IndiGo

InterGlobe Aviation Limited

Annual Report 2020-21

IndiGo

InterGlobe Aviation Limited

Forward-looking statements

This report may contain some statements on your Company's business or financials which may be construed as forward-looking based on the management's plans and assumptions. The actual results may be materially different from these forward-looking statements although we believe we have been prudent in our assumptions.

What's Inside

Message from the CEO

Ronojoy Dutta – Whole Time Director and Chief Executive Officer

Dear Shareholders,

We started this fiscal year, with the first Covid-19 wave, which had commenced in March 2020, experienced some improvement in both covid cases and traffic during the year, but ended in March 2021 with an even more severe second Covid-19 wave. All in all, it was an extraordinarily challenging year for our customers, our employees, our shareholders, and the communities we serve.

Our handling of the Covid-19 crisis

As a Management team, we conducted an in-depth analysis of our objectives, our practices, and our processes in response to the unfolding environment. The single most important objective we established for ourselves was to emerge from the crisis stronger than we entered it. Observing the volatile environment, we recognised that we had to discard our penchant for long term planning and replace it with a planning process that was strictly short term, flexible and nimble beyond anything we had executed in the past. Developing forecasting tools for the immediate future became critical. Within a matter of weeks, we had transformed ourselves from a schedule airline to a hybrid schedule/charter operation, from cargo in the aircraft belly only to cargo in the cabin. We were determined to improve our customer service at every touchpoint, introducing a high level of digitisation as well as contactless travel. The health and safety of our customers and our employees was foremost in our minds, and we worked with the Ministry of Civil Aviation to establish standard operating procedures for social distancing. To ensure that our employee morale and engagement remained intact, even as we were forced to institute painful layoffs and pay cuts, our internal communications went into hyper drive, explaining our actions every step of the way in a transparent manner. We believe these actions have been an important driver behind the increased customer loyalty and employee commitment we have witnessed through the pandemic. Driven by the improvement in the customer service levels, made possible by an engaged and enthusiastic work force, IndiGo's Net Promoter Scores (NPS) are higher than they were during the pre-Covid levels and the customer complaints are at minimal levels.

Remaining disciplined with our cost structure is key to our success, and during the year, significant actions were taken to enhance IndiGo's cost leadership, ensure liquidity and reduce cash burn. One of the most crucial elements of our success is of course our fleet, and we are rapidly replacing our old CEOs with fuel efficient NEO aircraft. To bolster liquidity, IndiGo has raised 66 billion rupees of additional funds in FY 2021. Apart from this, IndiGo has also announced additional liquidity of 45 billion rupees for FY 2022. We are also considering

> Though the past year has been difficult, our vision is firmly rooted on the long term and we are not willing to be distracted by the trials and the vicissitudes caused by the pandemic.

raising of funds by issue of equity shares through Qualified Institutions Placement of up-to 30 billion rupees. We ended the financial year 2021 with a strong balance sheet and a free cash balance of 71 billion rupees.

We optimised our network, complied with all the regulatory capacity restrictions and yet maximised revenue. We were able to capitalise on the emerging traffic opportunities in Tier 2 and Tier 3 cities. This has enabled us to strengthen our regional connectivity even further. We are remaining true to our mission of being a catalyst for the economic growth of the country and are therefore deliberately and actively enhancing connectivity in areas which need it the most.

Our CarGo line of business has really supported us during these times when our passenger services have been severely impacted. Building on this success, we have initiated a freighter programme, under which we are in the process of sourcing 4 A321CEO aircraft which will be converted to full freighter configuration. Our investment in freighters will help strengthen our product and services in the CarGo segment, and not only help accelerate our own business recovery but also be a strong engine of economic growth for the country.

In FY 2021, we were positioned as India's 33rd most valuable brand by Campaign Asia, a significant jump of 53 positions from a year ago. We believe our continued investment in customer service has shaped customer perception of our brand and driven increased customer loyalty.

Our employees are our strongest pillar of strength and as a result of their dedication and contribution we can conclude with confidence that "Yes, we have met our stated objective of emerging from this crisis, stronger than we entered it."

Moving towards recovery

With covid cases declining sharply and a robust vaccination campaign in place, there are strong hopes of recovery. However, it is difficult to predict the timelines for attaining 100% of pre-Covid capacities owing to external factors such as a potential third covid wave, government restrictions in domestic markets, and uncertainty in resumption of international operations.

Given the lack of profitability for FY 2021, our Board of Directors have not recommended any dividend. We will continue to closely monitor the environment and will continue to take actions to minimise the impact of the pandemic.

Positioning ourselves for the long term

Though the past year has been difficult, our vision is firmly rooted on the long term and we are not willing to be distracted by the trials and the vicissitudes caused by the pandemic.

The fundamentals of our business model - low cost, on time performance, hassle free courteous service, coupled with rapid expansion - remain intact and as robust as ever. We are blessed with the prospect of increasing income levels and a large number of first-time flyers continuously expanding our customer base.

International opportunities are just as exciting as the domestic market. Large untapped markets lie within a six-hour range of our principal cities. Many of these markets are served one stop from hubs outside India and can now be served by us nonstop with our expanding, fuel efficient fleet. Our ambitions and our optimism are well grounded in the economics and the demographics of the markets we serve.

I am thankful to our customers and our shareholders for continued support and confidence in us as we journey towards becoming the best air transportation system in the world.

Sincerely,

Ronojoy Dutta
Whole Time Director and
Chief Executive Officer

On-time

Low fares

Courteous & hassle-free

Awards & Accolades

Great Place to Work™ Certified

India's Best Workplaces in Transportation, 2021

Safest Airline in India

Companies with Great Managers' Award' for the third year in a row

3rd most punctual airline in the world for January to June 2021

Customers

Recognised as the "36th most valuable and strong airline brand in the world" as per Brand Finance Top 50 airline reports 2021

Ranked No. 1 in India OTP; 95.4% for the year

Higher Net Promoters Score in FY 2021 compared to pre-Covid

Lowest rate of consumer complaints in FY 2021

Shareholders

Rs. 186 billion: Total cash balance at March 31, 2021 including free cash of Rs. 71 billion

Rs. 66 billion of liquidity infused through various initiatives

56%: NEOs as percentage of total fleet as on March 31, 2021

Placed a large contract with CFM for 682 LEAP-1A engines in May 2021

Secured shareholders' approval for QIP of up-to Rs. 30 billion

Expanded the Board with the addition of 2 new Directors, including 1 new Independent Director

Employees

14.1% women pilots - IndiGo has the highest percentage of women pilots in the world

Launched the first Diversity and Inclusion e-learning module; 94% organisation wide coverage

92% of eligible employees vaccinated against Covid-19 at beginning of July 2021.

24*7 ambulance support and Covid-19 helpline to provide support for employees during the pandemic

Country

Fleet size increased to 285 aircraft at March 31, 2021, net addition of 23 aircraft during FY 2021

Carried more than 2.6 lakh tonnes of cargo including, more than 2,300 tonnes of medical supplies and 141 million Covid-19 vaccines till June 2021

Operated more than 2,500 Charter and Vande Bharat flights, serving more than 3.4 lakh passengers till June 2021

Enhanced regional connectivity - 7 new regional destinations announced during the year

Environment

Carbons emission per ASK reduced by 8.4% in FY 2021 as compared to FY 2020

Recycled approximately 21 tonnes of wastepaper in FY 2021

Community

Facilitated learning of 44,400+ children through various education interventions

Impacted the lives of 56,500+ women through financial inclusion and income generating activities

Donated 11.70+ lakh ready to consume food packets (inflight surplus) to children and families in need

Undertaken projects to conserve and restore heritage sites such as the Lal Bagh Palace in Indore, Mausoleum of Abdul Rahim Khan- i- Khanan in New Delhi and Mausoleum of Muhammad Qutb Shah in Hyderabad

2 Lakhs - food packets distributed during the pandemic

Corporate Social Responsibility

IndiGoReach, is the CSR intervention of IndiGo through which your Company implements programs and processes to contribute towards the goal of sustainable development for its communities.

The core pillars of IndiGo's work include.

- Children and Education,
- Women Empowerment,
- Environment,
- Heritage, and
- 6E Responsibility (relief operation work, during emergency situations),

In all CSR programs employee volunteering is an important component and employees generously give their time, experience, and talent to contribute to the CSR programs of their choice.

Linking CSR with Sustainable Development Goals (SDGs)

Each of the thematic areas of IndiGo's CSR work are in accordance with the Schedule VII of Section 135, Companies Act 2013. Your Company's CSR Programs are also mapped with the following United Nations Sustainable Development Goals (SDGs).

Children and Education

IndiGo's education initiatives for underprivileged children reaches out to more than 44,400+ children in multiple states of the country.

44,400+

Education is a key area of IndiGo's work and your Company has reached out to children through various education interventions.

Women Empowerment

IndiGo's CSR initiative on women empowerment aims at increasing the income of more than 56,500 rural women through 'on farm' and 'off farm' initiatives in the project villages of India. As part of these interventions rural women are trained to undertake certain income generation activities which helps them move towards economic independence.

56,500+

IndiGo has impacted the lives of women through financial inclusion and other income generating activities.

Environment

One of the key environmental programs that IndiGo is running is to reduce 2.34 lakhs (approx.) CERs (Carbon Emission Reduction) by September 2023 by operationalising 9,500+ Biogas plants. Till FY 2021, your Company has offset 68,000+ CERs.

IndiGoReach, is also upcycling old and discarded items such as aircraft carpets and seat covers into useful and marketable products such as folders, carry bags, lunch bags, school bags, travelling pouches, laptop sleeves, iPad covers etc. Your Company has initiated programs to recycle its used papers and has collaborated with the two organisations engaged in the business of wastepaper recycling in Delhi and Bangalore. In FY 2021 your Company has recycled approximately 21 tonnes of wastepaper.

