 10,000) equity shares of Spice Shuttle Private Limited*#	0.10	0.10
	10,000 (March 31, 2023: 10,000) equity shares of Spice Club Private Limited*#	0.10	0.10
	50,09,800 (March 31, 2023: 9,800) equity shares of SpiceXpress Private Limited***#	50.10	0.10
	102,000 (March 31, 2023: 102,000) equity shares of SpiceTech System Private Limited**##$	14.19	6.57
	10,000 (March 31, 2023: 10,000) equity shares of Spice Ground Handling Services Private Limited*#	0.10	0.10
	1 (March 31, 2023: nil) equity share of AS Air Lease 41 (Ireland) Limited###$$	99.77	-
		184.76	**27.37**

*These represent investments in wholly owned subsidiaries as at March 31, 2024, which are incorporated in India.

** This represents investment in subsidiary 68% stake as at March 31, 2024, which is incorporated in India.

*** This represents investment in subsidiary 99.99% stake as at March 31, 2024 (March 31, 2023: 98% stake), which is incorporated in India.

$ Investment inter alia, includes Rs. 7.62 millions, recognised on account of grant of employee stock options to the eligible employees of its subsidiary company, which has not been cross charged to the subsidiary company. Refer note 44 for details.

$$ During the year, the Company has acquired 100% stake in AS Air Lease 41 (Ireland) Limited, which is incorporated in Ireland.

Face value of Rs. 10 each

Face value of Rs. 1 each

Face value of USD 1 each

		As at March 31, 2024	As at March 31, 2023
	b. Unquoted equity investments measured at fair value through profit or loss ('FVTPL')		
	1,517 (March 31, 2023: 1,076) equity shares of Aeronautical Radio of Thailand Limited	0.25	0.25
		0.25	**0.25**
		185.01	**27.62**
	Aggregate amount of unquoted investments	185.01	27.62
	Aggregate amount of impairment in value of investments	-	-

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(All amounts are in millions of Indian Rupees, unless otherwise stated)

Note No.	Particulars	As at March 31, 2024	As at March 31, 2023
7	**Non-current loans**		
	(Unsecured, considered good unless stated otherwise)		
	Loan to subsidiaries (refer note 54)		
	Unsecured, considered good	30.40	296.82
	Unsecured, credit impaired	106.78	60.74
		137.18	**357.56**
	Impairment allowance		
	Unsecured, credit impaired	(106.78)	(60.74)
		(106.78)	**(60.74)**
		30.40	**296.82**
	Loan to subsidiaries is repayable in 2 to 5 years and carries an interest of 12.75% per annum.		
8	**Other non-current receivables**		
	Other receivables (refer note 51)	25,507.70	25,557.70
		25,507.70	**25,557.70**
9	**Other non-current financial assets**		
	(Unsecured, considered good)		
	Deposits with original maturity of more than 12 months (also refer note 16B)	816.66	1,496.26
	Security deposits	2,225.98	3,483.04
	Interest accrued but not due on loan to subsidiaries	0.18	0.33
		3,042.82	**4,979.63**
10	**Income-tax assets (net)**		
	Advance income-tax	1,512.78	1,311.15
		1,512.78	**1,311.15**
11	**Other non-current assets**		
	Deposit with Delhi High Court (also refer note 50)	7,394.83	5,955.99
	Goods and services tax paid under protest*	639.46	582.44
	Capital advances		
	Unsecured, considered good	1,110.94	3,111.35
	Unsecured, considered doubtful	130.92	109.32
		9,276.15	**9,759.10**
	Impairment allowance		
	Unsecured, considered doubtful	(130.92)	(109.32)
		(130.92)	**(109.32)**
		9,145.23	**9,649.78**

***Refer note note 47(b)(vii) for details.** The balance also includes amount paid as pre-deposits for appeal filed in respect of goods and services tax dispute in various forums amounting to Rs. 19.88 million (March 31, 2023: Nil).

Reconciliation of impairment allowance for capital advances are as follows:		
At the beginning of the year	109.32	109.32
Additions during the year	21.60	-
At the end of the year	**130.92**	**109.32**

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(All amounts are in millions of Indian Rupees, unless otherwise stated)

Note No.	Particulars	As at March 31, 2024	As at March 31, 2023
12	**Inventories**		
	(valued at lower of cost or net realisable value)		
	Engineering stores and spares	1,494.81	1,409.53
	Stock held in trade - in flight inventory	112.21	85.28
	Other stores and spares	49.98	68.40
		1,657.00	**1,563.21**
13	**Investments at fair value through profit or loss ('FVTPL')**		
	Quoted investment in mutual funds		
	7,122 (March 31, 2023: 7,122) units of ICICI Prudential Saving Funds - Direct Plan - Growth [NAV Rs. 499.55 (March 31, 2023: Rs. 462.59)]	3.29	3.29
	52,700.92 (March 31, 2023: 52,700.92) units of L&T Low Duration Fund - Direct Plan - Growth [NAV Rs. 25.82 (March 31, 2023: Rs. 24.05)]	1.62	1.27
		4.91	**4.56**
	Aggregate amount of quoted investments and market value thereof	4.91	4.56
14	**Trade receivables**		
	(Unsecured, considered good unless stated otherwise)		
	Trade receivables		
	Unsecured, considered good	1,997.86	1,656.12
	Unsecured, credit impaired	235.64	51.82
		2,233.50	**1,707.94**
	Impairment allowance		
	Unsecured, considered good	(78.44)	(117.34)
	Unsecured, credit impaired	(235.64)	(51.82)
		(314.08)	**(169.16)**
		1,919.42	**1,538.78**

For information related to trade receivables from related parties, refer note 54.
For details of contract balances refer to note 30.
The carrying amount of trade receivables approximates their fair value, is included in note 55. The Company's exposure to credit and currency risks, and impairment allowances related to trade receivables is disclosed in note 57.

As at March 31, 2024	Outstanding from the date of transaction					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	1,325.78	201.43	201.20	103.26	166.19	1,997.86
Undisputed trade receivables – credit impaired	-	33.52	15.55	43.58	142.99	235.64
Total	**1,325.78**	**234.95**	**216.75**	**146.84**	**309.18**	**2,233.50**

As at March 31, 2023	Outstanding from the date of transaction					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	835.38	242.07	207.89	101.02	269.76	1,656.12
Undisputed trade receivables – credit impaired	-	-	23.58	-	28.24	51.82
Total	**835.38**	**242.07**	**231.47**	**101.02**	**298.00**	**1,707.94**

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WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts are in millions of Indian Rupees, unless otherwise stated)

Note No.	Particulars	As at March 31, 2024	As at March 31, 2023
15	**Other current receivables**		
	(Unsecured, considered good)		
	Maintenance receivables	3,620.88	4,638.31
	Other receivables	4,892.14	4,816.51
		8,513.02	**9,454.82**
16A	**Cash and cash equivalents**		
	Balances with banks:		
	– In current accounts	1,865.14	218.20
	– In deposit accounts (with original maturity upto 3 months)	0.02	0.33
	Cash on hand	1.70	104.83
		1,866.86	**323.36**
16B	**Bank balances other than cash and cash equivalents**		
	Deposits with original maturity for more than 3 months but less than 12 months	98.93	9.19
	Deposits with remaining maturity of less than 12 months	9.73	3.58
	Margin money/security against non-fund based facilities*	816.66	1,496.26
		925.32	**1,509.03**
	Less: Amount disclosed under other non-current asset (refer note 9)	(816.66)	(1,496.26)
		108.66	**12.77**
	*Margin money deposit have been placed with banks for non-fund based facilities sanctioned to the Company.		
17	**Other current financial assets**		
	(Unsecured, considered good)		
	Employee advances*	182.19	292.03
	Interest accrued on bank deposits	46.48	78.86
	Security deposits	3,685.01	2,625.83
	Contract asset*	370.77	602.17
		4,284.45	**3,598.89**
	*Includes dues from related parties. Refer note 54.		
18	**Other current assets**		
	Prepaid expenses	551.09	655.21
	Balance with government authorities	3,521.04	3,183.58
	Advances to suppliers		
	Unsecured, considered good	2,300.81	848.59
	Unsecured, credit impaired	251.51	159.26
		6,624.45	**4,846.64**
	Impairment allowance		
	Unsecured, credit impaired	(251.51)	(159.26)
		(251.51)	**(159.26)**
		6,372.94	**4,687.38**
	Reconciliation of impairment allowance for advances to suppliers are as follows:		
	At the beginning of the year	159.26	159.26
	Additions during the year	92.25	-
	At the end of the year	**251.51**	**159.26**

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

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(All amounts are in millions of Indian Rupees, unless otherwise stated)

Note No.	Particulars	Amount
19	**Equity share capital**	
	Authorised	
	(1,500,000,000 equity shares of Rs.10 each)	
	As at April 01, 2022	15,000.00
	Increase during the year	-
	As at March 31, 2023	**15,000.00**
	Increase during the year	-
	As at March 31, 2024	**15,000.00**
	Issued, subscribed and paid-up capital	
	Equity shares of Rs. 10 each issued, subscribed and fully paid	
	As at April 01, 2022	**6,017.97**
	Issued during the year pursuant to exercise of employee stock options	0.49
	As at March 31, 2023	**6,018.46**
	Issued during the year pursuant to exercise of employee stock options	1.97
	Issued during the year pursuant to preferential issue*	1,813.62
	As at March 31, 2024	**7,834.05**

A: Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Value (Rs.)	Number of shares	Value (Rs.)
Shares outstanding at the beginning of the year	60,18,45,665	6,018.46	60,17,96,615	6,017.97
Issued during the year pursuant to exercise of employee stock options (refer note 43)	1,97,200	1.97	49,050	0.49
Issued during the year pursuant to preferential issue*	18,13,61,852	1,813.62	-	-
Shares outstanding at the end of the year	**78,34,04,717**	**7,834.05**	**60,18,45,665**	**6,018.46**

*During the year, the Company has made following allotment on preferential basis in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018:

(a) On September 4, 2023, the allotment of 34,172,000 equity shares of the face value of Rs. 10 each and 131,408,514 warrants, having option to apply for and be allotted equivalent number of equity shares of the face value of Rs. 10 each at an issue price of Rs. 29.84 each on preferential basis to promoter group;

(b) On September 4, 2023, the allotment of 48,123,186 equity shares of the face value of Rs. 10 each at an issue price of Rs. 48.00 each on preferential basis to certain aircraft lessors, consequent upon conversion of their existing outstanding dues aggregating to Rs. 2,309.91 million; and

(c) During the month of January and February 2024, the allotment of 95,600,000 equity shares of the face value of Rs. 10 each and 116,400,000 warrants, having option to apply for and be allotted equivalent number of equity shares of the face value of Rs. 10 each at an issue price of Rs. 50.00 each on preferential basis to non-promoter category.

B: Term/rights attached to equity shares

The Company has only one class of equity shares having a face value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend, if any, proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

C: Details of shareholders holding more than 5% in the Company:

Name of shareholders	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% against total number of shares	Number of shares	% against total number of shares
Mr. Ajay Singh	29,73,33,450	37.95%	30,43,33,450	50.57%
Mr. Ajay Singh (HUF)	4,63,81,937	5.92%	5,03,36,838	8.36%
Aries Opportunities Fund Limited	4,00,00,000	5.11%	-	0.00%
Total	**38,37,15,387**	**48.98%**	**35,46,70,288**	**58.93%**

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

D. Aggregate number of bonus shares, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

(i) The Company has issued total 2,592,682 shares (March 31, 2023 - 2,395,482) during the period of five years immediately preceding the reporting date on exercise of options granted under the employee stock option plan ('ESOP') wherein part consideration was received in form of employee services.
(ii) The Company has issued 48,123,186 shares (March 31, 2023 - Nil) during the period of five years immediately preceding the reporting date for consideration other than cash.
(iii) The Company did not issue any bonus share and has not bought back any share in preceding five years.

E. Details of promoter shareholding

Name of promoter	As at March 31, 2024		
	Number of shares	% of total shares	% change during the year
Mr. Ajay Singh	29,73,33,450	37.95%	-12.62%
Mr. Ajay Singh (HUF)	4,63,81,937	5.92%	-2.44%
Mrs. Kalpana Singh	2,79,505	0.05%	0.00%

Name of promoter	As at March 31, 2023		
	Number of shares	% of total shares	% change during the year
Mr. Ajay Singh	30,43,33,450	50.57%	0.00%
Mr. Ajay Singh (HUF)	5,03,36,838	8.36%	-0.42%
Mrs. Kalpana Singh	2,79,505	0.05%	0.00%

F. Shares reserved for issue under options
For details of shares reserved for issue under ESOP, refer note 43

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts are in millions of Indian Rupees, unless otherwise stated)

Note No.	Particulars	As at March 31, 2024	As at March 31, 2023
20	**Other equity**		
	Money received against share warrants	2,391.97	-
	Reserves and surplus		
	Capital reserve	25,573.65	25,573.65
	Securities premium	16,424.21	10,140.54
	Share options outstanding account	43.44	59.11
	Retained earnings	(78,125.79)	(74,107.83)
		(33,692.52)	**(38,334.53)**
	a. Securities premium		
	Securities premium is used to record the premium on issue of shares and the same is utilised in accordance with the provisions of the Act.		
	Balance at the beginning of the year	**10,140.54**	**10,134.09**
	Additions during the year on exercise of stock options	10.60	6.45
	Additions during the year on issue of equity shares on preferential basis	6,273.07	-
	Balance at the end of the year	**16,424.21**	**10,140.54**
	b. Share options outstanding account		
	The balance represents reserves created to the extent of vested options based on the Employees Stock Option Scheme, 2017.		
	Balance at the beginning of the year	**59.11**	**40.20**
	Share based payment expense	19.35	25.36
	Transfer to securities premium on exercise of stock options	(10.60)	(6.45)
	Transfer to retained earnings on account of stock options lapsed	(24.42)	-
	Balance at the end of the year	**43.44**	**59.11**
	c. Retained earnings		
	Retained earnings comprises of current year and prior periods undistributed earnings or losses after tax.		
	Balance at the beginning of the year	**(74,107.83)**	**(59,076.58)**
	Loss for the year	(4,094.39)	(15,030.15)
	Other comprehensive income for the year	52.01	(1.10)
	Transferred from share options outstanding account on account of stock options lapsed	24.42	-
	Balance at the end of the year	**(78,125.79)**	**(74,107.83)**
	d. Capital reserve		
	Refer note 51 for details.		
	Balance at the beginning of the year	**25,573.65**	-
	Movement during the year (refer note 51)	-	25,573.65
	Balance at the end of the year	**25,573.65**	**25,573.65**
	e. Money received against share warrants		
	This represents application money received on issue of share warrants.		
	Balance at the beginning of the year	-	-
	Money received against share warrants	2,391.97	-
	Balance at the end of the year	**2,391.97**	-

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WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts are in millions of Indian Rupees, unless otherwise stated)

Note No.	Particulars	As at March 31, 2024	As at March 31, 2023
21	**Long-term borrowings (secured)**		
	Term loans		
	Rupee loan from bank	9,638.70	4,498.17
	Less: Current maturities of long-term borrowings (refer note 26)	(715.21)	(272.43)
		8,923.49	**4,225.74**
	Other loans		
	External commercial borrowing	1,877.40	6,764.50
	Less: Current maturities of long-term borrowings (refer note 26)	(1,877.40)	(6,334.35)
		-	**430.15**
		8,923.49	**4,655.89**

Repayment terms (including current maturities) and security details for term loans from bank

a During the year, the Company has availed term loan under Electronic Credit Line Guarantee Scheme ('ECLGS') from Yes Bank Limited amounting to Rs. 5,050.96 million (sanctioned amount Rs. 5,104.00 million). The loan is repayable in 48 equal instalments commencing after 2 years from the date of the borrowing and carries an interest rate of 9.25% (1.00% spread over MCLR rate of the bank revised every year capped at 9.25%). The loan is secured as follows:
- Second charge on movable fixed assets of the Company (both present and future);
- Second charge on current assets of the Company (both present and future) including all receipts in foreign currency and rupee credit (except lien marked deposits);
- Second charge on pledge of shares of the Company held by the Promoter;
- Second charge on current assets and movable fixed assets of SpiceXpress and Logistics Private Limited (subsidiary entity); and
- 100% credit guarantee by National Credit Guarantee Trust Company Limited (NCGTC)

b During the previous year, the Company had availed term loan under Electronic Credit Line Guarantee Scheme ('ECLGS') from Yes Bank Limited amounting to Rs. 1,509.80 million. The loan is repayable in 48 equal instalments commencing after 2 years from the date of the borrowing and carries an interest rate of 9.25% (0.80% spread over MCLR rate of the bank revised every year capped at 9.25%). The loan is secured as follows:
- Second charge on movable fixed assets of the Company;
- Second charge on current assets of the Company (both present and future) including all receipts in foreign currency and rupee credit (except lien marked deposits);
- Second charge on pledge of shares of the Company held by the Promoter; and
- 100% credit guarantee by National Credit Guarantee Trust Company Limited (NCGTC)

c During the previous year, the Company had availed term loan under Electronic Credit Line Guarantee Scheme ('ECLGS') from Indian Bank Limited amounting to Rs. 600.00 million. The loan is repayable in 48 equal instalments commencing after 2 years from the date of the borrowing and carries an interest rate of 9.25% (1% spread over MCLR rate of the bank revised every year capped at 9.25%). The loan is secured as follows:
- Second charge on existing credit facilities in terms of cash flow (including repayment); and
- 100% credit guarantee by National Credit Guarantee Trust Company Limited (NCGTC)

d During the previous year, the Company had availed term loan under Electronic Credit Line Guarantee Scheme ('ECLGS') from Indian Bank Limited amounting to Rs. 913.20 million (sanctioned amount: INR 1,286.40 million). The loan is repayable in 48 equal instalments commencing after 2 years from the date of the borrowing and carries an interest rate of 9.25% (1% spread over MCLR rate of the bank revised every year capped at 9.25%). During the year, the Company has further received loan disbursement from Indian Bank amounting to 362.00 million (out of total sanctioned amount: INR 1,286.40 million). The loan is secured as follows:
- Second charge on existing credit facilities in terms of cash flow (including repayment) and securities including pledge of deposits, shares and fixed deposit;
- Second charge on current assets of the Company; and
- 100% credit guarantee by National Credit Guarantee Trust Company Limited (NCGTC)

e The Company has availed term loan under Electronic Credit Line Guarantee Scheme ('ECLGS') from Yes Bank Limited amounting to Rs. 1,275.17 million. The loan is repayable in 48 equal instalments commencing after 2 years from the date of the borrowing and carries an interest rate of 9.25% (0.80% spread over MCLR rate of the bank revised every year capped at 9.25%). The loan is secured as follows:
- Second charge on movable fixed assets;
- Second charge on current assets of the Company (both present and future) including all receipts in foreign currency and rupee credit (except lien marked deposits);
- Second charge on pledge of shares of the Company held by the Promoter; and
- 100% credit guarantee by National Credit Guarantee Trust Company Limited (NCGTC)

f The Company had availed term loan under Electronic Credit Line Guarantee Scheme ('ECLGS') from IDFC Bank Limited ('IDFC Bank') amounting to Rs. 200 million. The loan is repayable in 48 equal instalments commencing after 2 years from the date of the borrowing and carries an interest rate of 9.25% (1.00% spread over MCLR rate of the bank revised every year capped at 9.25%). The loan is secured as follows:
- Second pari-passu charge movable fixed assets and current assets of the Company;
- Second charge on land of the Company;
- Second charge on pledge of shares of the promoter of the Company (1.0x cover); and
- 100% credit guarantee by National Credit Guarantee Trust Company Limited (NCGTC)

Repayment terms (including current maturities) and securities details for external commercial borrowings

g The External Commercial Borrowing ('ECB') relates to the acquisition of 'Bombardier Q400 Aircrafts', accordingly, secured against these aircrafts. The ECB has been approved by the Reserve Bank of India and is granted through a structure between the Company and Maple Leaf Financing Limited with lending from Export Development Canada ('EDC'). As per the terms of the agreement, the Company may opt for either fixed or a floating rate of interest benchmarked to LIBOR for each drawdown, which coincides with the delivery of each aircraft. The interest on this ECB ranges from 3.79% to 5.36%. During the current and previous year, the Company had negotiated revised payment schedule and repayment was to be commenced from July 2023. However, in the month of March 2024, the Company has entered into settlement agreement with EDC wherein the ECB amounting to Rs. 7,554.55 million (inclusive of interest) appearing in the books of accounts has been settled at Rs. 1,872.68 million. The management of the Company has recognised the resulting write back of Rs. 5,681.87 million as 'other income'.

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(All amounts are in millions of Indian Rupees, unless otherwise stated)

Note No.	Particulars	As at March 31, 2024	As at March 31, 2023
22	**Non-current lease liabilities**		
	Lease liabilities (refer note 45)	14,985.51	28,440.69
		14,985.51	**28,440.69**
23	**Non-current trade payables**		
	Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	408.08	1,341.27
		408.08	**1,341.27**
	Terms and conditions of the above financial liabilities:		
	Trade payables are non interest bearing and carry a credit period exceeding 365 days		
24	**Non-current provisions**		
	Provision for gratuity (refer note 44)	507.29	559.73
	Provision for aircraft redelivery (refer note 31)	572.00	943.85
	Provision for aircraft maintenance	384.88	123.34
		1,464.17	**1,626.92**
25	**Other non-current liabilities**		
	Deferred incentive	101.68	118.77
	Less: Current portion	(17.24)	(17.24)
		84.44	**101.53**
26	**Current borrowings (secured)**		
	Working capital demand loan from bank (refer note (a) below)	-	590.00
	Current maturities of long-term borrowings (refer note 21)	2,592.61	6,606.77
		2,592.61	**7,196.77**

At March 31, 2024, the Company had available Rs. 53.04 million (March 31, 2023: Rs. 2,064.00 million) of undrawn committed borrowing facilities.

Repayment terms and security details for short term borrowings

a Working capital demand loan from bank is secured by fixed deposits placed by the erstwhile promoter and is repayable on demand. The loan carries an interest rate of 12.75% per annum. The loan has been fully repaid during the current year.

b **Changes in liabilities arising from financing activities**

Particulars	April 1, 2023	Cash flows	Foreign exchange impact	Others*	As at March 31, 2024
Non-current borrowings (including current maturities)*	11,262.67	4,934.82	1.14	(4,682.53)	11,516.10
Current borrowings	590.00	(590.00)	-	-	-
Finance costs	579.25	(956.63)	-	436.59	59.21
Lease liabilities**	61,629.47	(4,239.50)	416.90	(15,567.58)	42,239.29
Total liabilities from financing activities	**74,061.39**	**(851.31)**	**418.04**	**(19,813.52)**	**53,814.60**

Changes in liabilities arising from financing activities

Particulars	April 1, 2022	Cash flows	Foreign exchange impact	Others*	As at March 31, 2023
Non-current borrowings (including current maturities)	8,325.89	2,397.36	539.42	-	11,262.67
Current borrowings	2,467.87	(1,957.73)	79.86	-	590.00
Finance costs	188.33	(496.58)	-	887.50	579.25
Lease liabilities**	72,508.23	(6,259.97)	6,370.51	(10,989.30)	61,629.47
Total liabilities from financing activities	**83,490.32**	**(6,316.92)**	**6,989.79**	**(10,101.80)**	**74,061.39**

* Refer note 21(g) for write back explanation related to EDC.

** This includes inter-caption reclassification, lease additions, settlements and other adjustments.

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(All amounts are in millions of Indian Rupees, unless otherwise stated)

Note No.	Particulars	As at March 31, 2024	As at March 31, 2023
27	**Current lease liabilities**		
	Lease liabilities (refer note 45)	27,253.78	33,188.78
		27,253.78	**33,188.78**
28	**Current trade payables**		
	Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	663.98	491.09
	Total outstanding dues of creditors other than micro enterprises and small enterprises	32,504.56	30,213.93
		33,168.54	**30,705.02**
	Details of dues to micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006")		
	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
	- Principal amount due to micro and small enterprises	605.56	452.75
	- Interest due on above	58.42	38.34
	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
	The amount of interest accrued and remaining unpaid at the end of each accounting year	58.42	38.34
	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

Terms and conditions of the above financial liabilities:

Trade payables are non interest bearing and carry a credit period generally between 30 and 90 days

Ageing of non-current and current trade payables:

As at March 31, 2024

Particulars	Outstanding from the date of transaction					Total
	Unbilled#	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME*	58.42	534.10	45.87	15.19	10.40	663.98
(ii) Others	18,005.89	3,897.43	3,757.10	3,522.18	3,730.04	32,912.64

As at March 31, 2023

Particulars	Outstanding from the date of transaction					Total
	Unbilled#	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME*	38.34	399.98	20.05	12.15	20.57	491.09
(ii) Others	16,331.75	2,076.71	6,511.00	4,563.10	2,072.64	31,555.20

* MSME stands for micro enterprises and small enterprises.

\# Unbilled pertains to provision for expenses.

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(All amounts are in millions of Indian Rupees, unless otherwise stated)

Note No.	Particulars	As at March 31, 2024	As at March 31, 2023
29	**Other current financial liabilities**		
	Employee related payables	1,250.92	1,101.30
	Book overdraft	5.12	5.75
	Security deposits received	73.03	41.88
	Interest accrued on borrowings	59.21	579.25
		1,388.28	**1,728.18**
30	**Other current liabilities (unsecured)**		
	Current portion of deferred incentives	17.24	17.24
	Amount due under order of Delhi High Court (refer note 50)	6,425.55	6,425.55
	Contract liabilities	4,287.70	4,952.00
	Advance received from agents	1,870.50	3,657.54
	Statutory dues (including interest thereon)	7,698.58	5,935.45
	Airport taxes payable	719.90	973.87
	Other liabilities	12.70	12.52
		21,032.17	**21,974.17**
31	**Short-term provisions**		
	Provision for employee benefits		
	Provision for gratuity (refer note 44)	100.44	103.73
	Provision for compensated absences	185.48	226.83
	Provision for contingencies (refer note 47(a)(i))	107.20	107.20
	Provision for aircraft maintenance	2,565.70	2,791.19
	Provision for aircraft redelivery	1,164.53	925.64
		4,123.35	**4,154.59**
	Provision for contingencies		
	At the beginning of the year	107.20	107.20
	At the end of the year	**107.20**	**107.20**
	Provision for aircraft maintenance (current and non-current)		
	At the beginning of the year	2,914.53	3,816.00
	Additions during the year	36.05	873.45
	Utilisation/reversal during the year	-	(1,774.92)
	At the end of the year	**2,950.58**	**2,914.53**
	Provision for aircraft redelivery (current and non-current)		
	At the beginning of the year	1,869.49	1,821.64
	Additions during the year	219.19	227.04
	Utilisation/reversal during the year	(352.15)	(179.19)
	At the end of the year	**1,736.53**	**1,869.49**

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WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts are in millions of Indian Rupees, unless otherwise stated)

Note No.	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
32	**Revenue from operations**		
	Sale of services		
	Passenger revenue	64,324.99	77,673.55
	Cargo revenue	-	7,860.67
	Sale of goods		
	Sale of food and beverages in flight	200.78	185.75
	Other operating revenues		
	Incentives received	32.63	82.47
	Income from training services	171.90	217.94
	Subsidies received under various schemes	1,250.71	1,285.15
	Ground handling services	1,553.28	1,299.31
	Others	2,965.45	83.56
		70,499.74	**88,688.40**
	India	46,689.79	66,529.19
	Outside India	23,809.95	22,159.21
		70,499.74	**88,688.40**

Contract balances

Trade receivables are generally unsecured and are derived from revenue earned from customers which are located in India and abroad. Trade receivables also includes receivables from credit card companies which are realisable within a period 1 to 7 working days.

Contract liability is comprised of amount received in advance towards travel bookings/reservations disclosed under other current liabilities.

Particuars		
Trade receivables	1,919.42	1,538.78
Contract assets	370.77	602.17
Contract liabilities*	4,287.70	4,952.00

Contract liabilities comprise of consideration from sale of tickets not yet flown, Contract assets relates to unbilled revenue.

*Revenue recognised from amount included in contract liabilities at the beginning of the year amounts to Rs. 4,952.00 million (March 31, 2023: Rs. 4,204.53 million) (excludes amount collected on behalf of third parties and amount refunded due to cancellations).