68,000+

CERs have been offset

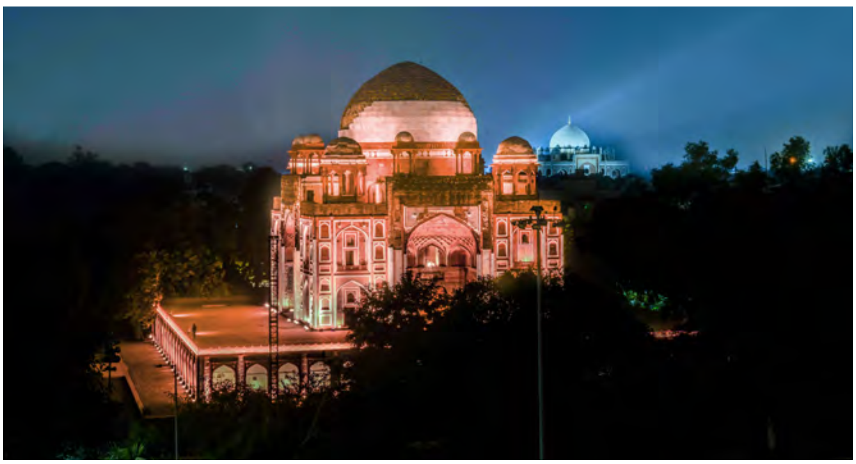
IndiGo is running a program with 9,500 biogas units which plans to reduce (approx.) 2.234 lakhs CERs (Carbon Emission Reduction) by 2023

21.28 tonnes of wastepaper recyled

Recycling waste paper is a continuous process at IndiGo and it contributes to environmental sustainability

Heritage

IndiGo is dedicated towards the promotion, development, and conservation of India's cultural heritage and its programs work as a catalyst in conserving and promoting the dying skills of ancient craftsmen, local arts, paintings, architectures, and intricate tile work of ancient buildings. These projects have also contributed to the economy for e.g. by creating about 3,000 days of work for the lime craftsmen, stone masons and other artisans from the community in one of our projects.
All these will serve as a sustainable model for conservation of monuments and increased footfall of visitors and tourists in the years to come.



Conservation of 3 Historical Monuments

Conservation and promotion of India's cultural heritage

6E Responsibility

IndiGo reaches out to communities who are affected in the event of a natural disaster. Hence, your Company has reached out to flood affected victims during the Assam floods by transporting relief material to the flood affected regions.

In response to the Covid-19 pandemic and the national lockdown your Company provided food packets to people in the Delhi/NCR region who were struggling for their daily meals. Any surplus ready to consume food or beverage packets (which is sold in-flight) is further donated to a not-for-profit organisation who distribute them to children and families in need. In FY 2021, a total of approximately 11.70 lakhs food or beverage packets were distributed in multiple locations.

11.70+ Lakhs

Distrubution of food or beverage packets to children and families in need

Board of Directors


Mr. Meleveetil Damodaran
Chairman and Independent Director


Dr. Anupam Khanna
Independent Director


Ms. Pallavi Shardul Shroff
Independent Director

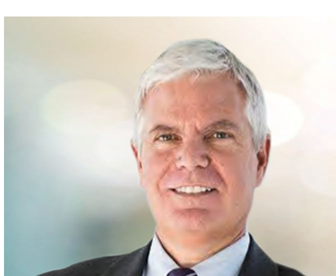

Dr. Venkataramani Sumantran
Independent Director


Mr. Rahul Bhatia
Director


Mr. Rakesh Gangwal
Director


Ms. Rohini Bhatia
Director


Mr. Anil Parashar
Director


Mr. Gregg Albert Saretsky
Director


Mr. Ronojoy Dutta
Whole Time Director and
Chief Executive Officer

Management Executive Committee


Mr. Ronojoy Dutta
Whole Time Director and Chief Executive Officer


Mr. Wolfgang Prock-Schauer
President and Chief Operating Officer


Mr. Jiten Chopra
Chief Financial Officer


Mr. Sanjay Kumar
Chief Strategy and Revenue Officer


Mr. William Boulter
Chief Commercial Officer


Mr. Raj Raghavan
Senior Vice President - Human Resources


Ms. Priya Mehra
General Counsel


Mr. Abhijit Dasgupta
Vice President - Network Planning

Management Discussion and Analysis

In FY 2021, your Company was ranked the safest airline in India by the Safe Travel Barometer. This recognition is testimony to IndiGo's commitment towards safety, and it further encourages us to strive for better services for the customers as they travel onboard IndiGo's lean, clean flying machines.

Industry Overview

As per Indian Brand Equity Foundation (IBEF), the Indian aviation market is expected to become the world's third largest market in terms of passengers by 2024. The industry's growth is being propelled by development of airports across multiple city tiers; a liberalised FDI policy; increasing adoption of information technology and a strong focus on regional connectivity. In the past decade, a number of low-cost carriers (LCCs) have entered the Indian air travel market and stimulated traffic through their low-cost business models. By using price stimulation as a core business strategy, LCCs have been able to cater to the vast appetite for air travel by India's middle-class segment. Going forward, LCCs should be better placed in a post Covid-19 era and in times of heightened price sensitivity, as their lower cost base should give them an edge.

The Covid-19 crisis in India:

The first Covid-19 case was reported in India in January 2020 and thereafter the first Covid-19 wave built up relatively slowly over a period of six months, peaking in September 2020 at about 96,000 cases per day. Starting from this peak the number of cases gradually declined and hit a low point of about less than 10,000 cases per day in the month of February 2021. Unfortunately, post February a second Covid-19 wave become apparent and this time the number of cases increased sharply day by day until it peaked at 414,280 cases per day on May 6, 2021. Since then, the second wave has shown a decline and the decline appears to be just as sharp in nature as the rise. In the 30 days from May 6 till June 5, 2021, the number of cases per day declined from the peak of 414,280 to 114,488. The future trajectory of the Covid-19 cases is of course uncertain. There is speculation that a third Covid-19 wave may hit India by the end of this

calendar year. The central government, state agencies and the private sector are all racing out with vaccination drives to ensure that sufficient number of people are vaccinated before the third wave arrives, such that the impact of the third wave is relatively muted. With the vaccination drive gaining momentum, about 230 million doses have already been administered. Further, with the increased focus on vaccination by all states, we believe it is likely that about 6-7 million Indians will get vaccinated daily, resulting in over 200 million people getting vaccinated on a monthly basis.

Impact of Covid-19 on the Indian economy

Prior to the Covid-19 pandemic, India had become the world's fifth largest economy as per the IMF. When ranked by nominal GDP, the country had leapfrogged both France and the UK.

The pandemic and subsequent lockdowns had a severe impact on the Indian economy. Output fell by 9.6%as per World Bank estimates in FY 2021, reflecting a sharp drop in household spending and private investment. Gradual easing of restrictions, pent-up demand, festive demand, and the revival of several infrastructure projects by the Government, resulted in a relatively strong, albeit short lived, bounce back in travel demand in the period December 2020 to February 2021.

With the gradual abatement of the first Covid-19 wave, India was witnessing a sharp 'v' shaped recovery in domestic traffic in the period through February 2021.

Rs.71.0 billion

Free Cash

as on March 31, 2021

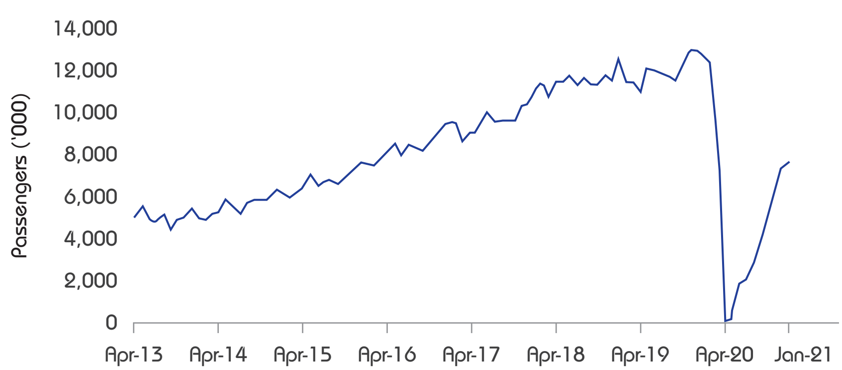
According to IMF, India's GDP is estimated to have contracted by negative 8% during FY 2021, amongst the steepest in the world. However, it also projects that the country's GDP should bounce back by 12.5% during FY 2022, while tapering back to a more temperate 6.9% for FY 2023.

Further, as per the rating agency Crisil India's GDP growth in FY 2021 will be dependent on the ongoing second wave of Covid-19 and it is estimated to be in the range of 8.2 to 11% under the various scenarios.

Impact on domestic Indian aviation

As with the world aviation industry, the Covid-19 pandemic has had a massive impact on the Indian aviation industry. According to DGCA, passengers carried by domestic airlines fell by 56% for CY 2020 compared to the previous year.

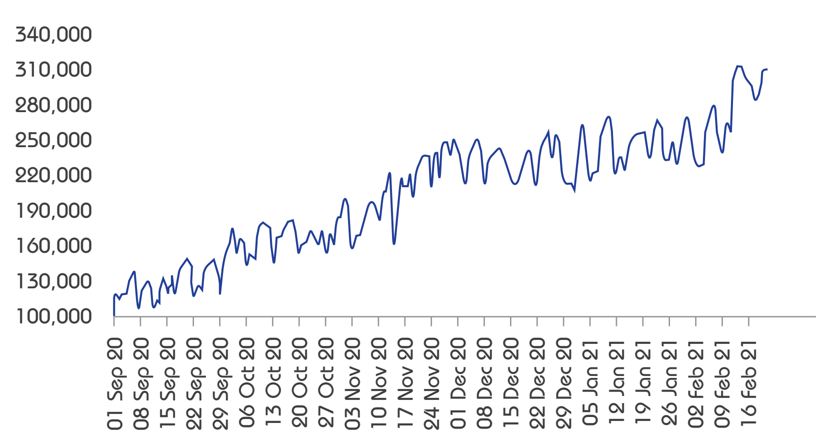
Domestic air passenger traffic



Source: DGCA

With the gradual abatement of the first Covid-19 wave, India was witnessing a sharp 'v' shaped recovery in domestic traffic in the period through February 2021. Further, based on these demand trends the Government also gradually increased the limit of capacity deployment in the domestic markets to 80%.

Daily airline passenger traffic trends



Source: Ministry of Civil Aviation

Impact of the second wave:

Since March 2021, the second wave of Covid-19 coupled with statewide lockdowns and added travel restrictions has pushed forward the demand recovery. As a result, the average domestic passengers per day reduced from around 280,000 in February 2021 to around 191,000 in April 2021 and further came down in May 2021. As per CAPA, most of the Indian airlines were already vulnerable prior to the Covid-19 with weak balance sheets and poor liquidity. Covid-19 has inflicted massive losses and an increasing debt burden on carriers that were structurally ill-equipped to absorb this impact. It further added that the extent of the challenge is reflected in the fact that Indian carriers under-recovered almost USD 70 per passenger in FY 2021.

Impact on international operations:

Prior to the advent of Covid-19, IndiGo's international operations had grown to 156 international departures per day with 24 destinations in 17 countries and IndiGo had firm plans to add flights to more international points in FY 2021. Following the discontinuation of scheduled international passenger services post the lockdown in India, IndiGo supported the movement of Indian as well as foreign citizens to and from their homelands through operation of Vande Bharat flights, charters and operations under the air bubbles established by the Government. IndiGo has also operated a large number of cargo charters, converting a number of passenger aircraft to also carry cargo in cabin. IndiGo operated more than 13,000 international flights – Vande Bharat, passenger & cargo charters and air bubble flights, in FY 2021. Given the restrictions on operation of scheduled international passenger services, IndiGo's international operations in FY 2021 were only around 17% of its pre-Covid operations. International operations as of date are severely restricted due to the second wave and it is not possible to predict, with any certainty, when scheduled international operations will resume. We however remain confident that demand for international air travel will rebound as vaccination progresses across the globe and governments collectively establish processes to enable seamless travel of vaccinated persons.

IndiGo's response to the pandemic:

In response to the severe impact on revenues, IndiGo took the following actions:

- Its primary focus was on the cash position. Your Company's fixed cash burn was around Rs. 400 million per day in March 2020. Cash burn was gradually reduced to Rs. 150 million per day in the December 2020 quarter due to the various cost reduction initiatives and cash contribution from operations. Unfortunately, with the demand erosion due to the second wave of Covid-19, average daily cash burn increased to Rs. 190 million in the March 2021 quarter. Your Company has also taken cash enhancement measures such as acquiring NEOs financed through operating lease, refinancing the unencumbered aircraft and engines, and securing credit lines with several banks. As a result of these measures, IndiGo's free cash balance stood at Rs. 71.0 billion as on March 31, 2021.
- Your Company has looked for opportunities for generating revenues through newer streams such as repatriation flights, charter flights and cargo in cabin. The contribution from these flights has helped in managing the cash position.
- Your Company has increased the efficiency of its fleet in terms of fuel consumption by replacing CEOs with the more modern NEOs. NEO aircraft are 15% more fuel efficient than CEO aircraft.
- With the reduction in departures, IndiGo unfortunately had no option but to implement pay cuts and layoffs. As a result, its employee costs during the year reduced by 30% as compared to the previous year.
- Even with lower capacity, IndiGo continued to increase its penetration into the smaller cities and towns of India. During this Covid-19 period we announced 7 new domestic stations.

- Your Company reviewed all the customer processes to enhance digitisation and minimise touch points. This has not only made the customers feel safer but has significantly improved IndiGo's customer service as well.

Although this crisis has caused economic slowdown in India, many experts suggest that this could be an opportunity for the country to finally push through and implement changes that one would have liked to have seen earlier. India's fast-growing telecom, infrastructure, digital and defense space, in particular, could see a faster rebound. According to The Centre for Economic and Business Research (CEBR), the effects of a deep pandemic-related recession and a steep fall in the rupee relegated India by one position, to become the sixth largest economy in the world, India will not overtake the UK again until 2024, the CEBR said. It projects that once India regains momentum, it will overtake Germany to be the world's fourth-largest economy, behind the US, China and Japan, by CY 2027.

The civil aviation industry in India has emerged as one of India's fastest-growing sectors over the past few years. India has now become the third-largest domestic aviation market in the world. Growth in air-passenger traffic in India has been particularly strong since the new millennium, especially with rising incomes, added connectivity and affordable fares. However, given the severe disruption caused by the pandemic, the airline sector may witness a prolonged road to recovery, given the increased risk aversion among air travelers, the likelihood of extended travel restrictions across countries and corporate travel cuts.

Growth in passenger traffic has been strong since the new millennium, especially with rising income and low-cost aviation. As per DGCA, Indian carriers carried 164 million passengers in FY 2020, having grown at a CAGR of 12.2% during FY 2016 to FY 2020.

Growth prospects – long term overview

Long Term Drivers for growth of the aviation industry

Large Domestic Travellers Base

2X by 2030

Growth of India's air passenger traffic is expected to double by 2030 from pre-pandemic levels

Expanding Economy

USD **8.4** trillion

India's GDP is expected to grow to by 2030

Widening Middle Class Demography

>1 billion

People in India will become 'Middle Class' by 2030

Urbanisation

40.1% of the Indian population

is expected to reside in urban areas by 2030

Aggressive Investment in Airport Infrastructure

Rs. 20,000 crore

Airport Infrastructure Investment is planning to spend over 5 years in Airport Infrastructure

Greater interconnectivity between Tier II and Tier III cities

100 by 2030

AAI plans to build 100 new airports within 5 years

Rising private participation and FDI into the sector

up to 100% FDI

in civil aviation in India is now permitted in Non-scheduled air transport services under the automatic route

Strong Growth in Travel & Tourism

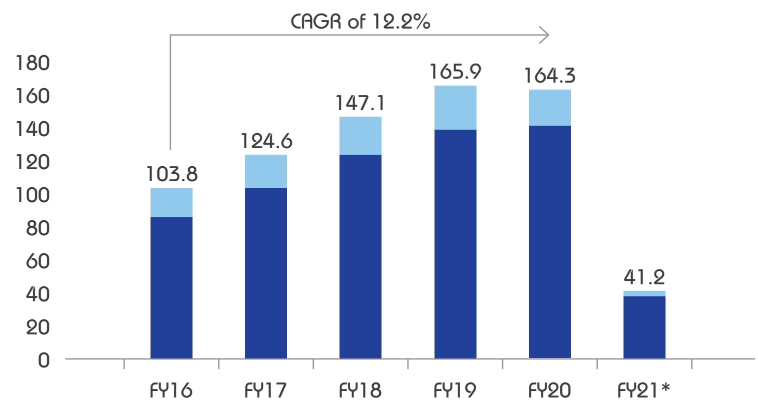
USD 512 billion

Estimated Total contribution of travel, tourism and hospitality to GDP in India by 2029

India has now become the third largest domestic aviation market in the world.

The Government has envisioned that an additional 100 airports should be made operational within the next five years.

Passenger Traffic (in millions)



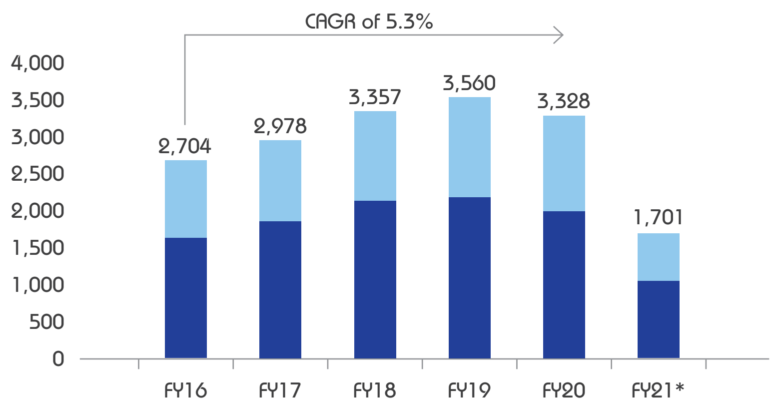
*Data for FY 2021 is till January 2021
Source: DGCA

To cater to the rising air traffic, the Government of India has been working towards increasing the number of airports. As per the Airports Authority of India (AAI)'s Annual Report of FY 2020, AAI is planning to invest Rs. 20,000 Crores in the coming five years for development and upgradation of existing AAI airports across the country. The Government has envisioned that an additional 100 airports should be made operational within the next five years. AAI has signed an MoU with the Ministry of Civil Aviation for the year FY 2020, whereby AAI had undertaken an ambitious target of Rs. 3880 Crores towards capital expenditure on airport infrastructure development, of which more than 90% of the target was spent during the year. In addition, the Government is planning to invest USD 1.83 billion for development of airport infrastructure along with aviation navigation services by 2026. As of March 2021, India had 137 operational airports. Government has envisaged increasing the number of operational airports to 190-200 by FY 2024. Introduction of new terminals in Mumbai, Bangalore, Chennai and Kolkata will also add to the infrastructure capacity. Further, The GOI has allowed 100% FDI under automatic route for greenfield and brownfield airport projects. The Government has also allowed 100% FDI under automatic route in scheduled air transport service, regional air transport service and domestic scheduled passenger airline. FDI inflow into India's air transport sector (including air freight) reached USD 2.79 billion between April 2000 and June 2020. As per IBEF, India's aviation industry is expected to witness USD 4.99 billion investment in the next four years. The Indian Government is planning to invest USD 1.83 billion for development of airport infrastructure along with aviation navigation services by 2026.