Note No.	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
33	**Other income**		
	Net gain on financial assets measured at fair value through profit or loss	0.36	0.23
	Gain on derecognition of lease liabilities and right of use assets*	5,784.30	2,423.31
	Liabilities/provision no longer required written back**	8,146.72	7,224.48
	Profit on disposal of property, plant and equipment (net)	1.71	7.62
	Warranty claims from aircraft manufacturer/insurance claims	2.98	14.20
	Miscellaneous income	250.59	239.26
		14,186.66	**9,909.10**

* On account of early termination of lease
** Refer note 21(g) for write back explanation related to EDC.

Note No.	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
34	**Finance income**		
	Interest income on security deposits	152.37	228.59
	Interest income on:		
	Bank deposits	88.96	288.95
	Loan to subsidiaries	0.19	0.18
	Others	41.77	33.64
		283.29	**551.36**
35A	**Operating expenses**		
	Aviation turbine fuel	29,825.62	47,716.54
	Lease charges - aircraft, engines and auxiliary power units (also refer note 45)	6,381.98	3,755.73
	Aircraft repairs and maintenance	3,224.62	5,594.85
	Supplemental lease charges - aircraft, engines and auxiliary power units	5,046.73	5,450.65
	Consumption of stores and spares	464.10	625.47
	Aviation insurance	730.19	1,003.88
	Landing, navigation and other airport charges	6,995.94	8,096.60
	Aircraft navigation software expenses	967.31	743.73
	Aircraft redelivery costs	84.57	105.28
	Cargo handling costs	476.40	798.12
	Other miscellaneous operating expenses	330.91	308.19
		54,528.37	**74,199.04**

(All amounts are in millions of Indian Rupees, unless otherwise stated)

Note No.	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
35B	**Purchases of stock-in-trade**		
	Inflight food and beverages held as stock-in-trade	731.05	957.84
		731.05	**957.84**
35C	**Changes in inventories of stock-in-trade**		
	Inventory at the beginning of the year	85.28	30.36
	Less : Inventory at the end of the year	(112.21)	(85.28)
	Changes in inventories of stock-in-trade	**(26.93)**	**(54.92)**
36	**Employee benefits expense**		
	Salaries, wages and bonus	7,090.42	7,694.78
	Contribution to provident and other funds (refer note 44)	339.19	427.39
	Share based payment expense (refer note 43)	11.76	18.87
	Gratuity expense (refer note 44)	125.67	140.06
	Staff welfare	138.39	157.61
		7,705.43	**8,438.71**
37	**Sales and marketing expenses**		
	Commission to agents	2,792.97	1,833.77
	Business promotion and advertisement	742.31	444.34
		3,535.28	**2,278.11**
38	**Other expenses**		
	Rent (refer note 45)	753.90	825.84
	Rates and taxes	418.73	356.11
	Repairs and maintenance		
	Buildings	92.80	101.27
	Plant and machinery	43.27	21.66
	Others	516.47	450.14
	Crew accommodation cost	331.98	392.20
	Recruitment and training cost	279.32	387.26
	Communication	97.11	125.38
	Printing and stationery	72.74	93.49
	Travelling and conveyance	1,577.72	1,354.06
	Legal, and professional fees*	758.40	490.78
	Power and fuel	83.34	107.97
	Impairment of advances and advances/amounts written off (including impairment allowance for advance to suppliers of Rs. 92.25 million (March 31, 2023: Rs. Nil)	2,589.53	597.89
	Impairment of capital advances	1,247.00	381.36
	Impairment of trade receivables (including bad debt written off of Rs. 91.99 million (March 31, 2023: Rs. Nil)	236.91	38.67
	Insurance	176.04	162.60
	Credit card charges	154.47	207.99
	Bank charges	9.61	10.00
	Loss on sale of property, plant and equipment (net)	38.07	-
	Miscellaneous expenses	40.82	215.90
		9,518.23	**6,320.57**
	***Payment to auditor**		
	As auditor		
	Audit fees	9.40	9.15
	Tax audit fees	0.75	0.75
	Limited review	4.10	2.85
	In other capacity		
	Other services (certification fees)	1.30	-
	Reimbursement of expenses	0.93	0.40
39	**Finance costs**		
	Interest on:		
	Term loan from banks	796.24	432.06
	Loan from others	350.79	418.83
	Interest on lease liabilities and redelivery provisions	2,176.89	3,128.43
	Other borrowing costs	1,289.34	1,077.19
		4,613.26	**5,056.51**
40	**Foreign exchange loss (net)**		
	Foreign exchange loss (net)*	980.26	6789.51
		980.26	**6789.51**

*Foreign exchange loss for the year ended March 31, 2024 includes Rs. 393.96 million (March 31, 2023: Rs. 3,962.71 million), pertaining to foreign exchange loss on restatement of lease liabilities.

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(All amounts are in millions of Indian Rupees, unless otherwise stated)

Note No.	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
41	**Depreciation and amortisation expense**		
	Depreciation on property, plant and equipment (refer note 3)	1,611.09	1,733.03
	Depreciation on right of use assets (refer note 4)	5,862.08	8,435.55
	Amortisation on intangible assets (refer note 5)	5.96	25.06
		7,479.13	**10,193.64**

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42. Earnings per share ('EPS')

a. Basic EPS is calculated by dividing the net profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

b. Diluted EPS is calculated by dividing the profit/(loss) attributable to equity shareholders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

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

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Number of equity shares outstanding at the beginning of the year	60,18,45,665	60,17,96,615
Issued during the year pursuant to exercise of employee stock options	1,97,200	49,050
Issued during the year pursuant to issue of equity shares*	18,13,61,852	-
Number of equity shares outstanding at the end of the year	78,34,04,717	60,18,45,665
Weighted average number of equity shares		
a. Basic	**66,35,38,313**	**60,18,63,331**
Effect of dilution: stocks options and share warrants^	-	-
b. Diluted#	**66,35,38,313**	**60,18,63,331**
Loss for the year	**(4,094.39)**	**(15,030.15)**
Earnings per share		
- Basic earnings per share (Rs.)	(6.17)	(24.97)
- Diluted earnings per share (Rs.)	(6.17)	(24.97)
Face value per share (Rs.)	10.00	10.00

Considering loss, diluted earnings per share is same as basic earnings per share

^ Share options (unvested) and share warrants are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive.

c. Having regard to the status of the matters relating to the allotment and conversion of share warrants, as stated in note 50, it is not possible to determine the effect, if any, of those on earnings per share calculations. Accordingly, earnings per share do not include the impact on the allotment and conversion of share warrants stated in note 50.

43. Employee stock option plans

Employees Stock Option Scheme, 2017

The shareholders at the Annual General Meeting held on November 27, 2017, approved an Employee Stock Option Scheme ('ESOS') which provides for the grant of 10,000,000 stock options which will be granted to eligible employees of the Company determined by Nomination and Remuneration Committee, which are convertible into equivalent number of equity shares of Rs. 10 each as per the terms of the scheme. Upon vesting, the employees can acquire one common equity share of the Company for every option. The stock options were granted on the dates as mentioned in table below.

The share based payment expense has been recognised based on the fair value of option at the date of grant in accordance with the Black-Scholes method.

Grant date	Number of options	Vesting Period	Market value per share (In INR)	Fair value per option (In INR)	Exercise price (In INR)	Expected volatility	Expected life (in years)	Expected dividend	Risk free return
February 07, 2018	12,01,155	2 years 10 months and 24 days	129.35	122.29	10.00	58.50% to 57.61%	3.50 to 5.40	Nil	7.53% to 7.51%
May 28, 2019	5,00,000	1 year 7 months and 3 days	145.75	138.26	10.00	48.66% to 51.32%	3.50 to 4.10	Nil	6.92%
May 28, 2019	85,000	2 years 6 months and 2 days	145.75	138.26	10.00	48.66% to 57.76%	3.50 to 5.00	Nil	6.92% to 7.03%
August 9, 2019	1,40,000	4 years	135.95	128.81	10.00	46.37% to 56.21%	3.50 to 6.50	Nil	6.33% to 6.54%
November 13, 2019	2,50,000	4 years	115.05	107.96	10.00	46.56% to 55.64%	3.50 to 6.50	Nil	6.32% to 6.92%
February 14, 2020	5,00,000	2 years	84.70	76.90	10.00	46.50% to 50.93%	3.50 to 4.50	Nil	6.00% to 6.02%
November 11, 2020	75,000	3 years	51.35	43.79	10.00	48.89% to 51.46%	3.50 to 5.50	Nil	5.02% to 5.86%
February 10, 2021	4,75,000	3 years	86.85	79.26	10.00	50.39% to 52.33%	3.50 to 5.50	Nil	5.75% to 6.13%
August 31, 2022	5,65,000	3 years	46.42	39.39	10.00	50.35% to 48.12%	3.50 to 5.50	Nil	7.04% to 7.22%
November 14, 2022	4,50,000	3 years	39.08	32.76	10.00	48.14% to 49.89%	3.50 to 7.50	Nil	7.27% to 7.41%

Expected volatility calculation is based on daily volatility of the share prices over a period prior to the date of grant, corresponding to the expected life of the options.

The risk free return is the implied yield currently available on zero coupon government issues, with a remaining term equal to the expected term of the option being valued. The above calculation is based on government yield on zero coupon bonds with 4 to 5 as term to maturity.

Expected life of the option have been calculated by adding the vesting period and half of the exercise period.

The Company has not declared any dividend from last several years. Therefore, expected dividend yield is taken as Nil.

Effect of employee stock option scheme on the statement of profit and loss:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Share based payment expense	11.76	18.87

Reconciliation of outstanding share options:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of options	Weighted average exercise price (Rs.)	Number of options	Weighted average exercise price (Rs.)
Options outstanding as at the beginning of the year	**16,68,750**	**10.00**	**7,02,800**	**10.00**
Add: Options granted during the year*	-	10.00	10,15,000	10.00
Less: Options lapsed during the year	3,05,000	10.00	-	10.00
Less: Options exercised during the year	1,97,200	10.00	49,050	10.00
Options outstanding as at the year end	**11,66,550**	**10.00**	**16,68,750**	**10.00**

*Includes only options granted to employees who have fulfilled the related conditions in respect of such grant.

The weighted average remaining period of stock options as at March 31, 2024 is 5.98 years (March 31, 2023: 6.41 years).

The weighted average share price on the date of exercise of stock options during the year was Rs. 60.57 (March 31, 2023: Rs. 46.42).

Option exercisable as at March 31, 2024 is 388,000 (March 31, 2023: 156,250).

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44. Employee benefits obligation

A. Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service subject to a maximum of Rs. 2.00 million. The scheme is unfunded and accordingly the disclosures relating to plan assets are not provided.

The following tables summarise the components of net benefit expense recognised in the Statement of profit and loss and amounts recognised in the balance sheet.

(i) Amounts recognized in standalone balance sheet

Particulars	As at March 31, 2024	As at March 31, 2023
Defined benefit obligation ('DBO')	607.73	663.46
Defined benefit obligation ('DBO')	**607.73**	**663.46**

Bifurcation of DBO at the end of the year - current and non-current

Particulars	As at March 31, 2024	As at March 31, 2023
Current liability	100.44	103.73
Non-current liability	507.29	559.73

(ii) Amount recognized in other comprehensive income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Actuarial (gain)/loss	(52.01)	1.10
Actuarial (gain)/loss recognised in other comprehensive income	**(52.01)**	**1.10**

(iii) Expenses recognized in statement of profit and loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current service cost	76.84	92.14
Interest cost on DBO	48.83	47.92
Expense recognised during the year	**125.67**	**140.06**

(iv) Movement in the liability recognized in the standalone balance sheet is as under:

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation at the beginning of the year	**663.46**	**676.86**
Current service cost	76.84	92.14
Interest cost	48.83	47.92
Benefits paid	(129.39)	(154.56)
Actuarial (gain)/loss		
a. Effect of changes in financial assumption	4.28	0.50
b. Effect of experience adjustments	(56.85)	1.07
c. Effect of changes in demographic assumptions	0.56	(0.47)
Present value of defined benefit obligation at the end of the year	**607.73**	**663.46**

(v) For determining the DBO liability the following actuarial assumptions were used:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Discount rate	7.25%	7.36%
Salary escalation rate	4.50%	4.50%
Pre-retirement mortality	IALM(2012-14)	IALM(2012-14)
Attrition rate	23.7% (upto 30 years) 14.2% (age 31-44) 2.5% (above age 44)	25% (Upto 30 years) 14.3% (Age 31-44) 2.4% (above age 44)

(vi) Maturity profile of defined benefit obligation:

Particulars	As at March 31, 2024	As at March 31, 2023
Within the next 12 months	100.44	103.73
Between 2 and 5 years	255.15	262.24
Beyond 5 years	582.72	675.10

(vii) Sensitivity analysis for gratuity:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Impact of the change in discount rate on present value of DBO as at the end of the year		
Discount rate + 50 Basis points	(19.10)	(20.62)
Discount rate - 50 Basis points	20.42	22.05
Impact of the change in salary increases on present value of DBO as at the end of the year		
Salary rate + 50 basis points	17.88	20.37
Salary rate - 50 basis points	(17.45)	(19.80)

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these not calculated.
Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.

(viii) Risk

Salary increases - Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Investment risk - If plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount rate - Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality and disability - Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

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B. Short-term compensated absences

The assumptions used for computing the short-term accumulated compensated absences on actuarial basis are as follows

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	7.25%	7.36%
Future salary increase	4.50%	4.50%

C. Defined contribution plan:
During the year, the Company recognized Rs. 323.56 million (March 31, 2023 - Rs. 399.35 million) as provident fund expense under defined contribution plan and Rs. 15.63 million (March 31, 2023 - Rs 28.04 million) for contributions to employee state insurance scheme in the statement of profit and loss.

45. Lease liabilities
The Company's leased assets primarily consist of leases for aircraft, aircraft components (including engines) and buildings. The Company has several lease contracts that include extension and termination options and the management has considered both the options in determination of lease term. Potential cash flows in relation to such extension options cannot be ascertained since the cash outflow for the extended period will depend on the negotiations with the lessors in the event of exercising the extension options. Under certain lease arrangements of aircraft, the Company incurs variable payments towards maintenance of the aircraft which are presented under "Supplemental lease charges - aircraft, engines and auxiliary power units".

During the year ended March 31, 2024, the Company has recognized an expense of Rs. 7,135.88 million (March 31, 2023 Rs. 4,581.57 million) on account of short term leases which represents leased aircraft, engines and auxiliary power units having a lease term of less than 12 months and other short-term leases. The portfolio of other short-term leases to which the Company is committed at the end of the reporting period is not materially different from the portfolio of other short-term leases for which expense has been recognized during the year ended March 31, 2024.

A. Amount recognised in the Statement of Profit and Loss

Particulars	As at March 31, 2024	As at March 31, 2023
Depreciation on right of use assets	5,862.08	8,435.55
Interest on lease liabilities (net off rent waiver)	2,176.89	2,289.27
Rent expense related to short term leases	7,135.88	4,581.57

Refer note 4 for additions to Right-of-use assets and the carrying amount of right of use assets as at March 31, 2024. Further, refer note 57 for maturity analysis of lease liabilities.

B. Total cash outflow of leases

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Total cash outflow of leases	4,239.50	6,259.97

For maturity profile of lease payment obligation, refer note 57.

46. Capital and other commitments

a. As at March 31, 2024, the Company has commitments (net of advance) of Rs. 606,470.29 million (March 31, 2023 - Rs. 597,094.13 million) relating to the acquisition of aircraft.

b. As at March 31, 2024, the Company has commitments of Rs. 2,651.31 million (March 31, 2023 - Rs. 3,279.00 million) relating to the bank guarantees.

c. The Company has issued support letter ('letter') to its subsidiaries (other than AS Air 41 Lease (Ireland) Limited) for providing operational and financial support for a period of 12 months from the date of said letter.

47. Litigations and claims

a) Summary
i) Matters wherein management has concluded the liability to be probable have been provided for in the books. Refer note 31.
ii) Matters wherein management has concluded the liability to be possible have been disclosed under note 47 (b) below.

b) Contingent liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Demand arising out of legal cases filed against the Company in various consumer courts and forums (refer note (i) below)	303.85	339.59
Demand arising out of other legal cases filed against the Company (refer note (ii) below)	90.21	126.46
Liability arising out of goods and services tax related show cause notice and demand orders (refer note (iii) below)	117.09	112.10
Demand in respect of provident fund dues for international workers as explained in note (iv) below	142.37	142.37
Demand in respect of services tax (including interest and penalty) as explained in note (v) below	170.70	170.70
Show cause notice received in respect of service tax as explained in note (vi) below	3,541.77	3,541.77
Demand arising out of Integrated Goods and Services Tax ('IGST'), on overseas repairs and replacement of various aircraft equipment as explained in note (vii) below	619.58	582.44
Demand in respect of inter-corporate deposit received from Mallanpur Steels Limited (refer note (viii) below)	-	35.00
Demand in respect of order from the Competition Commission of India as explained in note (ix) below	51.00	51.00
Demand on account of tax deducted at source related claims (refer note (x) below)	718.34	718.34
Liability arising out of customs related show cause notice and demand orders (refer note (xi) below)	48.35	-
The Company has various demands arising from Income-Tax assessments pertaining to Assessment year 2006-07 to 2021-22. The litigations are currently pending at various forums and such sum contested after adjusting the brought forward losses and depreciation was computed to be Nil. Consequently, without prejudice to its legal defence on these matters, the Company has not disclosed the same as a contingent liability.		

i. The Company is contesting various consumer related legal cases in various forums. Based on the legal view from an external consultant and internal analysis, contingent liabilities have been created for these cases, except where the livelihood of any outflow of resources is remote.

ii. The Company is contesting various vendor/employee related legal cases in various forums. Based on the legal view from an external consultant and internal analysis, contingent liabilities have been created for these cases, except where the livelihood of any outflow of resources is remote.

iii. The goods and services tax related demand pertains to differential amount of IGST on account of incorrect classification as per customs chapter tariff head pertaining to bills of entry in relation to imports of various goods, claim of input tax credit for exempt supplies and discrepancies in returns filed.

iv. The Company has received a demand notice from the Regional Provident Fund Commissioner, Gurgaon for Rs. 79.91 million in respect of provident fund ('PF') dues for international workers vide Notifications GSR 706(E) dated October 1, 2008 and GSR 148 dated September 3, 2010, for the period from November 2008 to February 2011. The Company has responded to the notice disputing the demand and, without admitting any liability towards the same, has deposited an amount of Rs. 1.96 million towards the PF contributions in respect of international workers for the period from November 2008 to July 2011 under the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952 ('PF Act'). Since August 2011, the Company has been making provident fund contributions in respect of international workers under the provisions of the PF Act. During the year ended March 31, 2012, the Company has filed a writ petition with the Hon'ble Delhi High Court contending that the above notifications relating to international workers are unreasonable and ultra vires the PF Act. The Court has directed that this matter be put up in the regular list and the interim order in favour of the Company has been made absolute till disposal of the petition. In addition, a report has been filed by the Department's Representative before the Regional Provident Fund Commissioner ("RPFC") on March 22, 2017 pursuant to which there is an aggregate demand Rs. 144.43 million against the Company for the period from November 2008 to January 2012. The Company has filed its reply on the report on August 18, 2017. Thereafter, the RPFC has passed its final order on June 8, 2020 against the Company for an amount of Rs. 142.04 million towards outstanding PF dues for its expat employees for the period of November 2008 to January 2012. The RPFC order also states that there is an order in favour of the Company restraining the PF department from taking any coercive steps against the Company for recovery of the said amount till the disposal of the writ petition. Pending disposal of the writ petition, the Company has not accrued for any additional liability in respect of provident fund contributions to international workers.

v The Company has received a demand order for a sum of Rs 77 28 million, and applicable interest as well as penalty of Rs 77.28 million from the service tax department for non-remittance of service tax on reverse charge mechanism on certain payments made during the period April 18, 2006 to March 31, 2012. The Company is contesting the order on the grounds that the services obtained by the Company were not liable to service tax under the categories determined by the authorities and are hence not taxable services Effective July 2012, pursuant to the enactment of the negative list of taxable services, the Company has been paying service tax on these services received on reverse charge basis under the relevant provisions of the Finance Act, 1994. Based on advice by tax consultants and internal evaluation, the Company has provided an amount of Rs 77 28 million (including a portion of applicable interest) on a conservative basis (also refer note 31). However, the Company continues to contest the entire demand and has filed an appeal against the adverse order with the Customs, Excise and Service Tax Appellate Tribunal ('CESTAT') and is confident of its success. The balance amount of the matter under litigation, (including interest and penalty) of Rs. 170.70 million, has not been accrued pending final outcome of this matter and has been disclosed as a contingent liability

vi The Company has received certain show cause notices from the service tax authorities, citing various defaults, including failure/delay in remitting service tax collected, over past financial years as well as alleged failure in remittance of service tax on certain other items. Based on their assessment of the contentions of the service tax authorities, the management has submitted a detailed reply to the notice, and based on legal advice obtained, believes that the likelihood of this liability devolving on the Company is low, and accordingly has made no adjustments to the financial statements

vii The Company has received certain orders from customs authorities levying Integrated Goods and Services Tax ("IGST") and basic customs duty on re-import of various aircraft engines and aircraft equipment repaired/replaced outside India, which is in the opinion of the Management and based on expert advice obtained, is not subject to such levy. Accordingly, these amounts have been considered as recoverable. Further, in January 2021, the Company has received favourable order in reference to one of the matters for which tax is paid under protest, from the Customs Excise and Service Tax Appellate Tribunal ("CESTAT"), New Delhi in respect of this matter. During the year, the customs authorities have filed an appeal before the Hon'ble Supreme Court of India ("the Supreme Court") against the CESTAT order. The matter is yet to be decided by the Supreme Court and no stay on CESTAT order has been granted by the Supreme Court till date. Further, the customs authorities vide customs amendment notification dated 19 July 2021 has amended earlier customs exemption notification to reiterate their position that IGST is applicable on re-import of goods after repair. However, the Company based on the legal advice from counsels, continues to believe that no IGST is payable on such re-import of repaired aircraft engines and related parts. Accordingly, the above amounts, which is paid under protest till March 31, 2024 i.e. Rs. 619.58 million have been shown as recoverable

viii M/s Hindustan Development Corporation Limited ("HDCL") (now renamed as Mallanpur Steels Limited) who had lent Rs 50 million by way of inter-corporate deposit to the Company, has filed an appeal before the division bench of the Hon'ble Delhi High Court against the Scheme of Settlement passed by the Hon'ble Delhi High Court wherein the Company's liability was fixed at Rs 35 million. The Company had made a deposit of Rs 35 million to the Official Administrator of the Scheme in accordance with approved Scheme. Pending disposition of the review petition, the likelihood of the balance amount of Rs 15 million devolving on the Company is not probable. Also, the interest (if any) on the same is not ascertainable and accordingly no adjustments have been made to the financial statements

ix The Competition Commission of India ("CCI") passed an order dated November 17, 2015 against, inter alia, the Company, which included a demand of Rs 424 80 million. The Company's appeal against this order with Competition Appellate Tribunal ("COMPAT") was disposed of by the COMPAT, which set aside the impugned order on technical grounds and has referred the matter back to the CCI for fresh adjudication. Subsequent thereto, the matter was reconsidered by CCI and a revised order dated March 7, 2018 imposing fine of Rs 51 million was imposed on the Company. The Company has filed an appeal before COMPAT and based on legal advice received, management is confident of a favourable outcome in this matter and accordingly no adjustments are considered necessary in the financial statements

x The Company has received certain show cause notices from the income tax authorities citing various defaults, including non-deduction of tax deducted at source on certain payments. Based on their assessment of the contentions of the income tax authorities, the management has submitted a detailed reply to the notice, and based on legal advice obtained, believes that the likelihood of this liability devolving on the Company is low, and accordingly has made no adjustments to the financial statements

xi The customs related demand pertains to custom duty on the entire quantity of the remnant aviation turbine fuel in fuel tank arriving from foreign airport

xii The Assistant Commissioner of Income-Tax ("ACIT") has filed a complaint against the Company and its erstwhile Chairman and Managing Director in their individual capacity, over delayed payment of tax deducted at source in contravention of section 276B of the Income-tax Act, 1961 for financial years 2013-14 and 2014-15. The matter is sub-judice as on date and based on professional advice, the management is confident of a favourable outcome in this matter in so far as it relates to the Company. Accordingly, no adjustments are considered necessary in the financial statements

c) Certain aircraft/engine lessors have filed application(s) under Section 9 of the Insolvency and Bankruptcy Code, 2016 due to alleged non-payment. The Company has certain disputes in the matter and the amounts claimed are disputed debts and accordingly the Company is defending such matters. Basis the review of applications filed and the legal interpretation of the law supported by views of legal expert, the management is of the view that it is not possible to determine the effects of such applications as on date.

48. Non-compliance of laws and regulations

(a) There are delays in depositing Tax Deducted at Source ('TDS') and filing of TDS returns on time as per Income-tax Act, 1961, deposit of provident fund as per Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and deposit of goods and services tax and filing of returns as applicable under Goods and Services Tax Act, 2017 ('GST Act'). To the extent ascertained, the Company has made accrual for interest on delays in payment of above-mentioned statutory dues. There are foreign currency trade receivables and trade and other payables that are overdue beyond the timelines, however, the Company is yet to seek extension from AD Bank or Reserve Bank of India ('RBI'), as the case may be, for settlement of such balances under foreign exchange management guidelines

(b) Consequent upon slump sale of cargo business undertaking of the Company to its subsidiary (SpiceXpress and Logistics Private Limited) effective April 1, 2023, SpiceXpress and Logistics Private Limited has become unlisted material subsidiary and the Company is yet to appoint one independent director of the Company on the board of said unlisted material subsidiary

The Company is in process of regularising aforesaid non-compliances under applicable law and regulations, however pending such regularisation, the impact of some of the above matters, including due to fine/penalties that may be levied is presently unascertainable and accordingly, no adjustments have been made in these stanadalone financial statements in this respect

49. There have been certain delays in appointment of a woman independent director on the Board of Directors of the Company, holding of minimum number of committee meetings in the financial year ended March 31, 2024 under Companies Act, 2013 and issuing of financial results under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 during the year for the quarters ended September 30, 2023, December 31, 2023 and March 31, 2024. These have been either condoned upon payment of necessary fee or exemption/waiver provided by relevant regulatory authority. The Company further identified candidate for appointment as independent woman director subject to necessary security clearance and approvals. The impact of the above matters does not have any material impact in these standalone financial statements in this respect

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50. Advance money received against securities proposed to be issued

The Company had, in earlier financial years, received amounts aggregating to Rs. 5,790.90 million from Mr. Kalanithi Maran and KAL Airways Private Limited (together, "Erstwhile Promoters") as advance money towards proposed allotment/subscription of certain securities (189,091,378 share warrants and 3,750,000 non-convertible cumulative redeemable preference shares, issuable based on approvals to be obtained), to be adjusted at the time those securities were to be issued. Pursuant to the legal proceedings in this regard before the Hon'ble High Court of Delhi ("Court") between the Erstwhile Promoters, the present promoter and the Company, the Company was required to secure an amount of Rs. 3,290.89 million through a bank guarantee in favour of the Registrar General of the Court ("Registrar") and to deposit the balance amount of Rs. 2,500 million with the Registrar. The Company has complied with these requirements in September 2017.

The parties to the aforementioned litigation concurrently initiated arbitration proceedings before a three-member arbitral tribunal (the "Tribunal"), which pronounced its award on July 20, 2018 (the "Award"). In terms of the Award, the Company was required to (a) refund an amount of approximately Rs. 3,082.19 million to the counterparty, (b) explore the possibility of allotting non-convertible cumulative redeemable preference shares in respect of Rs. 2,708.70 million, failing which, refund such amount to the counterparty, and (c) pay interest calculated to be Rs. 924.66 million (being interest on the amount stated under (a) above, in terms of the Award). The amounts referred to under (a) and (b) above, aggregating Rs. 5,790.89 million, continue to be carried as current liabilities without prejudice to the rights of the Company under law. Further, the Company was entitled to receive from the counterparty, under the said Award, an amount of Rs. 290.00 million of past interest/servicing charges. Consequent to the Award, and without prejudice to the rights and remedies it may have in the matter, the Company accounted for Rs. 634.66 million as an exceptional item (net) during the year ended March 31, 2019, being the net effect of amount referred to under (c) and counter claim receivable of Rs. 290.00 million, above.

The Company deposited the entire principal of Rs. 5,790.9 million as per the direction of the Court in September 2017 which has also been subsequently paid to the counterparty and there are adjustments to be made for the counter-claim of the Company. The Company has additionally paid in aggregate Rs. 1,500.00 million to the counterparties pursuant to Court orders dated August 24, 2023 and February 2, 2024 while keeping open the rights and contentions in pending litigations. All the payment made to the counterparties has been included under other non-current assets.