According to World Travel & Tourism Council, India ranked 10th among 185 countries in terms of travel & tourism's total contribution to the GDP. As per IBEF, leisure travel spending is expected to reach USD 432.3 billion by 2028, whereas business travel revenue is projected to increase to USD 24.4 billion by 2028.

According to IBEF, the freight traffic in India grew at a CAGR of 5.32% during FY 2016 to FY 2020 from 2.70 million tonnes (MT) to 3.33 MT. Going forward, given India's economic growth, freight traffic within India has the potential to grow to 17 MT by FY 2040. The growth in import and export in India will be the key driver for growth in freight traffic, as 30% of total trade is undertaken via airways. In January 2019, the Government of India released the National Air Cargo Policy Outline 2019, which envisaged making Indian air cargo and logistics most efficient, seamless and cost and time effective globally by the end of next decade.

International and Domestic Freighter Traffic ('000 tonnes)



*Data for FY 2021 is till January 2021
Source: IBEF

Company Overview

IndiGo ("your Company") is India's largest passenger airline operating as a low-cost carrier. As on March 31, 2021 serving 65 domestic destinations. Your Company provides passengers with a simple, unbundled product, fulfilling its singular brand promise of providing air connectivity and affordable fares across India and to international destinations, thereby promoting trade, tourism and mobility. Its mission is to build the best transportation system in the world. In addition to passenger transportation, its activities primarily include cargo and mail services on scheduled flights.

IndiGo commenced operations in August 2006 with a single aircraft and has grown its fleet to 285 aircraft as of March 31, 2021. Your Company had placed an order of 430 A320 NEO family aircraft in 2011 and 2015. In addition to this, in October 2019, your Company placed an additional firm order for 300 A320 NEO family aircraft, which includes A321 XLRs in addition to A320 NEOs and A321 NEOs. At March 31, 2021, your Company had 159 A320 NEO family aircraft. Of this 120 are A320 NEO aircraft which are about 15% more fuel efficient as compared to the A320 CEOs without sharklets and 39 aircraft are A321 NEOs which have lower unit costs compared to A320 NEOs because of higher seating capacity and longer range.

Your Company had also placed an order with Avions de Transport Regional GIE, or ATR, in August 2017, for the purchase of up to 50 ATR72-600 turboprop aircraft. These aircraft have given us the opportunity to redefine air travel to smaller cities that either did not have reliable air services so far or were subject to exorbitant airfares. As of March 31, 2021, IndiGo had 26 ATR aircraft in its fleet.

Building on the success of the CarGo business in recent years, your Company has initiated a freighter program and is in the process of sourcing 4 A321CEO aircraft each of which will be converted from passenger jets to a full freighter configuration. A Letter of Intent has been signed with a lessor for two aircraft.

In FY 2021, your Company was ranked the safest airline in India by the Safe Travel Barometer. IndiGo has taken all precautionary measures as mandated by the government and has also gone beyond, to ensure the safety of its passengers onboard. This recognition is the evidence of IndiGo's commitment towards safety, and it further encourages us to strive for better services for the customers as they travel onboard the lean, clean flying machines.

In FY 2021, your Company was ranked 33rd amongst India's top 100 brands by Campaign India, a phenomenal improvement of 52 positions as compared to the previous year. These awards are a testimony to IndiGo's best-in-class service quality.

159

A320 NEO family aircraft
as on March 31, 2021

IndiGo's passionate cost-conscious approach to business means that every penny saved ultimately gives it greater ability to charge lower fares, and thus, stimulate higher demand, and save travelers money.

IndiGo's core values and principles

IndiGo is guided by a set of core values and key guiding principles: Being On-time; Providing Low Fares; and Being Courteous and Hassle-Free. These principles are the bedrock of your Company's vision, and IndiGo's ardent adherence to them has created a distinct 'IndiGo' experience that has set us apart in the industry.

Being On-Time

Before IndiGo, airlines were mired in tardy and unpredictable schedules, causing great inconvenience to travelers. Your Company took this as a priority challenge and made being on-time a key service value. Your Company has emerged as the leading domestic airline in terms of "on-time performance" (OTP) and has been ranked No. 1, with an average OTP of 95.4%1 in FY 2021.

Lower Fares

Your Company's low-cost operating structure enables it to charge lower fares over other airlines. IndiGo's passionate cost-conscious approach to business means that every penny saved ultimately gives it greater ability to charge lower fares, and thus, stimulate higher demand, and save travelers money.

Hassle-Free and Courteous Service

Offering a smooth and pleasant experience is a significant pillar of your Company's three guiding principles. Your Company has been instrumental in transforming the air travel experience in the domestic market – right from the experience of ticket booking to arrival at a destination. Your Company is uncompromising in treating its customers with respect, honesty, and gratitude. IndiGo has invested in cutting-edge technologies to make it easier for customers to book on their mobile platforms.

Ranked No. 1

95.4%

Average OTP in FY 2021

Operational Highlights

Particulars	For the year ended March 31		
	2021	2020	Change
ASK (in millions)	45,425	96,260	-52.8%
RPK (in millions)	31,519	82,557	-61.8%
Passenger Load Factor (%)	69.4%	85.8%	-16.4 pts
Number of Passengers Carried (in thousands)	30,694	75,026	-59.1%
Block Hours	479,739	1,022,515	-53.1%
Number of Scheduled Destinations served as of the period end	65	86	-24.4%
Total Number of Flights	260,311	522,853	-50.2%
Number of Aircraft at period end	285	262	8.8%

Financial Highlights

Particulars	For the year ended March 31		
	2021	2020	Change
EBITDAR Margin	4.3%	14.2%	-10.0 pts
Net Profit Margin	-39.7%	-0.7%	-39.0 pts
RASK (Rs.)	3.30	3.77	-12.4%
CASK (Rs.)	4.58	3.80	20.7%
CASK Ex-Fuel (Rs.)	3.74	2.50	49.4%

Financial Performance

Income

Passenger ticket revenue:

Passenger ticket revenue reduced by 62.4% from Rs. 314,470.59 million in FY 2020 to Rs. 118,369.80 million in FY 2021.

Revenue from ancillary products and services:

Revenue from ancillary products and services primarily include cargo, special service requests, ticket modification and cancellation, in-flight sales and tours. Revenue from ancillary products and services reduced by 39.8% from Rs. 39,458.47 million in FY 2020 to Rs. 23,738.29 million in FY 2021.

Other Income:

Other Income is primarily comprised of financial income on cash and other non-operating income. Other Income decreased by 32.5% from Rs. 15,355.09 million in FY 2020 to Rs. 10,369.64 million in FY 2021.

Revenue per Available Seat Kilometre (RASK):

RASK decreased by 12.4% from Rs. 3.77 in FY 2020 to Rs. 3.30 in FY 2021, driven by decrease in passenger load factors and yields.

Expenses

Total expenses decreased by 42.8% from Rs. 375,471.79 million in FY 2020 to Rs. 214,956.65 million in FY 2021.

Aircraft fuel expenses:

Aircraft fuel expenses decreased by 69.2% from Rs.124,537.94 million in FY 2020 to Rs. 38,312.77 million in FY 2021, against 52.8% decrease in capacity, on a year over year basis, and offset by reduction in IOCL ATF prices and increase in the number of fuel-efficient NEO aircraft.

Aircraft ownership cost:

Aircraft ownership cost comprises of aircraft and engine rentals, supplementary rental and aircraft maintenance cost, depreciation and amortisation, and net interest expense. Aircraft ownership cost decreased by 5.1% from Rs. 112,052.99 million in FY 2020 to Rs. 106,319.95 in FY 2021.

Employee benefits expense:

Employee benefits expense decreased by 30.0% from Rs. 47,099.59 million in FY 2020 to Rs. 32,954.92 million in FY 2021.

Foreign exchange (gain)/ loss:

Foreign exchange losses decreased from Rs. 15,461.89 million in FY 2020 to Rs. (5,230.26) million in FY 2021.

Other expenses:

Other expenses decreased by 45.9% from Rs. 35,340.04 million in FY 2020 to Rs. 19,104.10 million in FY 2021.

Cost per Available Seat Kilometre (CASK):

CASK increased by 20.7% from Rs. 3.80 in FY 2020 to Rs. 4.58 in FY 2021, primarily driven by foreign exchange gain and cost reductions.

The Company reported a net loss of Rs. 58,064.27 million in FY 2021 against a net loss of Rs. 2,336.78 million in FY 2020. This resulted in decrease in the Return on Equity from -4.0% in FY 2020 to -5,237.7% in FY 2021.

FY 2021 was utilised as an opportunity to strengthen the airline in key areas such as cost reduction and liquidity enhancement, customer preference, network optimisation and experimenting with new revenue models.

Balance Sheet

IndiGo's total cash decreased by 8.9% to Rs. 185,684.65 million as of March 31, 2021, comprising of free cash of Rs. 70,997.06 million and restricted cash of Rs. 114,687.59 million. Total debt for the Company was Rs. 298,597 million, including capitalised operating lease liability of Rs. 257,387 million, as of March 31, 2021.

Company Outlook and response to Covid-19

Covid-19 has led to major disruptions across world economies and has led to the implementation of several government-imposed restrictions, particularly in the travel sector. In India too, the Government took early actions that led to cessation of all scheduled passenger flights for a period of 61 days starting March 25, following which the domestic market was opened with Government restrictions on capacity. With the second wave of Covid-19 in India there are lockdowns, curfews and state-wide travel restrictions in place which has again led to the dip in demand.

During FY 2021, your Company has taken several actions to mitigate the impact and risks associated with Covid-19. This period was utilised as an opportunity to strengthen the airline in key areas such as cost reduction and liquidity enhancement, customer preference, network optimisation and experimenting with new revenue models.

- **Minimise net cash burn:**

  To reduce the cash burn, IndiGo undertook several measures including

  1) making the fleet more efficient by substituting older CEOs with NEOs and prioritising flying with NEOs over the older CEO aircraft given that CEOs have higher operating cost, driven by higher maintenance cost and higher fuel burn
  2) negotiating better prices and terms with its partners,
  3) introducing staggering pay cuts, and leave without pay,
  4) revenue maximisation through network optimisation and
  5) adding efficiencies across work streams. During these trying times, your Company managed all its costs from a long-term perspective and continued

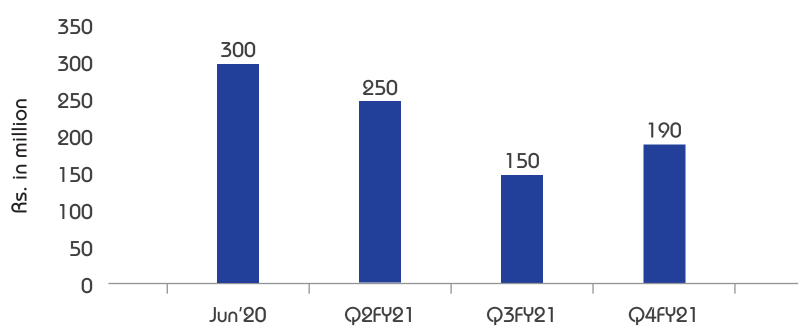
50%

Reduction in net burn

June 2020 vs December 2020 quarter

to strengthen the relationship with its lessors and vendors. Further, these consistent efforts of cost reduction helped IndiGo to reduce its net cash burn by almost 50 % in a short span of 6 months, i.e., from Rs. 300 million per day in June 2020 to Rs. 150 million per day the December 2020 quarter. However, owing to the second wave of Covid-19 the average net cash burn increased to Rs. 190 million in March 2021 quarter.

Average cash burn per day



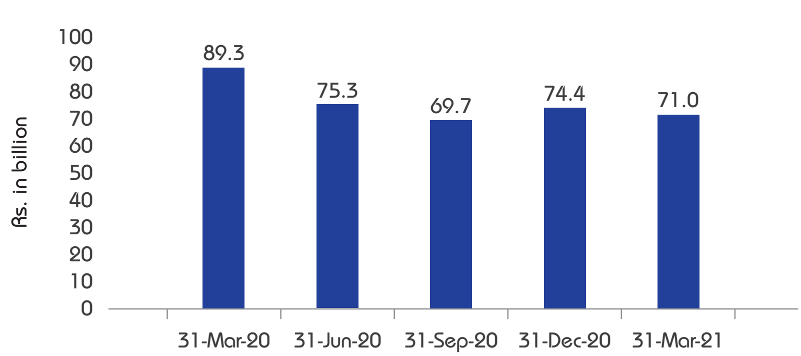
- ## Bolstering liquidity:

To improve its cash position, IndiGo undertook several liquidity measures

- Acquiring NEOs financed through operating lease
- Securing favorable credit terms from suppliers
- Sale and lease back of unencumbered assets
- Obtaining moratorium towards principal repayment for aircraft on finance leases.
- Working capital loans from banks

These measures helped IndiGo to retain a strong balance sheet and a healthy cash balance. As of March 31, 2021, your Company ended with a total cash balance of Rs. 185,685 billion, of which Rs. 70,997 billion was free cash. To augment the liquidity further, IndiGo also secured Board approval for raising of funds aggregating Rs. 30 billion by issue of equity shares through qualified institutional placement along-with exploring other options to increase liquidity.

Free cash at period end



- ## Adding connectivity in Tier2 and Tier 3 cities

Your Company was constrained from growing internationally and turned its full attention on to the domestic network and is strengthening it further by opening new stations and increasing its penetration into smaller cities. IndiGo is remaining true to its mission of being a catalyst of economic growth of in the country and is therefore deliberately and actively enhancing connectivity in areas which need it the most, such as in the North East, in Ladakh and in Kashmir.

- ## Enhancing CarGo business and new revenue models

IndiGo's CarGo line of business performed well especially during the lockdown. Your Company took several innovative measures and utilised its cargo capacity to carry essentials and medical supplies including vaccines both across domestic and international destinations. Through this experience, your Company learned valuable lessons about the demand and scope for cargo during this lockdown, giving strong insights for augmenting its cargo operations in the years ahead. For this purpose, your Company has entered a freighter program under which it will source 4 freighters and is expected to take the delivery of its first freighter in the first half of CY 2022. During FY 2021, your Company also introduced charter services and operate under Vande Bharat to maximise revenue opportunities. These charter services also helped in national missions involving repatriation of thousands of passengers.

Health and safety of passengers and employees is of paramount importance to IndiGo.

- **Ensuring health and safety of passengers and employees:**

  Health and safety of passengers and employees is of paramount importance to IndiGo and for this purpose IndiGo has introduced several operating measures including contactless boarding, strict enforcement of social distancing norms, regular sanitisation of aircraft and provision of PPE kit, masks, face shields etc. To ensure IndiGo's employees are well protected, all employees are being vaccinated and additional support is being provided to tide through the crisis.

- **Improving the customer experience**

  IndiGo remains committed to deliver a hassle-free experience, especially during tough times. Exemplary customer service is the core of your Company's values. Due to enhanced focus on customer service, IndiGo's NPS scores are higher than the pre-pandemic levels. As was promised, IndiGo on priority refunded around Rs. 1,030 crores owed to its customers for the flights cancelled during the lockdown.

  Further, an online survey conducted by your Company during December 2020 revealed that 81% of the travelers are confident that IndiGo will ensure clean and safe travel, this is a 16-point improvement as compared to the same survey conducted in June 2020.

  The second wave of Covid-19 has once again made the environment extremely challenging. However, your Company will continue to closely monitor the situation and will take all the necessary actions to minimise its impact. The interplay of external factors makes it difficult to envisage timelines to attain 100% pre-Covid capacity. However, we are confident that we will emerge from the crisis much stronger and more nimble than when we entered.

Opportunity, Threats, Risks, and Concerns

The Indian aviation industry is expected to continue to grow at a robust pace in the long term. Increasing middle-class population, a favourable demography, along with the anticipated continuation of economic development and growth in household incomes support the positive long-term outlook.

The air travel infrastructure of India has significantly grown over the last decade and your Company takes pride in taking a leading role in building this critical infrastructure in India. IndiGo believes there is still a significant growth opportunity in the air travel market in India, and it is well prepared to capitalise on this opportunity.

At IndiGo, we believe our structural cost advantage gives us the ability to withstand various challenges, even the current pandemic. However, our growth also depends upon certain external factors.

Set forth below are some of the risks that may potentially have an adverse impact on our business, financial results and our performance outlook.

- **Pandemic Risk:**

  An outbreak of a communicable disease on an international level causes air travel to inevitably becomes the focus of much attention due to the potential for air travel to increase infection rates. In fact, Covid-19 cases amongst IndiGo's own staff or its customers may result in disrupted operations, which would therefore result in a potential damage to our reputation and decreased demand for travel. The adverse impacts of the ongoing Covid-19 global pandemic, and possible outbreaks of another disease or similar public health threat in the future can significantly affect our operations and result in financial losses.

- **Operational issues with aircraft and engines:**

  In the past, we had experienced operational issues with certain A320 NEO engines, which had impacted our operations. These operational challenges had required the engine supplier to deliver upgraded engines and provide spare engines in the interim to reduce operational disruptions. Reliance on single suppliers to source the aircraft and certain parts and failure to obtain timely deliveries, additional equipment or support can impact our financials materially. Further, any incident or accident could result in damage to aircraft, personal injury and/or loss of life and increase in other incidental costs.

- **Exceptional variation in fuel prices:**

  Aircraft fuel expenses are the most significant expense of our total cost. The price of fuel cannot be accurately predicted because of numerous economic and political factors and events that govern them. Our operating results could be negatively impacted by any adverse movement in fuel prices.

- **Adverse movement in foreign exchange as a large proportion of our expenses are exposed to foreign exchange rate risk:**

  Our costs including aircraft and engine lease rentals, aircraft and engine maintenance and aircraft insurance are denominated in foreign currency. Adverse movement in foreign exchange may negatively impact our profitability.

- **Airport Infrastructure constraints and increased airport costs in India:**

  As we expand our fleet, our growth is dependent on adequate airport infrastructure in India to support our operations. Non-availability of terminal space, slots and aircraft parking and any increase in the cost of airport landing and departures may adversely affect our operations. While the Government's initiatives towards the construction of newer runways or terminals may ease some of these constraints, availability of adequate airport infrastructure will likely continue to be a challenge.

Your Company invests abundantly in training all its employees, who are instrumental in making the acclaimed "IndiGo Experience" what it is today.

- **Competition in the airline industry:**

  The airline industry is highly competitive. We face competition from other low-cost carriers as well as full-service carriers that operate on our routes. We may also face competition from airline, alliances and new entrant airlines that could be established in the future.

- **Changes in the Government regulations:**

  The civil aviation industry in India is regulated by the Ministry of Civil Aviation ("MoCA"), the DGCA and the Airports Authority of India ("AAI"). The regulations are extensive, complex and cover all major aspects of operations, including basic licenses, aircraft acquisitions and routing. Any changes in regulations, or the imposition of additional restrictions and conditions, can affect our business and operations.

- **Inability to recruit and retain key talent:**

  Our business requires us to attract and retain highly skilled, dedicated and efficient management personnel and other critical employees. Any shortfall in the availability or our inability to hire, train or retain qualified employees may have an adverse impact on our operations and our ability to grow.

- **Breaches in IT/ Cybersecurity:**

  Airlines are heavily dependent on IT and complex network technology. These complex systems and technologies are subject to interruptions and delays caused by catastrophic events, acts of war or terrorism, power loss, computer and telecommunications failures, security breaches and similar events or disruptions. Any such system interruptions or security breaches may disrupt our normal business operations, potentially leading to loss of business, subject us to data breach and can result in multi-pronged impact including regulatory actions, operational interruption, reputation loss, intellectual property loss etc.