The Company, its present promoter and the counterparties challenged various aspects of the Award, including the above-mentioned interest obligations and rights, under Section 34 of the Arbitration and Conciliation Act, 1996 which was dismissed by the Court vide its judgments dated July 31, 2023. Thereafter, the Company and its present promoter preferred an appeal under Section 37 of the Arbitration and Conciliation Act, 1996 before the Division Bench of the Court, inter-alia, challenging the payment of entire interest amount and payment of early refund of Rs. 2,708.70 million towards non-convertible cumulative redeemable preference shares. The Division Bench vide its judgment dated May 17, 2024 set aside the judgments dated July 31, 2023 of the Court and ordered to restore the petitions under Section 34 of the Arbitration and Conciliation Act, 1996 filed by the Company and present promoter before the appropriate Court for being considered afresh and bearing in mind the observations rendered by the Division Bench in its judgment dated May 17, 2024. Accordingly, this matter is sub-judice as on date.

In view of the foregoing and pending outcome of the aforesaid challenges at the Court and legal advice obtained, the management is of the view that no material liability is likely to arise from aforesaid matter and accordingly, no further adjustments have been made in this regard, to these standalone financial statements. The auditors have included 'Emphasis of Matter' paragraph in their audit report in this regard.

51. The Company entered into a Business Transfer Agreement ("BTA") with its subsidiary namely SpiceXpress and Logistics Private Limited ("SXPL") on March 31, 2023 for transfer of its cargo business undertaking as a going concern, on slump sale basis, for a total consideration of Rs. 25,557.70 million. Accordingly, SXPL is now carrying cargo business effective April 1, 2023. As per terms of the BTA, the slump sale consideration is to be discharged by SXPL by issuance of securities in the combination of equity shares and compulsorily convertible debentures. Pending issuance of securities, the consideration has been disclosed as other non-current receivables in the balance sheet. During the year, SXPL has issued 5,000,000 shares of face value of Rs. 10 each, amounting to Rs. 50.00 million. Considering this is business restructuring, the gain on slump sale is recognised in other equity in the financial statements.

Details related to transaction:	**Amount (in INR million)**
Consideration (A)	**25,557.70**
Assets and liabilities transferred	
Assets	
Capital work in progress	131.29
Security desposits	2.43
Property, plant and equipment	77.03
Total assets (B)	**210.75**
Liabilities	
Provision for gratuity	9.89
Provision for leave encashment	4.66
Advances from customer	212.15
Total liabilities (C)	**226.70**
Capital reserve (D=A-B+C)	**25,573.65**

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52. Segment information:

The Company has presented segment information in the consolidated financial statements. Accordingly, in terms of Paragraph 4 of Ind AS 108 'Operating Segments', no disclosures related to segments are presented in standalone financial statements.

53. Income tax expense

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2024 and March 31, 2023:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Accounting loss before income tax	**(4,094.39)**	**(15,030.15)**
Loss before income tax multiplied by standard rate of corporate tax in India 25.168% (March 31, 2023: 25.168%)	(1,030.48)	(3,782.79)
Effects of:		
Set-off of brought forward losses and non-deductible expenses for tax purposes	1,030.48	3,782.79
Net effective income tax	-	-

The Company has recognized deferred tax assets arising on account of brought forward tax losses and unabsorbed depreciation to the extent of the deferred tax liability arising on account of the temporary difference on depreciation of Rs. 2,100.25 million as at March 31, 2024 (Rs. Rs. 2,328.53 million as at March 31, 2023).

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities	(2,100.31)	(2,328.53)
Deferred tax asset	2,100.31	2,328.53
Net deferred tax asset/ (liabilities)	-	-

Year ended March 31, 2024	Opening balance	Recognised in statement of profit and loss	Recognised in OCI	Closing balance
Property, plant and equipment	(2,328.53)	228.22	-	(2,100.31)
Brought forward losses	2,328.53	(228.22)	-	2,100.31
Total	-	-	-	-

Year ended March 31, 2023	Opening balance	Recognised in statement of profit and loss	Recognised in OCI	Closing balance
Property, plant and equipment	(2,456.11)	127.58	-	(2,328.53)
Brought forward losses	2,456.11	(127.58)	-	2,328.53
Total	-	-	-	-

Brought forward losses and unabsorbed depreciation for which no deferred tax assets have been recognized are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Unused tax losses *	30,213.98	23,304.72
Unabsorbed tax depreciation #	5,036.97	4,366.41
Total	**35,250.95**	**27,671.13**

Unabsorbed depreciation does not have any expiry period under the Income-tax Act, 1961

*The following table details the expiry of the brought forward tax losses

Particulars	As at March 31, 2024	As at March 31, 2023
0-4 years	28,552.31	7,332.52
4-8 years	1,661.67	15,972.20
Total	**30,213.98**	**23,304.72**

The brought forward losses and unabsorbed depreciation considered above are based in the tax records and returns of the Company filed upto Assessment Year 2023-24 and does not consider the potential effect of matters under dispute/litigation with the tax authorities which are currently sub-judice at various levels. Also refer note 47.

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54. Related party transactions

Relationship	Name of the party
Individual exercising control	Mr. Ajay Singh
Relatives of individual exercising control	Ms. Shiwani Singh Ms. Avani Singh
Enterprises over which parties above have control/ joint control/significant influence ('Affiliates')	Spice Healthcare Private Limited
Subsidiaries	SpiceJet Merchandise Private Limited SpiceJet Technic Private Limited Canvin Real Estate Private Limited SpiceJet Interactive Private Limited Spice Club Private Limited Spice Shuttle Private Limited SpiceXpress and Logistics Private Limited Spice Ground Handling Services Private Limited SpiceTech System Private Limited AS Air Lease 41 (Ireland) Limited (with effect from 19 October 2023)
Key management personnel	Mr. Ajay Singh, Chairman and Managing Director Ms. Shiwani Singh, Non-Executive Promoter Director Mr. Anurag Bhargava, Independent Director Mr. Ajay Chhotelal Aggarwal, Independent Director Mr. Manoj Kumar, Independent Director (from May 28, 2019) Mr. Ashish Kumar, Chief Financial Officer (from September 9, 2022, upto July 14, 2024) Mr. Joyakesh Podder, Deputy Chief Financial Officer (with effect from July 15, 2024) Mr. Chandan Sand, Company Secretary

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Subsidiaries	March 31, 2024	March 31, 2023
SpiceJet Merchandise Private Limited		
Transactions during the year		
Loans given	-	48.50
Loans repaid	-	45.00
Purchases of goods	1.40	4.57
Reversal of interest accrued	-	51.05
Sale of services	2.11	9.68
Balances outstanding as at the year end		
Investment	0.10	0.10
Loans	106.78	106.78
Trade payables	1.46	17.14
Contract asset	17.21	15.09
SpiceJet Technic Private Limited		
Transactions during the year		
Loans repaid	-	15.00
Reversal of interest accrued	-	11.92
Aircraft maintenance services taken	358.61	1,073.59
Services rendered	100.46	124.79
Balances outstanding as at the year end		
Investment	20.10	20.10
Loans	10.28	10.28
Trade payables	489.27	489.27
Contract asset	100.46	-
Canvin Real Estate Private Limited		
Transactions during the year		
Reversal of interest accrued	-	60.87
Loans repaid	219.68	-
Balances outstanding as at the year end		
Investment	0.10	0.10
Loans	19.22	238.90
SpiceJet Interactive Private Limited		
Transactions during the year		
Loans given	0.10	0.20
Balances outstanding as at the year end		
Investment	0.10	0.10
Interest accrued	0.02	0.02
Loans	0.30	0.20
Spice Club Private Limited		
Transactions during the year		
Loans given	0.10	0.20
Interest income on loan given	-	0.02
Balances outstanding as at the year end		
Investment	0.10	0.10
Interest accrued	0.02	0.02
Loans	0.30	0.20

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Subsidiaries	March 31, 2024	March 31, 2023
Spice Shuttle Private Limited		
Transactions during the year		
Impairment allowance	-	38.88
Balances outstanding as at the year end		
Investment	0.10	0.10
SpiceXpress and Logistics Private Limited		
Transactions during the year		
Interest income	0.08	0.14
Slump sale transaction (refer note 51)	-	25,557.70
Air transportation service expenses	295.12	-
Services rendered	2,908.60	-
Loans repaid	1.00	-
Interest received	0.34	-
Balances outstanding as at the year end		
Investment	50.10	0.10
Loan	-	1.00
Interest accrued (gross of tax deducted at source)	-	0.26
Other receivable (refer note 51)	25,507.70	25,557.70
Trade receivables	661.03	0.02
Contract asset	22.94	-
Spice Ground Handling Services Private Limited		
Transactions during the year		
Loans given	0.10	0.20
Interest income on loan given	0.02	0.02
Balances outstanding as at the year end		
Investment	0.10	0.10
Interest accrued (gross of tax deducted at source)	0.02	0.02
Loans	0.30	0.20
SpiceTech System Private Limited ('STSPL')		
Transactions during the year		
Business support services expense	221.68	198.55
Support service income	-	0.89
Services rendered	8.24	8.21
Investment on account of grant of employee stock options	7.62	6.47
Balances outstanding as at the year end		
Investment	14.21	6.57
Trade payables	111.55	75.19
Advance to supplier	-	-
Contract assets	18.20	-
Affiliates	**March 31, 2024**	**March 31, 2023**
Spice Healthcare Private Limited		
Transactions during the year		
Sale of services	-	0.40
Support service	-	(0.15)
Issue of equity shares	1,019.69	-
Issue of equity share warrants	980.31	-
Balances outstanding as at the year end		
Trade receivables	1.05	1.05
Equity share capital	1,019.69	-
Money received against share warrants	980.31	-

Key management personnel	March 31, 2024	March 31, 2023
Balances outstanding as at the year end		
Employee advances	12.54	12.54

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2024, the Company has recorded impairment of INR nil aginst receivables and INR 106.78 million against loan to subsidiaries owed by related parties (March 31, 2023: INR 38.88 million against receivables and INR 60.74 million against loan to subsidiaries owed by related parties). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

The Company has issued support letter ('letter') to its subsidiaries (other than AS Air 41 Lease (Ireland) Limited) for providing operational and financial support for a period of 12 months from the date of said letter.

Compensation of key management personnel of the Company

	Year ended March 31, 2024	Year ended March 31, 2023
Short-term employee benefits#	116.90	126.58
Provident fund contribution	2.37	2.31
Total	119.27	128.89
Sitting fees		
Mr. Anurag Bhargava	0.10	0.30
Ms. Shivani Singh	0.30	0.10
Mr. Ajay Chhotelal Aggarwal	0.40	0.30
Mr. Manoj Kumar	0.40	0.30
Total	1.20	1.00
Total compensation paid to key management personnel**	120.47	129.89

#As the liabilities for gratuity and compensated absences are provided on actuarial basis for the Company as a whole, the amounts pertaining to the key management personnel are not included above.

**The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

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55. Fair values

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities.

Particulars	Carrying value		Fair value	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Financial assets				
Investments - Non-current	185.01	27.62	185.01	27.62
Investments - Current	4.91	4.56	4.91	4.56
Loans	30.40	296.82	30.40	296.82
Other financial assets - Non-current	3,042.82	4,979.63	3,042.82	4,979.63
Other financial assets - Current	4,284.45	3,598.89	4,284.45	3,598.89
Trade receivables	1,919.42	1,538.78	1,919.42	1,538.78
Other receivables - Current	8,513.02	9,454.82	8,513.02	9,454.82
Other receivables - Non-current	25,507.70	25,557.70	25,507.70	25,557.70
Cash and cash equivalents	1,975.52	336.13	1,975.52	336.13
Total	**45,463.25**	**45,794.95**	**45,463.25**	**45,794.95**
Financial liabilities				
Borrowings - Non-current	8,923.49	4,655.89	8,923.49	4,655.89
Borrowings - Current	2,592.61	7,196.77	2,592.61	7,196.77
Trade payables - Non-current	408.08	1,341.27	408.08	1,341.27
Trade payables - Current	33,168.54	30,705.02	33,168.54	30,705.02
Other financial liabilities - Current	1,388.28	1,728.18	1,388.28	1,728.18
Total	**46,481.00**	**45,627.13**	**46,481.00**	**45,627.13**

The Management considers that the carrying amounts of financial assets and financial liabilities (except lease liabilities) recognised in the financial statements approximate their fair values. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods were used to estimate the fair values :-

- Cash and cash equivalents, trade receivables, trade payables, and other current and non-current financial liabilities and other current and non-current financial assets approximate their carrying amounts largely due to the short-term maturities of these financial instruments.

- The borrowings of the Company do not have any comparable instrument having the similar terms and conditions with related security being pledged and hence the carrying value of the borrowings represents the best estimate of fair value.

56. Fair value hierarchy

The following explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: quoted prices (unadjusted) in active markets for financial instruments
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: unobservable inputs for the asset or liability

Valuation techniques used to determine fair value
Level 1 - The use of net asset value for mutual funds on the basis of the statement received from investee party.
Level 3 - The investment in equity shares of Aeronautical Radio of Thailand Limited is not significant. Hence, the Company has considered carrying value as fair value.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities are measured at fair value in the Balance Sheet.

Particulars	Fair value hierarchy as at March 31, 2024		
	Level 1	Level 2	Level 3
Investments in mutual funds	4.91	-	-
Unquoted equity investments	-	-	0.25

Particulars	Fair value hierarchy as at March 31, 2023		
	Level 1	Level 2	Level 3
Investments in mutual funds	4.56	-	-
Unquoted equity investments	-	-	0.25

There have been no transfers between level 1 and level 2 during the year.

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(All amounts are in millions of Indian Rupees, unless otherwise stated)

57. Financial risk management objectives and policies

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a treasury team. The treasury team provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. Market risk comprises three types of risk: price risk, interest rate risk and foreign currency risk.

The sensitivity analyses in the following sections relate to the position as at March 31, 2024 and March 31, 2023.

Price risk

The Company's exposure to price risk arises from investments held and classified as FVTPL. To manage the price risk arising from investments in mutual funds, the Company diversifies its portfolio of assets.

Sensitivity analysis

If price had been 50 basis points higher/lower and all other variables were held constant, the Company's loss for the year ended March 31, 2024 would decrease/increase by Rs. 0.25 million (March 31, 2023: decrease/increase by Rs. 0.23 million).

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 is exposed to interest rate risk because it borrows funds at floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. As at March 31, 2024 approximately 83.70% of the Company's borrowings are at a variable rate of interest (March 31, 2023 - 88.58%)

Interest rate sensitivity

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's loss for the year ended March 31, 2024 would increase by Rs. 28.74 million and decrease by Rs. 86.50 million respectively (March 31, 2023: increase by Rs. 20.23 million and decrease by Rs. 47.82 million respectively).

In management's opinion, the sensitivity analysis is unrepresentative of the inherent interest rate risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

Foreign currency sensitivity

The following demonstrates the sensitivity to a reasonably possible change in the foreign currency exchange rates, with all other variables held constant. The impact on the Company's loss before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The sensitivity analysis includes only outstanding unhedged foreign currency denominated monetary items.

If the foreign currency rates had been 5% higher/lower and all other variables were held constant, the Company's loss for the year ended March 31, 2024 would increase/decrease by Rs. 3,183.03 million (March 31, 2023: increase/decrease by Rs. 4,611.32 million).

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

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. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Company has adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. Trade receivables are typically unsecured. Majority of the Company's passenger revenue is made against deposits made by agents. Trade receivables primarily comprise of domestic customers, which are fragmented and are not concentrated to individual customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored. At March 31, 2024, the Company had 34 customers (March 31, 2023: 45 customers) that owed the Company more than Rs. 10 million each and accounted for approximately 81% (March 31, 2023: 77%) of all the receivables outstanding.

An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are widely dispersed and operate in largely independent markets. The average credit period ranges between 30 and 90 days.

The Company uses a simplified approach (lifetime expected credit loss model) for the purpose of computation of expected credit loss for trade receivables. The Company is recognising expected credit losses on outstanding trade receivables at in the range of 2-6% below 360 days and in the range of 8-100% for more than 360 days.

Credit risk related to cash and cash equivalents and bank deposits is managed by only investing in deposits with highly rated banks and financial institutions and diversifying bank deposits and accounts in different banks. Credit risk related to loans and other financial assets is managed by monitoring the recoverability of such amounts continuously. Credit risk is considered low because the Company is in possession of the underlying asset (in case of security deposit) or as per trade experience (in case of unbilled revenue). Further, the Company creates provision by assessing individual financial asset for expectation of any credit loss basis 12 month expected credit loss model.

Reconciliation of expected credit loss for trade receivables and loans are as follows:

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Trade receivables	Loans	Trade receivables	Loans
Balance at the beginning of the year	**169.16**	**60.74**	**130.49**	-
Add: Impairment loss recognised	236.91	46.04	38.67	60.74
Less: Bad debts written off/reversed	91.99	-	-	-
Balance at the end of the year	**314.08**	**106.78**	**169.16**	**60.74**

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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. The Company invests its surplus funds in bank fixed deposit and mutual funds, which carry minimal mark to market risks. The Company also constantly monitors funding options available in the debt markets with a view to maintaining financial flexibility.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments

Year ended March 31, 2024	Upto 1 year	1 to 5 years	> 5 years	Total
Financial liabilities (Non-current and current)				
Borrowings	2,592.61	8,511.29	412.20	11,516.10
Trade payables	33,168.54	408.08	-	33,576.62
Lease liabilities	27,253.78	16,442.58	507.27	44,203.63
Other current financial liabilities	1,388.28	-	-	1,388.28
Total	**64,403.21**	**25,361.95**	**919.47**	**90,684.63**

Year ended March 31, 2023	Upto 1 year	1 to 5 years	> 5 years	Total
Financial liabilities (Non-current and current)				
Borrowings	7,196.77	4,491.88	164.01	11,852.66
Trade payables	30,705.02	1,341.27	-	32,046.29
Lease liabilities	31,676.18	28,261.83	11,994.97	71,932.98
Other current financial liabilities	1,728.18	-	-	1,728.18
Total	**71,306.15**	**34,094.98**	**12,158.98**	**1,17,560.11**

58. Capital management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term fleet expansion plans. The funding requirements are met through internal accruals and other long-term/short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings. The Company monitors capital employed using a debt equity ratio, which is total debt divided by total equity.

The Company's policy is to keep the net debt to total equity ratio above (1.00).

Particulars	As at March 31, 2024	As at March 31, 2023
Long term borrowings	8,923.49	4,655.89
Short term borrowings	2,592.61	7,196.77
Cash and cash equivalents	(1,866.86)	(323.36)
Bank balances other than above	(108.66)	(12.77)
Net debt	9,540.58	11,516.53
Total equity	(25,858.47)	(32,316.07)
Net debt to total equity ratio	**(0.37)**	**(0.36)**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

59. Details of Corporate social responsibility ('CSR') expenditure

The Company has met the criteria as specified under sub-section (1) of section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, however, in the absence of average net profits in the immediately three preceding years, there is no requirement for the Company to spend any amount under sub-section (5) of section 135 of the Act.

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60. Disclosure required under section 186(4) of Companies Act, 2013 and regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

S. No	Name of Loanee	Gross opening balance as on April 1, 2023	Loan given	Loan repaid	Gross outstanding balance	Maximum outstanding balance		Purpose
						March 31, 2024	March 31, 2023	
1	SpiceJet Merchandise Private Limited	106.78	-	-	106.78	106.78	110.78	General business purpose
2	SpiceJet Technic Private Limited	10.28	-	-	10.28	10.28	25.28	
3	Canvin Real Estate Private Limited	238.90	0.10	(219.78)	19.22	239.00	238.90	
4	SpiceXpress and Logistics Private Limited	1.00	-	(1.00)	-	1.00	1.00	
5	SpiceJet Interactive Private Limited	0.20	0.10	-	0.30	0.30	0.20	
6	Spice Club Private Limited	0.20	0.10	-	0.30	0.30	0.20	
7	Spice Ground Handling Services Private Limited	0.20	0.10	-	0.30	0.30	0.20	

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(All amounts are in millions of Indian Rupees, unless otherwise stated)

61. Ratio analysis and its elements

Ratio	Measurement unit	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	% Change	Reason for variance
Current ratio	Times	Current assets	Current liabilities	0.28	0.22	27%	Change in ratio is mainly on account of 17% increase in current assets on account of increase in current account balances and 9.55% decline in current liabilities on account of debt and lessor settlements entered by the Company during the year
Debt-equity ratio	Times	Total Debt	Total equity	(2.08)	(2.27)	-8%	Change in ratio is less than 25% as compared to previous year and hence, no explanation required
Debt service coverage ratio	Times	Earnings before interest, tax, depreciation and amortisation	Interest expense (including capitalised) + Principal repayment (including prepayments)	3.48	(0.02)	17500%	Change in ratio is mainly on account of increase in earnings before interest, tax, depreciation and amortisation by 24.28% and 58.08% decline in repayment of loans made during the year
Return on equity ratio	Percentage	Profit after tax	Average of total equity	NA	NA	NA	Return on equity is not applicable as the Company has a negative net worth
Inventory turnover ratio	Times	Costs of materials consumed	Average inventories	7.13	15.62	-54%	Change in ratio is mainly on account of increase in inventory by 32% and decline in purchase by 22%
Trade receivables turnover ratio	Times	Revenue from operations	Average trade receivables	40.77	43.90	-7%	Change in ratio is less than 25% as compared to previous year and hence, no explanation required
Trade payables turnover ratio	Times	Total expense other than aviation turbine fuel and foreign exchange loss	Average trade payables	1.41	1.45	-3%	Change in ratio is less than 25% as compared to previous year and hence, no explanation required
Net capital turnover ratio	Times	Revenue from operations	Working capital [Current assets - Current liabilities]	(0.99)	(1.27)	-22%	Change in ratio is less than 25% as compared to previous year and hence, no explanation required
Net profit ratio	Percentage	Profit after tax	Revenue from operations	-5.81%	-16.95%	66%	Change in ratio is due to decline in loss by 73%
Return on capital employed	Percentage	Earnings before interest and taxes	Capital employed [Total assets - Current liabilities + Current borrowings]	25.84%	-0.72%	3689%	Change in ratio is mainly on account of increase in earnings before interest, tax, depreciation and amortisation by 24.28%
Return on investment	Percentage	Finance Income	Bank deposits + Mutual funds + loan to subsidiaries	3.15%	13.55%	-77%	Change in ratio is on account of decrease in finance income due to maturity of bank deposits and repayment of loan by subsidiaries during the current year

62. Audit Trail

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of accounts, shall only use such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The new requirement is applicable with effect from the financial year beginning on 1 April 2023.

The Company uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The audit trail (edit log) feature for any direct changes made at the database level was not enabled for the said accounting software used for maintenance of all the accounting records by the Company, however, the audit trails (edit log) at the application level was operating for all relevant transactions recorded in the software.

Further, the Company has used accounting software for maintenance of revenue records and payroll records which are operated by third-party software service providers which have a feature of recording audit trail (edit log) facility. Presently, the log has been activated at the application level. Availability of audit trail (edit logs) at database level is not covered in the 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with ISAE 3402, Assurance Reports on Controls at a Service Organisation).

63. Other statutory information

A. The Company has not advanced or loaned or invested funds to any person or any entity, 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 a 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.

B. The Company has not received any fund from any person or any entity, including foreign entities (Funding Party) with the understanding (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 a or on behalf of the Funding Party (Ultimate Beneficiaries); or
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

C. The Company have transactions and outstanding balances during the current year with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

Name of struck off company	Nature of transactions with struck off company	Gross balance outstanding	Relationship with the struck off company, if any
Greenfield Airways Private Limited	Receivables	0.98	Not applicable
Knorr - Bremse Systems For Commercial Vehicles India Private Limited	Receivables	0.02	Not applicable

D. The Company does not have any Benami Property, where any proceeding has been initiated or pending against the Company.

E. The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

F. The Company has not traded or invested in crypto currency or virtual currency during the year.

G. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-Tax Act, 1961.

H. The Company has not been declared as a 'Wilful Defaulter' by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

I. The Company has complied with numbers of layers prescribed under Rule (87) of section 2 of the Act read with Companies (Restriction on number of layers) Rules, 2017.

64. Previous year figures have been regrouped/reclassified to conform to the current year's classification. The impact of such reclassification/regrouping is not material to the financial statements.

65. Adoption of accounts

The standalone financial statements were approved for issue by the Board of Directors on July 15, 2024.

The accompanying notes to the standalone financial statements including summary of material accounting policies and other explanatory information are an integral part of these standalone financial statements.

For Walker Chandiok & Co LLP
Chartered Accountants
ICAI Firm Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No. 099514

Place: Gurugram
Date: July 15, 2024

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For and on behalf of the Board of Directors

Ajay Singh
Chairman and Managing Director

Place: Gurugram
Date: July 15, 2024

Jayakesh Podder
Deputy Chief Financial Officer

Place: Gurugram
Date: July 15, 2024

Chandan Sand
Company Secretary

Place: Gurugram
Date: July 15, 2024

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Independent Auditor's Report

To the Members of SpiceJet Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

1. We have audited the accompanying consolidated financial statements of SpiceJet Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at March 31, 2024, and their consolidated loss (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Qualified Opinion

3. We report that the Holding Company and its certain subsidiaries are in non-compliance with various laws and regulations applicable to the Holding Company and the said subsidiaries as detailed in Note 47 to the accompanying consolidated financial statements. Pending regularising of these non-compliances under the respective laws and regulations, the management is of the view that the impact of the aforesaid non-compliances on the accompanying consolidated financial statements is presently unascertainable. In the absence of necessary assessment of the impact of the aforesaid matter, including fines and penalties that may be levied, we are unable to comment on the adjustments, if any, that may be required to the accompanying consolidated financial statements on account of aforesaid matter.

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4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty Related to Going Concern

5. We draw attention to Note 2A(a)(iii) to the accompanying consolidated financial statement which describes that the Group has incurred a net loss (after other comprehensive income) of Rs. 4,183.79 million for the year ended March 31, 2024, and, as of that date, the Group's accumulated losses amounts to Rs. 78,871.39 million which have resulted in complete erosion of its net worth and the current liabilities have exceeded its current assets by Rs. 65,892.40 million as at March 31, 2024. These conditions together with other matters as described in note 2A(a)(iii), indicates the existence of material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. However, based on management's assessment of future business projections and other mitigating factors as described in the aforesaid note, which, inter alia, is dependent on successful raising of additional funds, the management is of the view that the going concern basis of accounting is appropriate for preparation of accompanying consolidated financial statement.

   In relation to the above key audit matter, our audit work included, but was not restricted to, the following procedures:

   - Obtained an understanding of the management's process for identification of events or conditions that may cast significant doubt over the Group's ability to continue as a going concern and the process to assess the corresponding mitigating factors existing against each such event or condition;
   - Evaluated the design and tested the operating effectiveness of key controls around aforesaid identification of events or conditions and mitigating factors, and controls around cash flow projections prepared by the management;
   - Obtained the cash flow projections for the next twelve months from the management, basis their future business plans;
   - Held discussions with the management personnel to understand the assumptions used and estimates made by them for determining the cash flow projections for the next twelve months;
   - Evaluated the reasonableness of the key assumptions such as expected growth in the revenue, expected optimisation in the costs etc. based on historical data trends, future market trends, existing market conditions, business plans and our understanding of the business and the industry;
   - Tested the arithmetical accuracy of the calculations and performed sensitivity analysis around possible variation in the above key assumptions; and
   - Evaluated the appropriateness and adequacy of disclosures in the consolidated financial statements with respect to this matter in accordance with the applicable accounting standards.

   Our opinion is not modified in respect of this matter.

Emphasis of Matter

6. We draw attention to Note 49 which describe the uncertainty relating to the outcome of ongoing litigation with erstwhile promoters which is pending with the Hon'ble High Court of New Delhi and certain resultant possible non-compliances of applicable provisions of the Act. Subsequent to year end, the Commercial Appellate Jurisdiction - Hon'ble High court, New Delhi vide order dated May 17, 2024, has set aside the judgement dated July 31, 2023 passed by the Single Judge of High court, New Delhi and has directed the appeal filed by the Holding Company under Section 34 of the Arbitration and Conciliation Act, 1996 to be considered afresh. The management basis their assessment and legal advice obtained, is of the view that no material liability is likely to arise out of the aforesaid matter and accordingly, no adjustment has been made to the accompanying consolidated financial statements in this respect. Our opinion is not modified in respect of this matter.