- **Reputation Risk:**

  We are exposed to reputation damage if any of our aircraft is subject to an emergency, accident, terrorist incident or any other disaster. Further, any adverse experience or harm arising to our customers or vendors, while dealing with your Company, can also potentially lead to damage to our reputation.

- **Environmental, social and governance risk:**

  As the environmental impact of air travel comes under increased government and regulatory pressure, there are risks of higher costs levied on the industry to offset its carbon footprint. Beyond carbon emission, other sustainability efforts such as noise mitigation and waste management have been gaining increased focus from various stakeholders. As more institutional investors are considering ESG as a factor when making investment decisions, this could result in lower investment in the aviation sector in general.

- **Fraud and exploitation of operational disruption:**

  The control framework and monitoring of potential criminal activity may have become weakened due to reduced headcount and remote working, leaving gaps in fraud detection and creating opportunities for malicious activity by customers and staff. The pandemic has also presented short term liquidity challenges, leading to cost reduction initiatives which may impact the control environment and monitoring activities.

- **Liquidity management and profitability concerns:**

  We are currently in the process of replacing our older classic engine aircraft with newer ones. Lack of access to SLB markets for financing new aircraft can impact our cash balance. Also, lower capacity deployment leads to higher fixed costs. Continued capacity deployment restrictions by the aviation authorities and state restrictions may reduce your Company's profitability.

- **Employee related risks:**

  Labour actions and strikes can cause disruption to operations and profitability. This may also lead to negative impact on employee relations and morale.

Internal Control Systems and their Adequacy

Our internal control procedures are adequate to ensure compliance with various policies, practices, and statutes in keeping with the organisation's pace of growth and increasing complexity of operations. We have in place systems and processes commensurate with our size and nature of business and we maintain a system of internal controls designed to provide reasonable assurance regarding the following:

- Effectiveness and efficiency of operations
- Adequacy of safeguards for assets
- Prevention and detection of frauds and errors
- Accuracy and completeness of the accounting records
- Timely preparation of reliable financial information

An independent internal audit is carried out to ensure the adequacy of the internal control system and adherence to policies and practices. The scope of the internal audit activity is guided by the annual audit plan, which is approved by the Audit Committee of the Board. The Audit Committee reviews reports submitted by the independent internal auditor and monitors follow up and corrective actions are taken.

Human Resources

As a purpose led organisation, your Company truly believes in the value of both people and performance. In order to achieve this, your Company invests in the learning and development of employees, seeks regular feedback and devises action plans on the basis of inputs.

Your Company invests abundantly in training all its employees, who are instrumental in making the acclaimed 'IndiGo Experience" what it is today. Your Company promotes diversity and inclusion in the workplace. To take this one step forward, your Company has now identified employees across all locations and departments, to become Diversity & Inclusion Champs. Through your Company's state of the art learning academy, 'ifly', your Company has launched an e-learning module on Diversity and Inclusion for all people managers. Through continued initiatives like these, your Company's endeavor is to help everyone understand the qualities of inclusive leaders, mindsets, language, and behaviors that are inclusive and recognise biases that take place in critical processes like hiring and demonstrate the appropriate way to deal with people of different genders and different backgrounds. Your Company's commitment to a high-trust, high performance culture has been reinforced with your Company being certified as a "Great Place to WorkTM" by the Great Places to Work Institute. This further strengthens your Company's position as one of the best workplaces in India that offers a safe and inclusive work environment. In early 2020, your Company introduced "6e Speaks", a twice-a-month pulse survey mechanism to seek feedback from employees across all levels, including crew. The intent of "6e Speaks" is to get real-time inputs on how engaged its employees are. As several research studies have found, an engaged employee provides better customer service. Feedback thus received is reviewed at the highest leadership levels and specific actions undertaken to improve workplace experience of its employees.

With the outbreak of Covid-19 virus, IndiGo has taken extra precaution at airports and other workplaces to ensure that all its employees are protected well against the virus. These measures include providing the front-line employees with PPE kits, conducting regular sanitisation drives across the offices and regular communication with employees to ensure their physical and mental well-being. These are challenging times, and unfortunately, given the volatile revenue environment in FY 2021, your Company had to take the painful decision of employee separation and introduce certain payroll cuts including leave without pay. Your Company is deeply aware that a highly engaged and motivated workforce leads to higher levels of customer service and is working on building a long-term employee culture. As of March 31, 2021, we have a dynamic set of 23,711 employees on your Company's roll including 3,734 pilots and 5,278 cabin crew.

On behalf of the Board of Directors of
InterGlobe Aviation Limited

Meleveetil Damodaran
Chairman
DIN: 02106990

Ronojoy Dutta
Whole Time Director and
Chief Executive Officer
DIN: 08676730

Date: June 5, 2021
Place: Gurugram

Report of the Board of Directors

Dear Members,

Your Directors ("Board of Directors" or "Board") are pleased to present the eighteenth Annual Report of InterGlobe Aviation Limited ("your Company" or "we") along with the audited financial statements for the financial year ended March 31, 2021 ("FY 2021"). Wherever required, the consolidated performance of your Company and its subsidiary has also been provided.

1. Financial Results

The standalone and consolidated financial highlights of your Company's operations are summarised below:

(Rupees in million, except earnings per share)

Particulars	Consolidated		Standalone	
	FY 2021	FY 2020	FY 2021	FY 2020
Revenue from operations	146,406.31	357,560.01	146,406.31	357,560.01
Other Income	10,369.64	15,355.09	10,363.32	15,362.42
Total Income	156,775.95	372,915.10	156,769.63	372,922.43
Loss before tax	(58,180.70)	(2,556.69)	(58,297.92)	(2,750.89)
Current Tax	78.68	(91.30)	-	(8.21)
Deferred tax credit/ (charge)	37.75	311.21	-	277.51
Loss after tax	(58,064.27)	(2,336.78)	(58,297.92)	(2,481.59)
Other Comprehensive Income / (Loss) net of tax	(5.81)	10.99	(16.65)	11.00
Total Comprehensive Income / (Loss)	(58,070.08)	(2,325.79)	(58,314.57)	(2,470.59)
Earnings per equity shares of the face value of Rs.10 each				
Basic (Rs.)	(150.89)	(6.07)	(151.49)	(6.45)
Diluted (Rs.)	(150.89)	(6.07)	(151.49)	(6.45)

2. Company's Performance

On a consolidated basis, your Company achieved a total income of Rs. 156,775.95 million for FY 2021, lower by 57.96% over the previous year's income of Rs. 372,915.10 million. Your Company reported a net loss of Rs. 58,064.27 million for FY 2021 against a net loss of Rs. 2,336.78 million for the previous year.

On a standalone basis, your Company achieved a total income of Rs. 156,769.63 million for FY 2021, lower by 57.96% over the previous year's income of Rs. 372,922.43 million. Your Company reported a net loss of Rs. 58,297.92 million for FY 2021 against a net loss of Rs. 2,481.59 million for the previous year.

3. Performance of Agile Airport Services Private Limited ("Agile" or "Subsidiary Company")

Agile is a wholly owned subsidiary of your Company and is engaged in the business of providing ground handling services to your Company at various airports in India.

The total income of Agile for FY 2021 was Rs. 2,953.87 million, lower by 16.00% over the previous year's income of Rs. 3,516.69 million. The PAT was Rs. 233.65 million indicating a growth of 61.35% over PAT of Rs. 144.81 million for FY 2020. Pursuant to Section 129(3) of the Companies Act, 2013 ("Act") read with Rule 5 of the Companies (Accounts) Rules, 2014, as amended from time to time, a statement containing the details of performance and salient features of the financial statements of the Subsidiary Company in form AOC –1 is annexed to the consolidated financial statements.

In compliance with the provisions of Section 136 of the Act, the audited financial statements of the Subsidiary Company are uploaded on the Investor Relations section of the website of your Company at https://www.goindigo.in/content/dam/goindigo/investor-relations/subsidiary-financials/2019-20/Financial-Statements-Agile-FY-2020-21.pdf.

Your Company has adopted a policy for determining material subsidiaries pursuant to Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") which is available on the Investor Relations section of the website of your Company at https://www.goindigo.in/content/dam/goindigo/investor-relations/policies/2021/InterGlobe-Aviation-Limited-Policy-on-Material-Subsidiary.pdf. Your Company has no material subsidiary as on date.

4. Operational Performance

Your Company operated 1,301 peak daily flights and carried over 30.70 million passengers during FY 2021 as compared to 1,674 peak daily flights and 75.10 million passengers in FY 2020. Post the lockdown of March-May 2020, your Company operated,

(a) scheduled services to 65 destinations including 4 new destinations

(b) 51 non-scheduled destinations

(c) ad-hoc repatriation flights to new countries and destinations outside its network

(d) 4,540 cargo in cabin flights, 1,906 charter flights, 509 Vande Bharat flights and 8,083 flights under the Government's bubble flight arrangements with other countries.

Our fleet as on March 31, 2021, consists of 100 Airbus CEO, 159 Airbus NEO and 26 ATR aircraft. During FY 2021, your Company inducted 45 new fuel-efficient aircraft powered by PW1100G and CFM LEAP-1A engines. During the same period, your Company also replaced all unmodified P&W engines in its fleet as per the directives of DGCA to all airline operators flying P&W engines.

Based on data published by the DGCA, as of March 31, 2021, your Company was consistently ranked No.1 for On-Time Performance (OTP) at key metro cities. In addition, your Company also achieved a technical dispatch reliability of 99.94% as published in AIRBUS IDOLS for reliability.

Your Company has now obtained the "Air Operator Certificate" to fly the A320 family aircraft to 'AFI' African countries and ATR aircraft to 'ASIA' Asian countries from the DGCA. Additionally, your Company has also obtained the EDTO (Extended Diversion Time Operations) from the DGCA to fly on direct routes over-sea for 90 Minutes on the A320 NEO family aircraft, thus achieving shorter routes and saving fuel.

To achieve operational excellence, your Company launched awareness campaigns for adoption of fuel-efficient techniques and collaborated with the regulatory authorities and the Indian Air-Force to facilitate airspace optimisation, with a clear focus on efficiency and safety.