Independent Auditor's Report to the members of SpiceJet Limited on the consolidated financial statements for the year ended March 31, 2024 (cont'd)

Key Audit Matters

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

8. In addition to the matters described in the Basis for Qualified Opinion and Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Recognition of passenger revenue	
We refer to notes 2A(i) and 31 to the consolidated financial statements for accounting policies and disclosures relating passenger revenue. The Holding Company recognizes passenger revenue on flown basis i.e., when the service is rendered. Till that time, the money received is presented as contract liabilities (i.e., deferred revenue) in the balance sheet under the head other current liabilities and is measured basis the net sales price to the customer. In accounting for its passenger revenue, the Holding Company relies on the effectiveness of the integrated Information Technology ('IT') system which processes large volumes of individually low value transactions. Based on the data provided by the said IT system, the journal entries are manually posted into the general ledger (financial reporting IT system) for recognition of passenger revenue. Considering the significance of amount involved and complicated IT systems that handle large volumes of transaction data, including exchange of information with online travel agents, recognition of passenger revenue has been identified as a key audit matter for current year's audit.	Our procedures in relation to passenger revenue included, but not limited to the following: • Obtained and updated our understanding of the business process for each stream of revenue; • Understood the passenger revenue recognition policy of the Holding Company and ensured that it is in line with Ind AS 115 'Revenue from Contracts with Customers'; • Involved our IT specialists to evaluate design and test operating effectiveness of IT general controls and key automated controls of the Holding Company's IT system and third-party systems (assessed the SSAE 16 assurance report) which govern revenue recognition, and tested key manual internal controls over passenger revenue recognition; • Verified the reconciliation of data between the third-party system and the general ledger (financial reporting IT system) to corroborate the completeness of revenue; • Performed data analytics to identify unusual patterns by comparing the trend in monthly revenue, sector-wise revenue and average revenue per passenger; • For samples selected during the year and samples selected in reference to cut-off procedures, tested the supporting documents; and, • Evaluated the appropriateness and adequacy of the disclosures made in the consolidated financial statements for passenger revenue recognised during the year.
Provision for maintenance in relation to aircrafts	
We refer to notes 2A(n)(ii), 23 and 30 of the consolidated financial statements for accounting policies, disclosures and information related to accounting judgements, assumptions and estimates relating to provision for aircraft maintenance.	Our audit procedures in relation to provision for aircraft maintenance included, but not limited to the following: • Obtained an understanding from the management with respect to process and controls followed by the Holding Company to ensure appropriateness of recognition,

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Key audit matter	How our audit addressed the key audit matter
The Holding Company operates aircrafts held under lease arrangements and incurs liabilities for maintenance costs in respect of these aircrafts during the term of the lease. As at March 31, 2024, the Holding Company has recognised provisions for aircraft maintenance amounting to Rs. 2,950.58 million. These costs arise from regulatory and contractual obligations relating to the condition of the aircrafts and/or specific components when they are returned to the lessors. At each reporting date, the calculation of the maintenance provision includes a number of variable factors and assumptions including: anticipated utilisation of the aircraft; the cost of the expected heavy maintenance check; the condition of the aircraft engine, contractual return condition and the expected drawdown from the supplemental rental contribution. Considering the inherent level of complexity and subjectivity involved in the management estimates and judgements for assessing the variable factors, in order to quantify the provision amounts and hence, provision for aircraft maintenance has been selected as a key audit matter for the current year's audit.	measurement and completeness of provision for maintenance in relation to aircrafts; • Evaluated the design and tested the operating effectiveness of the internal financial controls over maintenance process including accounting for provision for aircraft maintenance held under the lease contract; • Read the maintenance contracts with third parties to gain an understanding of the significant terms relating to maintenance of aircrafts and its components; • Obtained information from engineering department about the aircrafts utilisation pattern (basis analysis of historical flight hours) and expected condition of the aircraft (basis underlying engine inspections and results) in reference to the expected future maintenance event dates and expected estimated cost of maintenance work; • Evaluated the consistency and reasonableness of the above judgements, assumptions and estimates by testing the input data basis historical available trends/information, contract terms and Holding Company's past experience; • Tested the arithmetical accuracy of the calculation for provision balance outstanding as at March 31, 2024; and • Evaluated appropriateness and adequacy of the disclosures made in consolidated financial statements with respect to the provision for aircraft maintenance.
Impairment of non-financial assets We refer to notes 2A(g), 3 and 4 of the consolidated financial statements for accounting policies and information related to accounting judgements, assumptions and estimates relating to impairment of non-financial assets. During the current year, due to the carried forward impact of Covid-19 pandemic and other business reasons, impairment indicators were identified in reference to non-financial assets namely right-of-use (ROU) assets and property, plant and equipment (PPE). The Group has identified its fleet of passenger aircrafts and freighter aircrafts as separate cash generating units (CGUs) and accordingly performed impairment assessment of passenger aircrafts in accordance with the accounting principles and determined the value-in-use of its cash generating units (CGUs) and compared with the carrying value.	Our audit procedures in relation to impairment assessment included, but not limited to the following: • Obtained an understanding of the management process for identification of possible impairment indicators and process performed by the management for impairment testing and the management process of determining the Value-in- Use (VIU); • Evaluated design and tested the operating effectiveness of relevant internal financial controls implemented for impairment assessment; • Obtained and assessed the management's impairment assessment computation by testing the underlying assumptions used in determining the cash flow projections and VIU;

Key audit matter	How our audit addressed the key audit matter
The future cash flow projections and its discounting involved significant inputs such as expected fuel prices, foreign exchange rates, growth rate and discount rate. The management has concluded that the recoverable amount of the CGUs is higher than its carrying amount and accordingly, no impairment provision has been recorded as at March 31, 2024. Considering significant management judgements involved in determination of said inputs used in computation, impairment of non-financial assets has been identified as a key audit matter for the current year's audit.	• Together with our valuation specialists, challenged the management on the underlying key assumptions used for cash flow projections and discount rate, considering evidence available to support these assumptions and our understanding of the business; • Performed sensitivity analysis on these key assumptions to assess potential impact of downside in the underlying cash flow forecasts and assessed the possible mitigating actions identified by management; • Tested the arithmetical accuracy of the cash flow projections; and • Evaluated the appropriateness and adequacy of the disclosures made in the consolidated financial statements with respect to impairment of non-financial assets.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

9. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

10. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group, covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

11. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

12. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

13. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are 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 Standards on Auditing 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 these consolidated financial statements.

14. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

    - Conclude on the appropriateness of 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 Group 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 consolidated financial statements 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 Group to cease to continue as a going concern;

    - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

    - Obtain sufficient appropriate audit evidence regarding the financial information financial statements of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors.

15. 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.

16. 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.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

17. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

18. We did not audit the financial information of one subsidiary, whose financial information reflects total assets of Rs. 91.91 million as at 31 March 2024, total revenues of Rs. Nil and net cash flows amounting to Rs. Nil for the year ended on that date, as considered in the consolidated financial statements. This financial information is unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiary, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the management, this financial information is not material to the Group.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial information certified by the management.

Report on Other Legal and Regulatory Requirements

19. As required by section 197(16) of the Act, based on our audit, we report that the Holding Company incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that nine subsidiaries incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiaries.

20. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, based on the consideration of the Order reports issued till date by us, of companies included in the consolidated financial statements for the year ended 31 March 2024 and covered under the Act, refer Annexure II for details of qualifications or adverse remarks given by us in the Order reports of such companies.

21. As required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

    a) We have sought and except for the matters described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, except for the possible effects of the matters described in paragraph 3 of the Basis for Qualified Opinion section and except for the matters stated in paragraph 21(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

    c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    d) Except for the effects of the matters described in the Basis for Qualified Opinion section, in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

    e) The matters described in paragraph 3 of the Basis for Qualified Opinion section and paragraph 6 of the Emphasis of Matter section, in our opinion, may have an adverse effect on the functioning of the Holding Company. Further, the matters described in paragraph 5 under Material uncertainty related to Going concern section, in our opinion, may have an adverse effect on the functioning of the Holding Company, SpiceJet Technic Private Limited, SpiceTech System Private Limited, SpiceJet Merchandise Private Limited and SpiceXpress and Logistics Private Limited, the subsidiaries of the Holding Company;

f) On the basis of the written representations received from the directors of the Holding Company and its subsidiaries and taken on record by the Board of Directors of the Holding Company and its subsidiaries respectively, none of the directors of the Group companies are disqualified as on March 31, 2024 from being appointed as a director in terms of section 164(2) of the Act.

g) The qualification relating to the maintenance of accounts and other matters connected therewith with respect to the consolidated financial statements are as stated in paragraph 3 of the Basis for Qualified Opinion section, paragraph 21(b) above on reporting under section 143(3)(b) of the Act and paragraph 21(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiaries covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure III' wherein we have expressed a modified opinion; and

i) 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 46 to the consolidated financial statements;

   ii. The Holding Company and its subsidiaries did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2024;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries covered under the Act, during the year ended March 31, 2024;

   iv. a. The respective managements of the Holding Company and its subsidiaries incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in Note 62A to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiaries to or in any person or entity, including foreign entities ('the 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 Holding Company, or any such subsidiaries ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

   b. The respective managements of the Holding Company and its subsidiaries incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the Note 62B to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiaries from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiaries 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; and

   c. Based on such audit procedures performed by us, as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

   iv. The Holding Company and its subsidiaries have not declared or paid any dividend during the year ended March 31, 2024; and

   v. As stated in Note 61 to the consolidated financial statements and based on our examination which included test checks, the Holding Company and its subsidiaries which are companies incorporated in India and audited under the Act, except for the instances mentioned below, the Holding Company and its subsidiaries, in respect of financial year commencing on April 1, 2023, have used accounting software for maintaining their books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exceptions given below.

1) The audit trail feature was not enabled at the database level for accounting software to log any direct data changes, used for maintenance of all accounting records by the Holding Company and one subsidiary.

2) The accounting software used for maintenance of all accounting records by eight subsidiaries have a feature of recording audit trail (edit log) facility. However, the audit trail feature was not enabled for all relevant transactions recorded in the software.

3) The accounting software used for maintenance of revenue and payroll records of the Holding Company, are operated by third-party software service providers. In the absence of any information on existence of audit trail (edit logs) for any direct changes made at the database level in the 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with ISAE 3402, Assurance Reports on Controls at a Service Organisation), we are unable to comment on whether audit trail feature with respect to the database level of the said software were enabled and operated throughout the year.

4) The accounting software used for maintenance of revenue records by one subsidiary for the period April 1, 2023 to February 29, 2024 is operated by a third-party software service provider. We are unable to test whether audit trail feature was enabled or tampered with for the said software at the application level. Further, the 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with ISAE 3402, Assurance Reports on Controls at a Service Organization) was available for part of the year and it in the absence of any information on existence of audit trail (edit logs) for any direct changes made at the database level, we are unable to comment on whether audit trail feature with respect to the said software was enabled and operated throughout the year.

5) The audit trail feature was not enabled at the database level for the accounting software to log any direct data changes used for maintenance of all revenue records by one subsidiary for the period March 1, 2024 to March 31, 2024.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Neeraj Goel
Partner
Membership No.: 099514

UDIN: 24099514BKCMXK7441

Place: Gurugram
Date: 15 July 2024

Annexure I to the Independent Auditor's Report of even date to the members of SpiceJet Limited on the consolidated financial statements for the year ended March 31, 2024

List of entities included in the Consolidated Financial Statements

Subsidiary companies

1. SpiceJet Merchandise Private Limited;
2. SpiceJet Technic Private Limited;
3. SpiceJet Interactive Private Limited;
4. SpiceJet Shuttle Private Limited;
5. SpiceJet Club Private Limited;
6. Canvin Real Estate Private Limited;
7. SpiceXpress and Logistics Private Limited;
8. Spice Ground handling Services Private Limited;
9. SpiceTech System Private Limited; and
10. AS Air Lease 41 (Ireland) Limited (with effect from 19 October 2023)

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Referred to in paragraph 20 of the auditor's report.

S. No.	Name	CIN	Holding Company / Subsidiary Company	Clause number of the CARO report which is qualified or adverse
1	SpiceJet Limited	L51909DL1984PLC288239	Holding Company	Clause (v)
2	SpiceJet Limited	L51909DL1984PLC288239	Holding Company	Clause (vii) (a)
3	SpiceJet Limited	L51909DL1984PLC288239	Holding Company	Clause (x) (b)
4	Canvin Real Estate Private Limited	U70109DL2017PTC326068	Subsidiary Company	Clause (vii) (a)
5	SpiceJet Merchandise Private Limited	U52520DL2016PTC303136	Subsidiary Company	Clause (vii) (a)
6	Spice Shuttle Private Limited	U62100DL2019PTC356667	Subsidiary Company	Clause (vii) (a)
7	SpiceTech System Private Limited	U72900DL2020PTC373102	Subsidiary Company	Clause (vii) (a)
8	SpiceJet Technic Private Limited	U74999DL2016PTC306819	Subsidiary Company	Clause (vii) (a)
9	Spice Club Private Limited	U74999DL2019PTC356527	Subsidiary Company	Clause (vii) (a)
10	Spice Ground Handling Service Private Limited	U63030DL2020PTC371395	Subsidiary Company	Clause (vii) (a)
11	SpiceJet Interactive Private Limited	U72900DL2019PTC349253	Subsidiary Company	Clause (vii) (a)

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure III to the Independent Auditor's Report of even date to the members of SpiceJet Limited on the consolidated financial statements for the year ended March 31, 2024

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of SpiceJet Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended March 31, 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to the financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') 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 the company's 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 Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. 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 with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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 consolidated financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 consolidated financial statements.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure III to the Independent Auditor's Report of even date to the members of SpiceJet Limited on the consolidated financial statements for the year ended March 31, 2024 (cont'd)

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

8. According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Holding Company and its subsidiaries internal financial controls with reference to financial statements as at March 31, 2024:

   The Holding Company's and its three subsidiaries internal financial controls over estimation of consequences towards non-compliances with laws and regulations as more fully explained in Note 47 to the consolidated financial statements, were not operating effectively, which could potentially result in an inappropriate assessment of the accuracy and completeness of provision for fines/penalties. This could lead to potential material misstatement in the value of fines/penalties payable, and its consequential impact on the loss after tax, reserve and surplus and related disclosures respect thereof as at and for the year ended March 31, 2024.

   A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim consolidated financial statements will not be prevented or detected on a timely basis.

9. In our opinion, the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements as at March 31, 2024, based on the internal financial controls with reference to the financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI, and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Holding Company and its subsidiaries internal financial controls with reference to financial statements were operating effectively as at March 31, 2024.

10. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Group as at and for the year ended March 31, 2024, and the material weakness has affected our opinion on the consolidated financial statements of the Group and we have issued a qualified opinion on the aforesaid consolidated financial statements.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel

Neeraj Goel
Partner
Membership No.: 099514

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

UDIN: 24099514BKCMXK7441

Place: Gurugram
Date: 15 July 2024

SpiceJet Limited
Consolidated balance sheet as at March 31, 2024
(All amounts are in millions of Indian Rupees, unless otherwise stated)

	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	11,610.66	12,379.46
Capital work-in-progress	5A	72.40	204.07
Right of use assets	4	13,951.33	27,674.80
Intangible assets	5	144.70	10.26
Financial assets			
(i) Investments	6	0.25	0.25
(ii) Loans	7	6.46	-
(iii) Other financial assets	8	3,043.78	4,977.06
Income-tax assets (net)	9	1,646.73	1,399.27
Other non-current assets	10	9,145.23	9,649.78
Total non-current assets		**39,621.54**	**56,294.95**
Current assets			
Inventories	11	1,720.02	1,628.30
Financial assets			
(i) Investments	12	4.92	4.56
(ii) Trade receivables	13	1,581.89	1,597.78
(iii) Other receivables	14	8,512.56	9,454.82
(iv) Cash and cash equivalents	15A	2,031.08	337.01
(v) Bank balances other than (iv) above	15B	114.68	18.17
(vi) Loans	16A	2.50	-
(vii) Other financial assets	16	4,209.94	3,467.82
Other current assets	17	6,922.58	4,902.32
Total current assets		**25,100.17**	**21,410.78**
Total assets		**64,721.71**	**77,705.73**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	7,834.05	6,018.46
Other equity	19	(60,007.42)	(64,521.56)
Equity attributable to owners of the Holding Company		**(52,173.37)**	**(58,503.10)**
Non-controlling interests		(12.38)	(3.33)
Total equity		**(52,185.75)**	**(58,506.43)**
Non-current liabilities			
Financial liabilities			
(i) Borrowings	20	8,923.49	4,659.89
(ii) Lease liabilities	21	15,000.68	28,440.69
(iii) Trade payables	22		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		408.08	1,341.27
Provisions	23	1,498.20	1,626.92
Other non-current liabilities	24	84.44	101.53
Total non-current liabilities		**25,914.89**	**36,170.30**
Current liabilities			
Financial liabilities			
(i) Borrowings	25	2,597.61	7,197.77
(ii) Lease liabilities	26	27,266.05	33,191.95
(iii) Trade payables	27		
Total outstanding dues of micro enterprises and small enterprises		674.78	491.09
Total outstanding dues of creditors other than micro enterprises and small enterprises		33,149.74	30,734.12
(iv) Other financial liabilities	28	1,446.24	1,773.24
Other current liabilities	29	21,722.50	22,449.94
Provisions	30	4,135.65	4,203.75
Total current liabilities		**90,992.57**	**1,00,041.86**
Total liabilities		**1,16,907.46**	**1,36,212.16**
Total equity and liabilities		**64,721.71**	**77,705.73**

Summary of material accounting policies. 2

The accompanying notes form an integral part of these consolidated financial statements.

This is the consolidated balance sheet referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
ICAI Firm Registration No.: 001076N/N500013

Neeraj Goel

Neeraj Goel
Partner
Membership No: 099514

Place: Gurugram
Date: July 15, 2024

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

For and on behalf of the Board of Directors

Ajay Singh
Chairman and Managing Director

Place: Gurugram
Date: July 15, 2024

Joyakesh Podder
Deputy Chief Financial Officer

Place: Gurugram
Date: July 15, 2024

Chandan Sand
Company Secretary

Place: Gurugram
Date: July 15, 2024

SpiceJet Limited
Consolidated statement of profit and loss for the year ended March 31, 2024
(All amounts are in millions of Indian Rupees, unless otherwise stated)

	Notes	Year ended March 31, 2024	Year ended March 31, 2023
Income			
Revenue from operations	31	70,853.06	88,735.93
Other income	32	14,102.15	9,682.96
Total income		**84,955.21**	**98,418.89**
Expenses			
Operating expenses	34A	54,249.06	73,679.35
Purchases of stock-in-trade	35B	731.05	997.28
Changes in inventories of stock-in-trade	35C	(24.86)	(72.73)
Employee benefits expense	35	8,208.56	8,800.07
Sales and marketing expenses	36	3,553.96	2,279.84
Other expenses	37	9,553.58	6,287.73
Foreign exchange loss (net)	39	1,020.12	6,823.62
Total expense		**77,291.47**	**98,795.16**
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**7,663.74**	**(376.27)**
Depreciation and amortisation expense	40	(7,531.17)	(10,227.41)
Finance income	33	285.13	551.81
Finance costs	38	(4,654.85)	(5,077.60)
Loss before tax		**(4,237.15)**	**(15,129.47)**
Tax expense			
Loss for the year		**(4,237.15)**	**(15,129.47)**
Other comprehensive income			
Items that will not be reclassified to statement of profit and loss			
Remeasurement gain/(loss) on defined benefit obligations		53.36	(0.48)
Income tax impact		-	-
Other comprehensive income for the year		**53.36**	**(0.48)**
Total comprehensive income for the year		**(4,183.79)**	**(15,129.95)**
Net profit for the year attributable to:			
Owners of the Holding Company		(4,228.30)	(15,127.65)
Non-controlling interests		(8.85)	(1.82)
		(4,237.15)	**(15,129.47)**
Other comprehensive income for the year attributable to:			
Owners of the Holding Company		53.56	(0.48)
Non-controlling interests		(0.20)	-
		53.36	**(0.48)**
Total comprehensive income for the year attributable to:			
Owners of the Holding Company		(4,174.74)	(15,128.13)
Non-controlling interests		(9.05)	(1.82)
		(4,183.79)	**(15,129.95)**
Earnings per equity share (Rs.)	41		
Basic		(6.39)	(25.14)
Diluted		(6.39)	(25.14)
Summary of material accounting policies	2		

The accompanying notes form an integral part of these consolidated financial statements.

This is the consolidated statement of profit and loss referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
ICAI Firm Registration No.: 001076N/N500013

Neeraj Goel

Neeraj Goel
Partner
Membership No: 099514

Place: Gurugram
Date: July 15, 2024

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Ajay Singh
Chairman and Managing Director

Place: Gurugram
Date: July 15, 2024

Joyakesh Podder
Deputy Chief Financial Officer

Place: Gurugram
Date: July 15, 2024

Chandan Sand
Company Secretary

Place: Gurugram
Date: July 15, 2024

SpiceJet Limited
Consolidated statement of cash flow for the year ended March 31, 2024
(All amounts are in millions of Indian Rupees, unless otherwise stated)

Particulars		Year ended March 31, 2024	Year ended March 31, 2023
Cash flows from operating activities			
Loss before tax and exceptional items		(4,237.15)	(15,129.47)
Adjustments for:			
Depreciation and amortisation expense		7,531.17	10,227.41
Impairment of trade receivables		273.93	111.25
Loss/(profit) on sale of property, plant and equipment (net)		34.36	(7.62)
Impairment of advances and other advances/amounts written off		2,559.46	413.31
Impairment of capital advances		1,247.00	381.36
Share based payment expense		23.83	25.34
Liabilities/provision no longer required written back		(8,166.77)	(7,140.55)
Gain on de-recognition of lease liabilities and right of use assets		(5,784.30)	(2,423.31)
Interest on lease liabilities		2,179.68	3,129.94
Finance cost - others		2,475.17	1,947.65
Interest income from financial assets measured at amortised cost		(152.37)	(228.59)
Net gain on financial assets measured at fair value through profit or loss		(0.36)	(0.23)
Interest income		(132.76)	(323.22)
Unrealised foreign exchange loss		890.11	5,822.36
Operating loss before working capital changes		**(1,259.00)**	**(3,194.37)**
Movements in working capital:			
Trade and other receivables		(1,482.81)	(746.02)
Inventories		(91.72)	(119.58)
Other financial assets		(946.08)	(81.07)
Other assets		(3,871.21)	(3,280.75)
Trade payables		3,280.49	6,237.99
Other financial liabilities		191.04	439.16
Other liabilities		(1,750.53)	3,599.67
Provisions		176.82	(1,204.37)
Net cash (used in)/flows from operations		**(5,753.00)**	**1,650.67**
Income taxes paid (net of refunds)		(205.69)	(447.03)
Net cash (used in)/flows from operating activities	A	**(5,958.69)**	**1,203.64**
Cash flow from investing activities			
Purchase of property, plant and equipment and capital work-in-progress (net of capital advances)		(579.69)	(224.30)
Proceeds from sale of property, plant and equipment		237.81	56.74
Loans to director		(6.46)	-
Purchase of investments (net)		0.01	(0.08)
Movement in fixed deposits (net)		(96.51)	495.69
Movement in margin money (net)		679.42	4,484.59
Finance income received		123.72	302.68
Net cash flows from investing activities	B	**358.30**	**5,115.32**
Cash flow from financing activities			
Proceeds from issue of equity shares (including securities premium and net of transaction costs)		5,778.74	0.49
Proceeds from issue of share warrants (refer note 13)		2,391.97	-
Proceeds from long-term borrowings		5,411.82	2,629.92
Repayment of long-term borrowings		(477.00)	624.37
Movement in short-term borrowings (net)		(590.00)	(2,582.10)
Repayment of lease liabilities (including interest of Rs. 2,179.68 million (March 31, 2023: Rs. 3,129.94 million)*		(4,253.19)	(6,277.06)
Finance costs paid		(959.92)	(497.01)
Net cash flows from/(used in) financing activities	C	**7,302.42**	**(6,101.39)**
Net increase in cash and cash equivalents	(A+B+C)	**1,702.03**	**217.57**
Effects of exchange difference on cash and cash equivalents held in foreign currency		(7.96)	6.49
Cash and cash equivalents at the beginning of the year		337.01	112.95
Cash and cash equivalents at the end of the year		**2,031.08**	**337.01**
Notes :			
Components of cash and cash equivalents (refer note 15A)			
Balances with banks			
In current accounts		2,029.36	231.85
In deposit accounts (with original maturity upto 3 months)		0.02	0.33
Cash on hand		1.70	104.83
		2,031.08	**337.01**

*Repayments for lease liabilities have first been attributed to interest expense for the year and balance to principal.

The "Statement of Cash Flow" has been prepared as per the Indirect method as set out in Ind AS 7 "Statement of Cash Flow".

The accompanying notes form an integral part of these consolidated financial statements.

This is the consolidated cash flow statement referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
ICAI Firm Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No: 099514

Place: Gurugram
Date: July 15, 2024

WALKER CHANDIOK & CO. CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Ajay Singh	Joyakesh Podder	Chandan Sand
Chairman & Managing Director	Deputy Chief Financial Officer	Company Secretary
Place: Gurugram	**Place:** Gurugram	**Place:** Gurugram
Date: July 15, 2024	**Date:** July 15, 2024	**Date:** July 15, 2024

SpiceJet Limited

Consolidated statement of changes in equity for the year ended March 31, 2024

(All amounts are in millions of Indian Rupees, unless otherwise stated)

A. Equity share capital:

	Number	Amount
Equity shares of Rs. 10 each issued, subscribed and fully paid		
As at April 01, 2022	60,17,96,615	6,017.97
Issued during the year pursuant to exercise of employee stock options	49,050	0.49
As at March 31, 2023	60,18,45,665	6,018.46
Issued during the year pursuant to preferential issue	18,13,61,852	1,813.62
Issued during the year pursuant to exercise of employee stock options	1,97,200	1.97
As at March 31, 2024	78,34,04,717	7,834.05

B. Other equity

For the year ended March 31, 2024

Particulars	Reserves and surplus			Money received against share warrants	Total other equity
	Securities premium	Share options outstanding account	Retained earnings		
As at April 01, 2023	10,140.54	58.97	(74,721.07)	-	(64,521.56)
Loss for the year	-	-	(4,228.30)	-	(4,228.30)
Other comprehensive income for the year	-	-	53.56	-	53.56
Total comprehensive income for the year	10,140.54	58.97	(78,895.81)	-	(68,696.30)
Transactions with owners in their capacity as owners:					-
Transfer to retained earnings on account of stock options lapsed	-	(24.42)	24.42	-	-
Share based payment expense	-	23.84	-	-	23.84
Movement during the year on account of issue of equity shares (preferential issue)	6,273.07	-	-	-	6,273.07
Transfer to securities premium on exercise of stock options	10.60	(10.60)	-	-	-
Money received against share warrants	-	-	-	2,391.97	2,391.97
As at March 31, 2024	16,424.21	47.79	(78,871.39)	2,391.97	(60,007.42)

For the year ended March 31, 2023

Particulars	Reserves and surplus			Money received against share warrants	Total other equity
	Securities premium	Share options outstanding account	Retained earnings		
As at April 01, 2022	10,134.09	40.20	(59,592.94)	-	(49,418.65)
Loss for the year	-	-	(15,127.65)	-	(15,127.65)
Other comprehensive income for the year	-	-	(0.48)	-	(0.48)
Total comprehensive income for the year	10,134.09	40.20	(74,721.07)	-	(64,546.78)
Transactions with owners in their capacity as owners:					
Share based payment expense	-	25.22	-	-	25.22
Transfer to securities premium on exercise of stock options	6.45	(6.45)	-	-	-
As at March 31, 2023	10,140.54	58.97	(74,721.07)	-	(64,521.56)

The accompanying notes form an integral part of these consolidated financial statements.

This is the consolidated statement of changes in equity referred to in our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
ICAI Firm Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No: 099514

Place: Gurugram
Date: July 15, 2024

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

For and on behalf of the Board of Directors

Ajay Singh
Chairman & Managing Director

Place: Gurugram
Date: July 15, 2024

Joyakesh Podder
Deputy Chief Financial Officer

Place: Gurugram
Date: July 15, 2024

Chandan Sand
Company Secretary

Place: Gurugram
Date: July 15, 2024

1. Corporate information

The consolidated financial statements comprise of financial statements of SpiceJet Limited ('SpiceJet' or 'the Company' or 'the Holding Company') and its subsidiaries (collectively, 'the Group') for the year ended March 31, 2024. The Holding Company was incorporated on February 9, 1984, as a limited company under the Companies Act and is listed on the BSE Limited ('BSE'). The registered office of the Holding Company is located at Indira Gandhi International Airport, Terminal 1D, New Delhi – 110037.