Impact of Covid-19

Countries all over the world are trying to find ways and process to reduce the spread of the Covid-19 pandemic. Multiple travel curbs, new restrictions and rules have been introduced by the Government of India and other governments to help reduce the spread of the pandemic.

Being India's largest carrier by market share and carrying the largest number of customers by air in India, we understood our responsibility to the industry, our customers, and the country. We introduced new processes and measures to ensure safe travel by air which helped gain customer confidence when travelling with IndiGo.

Your Company introduced disinfection and cleaning of all aircraft on arrival to help reduce the spread of the virus. Additionally, when parked at night, all aircraft are deep cleaned. All touch points such as tray tables, arm rests, seat belts, lavatory doors and overhead nozzles are wiped. Every aircraft is fumigated once a week and, all customer coaches are sanitized after each trip, so as to provide a safe travel experience.

Your Company provides PPE (Personal Protective Equipment) kit, which includes a face shield, surgical mask, and sanitizer at the boarding gate, to each passenger. Also, passengers seated on the middle seats are provided with an additional safety gown. Your Company also mandates that all staff and service partners wear PPE kits, as prescribed by the DGCA while carrying out their duties.

Understanding that the second wave has been stronger then the first wave, your Company has taken measures to ensure adequate crew/airport staff is available to ensure business continuity. Additionally, new processes are continuously being implemented and reviewed in compliance with the Ministry of Civil Aviation (MOCA) guidelines.

In FY 2021, your Company digitised most of its manual on-ground processes to create a contactless travel experience at the airports. The website of your Company was upgraded to ensure that the customers could complete the health declaration form online, pay for all ancillary products and also add and print baggage tags from home. These initiatives ensured that more than 81.5% check-ins were done online, and 5.70 million bag tags had been printed by our passengers. In addition, your Company also provided customers with the option to purchase additional seats for their increased comfort and safety.

With the continuous changes in the state and international travel regulations, your Company created a centralised page on its website which is updated regularly to help customers become aware of the latest travel guidelines.

At the airport, we have introduced self check-in and print baggage's tags and also enabled UPI payment option for a true contactless experience. Your Company also enabled customers to self-board at the boarding gate, further reducing human contact.

Your Company converted all in-flight menus to digital menus which could be accessed on WhatsApp or the Company's website and a PDF version could be downloaded to ensure contactless experience.

In these difficult times, your Company announced a special offer – 'Tough Cookie' and offered a 25% discount on airfare for all doctors and nurses till the end of 2020, as a gesture to thank them for being at the forefront of the battle against the coronavirus outbreak. These Covid Warriors were facilitated at various touch points by the operations and the marketing teams. Your Company has transported the highest number of Covid Vaccines in India since January 2021.

To ensure that all employees are trained as per prescribed guidelines, we obtained approval from the DGCA, to convert all non-regulatory trainings to an online virtual platform. Further, to reduce training time and cost, we obtained approval for a new facility at Hyderabad and added capacity at the existing facility at Bangalore. Your Company is the first airline to obtain permission to conduct UPRT (Upset Prevention and Recovery Training) in India. Your Company ensures that mandatory trainings are conducted so that all operational employees are updated periodically with the required skills necessary for maintaining a safe environment. Your Company's employees have the necessary skills and expertise to continue to meet unknown future challenges and opportunities as they arise.

Your Company proactively communicated timely and accurate Covid-19 related messaging to its employees, providing the workforce with up-to-date news and information to provide reassurance throughout the pandemic.

For a detailed analysis of the operational performance of your Company, please refer to the Management Discussion and Analysis Report forming a part of the Annual Report.

5. Dividend

Your Company has adopted the 'InterGlobe Aviation Limited - Dividend Distribution Policy' in compliance with Regulation 43A of the SEBI LODR Regulations. The Policy sets out the parameters and factors to be considered by the Board in determining the distribution of dividend to its Members and / or retaining profits of your Company. The Dividend Distribution Policy is available on the Investor Relations section of the website of your Company at https://www.goindigo.in/content/dam/goindigo/investor-relations/policies/InterGlobe%20Aviation%20Limited%20-%20Dividend%20Distribution%20Policy.pdf.

For FY 2021, based on your Company's performance, cash flow position and the loss incurred during the year, the Board has not recommended any dividend on the equity shares of your Company.

6. Qualified Institutions Placement (QIP)

The Board of your Company has approved the raising of funds for an aggregate amount not exceeding Rs. 3,000 Crore (Rupees Three Thousand Crore) through an issue of equity shares by way of a Qualified Institutions Placement ("QIP"), in accordance with the relevant provisions of applicable laws and subject to approval of the Company's Members and receipt of applicable regulatory approvals, at its meeting held on May 10, 2021. The Postal Ballot Notice dated May 26, 2021, has been issued to the Members seeking their approval for raising of funds by way of QIP. (Approval of the Members has since been received).

7. Amount to be carried to Reserves

Your Directors do not propose to transfer any amount to reserves.

8. Complaint filed by a Promoter of your Company with the Securities and Exchange Board of India ("SEBI") and the Ministry of Corporate Affairs ("MCA")

Your Company had received communications from the SEBI, the MCA and the stock exchanges requesting for comments and/or information regarding some complaints and representations made by and on behalf of Mr. Rakesh Gangwal, the

Chinkerpoo Family Trust and Ms. Shobha Gangwal (promoters and/or members of the promoter group of your Company) (collectively, the "RG Group"). The complaints and representations relate to, among other things, certain Related Party Transactions entered into by your Company with InterGlobe Enterprises Private Limited and Mr. Rahul Bhatia, promoters of your Company (the "IGE Group"), the RG Group's requisition for convening an extraordinary general meeting for the shareholders to consider resolutions recommending additional procedures to be incorporated in your Company's Policy of dealing with Related Party Transactions ("RPTs") applicable to RPTs with the IGE Group, and the appointment of a Woman Independent Director to your Company's Board of Directors. Your Company had responded to all the communications sent by concerned authorities within the prescribed timelines.

Subsequent to the above, your Company received a show cause notice from the SEBI vide its letter dated November 10, 2020, alleging certain contraventions of the provisions of the SEBI LODR Regulations. In this notice, your Company was advised that it could avail the settlement mechanism provided under the SEBI (Settlement Proceedings) Regulations, 2018. Your Company made an application to settle, which was accepted by the SEBI vide settlement order dated February 9, 2021 (the "Settlement Order") and accordingly, the Company, while neither admitting nor denying the alleged violations, as duly recorded in the Settlement Order, has paid an amount of Rs. 2,10,37,500 after which the adjudication proceedings have now concluded.

9. Arbitration Proceedings filed with the London Court of International Arbitration

The IGE Group had submitted a Request for Arbitration dated October 01, 2019, to the London Court of International Arbitration under the Shareholders' Agreement dated April 23, 2015 (as amended on September 17, 2015) ("Shareholders Agreement") executed between, inter-alia, the IGE Group, the RG Group, and your Company. In the arbitration proceedings, the IGE Group has sought certain reliefs against the RG Group, including in relation to compliance with the Shareholders Agreement and your Company's Articles of Association ("Articles") as well as damages. The RG Group also sought certain reliefs against the IGE Group, including to carry out all requisite steps and actions, provide consents and assistance to remove certain provisions from your Company's Articles.

The Company has been named as a proper party to the arbitration and no monetary claim, including any compensation, has been sought from the Company by the IGE Group or the RG Group. Accordingly, the Company believes that the claims filed in the arbitration do not impact the financial results of the Company. The pleadings of the IGE Group, the RG Group and the Company in the arbitration have now been completed.

10. Employee Stock Option Scheme

Pursuant to approval of the Members of your Company on June 25, 2015, your Company had adopted 'InterGlobe Aviation Limited - Employee Stock Option Scheme 2015' ("Scheme") which was amended on September 07, 2016. Under the Scheme, your Company grants share-based benefits to the eligible employees by granting stock options ("Options"), with a view to attract and retain talent and encouraging employees to align their individual performances with the Company's broader growth objectives. During FY 2021, there has been no change in the Scheme and the Company continues to comply with the provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended ("SEBI SBEB Regulations").

During FY 2021, the Nomination and Remuneration Committee (the "Committee") granted 1,474,894 Options to the eligible employees under the Scheme. The Committee further granted 185,000 Options to Mr. Ronojoy Dutta, Whole Time Director and CEO of your Company, which was approved by the Board on March 06, 2021. The Members of the Company by means of a special resolution through a postal ballot has approved these options granted to him on April 10, 2021.

The Committee also approved allotment of 113,721 equity shares upon exercise of 113,721 Options by eligible employees during FY 2021.

No employee has been granted Options equal to or exceeding one percent of the issued capital of your Company at the time of grant.

The disclosure, in compliance with the SEBI SBEB Regulations, is uploaded on the Investor Relations section of the website of your Company at https://www.goindigo.in/content/dam/goindigo/investor-relations/press-releases/2020-21/Statement-under-Reg-14-of-the-SEBI-Share-Based-Employee-Benefits-Regulations-2014.pdf.

11. Increase in Share Capital

Pursuant to the allotment of 113,721 equity shares of Rs. 10 each upon exercise of Options by the eligible employees under the Scheme, the issued, subscribed, and paid-up share capital of your Company increased from 384,796,279 equity shares as on March 31, 2020, to 384,910,000 equity shares of Rs. 10 each as on March 31, 2021, aggregating to Rs. 3,849.10 million.

12. Related Party Transactions

All the contracts/ arrangements/ transactions entered into by your Company with its related parties during FY 2021, were in its ordinary course of business and on an arm's length basis. Your Company has obtained necessary approval, whenever required, as per the related party transaction policy.

During FY 2021, your Company had not entered into any arrangement / transaction / contract with its related parties which could be considered material and required approval of the Board. Accordingly, the disclosure of the particulars of the related party transactions in form AOC -2 as required under Section 134(3)(h) of the Act is not applicable.