The Group is engaged principally in the business of providing air transport services for the carriage of passengers and cargo and other allied activities. Information on the Group's structure is provided in Note 60. Information on other related party relationships of the Group is provided in Note 53.

The consolidated financial statements were approved for issue by the board of directors on July 15, 2024.

2. A. Summary of significant material policies

a) Basis of preparation of consolidated financial statements

i. Statement of compliance

The consolidated financial statements ('financial statements') of the Group for the year ended March 31, 2024 have been prepared in accordance with Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read together with the Companies (Indian Accounting Standards) Rules 2015, as amended.

The consolidated financial statements are presented in Indian Rupees (Rs.) (functional and presentation currency of the Holding Company) and all values are rounded off to the nearest millions, except where otherwise indicated.

ii. Historical cost convention

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial assets and financial liabilities that are measured at fair value or amortised cost.

iii. Going concern assumption

The Group has incurred a net loss (including other comprehensive income) Rs. 4,183.79 million for year ended March 31, 2024, and as of that date, the Group has negative retained earnings of Rs. 78,871.39 million and negative net worth of Rs. 52,173.37 million (excluding non-controlling interests) and the current liabilities have exceeded its current assets by Rs. 65,892.40 million as at March 31, 2024.

Losses over the last few years have been primarily driven by adjustments on account of implementation of Ind AS 116, adverse foreign exchange rates, operational disruption during Covid 19 followed by sub-optimal operations due to liquidity constraints faced by the Holding Company.

On account of its operational and financial position, the Group has deferred payments to various parties, including lessors and other vendors and its dues to statutory authorities as also described in Note 47. Where determinable, the Group has accrued for additional liabilities, if any, on such delays in accordance with contractual terms/applicable laws and regulations and based on necessary estimates and assumptions. Additionally, the Group has also accounted for liabilities arising out of various litigation settlements. However, it is not practically possible to determine the amount of all such costs or any penalties or other similar consequences resulting from contractual or regulatory non-compliances. The management is confident that they will be able to negotiate further settlements in order to minimize/avoid any or further penalties. Further, the Group continues to defend itself in certain litigations at various Appellate/Judicial levels including matters summarised in Note 49.

The aforesaid conditions indicate the existence of uncertainty that may create doubt about the Group's ability to continue as a going concern.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

The Group continues to implement various measures such as return to service of its grounded fleet, enhancing customer experience, improving selling and distribution, revenue management, fleet rationalization, optimizing aircraft utilization, redeployment of capacity in key focus markets, management and employee compensation revision, renegotiation of contracts and other costs control measures, to help the Group establish consistent profitable operations and cash flows in the future. These initiatives are heavily dependent upon Group's ability to raise funds. During the year ended March 31, 2023, the Group had received funds aggregating to Rs. 4,498.17 million under Emergency Credit Line Guarantee Scheme ('ECLGS') scheme. The Group has further received Rs. 5,412.96 million under ECLGS scheme during the year ended March 31, 2024. During the year, Group has also issued fresh equity shares and equity warrants to the promoter group for value aggregating to Rs. 4,940.92 million and also issued equity shares to one of the large lessor against some of its outstanding dues. The Group has further issued fresh equity shares and equity warrants on preferential basis to various investors under non-promoter category aggregating to issue size of Rs. 10,600.00 million. The Group is also in ongoing discussions with certain potential investors for raising additional funds and is also expecting relief from certain lessors for settlement of their outstanding dues. Based on the foregoing and its effect on business plans and cash flow projections, the management is of the view that the Group will be able to raise funds as necessary and achieve profitable operations, in order to meet its liabilities as they fall due.

Accordingly, these consolidated financial statements have been prepared on the basis that the Group will continue as a going concern for the foreseeable future. The auditors have included 'Material Uncertainty Related to Going Concern' paragraph in their audit report in this regard.

iv. Critical accounting estimates and judgements

In preparing these consolidated financial statements, the management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about significant areas of estimation/uncertainty and judgements in applying accounting policies that have the most significant effect on the consolidated financial statements are as follows:

Note 2(A) (j)(iii)(a) and 43 – estimates required for employee benefits.

Note 2(A) (m)(ii) – estimates/judgement required for leases.

Note 2(A) (e) and (f) – measurement of useful life and residual values of property, plant and equipment and useful life of intangible assets.

Note 2(A) (n) and (r) – estimation of provision of maintenance.

Note 2(A) (s) – estimates/judgement required in impairment assessment.

Note 2(A) (k) – judgement required to determine probability of recognition of deferred tax assets.

Note 2(A) (m)(i) – estimation of provision for aircraft redelivery.

Note 2(A) (y) – judgment relation to contingent liability.

Note 2(A) (w) – estimates/judgement required to determine grant date fair value of stock options.

WALKER CHANDIOK & CO LLP · CHARTERED ACCOUNTANTS

b) Basis of consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an investee if and only if the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other voting right holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights; or
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If an entity of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that entity's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

Consolidation procedures

i. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company's with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

ii. Offset (eliminate) the carrying amount of the Holding Company's investment in each subsidiary and the Holding Company's portion of equity of each subsidiary.

iii. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full) including related tax impacts. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

c) Business combination and asset acquisition
In case, the acquisition of an asset or a group of assets that does constitute a business, identifiable acquired assets and liabilities and contingent liabilities assumed in a business combination are measured initially at their acquisition-date fair values. Goodwill is measured as excess of the aggregate of the fair value of the consideration transferred, the amount recognized for non-controlling interests and fair value of any previous interest held, over the fair value of the net of identifiable assets acquired and liabilities assumed. If the fair value of the net of identifiable assets acquired and liabilities assumed is in excess of the aggregate mentioned above, the resulting gain on bargain purchase is recognized in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

In case, the acquisition of an asset or a group of assets that does not constitute a business, the acquirer identifies and recognises the individual identifiable assets acquired (including those assets that meet the definition and recognition criteria for intangible assets) and liabilities assumed. The cost of the group (i.e. consideration paid) shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase.

d) Current versus non-current classification

The Group 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 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.

The Group classifies all other liabilities as non-current.

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

The Group has identified twelve months as its operating cycle.

e) Property, plant and equipment

Recognition and measurement
Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

The cost of property, plant and equipment not ready for intended use before such date is disclosed under capital work-in-progress.

For depreciation purposes, the Group identifies and determines cost of asset significant to the total cost of the asset having useful life that is materially different from that of the life of the principal asset and depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied and the same is depreciated based on their specific useful lives. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure, are charged to the statement of profit and loss for the period during which such expenses are incurred.

The Group has opted to avail the exemption under Ind AS 101 to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in consolidated financial statements for the year ended immediately before beginning of first Ind AS financial reporting period as per Indian GAAP (i.e., till March 31, 2016). Consequent to which exchange differences arising on long-term foreign currency monetary items related to acquisition of certain Q400 aircrafts are capitalized and depreciated over the remaining useful life of the asset.

Depreciation
The Group, based on technical assessment and management estimates, depreciates certain items of property, plant and equipment over-estimated useful lives which are different from the useful life prescribed in Schedule II to the Act. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The Group has used the following rates to provide depreciation on its property, plant and equipment.

Asset description	**Useful life estimated by the management (years)**
Plant and equipment	15
Rotable and tools	20
Office equipment	5
Computers	3 – 6
Furniture and fixtures	10
Motor vehicles	8
Leasehold improvements	Over the period of lease
Aircraft, engines and landing gear (excluding cost of major inspection)	8 – 20
Cost of major inspection	Over the expected period from current shop visit to next shop visit

Derecognition
An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

f) Intangible assets

Recognition and measurement
Intangible assets (software) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Depreciation
Costs incurred towards purchase of computer software are amortised using the straight-line method over a period based on management's estimate of useful lives of such software being 2-6 years, or over the license period of the software, whichever is shorter.

De-recognition
Intangible asset is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is derecognised.

g) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units ('CGU') fair value less cost of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period as relevant for asset or CGU tested for impairment. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a growth rate for subsequent years.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation/amortization is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation/amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

h) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

i) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer (point in time recognition) at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. The revenue is recognized net of amounts collected on behalf of third parties. No significant element of financing is deemed present as the sales are either made with a nil credit term or with a credit period of 0-90 days.

<u>Rendering of services</u>

Passenger revenues are recognised on flown basis i.e., when the service is rendered and cargo revenue is recognised when goods are transported i.e. when the service is rendered. Amounts received in advance towards travel bookings/reservations are shown under other current liabilities as contract liability. If the Group performs by transferring services to a customer before the consideration is due and billed, a contract asset is recognised for the earned consideration.

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When another party is involved in providing services to its customer, the Group determines whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer. The Group is a principal and records revenue on a gross basis if it controls the promised services before providing them to the customer. However, if the Group's role is only to arrange for another entity to provide the services, then the Group is an agent and will need to record revenue at the net amount that it retains for its agency services.

The Group recognizes an expected breakage amount as revenue in proportion to the pattern of rights exercised by the customer. Breakage revenue represents the amount of unexercised rights of customers which are non-refundable in nature.

The unutilized balances in unearned revenue is recognized as income based on past statistics, trends and management estimates, after considering the Group's refund policy.

Fees charged for cancellations or any changes to flight tickets and towards special service requests are recognized as revenue on rendering of related services.

Government grants

Grants from the government are recognised where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. The grant which is revenue in nature is recognised as other operating revenue on a systematic basis over the period for which such grant is entitled.

Other revenues

Income in respect of hiring/renting out of space in premises and equipment is recognised at rates agreed with the customers, as and when related services are rendered.

Tours and packages

Income and related expense from sale of tours and packages are recognised upon services being rendered and where applicable, are stated net of discounts and applicable taxes. The income and expense are stated on gross basis. The sale of tours and packages not yet serviced is credited to unearned revenue, i.e., 'Contract liabilities' disclosed under other current liabilities.

Sale of food and beverages

Revenue from sale of food and beverages is recognised when the goods are delivered or served to the customer. Revenue from such sale is measured at the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Amounts received in advance towards food and beverages are shown under other current liabilities.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, allowances and discounts.

Training income

Revenue from training income is recognized proportionately with the degree of completion of services, based on management estimates of the relative efforts as well as the period over which related training activities are rendered.

Interest

Interest income is recorded using the effective interest rate ('EIR'). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. Interest income is included in finance income in the statement of profit and loss.

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j) Employee benefits

i. Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

ii. Other long-term employee benefits

The Group also provides benefit of compensated absences to its employees (as per the policy of the Group) which are in the nature of long-term employee benefit plan. The Group measures the expected cost of compensated absences which are expected to be settled within 12 months as an additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. Liability in respect of compensated absences becoming due and expected to be carried forward beyond twelve months are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Group presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

iii. Post-employment benefits

The Group operates the following post-employment schemes:

a. Defined benefit plans – gratuity

The Group has unfunded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. This is based on standard rates of inflation, salary growth rate and mortality.

Discount factors are determined close to each year-end by reference to market yields on government bonds that have terms to maturity approximating the terms of the related liability. Service cost and net interest expense on the Group's defined benefit plan is included in employee benefits expense.

Actuarial gains/losses resulting from re-measurements of the defined benefit obligation are included in other comprehensive income.

b. Defined contribution plan – provident fund

Contribution towards provident fund is made to the regulatory authorities, where the Group has no further obligations. The Group recognizes contribution paid as an expense, when an employee renders the related service.

k) Taxes

Current income tax

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). 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.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the 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 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.

l) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

m) Leases

The Group's lease asset classes primarily consist of leases for aircrafts, aircraft components (including engines) and buildings. The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right of use assets

At the commencement date, the right of use assets are measured at cost. The cost includes an amount equal to the lease liabilities plus any lease payments made before the commencement date and any initial direct costs, less any incentives received from equipment manufacturer in terms of the same lease. An estimate of costs to be incurred in respect of redelivery obligation, in accordance with the terms of the lease, is also included in the right of use assets at commencement date.

After the commencement date, the right of use assets are measured in accordance with the accounting policy for property, plant and equipment i.e. right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Aircrafts – 1 to 12 years
Aircraft components – 1 to 10 years
Buildings – 2 to 10 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policy in point (e)above on impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, plus variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Lease term

At the commencement date, the Group determines the lease term which represents non-cancellable period of initial lease for which the asset is expected to be used, together with the periods covered by an option to extend or terminate the lease, if the Group is reasonably certain at the commencement date to exercise the extension or termination option.

iv) Sale and leaseback transactions

Where sale proceeds received are judged to reflect the aircraft's fair value, any gain or loss arising on disposal is recognised in the income statement, to the extent that it relates to the rights that have been transferred. Gains and losses that relate to the rights that have been retained are included in the carrying amount of the right of use assets recognised at commencement of the lease. Where sale proceeds received are not at the aircraft's fair value, any below market terms are recognised as a prepayment of lease payments, and above market terms are recognised as additional financing provided by the lessor.

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v) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of building and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term or another systematic basis which is more representative of the pattern of use of underlying asset.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

n) Supplementary rentals and aircraft repair and maintenance

i) Supplementary rentals

The Group accrues monthly expenses in the form of supplementary rentals which are based on aircraft utilisation that is calculated with reference to the number of hours or cycles operated during each month. Accrual of supplementary rentals are made for heavy maintenance visits, engine overhaul and landing gear overhaul for aircraft taken on lease.

ii) Aircraft repair and maintenance

Aircraft repairs and maintenance includes additional accrual, beyond supplementary rentals, for the estimated future costs of engine maintenance checks. These accruals are based on past trends for costs incurred on such events, future expected utilization of engine, condition of the engine and expected maintenance interval and are recorded over the period of the next expected maintenance visit.

Aircraft maintenance covered by third party maintenance agreements, wherein the cost is charged to the consolidated statement of profit and loss at a contractual rate per hour in accordance with the terms of the agreements. The Group recognises aircraft repair and maintenance cost (other than major inspection costs) in the consolidated statement of profit and loss on incurred basis.

o) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash on hand and at banks 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 statement of cash flow, 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 Group's cash management.

p) Foreign currency transactions

The consolidated financial statements of the Group is presented in Indian Rupees (Rs.) which is also the Holding Company's functional and presentation currency.

Initial recognition

Transactions in foreign currencies entered into by the Group are accounted at the exchange rates prevailing on the date of the transaction or at the average rates that closely approximate the rate at the date of the transaction.

Conversion

Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Non-monetary items which are measured in terms of historical cost denominated in a foreign currency are translated using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value denominated in a foreign currency are translated using the exchange rates that existed when the values were determined.

Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss except to the extent it is treated as an adjustment to borrowing costs.

q) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Involvement of external valuers is decided upon annually by the Group. At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

r) Provisions

Provisions are recognised when the Group 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.

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. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. The expense relating to a provision is recognised in the statement of profit and loss.

s) 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 transaction costs that are attributable to the acquisition of the financial asset. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

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 and derivatives at fair value through profit or loss ('FVTPL'); or
- Equity instruments at fair value through profit or loss ('FVTPL') or 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:

a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
b. 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 Group. 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 statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

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 Group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to statement of profit and loss. The Group does not have any debt instrument as at FVTOCI.

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 Group 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 Group 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 statement of profit and loss. The Group does not have any debt instrument at FVTPL.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVTOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group 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 statement of profit and loss, even on sale of investment. However, the Group 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 statement of profit and loss. The Group has classified its investments in mutual funds as investments at FVTPL and investments in unquoted equity instruments as investments in OCI.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the statement of profit and loss.

Impairment of financial assets

The Group applies expected credit loss model for recognising impairment loss on financial assets measured at amortised cost.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk rather, it recognises impairment loss allowance based on lifetime expected credit loss ('ECL') at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

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Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Impairment loss allowance (or reversal) for the year is recognized in the statement of profit and loss.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortized cost, net of directly attributable transaction costs.

Subsequent measurement

All financial liabilities except derivatives are subsequently measured at amortised cost using the effective interest rate method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

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 and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the 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.

t) Inventories

Inventories comprising expendable aircraft spares, miscellaneous stores and in-flight inventories are valued at cost or net realizable value, whichever is lower after providing for obsolescence and other losses, where considered necessary. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition and is determined on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

u) Manufacturers' incentives

Cash incentives

The Group receives incentives from original equipment manufacturers ('OEMs') of aircraft components in connection with acquisition of aircraft and engines. In case of owned aircraft, incentives are recorded as a reduction to the cost of related aircraft and engines. In case of aircraft and engines held under leases, the incentives are recorded as reduction to the carrying amount of right to use assets at the commencement of lease of the respective aircraft.

The Group also receives non-refundable milestone incentives from the engine manufacturer on achievement of certain milestones relating to acquisition and delivery of aircraft. These milestone incentives are recorded as reduction to the carrying value of aircraft and engines in case of owned aircraft and engines. In case of aircraft and engines held under leases, the incentives are recorded as reduction to the carrying amount of right to use assets at the commencement of lease of the respective aircraft and engine.

Where the aircraft is held under finance lease as per erstwhile Ind AS, the milestone incentives are deferred and recognised under the head 'Other operating revenue' in the statement of profit and loss, on a straight line basis over the remaining initial lease period of the respective aircraft for which the aircraft is expected to be used. In case of prepayment of finance lease obligations for aircraft taken on finance lease and consequently taking the ownership of the aircraft, before the expiry of the lease term, the unamortised balance of such deferred incentive is recorded as a reduction to the carrying value of the aircraft.

Non-cash incentives

Non-cash incentives relating to aircraft are recorded as and when due to the Group by setting up a deferred asset and a corresponding deferred incentive. These incentives are recorded as a reduction to the cost of related aircraft and engines in case of owned aircraft. In case of aircraft held under leases, the incentives are recorded as reduction to the carrying amount of right to use assets at the commencement of lease of the respective aircraft. The deferred asset explained above is reduced on the basis of utilization against purchase of goods and services.

v) Commission to agents

Commission expense is recognized as an expense coinciding with the recognition of related revenues considering various estimates including applicable commission slabs, performance of individual agents with respect to their targets etc.

w) Share-based payment expense

Employees (including senior executives) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value, of at the date when the grant is made using an appropriate valuation model.

That cost is recognised as employee benefits expense, together with a corresponding increase in stock options outstanding account in equity over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense (or reversal) for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of equity-settled transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through statement of profit and loss.

x) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

y) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of Group or present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation.

A contingent liability also arises in cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

Contingent assets are disclosed only when inflow of economic benefits therefrom is probable and recognize only when realization of income is virtually certain.

z) Measurement of earnings before interest, tax, depreciation and amortization ('EBITDA')

The Group has elected to present EBITDA as a separate line item on the face of the statement of profit and loss. In its measurement, the Group does not include depreciation and amortization, finance income, finance costs and tax expense.

B. Recent accounting pronouncement and new and amended accounting standards adopted by the Group

a) Ministry of Corporate Affairs ('MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules 2015, as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

b) The Ministry of Corporate Affairs ('MCA') vide its notification dated March 31, 2023, notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective April 1, 2023:

- Disclosure of accounting policies - amendments to Ind AS 1
- Definition of accounting estimates - amendments to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction - amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

(All amounts are in millions of Indian Rupees, unless otherwise stated)

Note 3 - Property, plant and equipment^

Particulars	Plant and equipment**	Rotable and tools**	Office equipment	Computers	Furniture and fixtures	Motor vehicles**	Leasehold improvements	Aircraft	Freehold land	Total
Gross block										
As at April 01, 2022	1,372.81	3,817.04	277.79	468.52	44.44	774.08	120.85	17,837.19	391.37	25,104.09
Additions	0.82	179.66	7.77	9.08	3.01	0.47	4.86	-	-	205.69
Disposals	81.15	0.46	5.72	0.83	3.23	92.93	1.25	-	-	185.57
Exchange differences *	-	-	-	-	-	-	-	539.43	-	539.43
As at March 31, 2023	1,292.48	3,996.24	279.84	476.77	44.22	681.62	124.46	18,376.62	391.37	25,663.64
Additions	0.84	190.92	0.87	8.53	3.23	-	20.49	827.17	-	1,052.05
Disposals	56.72	30.44	5.24	0.37	1.81	43.16	0.36	-	220.00	358.10
Exchange differences *	-	-	-	-	-	-	-	93.54	-	93.54
As at March 31, 2024	1,236.60	4,156.72	275.47	484.93	45.64	638.46	144.59	19,297.33	171.37	26,451.13
Accumulated depreciation										
As at April 01, 2022	444.96	1,200.80	177.37	387.12	33.57	475.63	91.00	8,869.03	-	11,679.48
Depreciation charge for the year	95.11	256.55	40.47	53.18	2.95	67.77	19.28	1,056.65	-	1,591.96
Disposals	39.07	0.38	2.47	0.65	0.56	92.93	0.41	-	-	136.47
Exchange differences *	-	-	-	-	-	-	-	149.21	-	149.21
As at March 31, 2023	501.00	1,456.97	215.37	439.65	35.96	450.47	109.87	10,074.89	-	13,284.18
Depreciation charge for the year	87.81	253.58	31.27	25.15	3.55	68.73	12.89	813.65	-	1,296.63
Disposals	28.64	13.52	4.73	0.37	1.01	39.43	0.20	-	-	87.90
Exchange differences *	-	-	-	-	-	-	-	347.56	-	347.56
As at March 31, 2024	560.17	1,697.03	241.91	464.43	38.50	479.77	122.56	11,236.10	-	14,840.47
Net block										
As at March 31, 2023	791.48	2,539.27	64.47	37.12	8.26	231.15	14.59	8,301.73	391.37	12,379.46
As at March 31, 2024	676.43	2,459.69	33.56	20.50	7.14	158.69	22.03	8,061.23	171.37	11,610.66

* Represents foreign exchange loss capitalised during the year and depreciation thereon. Refer note 2(A)(e) for details.

**Rotables and tools, ground support equipment and motor vehicles are subject to a first charge to secure the facilities provided by Indian Bank (erstwhile Allahabad Bank).

^Refer note 20 for details of mortgage related to property, plant and equipment on various borrowings and refer note 45 for contractual commitments for the acquisition of property, plant and equipment.

WALKER CHANDIOK & CO LLP

(All amounts are in millions of Indian Rupees, unless otherwise stated)

Note 4 - Right of use assets

Particulars	Aircraft	Aircraft components	Buildings	Total
Gross block				
As at April 01, 2022	71,142.74	4,462.19	694.33	76,299.26
Additions	2,169.34	-	-	2,169.34
Deletions/modification	13,677.49	-	6.26	13,683.75
Balance as at March 31, 2023	59,634.59	4,462.19	688.07	64,784.85
Additions	127.44	-	161.26	288.70
Deletions/modification	18,037.19	1,853.71	22.67	19,913.57
Balance as at March 31, 2024	41,724.84	2,608.48	826.66	45,159.98
Accumulated depreciation				
As at April 01, 2022	31,561.54	2,250.90	258.99	34,071.43
Depreciation charge for the year	7,797.69	557.53	93.76	8,448.98
Deletions	5,410.36	-	-	5,410.36
Balance as at March 31, 2023	33,948.87	2,808.43	352.75	37,110.05
Depreciation charge for the year	5,367.00	415.68	90.16	5,872.84
Deletions	10,413.53	1,347.36	13.35	11,774.24
Balance as at March 31, 2024	28,902.34	1,876.75	429.56	31,208.65
Net block				
As at March 31, 2023	25,685.72	1,653.76	335.32	27,674.80
As at March 31, 2024	12,822.50	731.73	397.10	13,951.33

Note 5 - Intangible assets

Particulars	Software	Total
Gross block		
As at April 01, 2022	418.41	418.41
Additions	7.70	7.70
Deletions	-	-
As at March 31, 2023	426.11	426.11
Additions	148.58	148.58
Deletions	-	-
As at March 31, 2024	574.69	574.69
Accumulated amortisation		
As at April 01, 2022	378.59	378.59
Amortisation charge for the year	37.26	37.26
Deletions	-	-
As at March 31, 2023	415.85	415.85
Amortisation charge for the year	14.14	14.14
Deletions	-	-
As at March 31, 2024	429.99	429.99
Net block		
As at March 31, 2023	10.26	10.26
As at March 31, 2024	144.70	144.70

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WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts are in millions of Indian Rupees, unless otherwise stated)

Note No.	Particulars	As at March 31, 2024	As at March 31, 2023
5A	**Capital work-in-progress**		
	Capital work-in-progress ('CWIP')	72.40	204.07
		72.40	**204.07**

The following table represent ageing of capital work-in-progress as at March 31, 2024:

CWIP	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	6.29	12.50	-	-	18.79
Projects temporarily suspended*	-	-	-	53.61	53.61
Total	6.29	12.50	-	53.61	72.40

The following table represent ageing of capital work-in-progress as at March 31, 2023:

CWIP	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	143.79	1.92	3.48	-	149.19
Projects temporarily suspended*	-	-	-	54.88	54.88
Total	143.79	1.92	3.48	54.88	204.07

* Project temporarily suspended pertains to construction of premises which has been put on hold due to stay order from government.

Note No.	Particulars	As at March 31, 2024	As at March 31, 2023
6	**Non-current investments (fully paid up)**		
	Unquoted equity investments measured at fair value through profit or loss ('FVTPL')		
	1,517 (March 31, 2023: 1,076) equity shares of Aeronautical Radio of Thailand Limited	0.25	0.25
		0.25	**0.25**
	Aggregate amount of unquoted investments	0.25	0.25
	Aggregate amount of impairment in value of investments	-	-
7	**Non-current loans**		
	(Unsecured, considered good unless stated otherwise)		
	Loan to director of subsidiary company	6.46	-
		6.46	-

During the year, one of the subsidiary company has given loan to its director. The loan is recoverable in 48 installments starting from November 30, 2023 and carries an interest of 8% per annum. For details refer note 53.

Note No.	Particulars	As at March 31, 2024	As at March 31, 2023
8	**Other non-current financial assets**		
	(Unsecured, considered good)		
	Deposits with original maturity of more than 12 months (also refer note 15B)	818.11	1,497.53
	Security deposits	2,225.67	3,479.53
		3,043.78	**4,977.06**
9	**Income-tax assets**		
	Advance income-tax	1,646.73	1,399.27
		1,646.73	**1,399.27**
10	**Other non-current assets**		
	Deposit with Delhi High Court (also refer note 49)	7,394.83	5,955.99
	Goods and services tax paid under protest*	639.46	582.44
	Capital advances		
	Unsecured, considered good	1,110.94	3,111.35
	Unsecured, considered doubtful	130.92	109.32
		9,276.15	**9,759.10**
	Impairment allowance		
	Unsecured, considered doubtful	(130.92)	(109.32)
		(130.92)	**(109.32)**
		9,145.23	**9,649.78**

*Refer note note 46(b)(vii) for details. The balance also includes amount paid as pre-deposits for appeal filed in respect of goods and services tax dispute in various forums amounting to Rs. 19.88 million (March 31, 2023: Nil).

Reconciliation of impairment allowance for capital advances are as follows:

At the beginning of the year	109.32	109.32
Additions during the year	21.60	-
At the end of the year	**130.92**	**109.32**

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WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts are in millions of Indian Rupees, unless otherwise stated)

Note No.	Particulars	As at March 31, 2024	As at March 31, 2023
11	**Inventories**		
	(valued at lower of cost or net realisable value)		
	Engineering stores and spares*	1,557.83	1,474.62
	Stock held in trade - in flight inventory	112.21	85.28
	Other stores and spares	49.98	68.40
		1,720.02	**1,628.30**
	*The above engineering stores and spares includes inventory for merchandise and others amouting to Rs. 63.02 million (March 31, 2023 Rs. 65.09 million)		
12	**Investments at fair value through profit or loss ('FVTPL')**		
	Quoted investment in mutual funds		
	7,122 (March 31, 2023: 7,122) units of ICICI Prudential Saving Funds - Direct Plan - Growth [NAV Rs. 499.55 (March 31, 2023: Rs. 462.59)]	3.30	3.29
	52,700.92 (March 31, 2023: 52,700.92) units of L&T Low Duration Fund - Direct Plan - Growth [NAV Rs. 25.82 (March 31, 2023: Rs. 24.05)]	1.62	1.27
		4.92	**4.56**
	Aggregate amount of quoted investments and market value thereof	4.92	4.56
13	**Trade receivables**		
	(Unsecured, considered good unless stated otherwise)		
	Trade receivables		
	Unsecured, considered good	1,660.77	1,673.54
	Unsecured, credit impaired	243.11	78.64
		1,903.88	**1,752.18**
	Impairment allowance		
	Unsecured, considered good	(78.88)	(75.76)
	Unsecured, credit impaired	(243.11)	(78.64)
		(321.99)	**(154.40)**
		1,581.89	**1,597.78**

For information related to trade receivables from related parties, refer note 53.
For details of contract balances refer to note 29.
The carrying amount of trade receivables approximates their fair value, is included in note 54. The Group's exposure to credit and currency risks, and impairment allowances related to trade receivables is disclosed in note 56.

As at March 31, 2024	Outstanding for following periods from due date of transaction					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	786.53	345.80	204.90	103.51	220.03	1,660.77
Undisputed trade receivables – credit impaired	0.13	33.84	15.58	20.24	173.32	243.11
Total	**786.66**	**379.64**	**220.48**	**123.75**	**393.35**	**1,903.88**

As at March 31, 2023	Outstanding for following periods from due date of transaction					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	835.48	242.20	164.57	128.68	302.61	1,673.54
Undisputed trade receivables – credit impaired	-	-	24.58	13.39	40.67	78.64
Total	**835.48**	**242.20**	**189.15**	**142.07**	**343.28**	**1,752.18**

Note No.	Particulars	As at March 31, 2024	As at March 31, 2023
14	**Other current receivables**		
	(Unsecured, considered good)		
	Maintenance receivables	3,620.88	4,638.31
	Other receivables	4,891.68	4,816.51
		8,512.56	**9,454.82**
15A	**Cash and cash equivalents**		
	Balances with banks:		
	– In current accounts	2,029.36	231.85
	– In deposit accounts (with original maturity upto 3 months)	0.02	0.33
	Cash on hand	1.70	104.83
		2,031.08	**337.01**
15B	**Bank balances other than cash and cash equivalents**		
	Deposits with original maturity for more than 3 months but less than 12 months	98.93	9.19
	Deposits with remaining maturity of less than 12 months	15.75	8.98
	Margin money/security against non-fund based facilities*	818.11	1,497.53
		932.79	**1,515.70**
	Less: Amount disclosed under other non-current asset (refer note 8)	(818.11)	(1,497.53)
		114.68	**18.17**
	*Margin money deposit have been placed with banks for non-fund based facilities sanctioned to the Holding Company		
16	**Other current financial assets**		
	(Unsecured, considered good)		
	Employee advances*	183.00	292.71
	Interest accrued on bank deposits	46.61	79.34
	Security deposits	3,689.97	2,642.35
	Contract asset	290.36	453.42
		4,209.94	**3,467.82**
	*Includes dues from related parties. Refer note 53		
17	**Other current assets**		
	Prepaid expenses	351.60	655.22
	Balance with government authorities	3,953.68	3,341.72
	Advances to suppliers		
	Unsecured, considered good	2,417.30	905.38
	Unsecured, credit impaired	346.55	219.11
		7,269.13	**5,121.43**
	Impairment allowance		
	Unsecured, credit impaired	(346.55)	(219.11)
		(346.55)	**(219.11)**
		6,922.58	**4,902.32**
	Reconciliation of impairment allowance for advances to suppliers are as follows:		
	At the beginning of the year	219.11	159.26
	Additions during the year	127.44	59.85
	At the end of the year	346.55	219.11

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts are in millions of Indian Rupees, unless otherwise stated)

Note No.	Particulars	Amount
18	**Equity share capital**	
	Authorised	
	(1,500,000,000 equity shares of Rs. 10 each)	
	As at April 01, 2022	15,000.00
	Increase during the year	-
	As at March 31, 2023	**15,000.00**
	Increase during the year	-
	As at March 31, 2024	**15,000.00**
	Issued, subscribed and paid-up capital	
	Equity shares of Rs. 10 each issued, subscribed and fully paid	
	As at April 01, 2022	**6,017.97**
	Issued during the year pursuant to exercise of employee stock options	0.49
	As at March 31, 2023	**6,018.46**
	Issued during the year pursuant to exercise of employee stock options	1.97
	Issued during the year pursuant to preferential issue*	1,813.62
	As at March 31, 2024	**7,834.05**

A: Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Value (Rs.)	Number of shares	Value (Rs.)
Shares outstanding at the beginning of the year	60,18,45,665	6,018.46	60,17,96,615	6,017.97
Issued during the year pursuant to exercise of employee stock options (refer note 42)	1,97,200	1.97	49,050	0.49
Issued during the year pursuant to preferential issue*	18,13,61,852	1,813.62	-	-
Shares outstanding at the end of the year	**78,34,04,717**	**7,834.05**	**60,18,45,665**	**6,018.46**

*During the year ended March 31, 2024, the Holding Company has made following allotment on preferential basis in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018:

(a) On September 4, 2023, the allotment of 34,172,000 equity shares of the face value of Rs. 10 each and 131,408,514 warrants, having option to apply for and be allotted equivalent number of equity shares of the face value of Rs. 10 each at an issue price of Rs. 29.84 each on preferential basis to promoter group;

(b) On September 4, 2023, the allotment of 48,123,186 equity shares of the face value of Rs. 10 each at an issue price of Rs. 48.00 each on preferential basis to certain aircraft lessors, consequent upon conversion of their existing outstanding dues aggregating to Rs. 2,309.91 million; and

(c) During the month of January and February 2024, the allotment of 95,600,000 equity shares of the face value of Rs. 10 each and 116,400,000 warrants, having option to apply for and be allotted equivalent number of equity shares of the face value of Rs. 10 each at an issue price of Rs. 50.00 each on preferential basis to non-promoter category.

B: Term/rights attached to equity shares

The Group has only one class of equity shares having a face value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividends in Indian rupees. The dividend, if any, proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

C: Details of shareholders holding more than 5% in the Group:

Name of shareholders	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% against total number of shares	Number of shares	% against total number of shares
Mr. Ajay Singh	29,73,33,450	37.95%	30,43,33,450	50.57%
Mr. Ajay Singh (HUF)	4,63,81,937	5.92%	5,03,36,838	8.36%
Aries Opportunities Fund Limited	4,00,00,000	5.11%	-	0.00%
Total	**38,37,15,387**	**48.98%**	**35,46,70,288**	**58.93%**

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

D. Aggregate number of bonus shares, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

(i) The Holding Company has issued total 2,592,682 shares (March 31, 2023 - 2,395,482) during the period of five years immediately preceding the reporting date on exercise of options granted under the employee stock option plan ('ESOP') wherein part consideration was received in form of employee services.

(ii) The Holding Company has issued 48,123,186 shares (March 31, 2023 - Nil) during the period of five years immediately preceding the reporting date for consideration other than cash.

(iii) The Holding Company did not issue any bonus share and has not bought back any share in preceding five years.

E. Details of promoter shareholding

Name of promoter	As at March 31, 2024		
	Number of shares	% of total shares	% change during the year
Mr. Ajay Singh	29,73,33,450	37.95%	-12.62%
Mr. Ajay Singh (HUF)	4,63,81,937	5.92%	-2.44%
Mrs. Kalpana Singh	2,79,505	0.05%	0.00%

Name of promoter	As at March 31, 2023		
	Number of shares	% of total shares	% change during the period
Mr. Ajay Singh	30,43,33,450	50.57%	0.00%
Mr. Ajay Singh (HUF)	5,03,36,838	8.36%	-0.42%
Mrs. Kalpana Singh	2,79,505	0.05%	0.00%

F. Shares reserved for issue under options

For details of shares reserved for issue under ESOP, refer note 42 for details.

WALKER CHANDIOK & CO LLP CHARTERED A

(All amounts are in millions of Indian Rupees, unless otherwise stated)

Note No.	Particulars	As at March 31, 2024	As at March 31, 2023
19	**Other equity**		
	Money received against share warrants	2,391.97	-
	Reserves and surplus		
	Securities premium	16,424.21	10,140.54
	Share options outstanding account	47.79	58.97
	Retained earnings	(78,871.39)	(74,721.07)
		(60,007.42)	(64,521.56)
	a. Securities premium		
	Securities premium is used to record the premium on issue of shares and the same is utilised in accordance with the provisions of the Act		
	Balance at the beginning of the year	10,140.54	10,134.09
	Additions during the year on exercise of stock options	10.60	6.45
	Additions during the year on issue of equity shares on preferential basis	6,273.07	-
	Balance at the end of the year	16,424.21	10,140.54
	b. Share options outstanding account		
	The balance represents reserves created to the extent of vested options based on the Employees Stock Option Scheme, 2017.		
	Balance at the beginning of the year	58.97	40.20
	Share based payment expense	23.84	25.22
	Transfer to securities premium on exercise of stock options	(10.60)	(6.45)
	Transfer to retained earnings on account of stock options lapsed	(24.42)	-
	Balance at the end of the year	47.79	58.97
	c. Retained earnings		
	Retained earnings comprises of current year and prior periods undistributed earnings or losses after tax		
	Balance at the beginning of the year	(74,721.07)	(59,592.94)
	Loss for the year	(4,228.30)	(15,127.65)
	Other comprehensive income for the year	53.56	(0.48)
	Transferred from share options outstanding account on account of stock options lapsed	24.42	-
	Balance at the end of the year	(78,871.39)	(74,721.07)
	d. Money received against share warrants		
	This represents application money received on issue of share warrants.		
	Balance at the beginning of the year	-	-
	Money received against share warrants	2,391.97	-
	Balance at the end of the year	2,391.97	-

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WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts are in millions of Indian Rupees, unless otherwise stated)

Note No.	Particulars	As at March 31, 2024	As at March 31, 2023
20	**Long-term borrowings (secured)**		
	Term loans		
	Rupee loan from bank	9,638.70	4,498.17
	Less: Current maturities of long term borrowings (refer note 25)	(715.21)	(272.43)
		8,923.49	**4,225.74**
	Other loans		
	Term loan from Directors*	5.00	5.00
	External commercial borrowing	1,877.40	6,764.50
	Less: Current maturities of long term borrowings (refer note 25)	(1,882.40)	(6,335.35)
		-	434.15
		8,923.49	**4,659.89**

*During the previous year, one of the subsidiary company of the Group has entered into an agreement with the director on December 1, 2022 to obtain a loan of Rs 5 million which shall be repaid till May 31, 2024

Repayment terms (including current maturities) and security details for term loans from bank

a During the year, the Holding Company has availed term loan under Electronic Credit Line Guarantee Scheme ('ECLGS') from Yes Bank Limited amounting to Rs. 5,050.96 million (sanctioned amount Rs. 5,104.00 million). The loan is repayable in 48 equal instalments commencing after 2 years from the date of the borrowing and carries an interest rate of 9.25% (1.00% spread over MCLR rate of the bank revised every year capped at 9.25%.) The loan is secured as follows:
- Second charge on movable fixed assets of the Holding Company (both present and future);
- Second charge on current assets of the Holding Company (both present and future) including all receipts in foreign currency and rupee credit (except lien marked deposits);
- Second charge on pledge of shares of the Holding Company held by the Promoter;
- Second charge on current assets and movable fixed assets of SpiceXpress and Logistics Private Limited (subsidiary entity); and
- 100% credit guarantee by National Credit Guarantee Trust Company Limited (NCGTC)

b During the previous year, the Holding Company had availed term loan under Electronic Credit Line Guarantee Scheme ('ECLGS') from Yes Bank Limited amounting to Rs. 1,509.80 million. The loan is repayable in 48 equal instalments commencing after 2 years from the date of the borrowing and carries an interest rate of 9.25% (0.80% spread over MCLR rate of the bank revised every year capped at 9.25%). The loan is secured as follows:
- Second charge on movable fixed assets of the Holding Company;
- Second charge on current assets of the Holding Company (both present and future) including all receipts in foreign currency and rupee credit (except lien marked deposits);
- Second charge on pledge of shares of the Holding Company held by the Promoter; and
- 100% credit guarantee by National Credit Guarantee Trust Company Limited (NCGTC)

c During the previous year, the Holding Company had availed term loan under Electronic Credit Line Guarantee Scheme ('ECLGS') from Indian Bank Limited amounting to Rs. 600.00 million. The loan is repayable in 48 equal instalments commencing after 2 years from the date of the borrowing and carries an interest rate of 9.25% (1% spread over MCLR rate of the bank revised every year capped at 9.25%). The loan is secured as follows:
- Second charge on existing credit facilities in terms of cash flow (including repayment); and
- 100% credit guarantee by National Credit Guarantee Trust Company Limited (NCGTC)

d During the previous year, the Holding Company had availed term loan under Electronic Credit Line Guarantee Scheme ('ECLGS') from Indian Bank Limited amounting to Rs. 913.20 million (sanctioned amount: INR 1,286.40 million). The loan is repayable in 48 equal instalments commencing after 2 years from the date of the borrowing and carries an interest rate of 9.25% (1% spread over MCLR rate of the bank revised every year capped at 9.25%.). During the year, the Holding Company has further received loan disbursement from Indian Bank amounting to 362.00 million (out of total sanctioned amount: INR 1,286.40 million). The loan is secured as follows:
- Second charge on existing credit facilities in terms of cash flow (including repayment) and securities including pledge of deposits, shares and fixed deposit;
- Second charge on current assets of the Holding Company; and
- 100% credit guarantee by National Credit Guarantee Trust Company Limited (NCGTC)

e The Holding Company has availed term loan under Electronic Credit Line Guarantee Scheme ('ECLGS') from Yes Bank Limited amounting to Rs. 1,275.17 million. The loan is repayable in 48 equal instalments commencing after 2 years from the date of the borrowing and carries an interest rate of 9.25% (0.80% spread over MCLR rate of the bank revised every year capped at 9.25%). The loan is secured as follows:
- Second charge on movable fixed assets;
- Second charge on current assets of the Holding Company (both present and future) including all receipts in foreign currency and rupee credit (except lien marked deposits);
- Second charge on pledge of shares of the Holding Company held by the Promoter; and
- 100% credit guarantee by National Credit Guarantee Trust Company Limited (NCGTC)

f The Holding Company had availed term loan under Electronic Credit Line Guarantee Scheme ('ECLGS') from IDFC Bank Limited ('IDFC Bank') amounting to Rs. 200 million. The loan is repayable in 48 equal instalments commencing after 2 years from the date of the borrowing and carries an interest rate of 9.25% (1.00% spread over MCLR rate of the bank revised every year capped at 9.25%). The loan is secured as follows:
- Second pari-passu charge movable fixed assets and current assets of the Holding Company;
- Second charge on land of the Holding Company;
- Second charge on pledge of shares of the promoter of the Holding Company (1.0x cover); and
- 100% credit guarantee by National Credit Guarantee Trust Company Limited (NCGTC)

Repayment terms (including current maturities) and securities details for external commercial borrowings

g The External Commercial Borrowing ('ECB') relates to the acquisition of 'Bombardier Q400 Aircrafts', accordingly, secured against these aircrafts. The ECB has been approved by the Reserve Bank of India and is granted through a structure between the Holding Company and Maple Leaf Financing Limited with lending from Export Development Canada ('EDC'). As per the terms of the agreement, the Holding Company may opt for either fixed or a floating rate of interest benchmarked to LIBOR for each drawdown, which coincides with the delivery of each aircraft. The interest on this ECB ranges from 3.79% to 5.36%. During the current and previous year, the Holding Company had negotiated revised payment schedule and repayment was to be commenced from July 2023. However, in the month of March 2024, the Holding Company has entered into settlement agreement with EDC wherein the ECB amounting to Rs. 7,554.55 million (inclusive of interest) appearing in the books of accounts has been settled at Rs. 1,872.68 million. The management of the Holding Company has recognised the resulting write back of Rs. 5,681.87 million as 'other income'.

21	**Non-current lease liabilities**		
	Lease liabilities (refer note 44 for details)	15,000.68	28,440.69
		15,000.68	**28,440.69**
22	**Non-current trade payables**		
	Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	408.08	1,341.27
		408.08	**1,341.27**
	Terms and conditions of the above financial liabilities:		
	Trade payables are non interest bearing and carry a credit period exceeding 365 days		
23	**Non-current provisions**		
	Provision for gratuity (refer note 43 for details)	541.32	559.73
	Provision for aircraft redelivery (refer note 30 for details)	572.00	943.85
	Provision for aircraft maintenance (refer note 30 for details)	384.88	123.34
		1,498.20	**1,626.92**
24	**Other non-current liabilities**		
	Deferred incentive	101.68	118.77
	Less: Current portion (refer note 29)	(17.24)	(17.24)
		84.44	**101.53**

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(All amounts are in millions of Indian Rupees, unless otherwise stated)

Note No.	Particulars	As at March 31, 2024	As at March 31, 2023
25	**Current borrowings (secured)**		
	Working capital demand loan from bank (refer note (a) and (b) below)	-	590.00
	Current maturities of long-term borrowings (refer note 21)	2,597.61	6,607.77
		2,597.61	**7,197.77**

At March 31, 2024, the Holding Company had available Rs. 53.04 million (March 31, 2023: Rs. 2,064.00 million) of undrawn committed borrowing facilities.

Repayment terms and security details for short term borrowings

a Working capital demand loan from bank is secured by fixed deposits placed by the erstwhile promoter and is repayable on demand. The loan carries an interest rate of 12.75% per annum. The loan has been fully repaid during the current year.

Changes in liabilities arising from financing activities

Particulars	April 1, 2023	Cash flows	Foreign exchange impact	Others*	As at March 31, 2024
Non-current borrowings (including current maturities)	11,267.68	4,934.82	1.14	(4,682.54)	11,521.10
Current borrowings	590.00	(590.00)	-	-	-
Finance costs	579.25	(959.92)	-	440.16	59.49
Lease liabilities**	61,632.64	(4,253.19)	416.90	(15,529.62)	42,266.73
Total liabilities from financing activities	**74,069.57**	**(868.29)**	**418.04**	**(19,772.00)**	**53,847.32**

Changes in liabilities arising from financing activities

Particulars	April 1, 2022	Cash flows	Foreign exchange impact	Others*	As at March 31, 2023
Non-current borrowings (including current maturities)	8,325.89	2,402.36	539.43	-	11,267.68
Current borrowings	2,467.87	(1,957.73)	79.86	-	590.00
Finance costs	188.33	(496.58)	-	887.50	579.25
Lease liabilities**	72,508.23	(6,259.96)	6,370.50	(10,986.13)	61,632.64
Total liabilities from financing activities	**83,490.32**	**(6,311.91)**	**6,989.79**	**(10,098.63)**	**74,069.57**

* Refer note 21(g) for write back explanation related to EDC.
** This includes inter-caption reclassification, lease additions, settlements and other adjustments

Note No.	Particulars	As at March 31, 2024	As at March 31, 2023
26	**Current lease liabilities**		
	Lease liabilities (refer note 44 for details)	27,266.05	33,191.95
		27,266.05	**33,191.95**
27	**Current trade payables**		
	Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	674.78	491.09
	Total outstanding dues of creditors other than micro enterprises and small enterprises	33,149.74	30,734.12
		33,824.52	**31,225.21**

Details of dues to micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006")

Particulars	As at March 31, 2024	As at March 31, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	615.92	452.52
- Interest due on above	58.86	38.57
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	58.86	38.57
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

Terms and conditions of the above financial liabilities:
Trade payables are non interest bearing and carry a credit period generally between 30 and 90 days

Ageing of non-current and current trade payables:

As at March 31, 2024

Particulars	Outstanding for following periods from date of transaction					Total
	Unbilled#	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME*	58.85	542.90	47.29	15.32	10.42	674.78
(ii) Others	18,064.33	2,670.50	4,289.54	3,551.35	4,982.10	33,557.82

As at March 31, 2023

Particulars	Outstanding for following periods from date of transaction					Total
	Unbilled#	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME*	38.57	399.75	20.05	12.15	20.57	491.09
(ii) Others	16,304.39	2,226.44	6,095.30	4,983.86	2,465.40	32,075.39

* MSME stands for micro enterprises and small enterprises.
\# Unbilled pertains to provision for expenses

Note No.	Particulars	As at March 31, 2024	As at March 31, 2023
28	**Other current financial liabilities**		
	Employee related payables	1,300.55	1,132.16
	Book overdraft	5.12	5.75
	Security deposits received	73.03	43.96
	Interest accrued on borrowings	59.49	579.35
		1,446.24	**1,773.24**
29	**Other current liabilities (unsecured)**		
	Current portion of deferred incentives	17.24	17.24
	Amount due under order of Delhi High Court (refer note 46)	6,425.55	6,425.55
	Contract liabilities	4,297.34	4,957.24
	Advance received from agents	2,174.57	3,965.29
	Statutory dues (including interest thereon)	8,075.20	6,098.23
	Airport taxes payable	719.90	973.87
	Others liabilities	12.70	12.52
		21,722.50	**22,449.94**

(All amounts are in millions of Indian Rupees, unless otherwise stated)

30 Short-term provisions		
Provision for employee benefits		
Provision for gratuity (refer note 43)	105.84	142.56
Provision for compensated absences	192.38	237.16
Provision for contingencies (refer note 46)	107.20	107.20
Provision for aircraft maintenance	2,565.70	2,791.19
Provision for aircraft redelivery	1,164.53	925.64
	4,135.65	**4,203.75**
Provision for contingencies		
At the beginning of the year	107.20	107.20
At the end of the year	**107.20**	**107.20**
Provision for aircraft maintenance (current and non-current)		
At the beginning of the year	2,914.53	3,816.00
Additions during the year	36.05	873.45
Utilisation/reversal during the year	-	(1,774.92)
At the end of the year	**2,950.58**	**2,914.53**
Provision for aircraft redelivery (current and non-current)		
At the beginning of the year	1,869.49	1,821.64
Additions during the year	219.19	227.04
Utilisation/reversal during the year	(352.14)	(179.19)
At the end of the year	**1,736.53**	**1,869.49**

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WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts are in millions of Indian Rupees, unless otherwise stated)

Note No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
31	**Revenue from operations**		
	Sale of services		
	Passenger revenue	64,324.99	77,673.56
	Cargo revenue	3,249.13	7,860.67
	Sale of goods		
	Sale of food and beverages in flight	200.78	185.75
	Other operating revenues		
	Incentives received	32.63	82.47
	Income from training services	171.90	217.94
	Subsidies received under various schemes	1,250.71	1,285.15
	Ground handling services	1,553.28	1,299.31
	Others	54.91	83.56
		70,853.06	88,735.93
	India	47,043.11	66,576.72
	Outside India	23,809.95	22,159.21
		70,853.06	88,735.93

Contract balances

Trade receivables are generally unsecured and are derived from revenue earned from customers which are located in India and abroad. Trade receivables also includes receivables from credit card companies which are realisable within a period 1 to 7 working days.

Contract liability is comprised of amount received in advance towards travel bookings/reservations disclosed under other current liabilities.

Particuars		
Trade receivables	1,581.89	1,597.78
Contract assets	290.36	453.42
Contract liabilities*	4,297.34	4,957.24

Contract liabilities comprise of consideration from sale of tickets not yet flown. Contract assets relates to unbilled revenue.

*Revenue recognised from amount included in contract liabilities at the beginning of the year amounts to Rs. 4,952.00 million (March 31, 2023: Rs. 4,204.53 million) (excludes amount collected on behalf of third parties and amount refunded due to cancellations).

Note No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
32	**Other income**		
	Net gain on financial assets measured at fair value through profit or loss	0.36	0.23
	Gain on derecognition of lease liabilities and right of use assets*	5,784.30	2,423.31
	Liabilities/provision no longer required written back**	8,166.77	7,140.45
	Profit on disposal of property, plant and equipment (net)	4.88	-
	Warranty claims from aircraft manufacturer/insurance claims	2.98	14.20
	Miscellaneous income	142.86	104.77
		14,102.15	9,682.96

*On account of early termination of lease
** Refer note 20(g) for write back explanation related to EDC.

Note No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
33	**Finance income**		
	Interest income on financial assets	152.37	228.59
	Interest income on		
	Bank deposits	90.99	289.57
	Others	41.77	33.65
		285.13	551.81
34A	**Operating expenses**		
	Aviation turbine fuel	29,868.98	47,716.55
	Lease charges - aircraft, engines and auxiliary power units (also refer note 44)	6,403.25	3,755.72
	Aircraft repairs and maintenance	2,952.62	5,273.73
	Supplemental lease charges - aircraft, engines and auxiliary power units	5,046.73	5,450.64
	Consumption of stores and spares	464.10	625.47
	Aviation insurance	730.19	1,003.87
	Landing, navigation and other airport charges	6,996.03	8,096.62
	Aircraft navigation software expenses	745.63	545.18
	Aircraft redelivery costs	84.57	105.27
	Cargo handling costs	506.40	798.11
	Other miscellaneous operating expenses	450.56	308.19
		54,249.06	73,679.35

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts are in millions of Indian Rupees, unless otherwise stated)

Note No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
34B	**Purchases of stock-in-trade**		
	Inflight food and beverages held as stock-in-trade	731.05	957.83
	Merchandise and others	-	39.45
		731.05	**997.28**
34C	**Changes in inventories of stock-in-trade**		
	Inflight food and beverages		
	Inventory at the beginning of the year	85.28	30.36
	Less : Inventory at the end of the year	(112.21)	(85.28)
	Changes in inventories of stock-in-trade	**(26.93)**	**(54.92)**
	Merchandise and others		
	Inventory at the beginning of the year	65.09	47.28
	Less : Inventory at the end of the year	63.02	65.09
	Changes in inventories of stock-in-trade	**2.07**	**(17.81)**
35	**Employee benefits expense**		
	Salaries, wages and bonus	7,547.54	8,029.30
	Contribution to provident and other funds (refer note 43)	361.01	443.95
	Share based payment expense (refer note 42)	23.83	25.34
	Gratuity expense (refer note 43)	133.39	145.90
	Staff welfare	142.79	155.58
		8,208.56	**8,800.07**
36	**Sales and marketing expenses**		
	Commission to agents	2,808.95	1,833.77
	Business promotion and advertisement	745.01	446.07
		3,553.96	**2,279.84**
37	**Other expenses**		
	Rent (refer note 44)	661.95	826.23
	Rates and taxes	418.76	356.11
	Repairs and maintenance		
	Buildings	93.17	101.90
	Plant and machinery	43.33	21.78
	Others	520.78	472.50
	Crew accommodation cost	331.98	392.20
	Recruitment and training cost	279.47	387.44
	Communication	97.57	125.45
	Printing and stationery	72.78	93.51
	Travelling and conveyance	1,584.76	1,356.85
	Legal, and professional fees*	700.96	506.20
	Power and fuel	92.03	112.17
	Impairment of advances and advances/amounts written off (including impairment of advances to suppliers of Rs. 127.44 (March 31, 2023: Rs. 84.20)	2,559.46	413.31
	Impairment of capital advances (including capital advances written off of Rs. 21.60 (March 31, 2023: Rs. Nil)	1,247.00	381.36
	Impairment of trade receivables (including bad debt written off of Rs. 91.99 (March 31, 2023: Rs. Nil)	273.93	111.25
	Insurance	179.84	163.17
	Credit card charges	154.64	207.99
	Bank charges	15.65	10.27
	Loss on sale of property, plant and equipment (net)	39.24	-
	Miscellaneous expenses	96.28	248.04
		9,553.58	**6,287.73**
38	**Finance costs**		
	Interest on		
	Term loan from banks	796.24	432.06
	Loan from others	351.17	418.96
	Interest on lease liabilities and redelivery provisions	2,179.68	3,129.94
	Other borrowing costs	1,327.76	1,096.64
		4,654.85	**5,077.60**
39	**Foreign exchange loss (net)**		
	Foreign exchange loss (net)*	1,020.12	6,823.62
		1,020.12	**6,823.62**

*Foreign exchange loss for the year ended March 31, 2024 includes Rs. 393.96 million (March 31, 2023: Rs. 3,962.71 million), pertaining to foreign exchange loss on restatement of lease liabilities.

Note No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
40	**Depreciation and amortisation expense**		
	Depreciation on property, plant and equipment (refer note 3)	1,644.19	1,741.17
	Depreciation on right of use assets (refer note 4)	5,872.84	8,448.98
	Amortisation on intangible assets (refer note 5)	14.14	37.26
		7,531.17	**10,227.41**

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(All amounts are in millions of Indian Rupees, unless otherwise stated)

41. Earnings per share ('EPS')

a. Basic EPS is calculated by dividing the net profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

b. Diluted EPS is calculated by dividing the profit/(loss) attributable to equity shareholders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

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

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Number of equity shares outstanding at the beginning of the year	60,18,45,665	60,17,96,615
Issued during the year pursuant to exercise of employee stock options	1,97,200	49,050
Issued during the year pursuant to issue of equity shares	18,13,61,852	-
Number of equity shares outstanding at the end of the year	78,34,04,717	60,18,45,665
Weighted average number of equity shares		
a. Basic	**66,35,38,313**	**60,18,63,331**
Effect of dilution: stocks options and share warrants^	-	-
b. Diluted#	**66,35,38,313**	**60,18,63,331**
Loss for the year	**(4,237.15)**	**(15,129.47)**
Earnings per share:		
-- Basic earnings per share (Rs.)	(6.39)	(25.14)
-- Diluted earnings per share (Rs.)#	(6.39)	(25.14)
Face value per share (Rs.)	10.00	10.00

Considering loss, diluted earnings per share is same as basic earnings per share

^ Share options (unvested) and share warrants are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive.

c. Having regard to the status of the matters relating to the allotment and conversion of share warrants, as stated in note 49, it is not possible to determine the effect, if any, of those on earnings per share calculations. Accordingly, earnings per share do not include the impact on the allotment and conversion of share warrants stated in note 49.

42. Employee stock option plans

Employees Stock Option Scheme, 2017

The shareholders at the Annual General Meeting held on November 27, 2017, approved an Employee Stock Option Scheme ('ESOS') which provides for the grant of 10,000,000 stock options which will be granted to eligible employees of the Holding Company determined by Nomination and Remuneration Committee, which are convertible into equivalent number of equity shares of Rs. 10 each as per the terms of the scheme. Upon vesting, the employees can acquire one common equity share of the Holding Company for every option. The stock options were granted on the dates as mentioned in table below.

The share based payment expense has been recognised based on the fair value of option at the date of grant in accordance with the Black-Scholes method.

Grant date	Number of options	Vesting Period	Market value per share (In INR)	Fair value per option (In INR)	Exercise price (In INR)	Expected volatility	Expected life (in years)	Expected dividend	Risk free return
February 07, 2018	12,01,155	2 years 10 months and 24 days	129.35	122.29	10.00	58.50% to 57.61%	3.50 to 5.40	Nil	7.53% to 7.51%
May 28, 2019	5,00,000	1 year 7 months and 3 days	145.75	138.26	10.00	48.66% to 51.32%	3.50 to 4.10	Nil	6.92%
May 28, 2019	85,000	2 years 6 months and 2 days	145.75	138.26	10.00	48.66% to 57.76%	3.50 to 5.00	Nil	6.92% to 7.03%
August 9, 2019	1,40,000	4 years	135.95	128.81	10.00	46.37% to 56.21%	3.50 to 6.50	Nil	6.33% to 6.54%
November 13, 2019	2,50,000	4 years	115.05	107.96	10.00	46.56% to 55.64%	3.50 to 6.50	Nil	6.32% to 6.92%
February 14, 2020	5,00,000	2 years	84.70	76.90	10.00	46.50% to 50.93%	3.50 to 4.50	Nil	6.00% to 6.02%
November 11, 2020	75,000	3 years	51.35	43.79	10.00	48.89% to 51.46%	3.50 to 5.50	Nil	5.02% to 5.86%
February 10, 2021	4,75,000	3 years	86.85	79.26	10.00	50.39% to 52.33%	3.50 to 5.50	Nil	5.75% to 6.13%
August 31, 2022	5,65,000	3 years	46.42	39.39	10.00	50.35% to 48.12%	3.50 to 5.50	Nil	7.04% to 7.22%
November 14, 2022	4,50,000	3 years	39.08	32.76	10.00	48.14% to 49.89%	3.50 to 7.50	Nil	7.27% to 7.41%

Expected volatility calculation is based on daily volatility of the share prices over a period prior to the date of grant, corresponding to the expected life of the options.

The risk free return is the implied yield currently available on zero coupon government issues, with a remaining term equal to the expected term of the option being valued. The above calculation is based on government yield on zero coupon bonds with 4 to 5 as term to maturity.

Expected life of the option have been calculated by adding the vesting period and half of the exercise period.

The Holding Company has not declared any dividend from last several years. Therefore, expected dividend yield is taken as Nil

Effect of employee stock option scheme on the statement of profit and loss:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Share based payment expense	19.38	25.34

Reconciliation of outstanding share options:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of options	Weighted average exercise price (Rs.)	Number of options	Weighted average exercise price (Rs.)
Options outstanding as at the beginning of the year	**16,68,750**	**10.00**	**7,02,800**	**10.00**
Add: Options granted during the year*	-	10.00	10,15,000	10.00
Less: Options lapsed during the year	3,05,000	10.00	-	10.00
Less: Options exercised during the year	1,97,200	10.00	49,050	10.00
Options outstanding as at the year end	**11,66,550**	**10.00**	**16,68,750**	**10.00**

*Includes only options granted to employees who have fulfilled the related conditions in respect of such grant.

The weighted average remaining period of stock options as at March 31, 2024 is 5.98 years (March 31, 2023: 6.41 years).

The weighted average share price on the date of exercise of stock options during the year was Rs. 60.57 (March 31, 2023: Rs. 46.42).

Option excersiable as at March 31, 2024 is 388,000 (March 31, 2023: 156,250).

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(All amounts are in millions of Indian Rupees, unless otherwise stated)

Employees Stock Option Scheme, 2021

The shareholders at the Extraordinary General Meeting held on May 26, 2021, approved an Employee Stock Option Scheme ('ESOS') which provides for the grant of 1,000,000 stock options which will be granted to eligible employees of the subsidiary company determined by the Board, which are convertible into equivalent number of equity shares of Rs. 1 each as per the terms of the scheme. Upon vesting, the employees can acquire one common equity share of the subsidiary company for every option. The stock options were granted on the dates as mentioned in table below.

The share based payment expense has been recognized based on the fair value of option at the date of grant in accordance with the Black-Scholes method.

Grant date	Number of options	Fair value per option (In INR)	Exercise price (In INR)	Expected volatility	Expected life (in years)	Expected dividend	Risk free return
May 30, 2023	4,37,000	22.44	1.00	23.50%	3.50 to 5.50	Nil	6.81% to 6.89%

Expected volatility calculation is based on volatility of the Nifty Small Cap Indexs, corresponding to the expected life of the options.
The risk free return is the implied yield currently available on zero coupon government issues, with a remaining term equal to the expected term of the option being valued.
The above calculation is based on government yield on zero coupon bonds with 4 to 5 as term to maturity.
Expected life of the option have been calculated by adding the vesting period and half of the exercise period. Remaining vesting period for the scheme is 3 years.
The subsidiary company has not declared any dividend from last several years. Therefore, expected dividend yield is taken as Nil.

Effect of employee stock option scheme on the statement of profit and loss:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Share based payment expense	4.45	-

Reconciliation of outstanding share options:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of options	Weighted average exercise price (Rs.)	Number of options	Weighted average exercise price (Rs.)
Options outstanding as at the beginning of the year	-	-	-	-
Add: Options granted during the year	4,37,000	1.00	-	-
Less: Options exercised during the year	-	-	-	-
Options outstanding as at the year end	**4,37,000**	**1.00**	-	-

The weighted average remaining period of stock options as at March 31, 2024 is 2.16 years.
During the year, there were no options which were excercised or lapsed.

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(All amounts are in millions of Indian Rupees, unless otherwise stated)

43. Employee benefits obligation

A. Gratuity
The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service subject to a maximum of Rs. 2.00 million. The scheme is unfunded and accordingly the disclosures relating to plan assets are not provided.

The following tables summarise the components of net benefit expense recognised in the Statement of profit and loss and amounts recognised in the balance sheet

(i) Amounts recognized in consolidated balance sheet

Particulars	As at March 31, 2024	As at March 31, 2023
Defined benefit obligation ('DBO')	647.16	702.29
Defined benefit obligation ('DBO')	**647.16**	**702.29**

Bifurcation of DBO at the end of the year - current and non-current

Particulars	As at March 31, 2024	As at March 31, 2023
Current liability	105.84	142.56
Non-current liability	541.32	559.73

(ii) Amount recognized in other comprehensive income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Actuarial (gain)/loss	(53.36)	0.48
Actuarial (gain)/loss recognised in other comprehensive income	**(53.36)**	**0.48**

(iii) Expenses recognized in statement of profit and loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current service cost	81.86	96.24
Interest cost on DBO	51.53	49.66
Expense recognised during the year	**133.39**	**145.90**

(iv) Movement in the liability recognized in the consolidated balance sheet is as under:

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation at the beginning of the year	702.29	703.12
Current service cost	81.86	96.24
Interest cost	51.53	49.66
Benefits paid	(135.16)	(147.21)
Actuarial (gain)/loss		
a. Effect of changes in financial assumption	4.33	0.71
b. Effect of experience adjustments	(58.30)	0.40
c. Effect of changes in demographic assumptions	0.61	(0.63)
Present value of defined benefit obligation at the end of the year	**647.16**	**702.29**

(v) For determining the DBO liability the following actuarial assumptions were used:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Discount rate	7.19%-7.25%	7.17%-7.41%
Salary escalation rate	4.50%-7.00%	4.50%-7.00%
Pre-retirement mortality	IALM(2012-14)	IALM(2012-14)
Attrition rate	23.7% (upto 30 years)	25% (Upto 30 years)
	14.2% (age 31-44)	14.30% (Age 31-44)
	2.5% (above age 44)	2.40% (above age 44)

(vi) Maturity profile of defined benefit obligation:

Particulars	As at March 31, 2024	As at March 31, 2023
Within the next 12 months	105.92	107.68
Between 2 and 5 years	268.12	273.73
Beyond 5 years	634.31	718.32

(vii) Sensitivity analysis for gratuity:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Impact of the change in discount rate on present value of DBO as at the end of the year		
Discount rate + 50 Basis points	(21.41)	(22.95)
Discount rate - 50 Basis points	23.09	24.68
Impact of the change in salary increases on present value of DBO as at the end of the year		
Salary rate + 50 basis points	20.14	22.75
Salary rate - 50 basis points	(19.60)	(22.00)

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these not calculated
Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable

(viii) Risk
Salary increases - Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Investment risk - If plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount rate - Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality and disability - Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability

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(All amounts are in millions of Indian Rupees, unless otherwise stated)

B. Short-term compensated absences

The assumptions used for computing the short-term accumulated compensated absences on actuarial basis are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	7.25%	7.36%
Future salary increase	7.00%	4.50%

C. Defined contribution plan:
During the year, the Group recognized Rs. 345.16 million (March 31, 2023 - Rs. 415.03 million) as provident fund expense under defined contribution plan and Rs. 15.85 million (March 31, 2023 - Rs. 28.92 million) for contributions to employee state insurance scheme in the Statement of profit and loss.

44. Lease liabilities
The Group's leased assets primarily consist of leases for aircraft, aircraft components (including engines) and buildings. The Group has several lease contracts that include extension and termination options and the management has considered both the options in determination of lease term. Potential cash flows in relation to such extension options cannot be ascertained since the cash outflow for the extended period will depend on the negotiations with the lessors in the event of exercising the extension options. Under certain lease arrangements of aircraft, the Group incurs variable payments towards maintenance of the aircraft which are presented under "Supplemental lease charges - aircraft, engines and auxiliary power units".

During the year ended March 31, 2024, the Group has recognized an expense of Rs. 7,065.20 million (March 31, 2023 Rs. 4,763.35 million) on account of short term leases which represents leased aircraft, engines and auxiliary power units having a remaining lease term of less than 12 months and other short-term leases. The portfolio of other short-term leases to which the Group is committed at the end of the reporting period is not materially different from the portfolio of other short-term leases for which expense has been recognized during the year ended March 31, 2024.

A. Amount recognised in the Statement of Profit and Loss

Particulars	As at March 31, 2024	As at March 31, 2023
Depreciation on right of use assets	5,872.84	8,448.98
Interest on lease liabilities (net off rent waiver)	2,179.68	2,290.78
Rent expense related to short term leases	7,065.20	4,763.35

Refer note 4 for additions to Right-of-use assets and the carrying amount of right of use assets as at March 31, 2024. Further, refer note 56 for maturity analysis of lease liabilities.

B. Total cash outflow of leases

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Total cash outflow of leases	4,253.19	6,277.06

For maturity profile of lease payment obligation, refer note 56.

45. Capital and other commitments

a. As at March 31, 2024, the Holding Company has commitments (net of advance) of Rs. 606,470.29 million (March 31, 2023 - Rs. 397,094.13 million) relating to the acquisition of aircraft.

b. As at March 31, 2024, the Holding Company has commitments of Rs. 2,651.31 million (March 31, 2023 - Rs. 3,279.00 million) relating to the bank guarantees.

c. The Holding Company has issued support letter ('letter') to its subsidiaries (other than AS Air 41 Lease (Ireland) Limited) for providing operational and financial support for a period of 12 months from the date of said letter.

46. Litigations and claims

a) Summary
i) Matters wherein management has concluded the liability to be probable have been provided for in the books. Refer note 30
ii) Matters wherein management has concluded the liability to be possible have been disclosed under note 46(b) below

b) Contingent liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Demand arising out of legal cases filed against the Holding Company in various consumer courts and forums (refer note (i) below)	303.85	339.59
Demand arising out of other legal cases filed against the Holding Company (refer note (ii) below)	90.21	126.46
Liability arising out of goods and services tax related show cause notice and demand orders (refer note (iii) below)	117.09	112.10
Demand in respect of provident fund dues for international workers as explained in note (iv) below	142.37	142.37
Demand in respect of services tax (including interest and penalty) as explained in note (v) below	170.70	170.70
Show cause notice received in respect of service tax as explained in note (vi) below	3,541.77	3,541.77
Demand arising out of Integrated Goods and Services Tax ('IGST'), on overseas repairs and replacement of various aircraft equipment as explained in note (vii) below	619.58	582.44
Demand in respect of inter-corporate deposit received from Mallanpur Steels Limited (refer note (viii) below)	-	35.00
Demand in respect of order from the Competition Commission of India as explained in note (ix) below	51.00	51.00
Demand on account of tax deducted at source related claims (refer note x below)	718.34	718.34
Liability arising out of customs related show cause notice and demand orders (refer note x below)	48.35	-

The Holding Company has various demands arising from Income-Tax assessments pertaining to Assessment year 2006-07 to 2021-22. The litigations are currently pending at various forums and such sum contested after adjusting the brought forward losses and depreciation was computed to be Nil. Consequently, without prejudice to its legal defence on these matters, the Holding Company has not disclosed the same as a contingent liability.

i. The Holding Company is contesting various consumer related legal cases in various forums. Based on the legal view from an external consultant and internal analysis, contingent liabilities have been created for these cases, except where the livelihood of any outflow of resources is remote.

ii. The Holding Company is contesting various vendor/employee related legal cases in various forums. Based on the legal view from an external consultant and internal analysis, contingent liabilities have been created for these cases, except where the livelihood of any outflow of resources is remote.

iii. The goods and services tax related demand pertains to differential amount of IGST on account of incorrect classification as per customs chapter tariff head pertaining to bills of entry in relation to imports of various goods, claim of input tax credit for exempt supplies and discrepancies in returns filed.

iv. The Holding Company has received a demand notice from the Regional Provident Fund Commissioner, Gurgaon for Rs. 79.91 million in respect of provident fund ('PF') dues for international workers vide Notifications GSR 706(E) dated October 1, 2008 and GSR 148 dated September 3, 2010, for the period from November 2008 to February 2011. The Holding Company has responded to the notice disputing the demand and, without admitting any liability towards the same, has deposited an amount of Rs. 1.96 million towards the PF contributions in respect of international workers for the period from November 2008 to July 2011 under the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952 ('PF Act'). Since August 2011, the Holding Company has been making provident fund contributions in respect of international workers under the provisions of the PF Act. During the year ended March 31, 2012, the Holding Company has filed a writ petition with the Hon'ble Delhi High Court contending that the above notifications relating to international workers are unreasonable and ultra vires the PF Act. The Court has directed that this matter be put up in the regular list and the interim order in favour of the Holding Company has been made absolute till disposal of the petition. In addition, a report has been filed by the Department's Representative before the Regional Provident Fund Commissioner ("RPFC") on March 22, 2017 pursuant to which there is an aggregate demand Rs. 144.43 million against the Holding Company for the period from November 2008 to January 2012. The Holding Company has filed its reply on the report on August 18, 2017. Thereafter, the RPFC has passed its final order on June 8, 2020 against the Holding Company for an amount of Rs. 142.04 million towards outstanding PF dues for its expat employees for the period of November 2008 to January 2012. The RPFC order also states that there is an order in favour of the Holding Company restraining the PF department from taking any coercive steps against the Holding Company for recovery of the said amount till the disposal of the writ petition. Pending disposal of the writ petition, the Holding Company has not accrued for any additional liability in respect of provident fund contributions to international workers.

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v. The Holding Company has received a demand order for a sum of Rs. 77.28 million, and applicable interest, as well as penalty of Rs. 77.28 million from the service tax department for non-remittance of service tax on reverse charge mechanism on certain payments made during the period April 18, 2006 to March 31, 2012. The Holding Company is contesting the order on the grounds that the services obtained by the Holding Company were not liable to service tax under the categories determined by the authorities and are hence not taxable services. Effective July 2012, pursuant to the enactment of the negative list of taxable services, the Holding Company has been paying service tax on these services received on reverse charge basis under the relevant provisions of the Finance Act, 1994. Based on advice by its tax consultants and internal evaluation, the Holding Company has provided an amount of Rs. 77.28 million (including a portion of applicable interest) on a conservative basis (also refer note 31). However, the Holding Company continues to contest the entire demand and has filed an appeal against the adverse order with the Customs, Excise and Service Tax Appellate Tribunal ('CESTAT') and is confident of its success. The balance amount of the matter under litigation, (including interest and penalty) of Rs. 170.70 million, has not been accrued pending final outcome of this matter and has been disclosed as a contingent liability.

vi. The Holding Company has received certain show cause notices from the service tax authorities, citing various defaults, including failure/delay in remitting service tax collected, over past financial years as well as alleged failure in remittance of service tax on certain other items. Based on their assessment of the contentions of the service tax authorities, the management has submitted a detailed reply to the notice, and based on legal advice obtained, believes that the likelihood of this liability devolving on the Holding Company is low, and accordingly has made no adjustments to the financial statements.

vii. The Holding Company has received certain orders from customs authorities levying Integrated Goods and Services Tax ('IGST') and basic customs duty on re-import of various aircraft engines and aircraft equipment repaired/replaced outside India, which is in the opinion of the Management and based on expert advice obtained, is not subject to such levy. Accordingly, these amounts have been considered as recoverable. Further, in January 2021, the Holding Company has received favourable order in reference to one of the matters for which tax is paid under protest, from the Customs Excise and Service Tax Appellate Tribunal ('CESTAT'), New Delhi in respect of this matter. During the year, the customs authorities have filed an appeal before the Hon'ble Supreme Court of India ('the Supreme Court') against the CESTAT order. The matter is yet to be decided by the Supreme Court and no stay on CESTAT order has been granted by the Supreme Court till date. Further, the customs authorities vide customs amendment notification dated 19 July 2021 has amended earlier customs exemption notification to reiterate their position that IGST is applicable on re-import of goods after repair. However, the Holding Company based on the legal advice from counsels, continues to believe that no IGST is payable on such re-import of repaired aircraft engines and related parts. Accordingly, the above amounts, which is paid under protest till March 31, 2024 i.e. Rs 619.58 million have been shown as recoverable.

viii. M/s Hindustan Development Corporation Limited ("HDCL") (now renamed as Mallanpur Steels Limited) who had lent Rs. 50 million by way of inter-corporate deposit to the Holding Company, has filed an appeal before the division bench of the Hon'ble Delhi High Court against the Scheme of Settlement passed by the Hon'ble Delhi High Court wherein the Holding Company's liability was fixed at Rs. 35 million. The Holding Company had made a deposit of Rs. 35 million to the Official Administrator of the Scheme in accordance with approved Scheme. Pending disposition of the review petition, the likelihood of the balance amount of Rs 15 million devolving on the Holding Company is not probable. Also, the interest (if any) on the same is not ascertainable and accordingly no adjustments have been made to the financial statements.

ix. The Competition Commission of India ("CCI") passed an order dated November 17, 2015 against, inter alia, the Holding Company, which included a demand of Rs 424.80 million. The Holding Company's appeal against this order with Competition Appellate Tribunal ("COMPAT") was disposed of by the COMPAT, which set aside the impugned order on technical grounds and has referred the matter back to the CCI for fresh adjudication. Subsequent thereto, the matter was reconsidered by CCI and a revised order dated March 7, 2018 imposing fine of Rs. 51 million was imposed on the Holding Company. The Holding Company has filed an appeal before COMPAT and based on legal advice received, management is confident of a favourable outcome in this matter and accordingly no adjustments are considered necessary in the financial statements.

x. The Holding Company has received certain show cause notices from the income tax authorities citing various defaults, including non-deduction of tax deducted at source on certain payments. Based on their assessment of the contentions of the income tax authorities, the management has submitted a detailed reply to the notice, and based on legal advice obtained, believes that the likelihood of this liability devolving on the Holding Company is low, and accordingly has made no adjustments to the financial statements.

xi The customs related demand pertains to custom duty on the entire quantity of the remaining aviation turbine fuel in fuel tank arriving from foreign airport.

xii. The Assistant Commissioner of Income-Tax ("ACIT") has filed a complaint against the Holding Company and its erstwhile Chairman and Managing Director in their individual capacity, over delayed payment of tax deducted at source in contravention of section 276B of the Income-tax Act, 1961 for financial years 2013-14 and 2014-15. The matter is sub-judice as on date and based on professional advice, the management is confident of a favourable outcome in this matter in so far as it relates to the Holding Company. Accordingly, no adjustments are considered necessary in the financial statements.

c) Certain aircraft/engine lessors have filed application(s) under Section 9 of the Insolvency and Bankruptcy Code, 2016 due to alleged non-payment. The Holding Company has certain disputes in the matter and the amounts claimed are disputed debts and accordingly the Holding Company is defending such matters. Basis the review of applications filed and the legal interpretation of the law supported by views of legal expert, the management is of the view that it is not possible to determine the effects of such applications as on date.

47. Non-compliance of laws and regulations

a) There are delays in depositing Tax Deducted at Source ('TDS') and filing of TDS returns on time as per Income-tax Act, 1961 by the Holding Company, deposit of provident fund as per Employees' Provident Funds and Miscellaneous Provisions Act, 1952 by the Holding Company and deposit of goods and services tax and filing of returns as applicable under Goods and Services Tax Act, 2017 ('GST Act') by the Holding Company and its two subsidiaries. Further, registration under the GST Act for aforementioned two subsidiaries have been suspended/cancelled on account of delays in payments related to goods and services tax and non-filing of returns. To the extent ascertained, the Holding Company and these two subsidiaries have made accrual for interest on delays in payment of above-mentioned statutory dues. There are foreign currency trade receivables and trade and other payables that are overdue beyond the timelines, however, the Holding Company is yet to seek extension from AD Bank or Reserve Bank of India ('RBI'), as the case may be, for settlement of such balances under foreign exchange management guidelines.

b) Consequent upon slump sale of cargo business undertaking of the Holding Company to its subsidiary (SpiceXpress and Logistics Private Limited) effective 1 April 2023, SpiceXpress and Logistics Private Limited has become unlisted material subsidiary and the Holding Company is yet to appoint one independent director of the Holding Company on the board of said unlisted material subsidiary.

The Group is in process of regularising aforesaid non-compliances under applicable laws and regulations, however, pending such regularization, the impact of some of the above matters, including due to fine/penalties that may be levied is presently unascertainable and accordingly, no adjustments have been made in these consolidated financial statements in this respect.

48. There have been certain delays in appointment of a woman independent director on the Board of Directors of the Holding Company, holding of minimum number of committee meetings in the financial year ended March 31, 2024 under Companies Act, 2013 and issuing of financial results under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 during the year for the quarters ended September 30, 2023, December 31, 2023 and March 31, 2024. These have been either condoned upon payment of necessary fee or exemption/waiver provided by relevant regulatory authority. The Holding Company further identified candidate for appointment as independent woman director subject to necessary security clearance and approvals. The impact of the above matters does not have any material impact in these consolidated financial statements in this respect.

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49. Advance money received against securities proposed to be issued

The Holding Company had, in earlier financial years, received amounts aggregating to Rs. 5,790.90 million from Mr. Kalanithi Maran and KAL Airways Private Limited (together, "Erstwhile Promoters") as advance money towards proposed allotment/subscription of certain securities (189,091,378 share warrants and 3,750,000 non-convertible cumulative redeemable preference shares, issuable based on approvals to be obtained), to be adjusted at the time those securities were to be issued. Pursuant to the legal proceedings in this regard before the Hon'ble High Court of Delhi ("Court") between the Erstwhile Promoters, the present promoter and the Holding Company, the Holding Company was required to secure an amount of Rs. 3,290.89 million through a bank guarantee in favour of the Registrar General of the Court ("Registrar") and to deposit the balance amount of Rs. 2,500 million with the Registrar. The Holding Company has complied with these requirements in September 2017.

The parties to the aforementioned litigation concurrently initiated arbitration proceedings before a three-member arbitral tribunal (the "Tribunal"), which pronounced its award on July 20, 2018 (the "Award"). In terms of the Award, the Holding Company was required to (a) refund an amount of approximately Rs. 3,082.19 million to the counterparty, (b) explore the possibility of allotting non-convertible cumulative redeemable preference shares in respect of Rs. 2,708.70 million, failing which, refund such amount to the counterparty, and (c) pay interest calculated to be Rs. 924.66 million (being interest on the amount stated under (a) above, in terms of the Award). The amounts referred to under (a) and (b) above, aggregating Rs. 5,790.89 million, continue to be carried as current liabilities without prejudice to the rights of the Holding Company under law. Further, the Holding Company was entitled to receive from the counterparty, under the said Award, an amount of Rs. 290.00 million of past interest/servicing charges. Consequent to the Award, and without prejudice to the rights and remedies it may have in the matter, the Holding Company accounted for Rs. 634.66 million as an exceptional item (net) during the year ended March 31, 2019, being the net effect of amount referred to under (c) and counter claim receivable of Rs. 290.00 million, above.

The Holding Company deposited the entire principal of Rs. 5,790.9 million as per the direction of the Court in September 2017 which has also been subsequently paid to the counterparty and there are adjustments to be made for the counter-claim of the Company. The Company has additionally paid in aggregate Rs. 1,500.00 million to the counterparties pursuant to Court orders dated August 24, 2023 and February 2, 2024 while keeping open the rights and contentions in pending litigations. All the payment made to the counterparties has been included under other non-current assets.

The Holding Company, its present promoter and the counterparties challenged various aspects of the Award, including the above-mentioned interest obligations and rights, under Section 34 of the Arbitration and Conciliation Act, 1996 which was dismissed by the Court vide its judgments dated July 31, 2023. Thereafter, the Company and its present promoter preferred an appeal under Section 37 of the Arbitration and Conciliation Act, 1996 before the Division Bench of the Court, inter-alia challenging the payment of entire interest amount and payment of early refund of Rs. 2,708.70 million towards non-convertible cumulative redeemable preference shares. The Division Bench vide its judgment dated May 17, 2024 set aside the judgments dated July 31, 2023 of the Court and ordered to restore the petitions under Section 34 of the Arbitration and Conciliation Act, 1996 filed by the Company and present promoter before the appropriate Court for being considered afresh and bearing in mind the observations rendered by the Division Bench in its judgment dated May 17, 2024. Accordingly, this matter is sub-judice as on date.

In view of the foregoing and pending outcome of the aforesaid challenges at the Court and legal advice obtained, the management is of the view that no material liability is likely to arise from aforesaid matter and accordingly, no further adjustments have been made in this regard, to these consolidated financial statements. The auditors have included 'Emphasis of Matter' paragraph in their audit report in this regard.

50. The Holding Company entered into a Business Transfer Agreement ("BTA") with its subsidiary namely SpiceXpress and Logistics Private Limited ("SXPL") on March 31, 2023 for transfer of its cargo business undertaking as a going concern, on slump sale basis, for a total consideration of Rs. 25,557.70 million. Accordingly, SXPL has been carrying cargo business effective April 1, 2023. As per terms of the BTA, the slump sale consideration is being discharged by SXPL by issuance of securities in the combination of equity shares and compulsorily convertible debentures. This transaction does not have any impact on carrying value of assets and liabilities in consolidated financial statements.

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(All amounts are in millions of Indian Rupees, unless otherwise stated)

51. Segment reporting

Operating segments of the Group are Air Transport Services and Freighter and Logistics Services. Air Transport Services includes, inter alia, passenger transport and ancillary cargo operations arising from passenger aircraft operations. Accordingly, segment information provided below, including in respect of comparative periods, is based on such operating segments described above.

Segment assets and liabilities include those directly identifiable with the respective segments. Unallocated corporate assets and liabilities represent the assets and liabilities that relate to the Group as a whole and are not allocable to any segment. Expenses that are directly identifiable to segments are considered for determining the segment results. Expenses which relate to the Group as a whole and are not allocable to segments are included under unallocated corporate expenses.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Segment information:

Particulars	Air transport	Freighter and logistics services	Other services	Total segments	Inter segment	Total
	(in Rs. millions)	(in Rs. millions)	(in Rs. millions)	(in Rs. millions)	(in Rs. millions)	(in Rs. millions)
External customers	70,499.74	3,248.32	313.19	74,061.25	(3,208.19)	70,853.06
Other income	14,186.66	-	309.36	14,496.02	(393.87)	14,102.15
Total revenue	**84,686.40**	**3,248.32**	**622.55**	**88,557.27**	**(3,602.06)**	**84,955.21**

	(in Rs. millions)	(in Rs. millions)	(in Rs. millions)	(in Rs. millions)	(in Rs. millions)	(in Rs. millions)
Income /(expenses)						
Revenue from operations	70,499.74	3,248.32	313.19	74,061.25	(3,208.19)	70,853.06
Other income	14,186.66	-	309.36	14,496.02	(393.87)	14,102.15
Finance income	281.29	2.48	-	285.77	(0.64)	285.13
			-			
Operating expenses	(54,528.37)	(3,023.43)	(193.73)	(57,745.53)	3,496.47	(54,249.06)
Purchases of stock-in-trade	(731.05)	-	-	(731.05)	-	(731.05)
Changes in inventories of stock-in-trade	26.93	-	2.07	29.00	(4.14)	24.86
Employee benefits expense	(7,705.43)	(146.23)	(356.90)	(8,208.56)	-	(8,208.56)
Sales and marketing expenses	(3,535.28)	-	(18.68)	(3,553.96)	-	(3,553.96)
Other expenses	(9,518.23)	(102.92)	(83.61)	(9,704.76)	151.18	(9,553.58)
Foreign exchange (loss)/gain, (net)	(980.26)	1.70	(41.56)	(1,020.12)	-	(1,020.12)
Depreciation and amortisation expense	(7,479.13)	(25.61)	(26.43)	(7,531.17)	-	(7,531.17)
Finance costs	(4,613.26)	(0.81)	(40.78)	(4,654.85)	-	(4,654.85)
Segment (loss)/profit before exceptional items	**(4,094.39)**	**(46.50)**	**(137.07)**	**(4,277.96)**	**40.81**	**(4,237.15)**
Exceptional items						
Segment (loss)/profit after exceptional items	**(4,094.39)**	**(46.50)**	**(137.07)**	**(4,277.96)**	**40.81**	**(4,237.15)**

Particulars	Air transport	Freighter and logistics services	Other services	Total segments	Inter segment	Total
	(in Rs. millions)	(in Rs. millions)	(in Rs. millions)	(in Rs. millions)	(in Rs. millions)	(in Rs. millions)
Total assets	88,329.52	2,149.29	1,744.11	92,222.92	(27,501.21)	64,721.71
Total liabilities	1,13,680.77	28,229.02	2,523.35	1,44,433.14	(27,525.68)	1,16,907.46

Year ended March 31, 2023

Particulars	Air transport	Freighter and logistics services	Other services	Total segments	Inter segment	Total
	(in Rs. millions)	(in Rs. millions)	(in Rs. millions)	(in Rs. millions)	(in Rs. millions)	(in Rs. millions)
External customers	82,728.50	6,244.51	47.53	89,020.54	(284.61)	88,735.93
Other income	9,909.10	-	304.01	10,213.11	(530.15)	9,682.96
Total revenue	**92,637.60**	**6,244.51**	**351.54**	**99,233.65**	**(814.76)**	**98,418.89**

Particulars	Air transport	Freighter and logistics services	Other services	Total segments	Inter segment	Total
	(in Rs. millions)	(in Rs. millions)	(in Rs. millions)	(in Rs. millions)	(in Rs. millions)	(in Rs. millions)
Income /(expenses)						
Revenue from operations	82,728.50	6,244.51	47.53	89,020.54	(284.61)	88,735.93
Other income	9,909.10	-	304.01	10,213.11	(530.15)	9,682.96
Finance income	551.36	-	0.45	551.81	-	551.81
			-			
Operating expenses	(68,614.96)	(5,442.62)	(752.47)	(74,810.05)	1,272.14	(73,537.91)
Purchases of stock-in-trade	-	-	(997.28)	(997.28)	-	(997.28)
Changes in inventories of stock-in-trade	-	-	72.73	72.73	-	72.73
Employee benefits expense	(8,081.77)	(356.94)	(365.93)	(8,804.64)	4.57	(8,800.07)
Sales and marketing expenses	(2,278.10)	-	(1.74)	(2,279.84)	-	(2,279.84)
Other expenses	(6,625.41)	(121.23)	(333.89)	(7,080.53)	651.36	(6,429.17)
Foreign exchange (loss)/gain, (net)	(6,789.51)	-	(34.11)	(6,823.62)	-	(6,823.62)
Depreciation and amortisation expense	(10,178.64)	(15.00)	(33.77)	(10,227.41)	-	(10,227.41)
Finance costs	(5,056.51)	-	(21.27)	(5,077.78)	0.18	(5,077.60)
Segment (loss)/profit before exceptional items	**(14,435.94)**	**308.72**	**(2,115.74)**	**(16,242.96)**	**1,113.49**	**(15,129.47)**
Exceptional items						
Segment (loss)/profit after exceptional items	**(14,435.94)**	**308.72**	**(2,115.74)**	**(16,242.96)**	**1,113.49**	**(15,129.47)**

Particulars	Air transport	Freighter and logistics	Other services	Total segments	Inter segment	Total
	(in Rs. millions)	(in Rs. millions)	(in Rs. millions)	(in Rs. millions)	(in Rs. millions)	(in Rs. millions)
Total assets	76,677.20	647.22	381.31	77,705.73	-	77,705.73
Total liabilities	1,33,032.82	1,396.48	1,782.86	1,36,212.16	-	1,36,212.16

Revenue from external customers

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
India	47,043.11	66,111.30
Outside India	23,809.95	22,624.63
Total revenue as per statement of profit or loss	**70,853.06**	**88,735.93**

The revenue information above is based on the locations of the customers.

Non-current assets

Particulars	As at March 31, 2024	As at March 31, 2023
India	34,924.32	49,918.37
Outside India	-	-
Total	**34,924.32**	**49,918.37**

Non-current assets for this purpose consist of property, plant and equipment, capital work-in-progress, right of use assets, intangible assets and other non-current assets.
There are no sales to external customers more than 10% of total revenue.

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(All amounts are in millions of Indian Rupees, unless otherwise stated)

52. Income tax expense

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2024 and March 31, 2023:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Accounting loss before income tax	**(4,237.15)**	**(15,129.47)**
Loss before income tax multiplied by standard rate of corporate tax in India 25.168% (March 31, 2023: 25.168%)	(1,066.41)	(3,807.79)
Effects of:		
Set-off of brought forward losses and non-deductible expenses for tax purposes	1,066.41	3,807.79
Net effective income tax	-	-

The Group has recognized deferred tax assets arising on account of brought forward tax losses and unabsorbed depreciation to the extent of the deferred tax liability arising on account of the temporary difference on depreciation of Rs. 5,112.94 million as at March 31, 2024 (Rs. Rs. 6,917.39 million as at March 31, 2023)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities	(5,112.94)	(6,917.39)
Deferred tax asset	5,112.94	6,917.39
Net deferred tax asset/ (liabilities)	-	-

Year ended March 31, 2024	Opening balance	Recognised in statement of profit and loss	Recognised in OCI	Closing balance
Property, plant and equipment	(6,917.39)	1,804.45	-	(5,112.94)
Brought forward losses	6,917.39	(1,804.45)	-	5,112.94
Total	-	-	-	-

Year ended March 31, 2023	Opening balance	Recognised in statement of profit and loss	Recognised in OCI	Closing balance
Property, plant and equipment	(7,048.57)	131.18	-	(6,917.39)
Brought forward losses	7,048.57	(131.18)	-	6,917.39
Total	-	-	-	-

Brought forward losses and unabsorbed depreciation for which no deferred tax assets have been recognized are as follows

Particulars	As at March 31, 2024	As at March 31, 2023
Unused tax losses *	31,511.49	24,220.05
Unabsorbed tax depreciation #	9,054.52	6,661.40
Net deferred tax asset/ (liabilities)	**40,566.01**	**30,881.45**

Unabsorbed depreciation does not have any expiry period under the Income-tax Act, 1961

*The following table details the expiry of the brought forward tax losses

Particulars	As at March 31, 2024	As at March 31, 2023
0-4 years	28,690.08	7,441.83
4-8 years	2,821.41	16,778.22
Total	**31,511.49**	**24,220.05**

The brought forward losses and unabsorbed depreciation considered above are based in the tax records and returns of the Group filed upto Assessment Year 2023-24 and does not consider the potential effect of matters under dispute/litigation with the tax authorities which are currently sub-judice at various levels. Also refer note 46.

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53. Related party transactions

Relationship	Name of the party
Individual exercising control	Mr. Ajay Singh
Relatives of party exercising control	Ms. Shiwani Singh Ms. Avani Singh
Enterprises over which parties above have control/ joint control/significant influence ("Affiliates")	Spice Healthcare Private Limited I2N Technologies Private Limited
Key management personnel	Mr. Ajay Singh, Chairman and Managing Director Ms. Shiwani Singh, Non-Executive Promoter Director Mr. Anurag Bhargava, Independent Director Mr. Ajay Chhotelal Aggarwal, Independent Director Mr. Manoj Kumar, Independent Director (from May 28, 2019) Mr. Ashish Kumar, Chief Financial Officer (from September 9, 2022, upto July 14, 2024) Mr. Joyakesh Podder, Deputy Chief Financial Officer (with effect from July 15, 2024) Mr. Chandan Sand, Company Secretary

Affiliates	March 31, 2024	March 31, 2023
Spice Healthcare Private Limited		
Transactions during the year		
Sale of services	-	13.70
Support service	-	0.15
Issue of equity shares	1,019.69	-
Issue of equity share warrants	980.31	-
Balances outstanding as at the year end		
Trade receivables	1.05	1.05
Equity shares capital	1,019.69	-
Money received against share warrants	980.31	-
I2N Technologies Private Limited		
Transactions during the year		
Legal and professional fees	-	1.72
Balances outstanding as at the year end		
Trade receivables	-	27.67
Contract liability	-	67.83

Key management personnel	March 31, 2024	March 31, 2023
Balances outstanding as at the year end		
Employee advances	12.54	12.54

Terms and conditions of transactions with related parties
The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2024, the Holding Company has recorded impairment of INR nil against receivables and INR 106.78 million against loan to subsidiaries owed by related parties (March 31, 2023: INR 38.88 million against receivables and INR 60.74 million against loan to subsidiaries owed by related parties). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Compensation of key management personnel of the Group

	Year ended March 31, 2024	Year ended March 31, 2023
Short-term employee benefits#	116.90	126.58
Provident fund contribution	2.37	2.31
Total	**119.27**	**128.89**
Sitting fees		
Mr. Anurag Bhargava	0.10	0.30
Ms. Shiwani Singh	0.30	0.10
Mr. Ajay Chhotelal Aggarwal	0.40	0.30
Mr. Manoj Kumar	0.40	0.30
Total	**1.20**	**1.00**
Total compensation paid to key management personnel**	**120.47**	**129.89**

#As the liabilities for gratuity and compensated absences are provided on actuarial basis for the Group as a whole, the amounts pertaining to the key management personnel are not included above.

**The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

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(All amounts are in millions of Indian Rupees, unless otherwise stated)

54. Fair values

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities.

Particulars	Carrying value		Fair value	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Financial assets				
Investments - Non-current	0.25	0.25	0.25	0.25
Investments - Current	4.92	4.56	4.92	4.56
Loans	8.96	-	8.96	-
Other financial assets - Non-current	3,043.78	4,977.06	3,043.78	4,977.06
Other financial assets - Current	4,209.94	3,467.82	4,209.94	3,467.82
Trade receivables	1,581.89	1,597.78	1,581.89	1,597.78
Other receivables - Current	8,512.56	9,454.82	8,512.56	9,454.82
Cash and cash equivalents	2,145.76	355.18	2,145.76	355.18
Total	**19,508.06**	**19,857.47**	**19,508.06**	**19,857.47**
Financial liabilities				
Borrowings - Non-current	8,923.49	4,659.89	8,923.49	4,659.89
Borrowings - Current	2,597.61	7,197.77	2,597.61	7,197.77
Trade payables - Non-current	408.08	1,341.27	408.08	1,341.27
Trade payables - Current	33,824.52	31,225.21	33,824.52	31,225.21
Other financial liabilities - Current	1,446.24	1,773.24	1,446.24	1,773.24
Total	**47,199.94**	**46,197.38**	**47,199.94**	**46,197.38**

The Management considers that the carrying amounts of financial assets and financial liabilities (except lease liabilities) recognised in the financial statements approximate their fair values. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods were used to estimate the fair values:-

- Cash and cash equivalents, trade receivables, trade payables, and other current and non-current financial liabilities and other current and non-current financial assets approximate their carrying amounts largely due to the short-term maturities of these financial instruments.

- The borrowings of the Group do not have any comparable instrument having the similar terms and conditions with related security being pledged and hence the carrying value of the borrowings represents the best estimate of fair value.

55. Fair value hierarchy

The following explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: quoted prices (unadjusted) in active markets for financial instruments
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: unobservable inputs for the asset or liability

Valuation techniques used to determine fair value
Level 1 - The use of net asset value for mutual funds on the basis of the statement received from investee party.

Level 3 - The investment in equity shares of Aeronautical Radio of Thailand Limited is not significant. Hence, the Group has considered carrying value as fair value.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities are measured at fair value in the Balance Sheet.

Particulars	Fair value hierarchy as at March 31, 2024		
	Level 1	Level 2	Level 3
Investments in mutual funds	4.92	-	-
Unquoted equity investments	-	-	0.25

Particulars	Fair value hierarchy as at March 31, 2023		
	Level 1	Level 2	Level 3
Investments in mutual funds	4.56	-	-
Unquoted equity investments	-	-	0.25

There have been no transfers between level 1 and level 2 during the year.

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56. Financial risk management objectives and policies

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a treasury team. The treasury team provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. Market risk comprises three types of risk: price risk, interest rate risk and foreign currency risk.

The sensitivity analyses in the following sections relate to the position as at March 31, 2024 and March 31, 2023.

Price risk
The Group's exposure to price risk arises from investments held and classified as FVTPL. To manage the price risk arising from investments in mutual funds, the Group diversifies its portfolio of assets.

Sensitivity analysis

If price had been 50 basis points higher/lower and all other variables were held constant, the Group's loss for the year ended March 31, 2024 would decrease/increase by Rs. 0.25 million (March 31, 2023: decrease/increase by Rs. 0.23 million)

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 Group is exposed to interest rate risk because it borrows funds at floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings. As at March 31, 2024 approximately 83.70% of the Holding Company's borrowings are at a variable rate of interest (March 31, 2023 - 88.58%)

Interest rate sensitivity

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's loss for the year ended March 31, 2024 would increase by Rs. 28.74 million and decrease by Rs. 86.50 million respectively (March 31, 2023: increase by Rs. 20.23 million and decrease by Rs. 47.82 million respectively).

In management's opinion, the sensitivity analysis is unrepresentative of the inherent interest rate risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

Foreign currency sensitivity

The following demonstrates the sensitivity to a reasonably possible change in the foreign currency exchange rates, with all other variables held constant. The impact on the Group's loss before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The sensitivity analysis includes only outstanding unhedged foreign currency denominated monetary items.

If the foreign currency rates had been 5% higher/lower and all other variables were held constant, the Group's loss for the year ended March 31, 2024 would increase/decrease by Rs. 4,952.83 million (March 31, 2023: increase/decrease by Rs. 4,611.32 million)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

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. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Group has adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. Trade receivables are typically unsecured. Majority of the Group's passenger revenue and cargo revenue is made against deposits made by agents. Trade receivables primarily comprise of domestic customers, which are fragmented and are not concentrated to individual customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored. At March 31, 2024, the Group had 34 customers (March 31, 2023: 45 customers) that owed the Group more than Rs. 10 million each and accounted for approximately 81% (March 31, 2023: 77%) of all the receivables outstanding.

An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are widely dispersed and operate in largely independent markets. The average credit period ranges between 30 and 90 days

The Group uses a simplified approach (lifetime expected credit loss model) for the purpose of computation of expected credit loss for trade receivables. The Group is recognising expected credit losses on outstanding trade receivables at in the range of 2-6% below 360 days and in the range of 8-100% for more than 360 days.

Credit risk related to cash and cash equivalents and bank deposits is managed by only investing in deposits with highly rated banks and financial institutions and diversifying bank deposits and accounts in different banks. Credit risk related to loans and other financial assets is managed by monitoring the recoverability of such amounts continuously. Credit risk is considered low because the Group is in possession of the underlying asset (in case of security deposit) or as per trade experience (in case of unbilled revenue). Further, the Group creates provision by assessing individual financial asset for expectation of any credit loss basis 12 month expected credit loss model.

Reconciliation of expected credit loss for trade receivables and loans are as follows:

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Trade receivables	Loans	Trade receivables	Loans
Balance at the beginning of the year	154.40	-	127.35	
Add: Impairment loss recognised	273.93	-	27.05	-
Less: Bad debts written off/reversed	106.34	-	-	-
Balance at the end of the year	321.99	-	154.40	-

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Liquidity risk

Liquidity risk refers to the risk that the Group 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 Group has obtained fund and non-fund based working capital lines from various banks. The Group invests its surplus funds in bank fixed deposit and mutual funds, which carry minimal mark to market risks. The Group also constantly monitors funding options available in the debt markets with a view to maintaining financial flexibility.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments

Year ended March 31, 2024	Upto 1 year	1 to 5 years	> 5 years	Total
Financial liabilities (Non-current and current)				
Borrowings	2,592.61	8,516.29	412.20	11,521.10
Trade payables	33,824.52	408.08	-	34,232.60
Lease liabilities	27,281.11	16,458.90	507.27	44,247.28
Other current financial liabilities	1,446.24	-	-	1,446.24
Total	**65,144.48**	**25,383.27**	**919.47**	**91,447.22**

Year ended March 31, 2023	Upto 1 year	1 to 5 years	> 5 years	Total
Financial liabilities (Non-current and current)				
Borrowings	7,197.77	4,659.89	-	11,857.66
Trade payables	31,225.21	1,341.27	-	32,566.48
Lease liabilities	31,679.35	28,261.83	11,994.97	71,936.15
Other current financial liabilities	1,773.24	-	-	1,773.24
Total	**71,875.57**	**34,262.99**	**11,994.97**	**1,18,133.53**

57. Capital management

The Group's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Group.

The Group determines the amount of capital required on the basis of annual operating plans and long-term fleet expansion plans. The funding requirements are met through internal accruals and other long-term/short-term borrowings. The Group's policy is aimed at combination of short-term and long-term borrowings. The Group monitors capital employed using a debt equity ratio, which is total debt divided by total equity.

The Group's policy is to keep the net debt to total equity ratio above (1.00).

Particulars	As at March 31, 2024	As at March 31, 2023
Long term borrowings	8,923.49	4,659.89
Short term borrowings	2,597.61	7,197.77
Cash and cash equivalents	(2,031.08)	(337.01)
Bank balances other than above	(114.68)	(18.17)
Net debt	9,375.34	11,502.48
Total equity	(52,185.75)	(58,506.43)
Net debt to total equity ratio	**(0.18)**	**(0.20)**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

58. Details of Corporate social responsibility ('CSR') expenditure

The Holding Company has met the criteria as specified under sub-section (1) of section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, however, in the absence of average net profits in the immediately three preceding years, there is no requirement for the Holding Company to spend any amount under sub-section (5) of section 135 of the Act.

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SpiceJet Limited
Notes to the consolidated financial statements for the year ended March 31, 2024
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59. Additional information required by Schedule III of the Companies Act, 2013

As at March 31, 2024	Net assets (total assets minus total liabilities)		Share in profit / (loss) for the year		Share in other comprehensive income (net of tax)		Share in total comprehensive income for the year	
Name of the entity in the Group								
SpiceJet Limited (Consolidated)	100%	(52,185.75)	100%	(4,237.15)	100%	53.36	100%	(4,183.79)
Holding Company								
SpiceJet Limited	98%	(50,946.56)	153%	(6,488.11)	97%	52.01	154%	(6,436.10)
Subsidiaries								
SpiceJet Merchandise Private Limited	0%	(80.64)	1%	(22.64)	0%	-	1%	(22.64)
SpiceJet Technic Private Limited	2%	(1,014.35)	8%	(340.56)	3%	1.44	8%	(339.12)
Canvin Real Estate Private Limited	0%	2.80	0%	1.87	0%	-	0%	1.87
SpiceJet Interactive Private Limited	0%	0.09	0%	(0.11)	0%	-	0%	(0.11)
Spice Club Private Limited	0%	0.11	0%	(0.10)	0%	-	0%	(0.10)
Spice Shuttle Private Limited	0%	5.79	0%	(0.12)	0%	-	0%	(0.12)
SpiceXpress and Logistics Private Limited	0%	(14.72)	-68%	2,862.22	1%	0.54	-69%	2,862.76
SpiceTech System Private Limited	0%	(138.45)	6%	(241.09)	-1%	(0.63)	6%	(241.72)
Spice Ground Handling Services Private Limited	0%	0.17	0%	(0.11)	0%	-	0%	(0.11)
AS Air Lease 41 (Ireland) Limited (with effect from October 19, 2023)	0%	-	0%	(8.40)	0%	-	0%	(8.40)
Total	**100%**	**(52,185.76)**	**100%**	**(4,237.15)**	**100%**	**53.36**	**100%**	**(4,183.79)**

As at March 31, 2023	Net assets (total assets minus total liabilities)		Share in profit / (loss) for the year		Share in other comprehensive income (net of tax)		Share in total comprehensive income for the year	
Name of the entity in the group								
SpiceJet Limited (Consolidated)	100%	(58,506.43)	100%	(15,129.47)	100%	(0.48)	100%	(15,129.95)
Holding Company								
SpiceJet Limited	99%	(58,078.88)	94%	(14,020.64)	109%	(1.10)	93%	(14,021.74)
Subsidiaries								
SpiceJet Merchandise Private Limited	0%	9.76	0%	22.29	0%	0.01	0%	22.30
SpiceJet Technic Private Limited	1%	(715.65)	5%	(1,041.44)	-4%	0.35	7%	(1,041.09)
Canvin Real Estate Private Limited	0%	283.73	0%	121.66	0%	-	-1%	121.66
SpiceJet Interactive Private Limited	0%	(0.03)	0%	(0.10)	0%	-	0%	(0.10)
Spice Club Private Limited	0%	(0.02)	0%	(0.10)	0%	-	0%	(0.10)
Spice Shuttle Private Limited	0%	27.31	0%	(1.71)	0%	-	0%	(1.71)
SpiceXpress and Logistics Private Limited	0%	(52.84)	0%	(2.18)	0%	-	0%	(2.18)
SpiceTech System Private Limited	0%	20.14	1%	(207.15)	-6%	0.26	1%	(206.89)
Spice Ground Handling Services Private Limited	0%	0.05	0%	(0.10)	0%	-	0%	(0.10)
Total	**100%**	**(58,506.43)**	**100%**	**(15,129.47)**	**99%**	**(0.48)**	**100%**	**(15,129.95)**

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60. Group information

Information about subsidiaries
The financial statements of the Group includes subsidiaries listed in the table below.

S. No	Name of entity	Principal activities	Country of incorporation	% equity interest	
				March 31, 2024	March 31, 2023
1	SpiceJet Merchandise Private Limited	Business of consumer merchandise and goods through various channels	India	100.00	100.00
2	SpiceJet Technic Private Limited	Engineering related service including but not limited to maintenance, repair and overhaul services of aircraft and its parts	India	100.00	100.00
3	Canvin Real Estate Private Limited	Real estate development	India	100.00	100.00
4	SpiceJet Interactive Private Limited	Information and communication technology	India	100.00	100.00
5	Spice Club Private Limited	Loyalty and rewards programme management	India	100.00	100.00
6	Spice Shuttle Private Limited	Charter operation by aeroplanes and/or helicopters	India	100.00	100.00
7	SpiceXpress and Logistics Private Limited	Cargo transportation and logistics	India	98.00	98.00
8	SpiceTech System Private Limited	Information and communication technology	India	68.00	68.00
9	Spice Ground Handling Services Private Limited	Ground handling services	India	100.00	100.00
10	AS Air Lease 41 (Ireland) Limited (with effect from 19 October 2023)	Leasing services	Ireland	100.00	-

61. Audit trail

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of accounts, shall only use such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The new requirement is applicable with effect from the financial year beginning on April 1, 2023.

The Group have used certain accounting software for maintenance of its books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year, except for the instances mentioned below

a) The Holding Company and its one subsidiary have used an accounting software for maintenance of its books of account which has a feature of recording audit trail (edit log) facility. The audit trail (edit log) feature for any direct changes made at the database level was not enabled for the said accounting software used for maintenance of all the accounting records by the Holding Company and its subsidiary. However, the audit trails (edit log) at the application level were operating for all relevant transactions recorded in the software.

b) The Holding Company has used software for maintenance of revenue records and payroll records which are operated by third-party software service providers and have a feature of recording audit trail (edit log) facility. Presently, the log has been activated at the application level. The database of both the software are operated by a third-party software service providers and the availability of audit trail (edit logs) are not covered in the 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with ISAE 3402, Assurance Reports on Controls at a Service Organisation).

c) The accounting software used for maintenance of all accounting records of the eight subsidiaries have a feature of recording audit trail (edit log) facility. However, the audit trail feature was not enabled for all relevant transactions recorded in the software.

d) The audit trail feature was not enabled at the database level for the accounting software to log any direct data changes used for maintenance of all revenue records by one subsidiary for the period March 1, 2024 to March 31, 2024

e) The accounting software used for maintenance of revenue records of one subsidiary for the period April 1, 2023 to February 29, 2024 is operated by a third-party software service provider. Further, the 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with ISAE 3402, Assurance Reports on Controls at a Service Organization) was available for part of the year and the service auditor has not specifically covered the existence of audit trail for any direct changes at the database level

62. Other statutory information

A. The Group has not advanced or loaned or invested funds to any person or any entity, 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 a or on behalf of the Group (Ultimate Beneficiaries); or
(ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

B. The Group has not received any fund from any person or any entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by a or on behalf of the Funding Party (Ultimate Beneficiaries); or
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

C. The Group has complied with numbers of layers prescribed under Rule (87) of section 2 of the Act read with Companies (Restrcition on number of layers) Rules, 2017.

D. The Group has not been declared as willful defaulter by the bank or financial institution (as defined under Companies Act, 2013) or consortium thereof, in accordance with the guideline on willful defaulter issued by the Reserve Bank of India

E. The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961

F. The Group has transactions and outstanding balances during the current year with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Name of struck off company	Nature of transactions with struck off company	Balance outstanding	Relationship with the struck off company, if any
Greenfield Airways Private Limited	Receivables	0.98	Not applicable
Knorr - Bremse Systems For Commercial	Receivables	0.02	Not applicable

G. The Group does not have any Benami Property, where any proceeding has been initiated or pending against the Group.

H. The Group does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period

I. The Group has not traded or invested in crypto currency or virtual currency during the current year.

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63. Previous year figures have been regrouped/reclassified to conform to the current year's classification. The impact of such reclassification/regrouping is not material to the financial statements.

64. Adoption of accounts

The consolidated financial statements were approved for issue by the board of directors on July 15, 2024.

As per our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
ICAI Firm Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No: 099514

Place: Gurugram
Date: July 15, 2024

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

For and on behalf of the Board of Directors
SpiceJet Limited

Ajay Singh
Chairman & Managing Director

Place: Gurugram
Date: July 15, 2024

Joyakesh Podder
Deputy Chief Financial Officer

Place: Gurugram
Date: July 15, 2024

Chandan Sand
Company Secretary

Place: Gurugram
Date: July 15, 2024