Your Company had adopted 'InterGlobe Aviation Limited – Policy on dealing with Related Party Transactions' ("RPT Policy") in compliance with Regulation 23 of the SEBI LODR Regulations. During FY 2021, there has been no change in the RPT Policy. The transactions entered by your Company with its related parties were in compliance with the RPT Policy and in the best interest of your Company. The RPT Policy is available on the Investor Relations section of the website of your Company at https://www.goindigo.in/content/dam/goindigo/investor-relations/policies/IGAL-Policy-on-Related-Party-Transactions-2019.pdf.

For further details of related party transactions during the year, please refer to note number 34 of the notes forming a part of the financial statements, attached to the Annual Report.

Pursuant to Regulation 23 of the SEBI LODR Regulations, your Company had filed to the stock exchanges the details of related party transactions on half yearly basis.

13. Directors and Key Managerial Personnel

As on March 31, 2021, the Board comprised ten (10) members with an appropriate mix of Non-Executive Directors, Executive Director, and Independent Directors, which is in compliance with the provisions of the Act, the SEBI LODR Regulations and is also aligned with the best practices of Corporate Governance.

Pursuant to the provisions of Section 149, Section 161 and other applicable provisions of the Act and the SEBI LODR Regulations and on the recommendation of the Nomination and Remuneration Committee, the Board appointed Mr. Gregg Albert Saretsky as a Non-Independent Non-Executive Director, as an Additional Director on Board, liable to retire by rotation, with effect from October 01, 2020, subject to the approval of the Members. As per Section 161 of the Act, Mr. Saretsky will hold office till the ensuing Annual General Meeting ("AGM") and is eligible for appointment as a Director of your Company. Mr. Saretsky is an aviation industry veteran, with an illustrious career spanning over 36 years. For detailed profile of Mr. Saretsky, please refer to the Notice of AGM.

The Board is of the opinion that Mr. Saretsky has relevant experience, expertise and integrity for holding the position of the Director on the Board. Your Company has received requisite notice under Section 160 of the Act from a Member, proposing the appointment of Mr. Saretsky as a Director of the Company at the ensuing AGM.

Your Company has obtained requisite prior security clearance approval from MOCA as required for the appointment of Mr. Saretsky.

Mr. Rakesh Gangwal, Non-Independent Non-Executive Promoter Director, retires by rotation and being eligible, offers himself for reappointment at the ensuing AGM.

The Notice of AGM includes the proposal for re-appointment and appointment of Directors as stated above.

Mr. Jiten Chopra was appointed as the Chief Financial Officer of your Company with effect from February 22, 2021, replacing Mr. Aditya Pande, who resigned with effect from February 21, 2021. Mr. Jiten Chopra has been associated with your Company since February 2020 and has earlier held the position of Head - Governance, Risk and Compliance.

Your Company has received declarations from all Independent Directors confirming that they meet the criteria of independence as laid down under Section 149 of the Act and Regulations 16 & 25 of the SEBI LODR Regulations and complied with the Code for Independent Directors prescribed in Schedule IV of the Act. During FY 2021, there has been no change in the circumstances affecting their status as Independent Directors of your Company.

None of the Directors of the Company is disqualified to act as a Director as per the requirement of Section 164 of the Act.

14. Number of meetings of the Board

The Board met twelve (12) times during FY 2021. The details of meetings of the Board and attendance of the Directors at the Board meetings are given in the Report on Corporate Governance which forms a part of the Annual Report.

15. Committees of the Board

As on March 31, 2021, the Board had the following five committees:

i. Audit Committee
ii. Nomination and Remuneration Committee
iii. Risk Management Committee
iv. Corporate Social Responsibility Committee
v. Stakeholders Relationship Committee

The details of the composition, terms of references, and number of committee meetings held during FY 2021 and the attendance of the committee members at each meeting are given in the Report on Corporate Governance which forms a part of the Annual Report.

The Board has constituted a Fund Raise Committee at its meeting held on May 10, 2021, for raising funds through a QIP under the provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

16. Board Evaluation

Pursuant to the provisions of the Act and the SEBI LODR Regulations, an evaluation process was carried out to evaluate performance of the Board and the Board Committees, the Chairman of the Board, and all Directors, including Independent Directors. The evaluation was aimed at improving the effectiveness of all these constituents and enhancing their contribution to the functioning of the Board.

On the recommendation of the Nomination and Remuneration Committee, an independent external expert in the area of Board evaluation, was engaged by the Management to undertake such evaluation. He carried out the exercise through questionnaires sent directly to the Board members on a confidential basis. These questionnaires were detailed and elicited both numeric as well as qualitative responses against a variety of evaluation parameters. The independent external expert then followed through with confidential individual conversations with each Board member and developed separate evaluation reports. The conversations were free-flowing and based on themes that were generated from reviewing the responses from the questionnaire. Subsequently, the independent external expert collated confidential reports for (a) the Board as a Whole, (b) Chairman of the Board, (c) Individual Directors, both Independent and Non-Independent Directors, and (d) for each of the Board Committees separately. The report of each Committee was shared by the Chairman of the Board with the Chairperson and members of each of the Committees. The assessment of individual Directors was sent by the external consultant to the Chairman in separate sealed envelopes, which the Chairman passed on to the concerned Directors. The results of evaluation of the Board and its various Committees were subsequently discussed by the Board at its meeting and the areas for improvement of the functioning of the Board and Committees were noted. The Board is committed to continuously looking at process improvements, rather than treating the Board evaluation as a one-off event.

In a separate meeting of the Independent Directors, performance of the Non-Independent Directors, and the Board as a whole was also discussed, taking into account the views of Executive Director and Non-Executive Directors.

17. Remuneration Policy

Your Company had adopted the 'InterGlobe Aviation Limited – Nomination and Remuneration Policy' in compliance with Section 178 of the Act and Regulation 19(4) read with Part D of Schedule II to the SEBI LODR Regulations, for identification, selection and appointment of Directors, Key Managerial Personnel (KMPs) and Senior Management of your Company. The Policy lays down the process and parameters for the appointment and remuneration of the KMPs and other senior management personnel and the criteria for determining qualifications, highest level of personal and professional ethics, positive attributes, financial literacy, and independence of a Director. The Policy is available on the Investor Relations section of the website of your Company at https://www.goindigo.in/content/dam/goindigo/investor-relations/policies/2021/InterGlobe-Nomination-and-Remneraion-Policy.pdf.

18. Succession Planning

Your Company has been following a rigorous process of leadership talent review, named "Talent Councils" ever since FY 2019. We have established a process to identify and nurture talented employees at an early stage with the goal of succession planning. Once a year, we discuss succession planning for key positions with the various business function heads within your Company. Competencies, skills and experience required for performing leadership roles, at the level of

Vice President and above are clearly established. At the yearly Talent Council meetings, each senior leader is discussed in depth and compared with the job specifications of the corresponding positions. This review process forms the basis of people identification and development for filling all top positions. In addition, your Company's Human Resource function continually maps the external market to identify talent for which immediate internal candidate is not available. In FY 2021, we focused in particular on identifying talent at a level lower than Vice Presidents and took specific measures to ensure the development of these emerging leaders.

19. Risk Management

Your Company has put in place a structured Enterprise Risk Management framework ("ERM framework") based on the guiding principles of identifying, assessing and mitigation of risks. It is an integral part of decision-making for your Company and is dynamic in nature, undergoing continuous improvement. The ERM Framework follows an annual process of setting objectives, identifying key risks on an ongoing basis, developing a mitigation action plan and monitoring.

The Risk Management Committee has been empowered to frame, implement and monitor the risk management practices of your Company. The Committee has been entrusted for systematically overseeing, reviewing, and updating the risk management calendar, based on certain risks becoming more important during the year. The Committee meets on regular intervals and discusses risks relating to liquidity and profitability, revenue, cyber threat & data protection, business continuity, employee relations and health, sustainability & climate change, airline safety and security, adverse regulatory changes and litigation, unfavorable fuel and forex movement and any other new risk that may be identified by the Management.

The Audit Committee has an additional oversight in the area of financial risks.

A note on key risks of your Company is given in the Management Discussion and Analysis Report which forms a part of the Annual Report.

20. Corporate Social Responsibility

A brief outline of the Corporate Social Responsibility ("CSR") Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure - A to this Report, in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

For other details regarding the CSR Committee, please refer to the Report on Corporate Governance, which forms a part of the Annual Report.

Pursuant to recent amendments to Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board considered and approved the amendments in the CSR Policy at its meeting held on May 7, 2021. The revised Policy is available on the Investor Relations section of the website of your Company at https://www.goindigo.in/content/dam/goindigo/investor-relations/policies/InterGlobe-Aviation-Limited-Corporate-Social-Responsibility-Policy-2.pdf.

21. Statutory Auditors

S.R. Batliboi & Co. LLP (Firm Registration no. 301003E/E300005) was appointed as the Statutory Auditors of your Company at the 16th AGM held on August 27, 2019, for a term of five consecutive years from the conclusion of the 16th AGM till the conclusion of the 21st AGM of your Company, in accordance with the provisions of Section 139 of the Act.

The Reports given by the Statutory Auditors on the standalone financial statements and the consolidated financial statements of your Company for FY 2021 form part of the Annual Report. The Reports do not contain any qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors.

22. Secretarial Auditors

Sanjay Grover & Associates, a firm of practicing Company Secretaries (Firm Registration no. P2001DE052900) ("Secretarial Auditors"), carried out the secretarial audit for FY 2021 in compliance with the Act and the Rules made thereunder, the SEBI LODR Regulations and other applicable regulations as prescribed by the SEBI, Foreign Exchange Management Act, 1999, as amended and other laws specifically applicable to your Company. The Secretarial Audit Report in form MR-3 for FY 2021 is attached to this Report as Annexure - B. The said Report does not contain any qualification, reservation or adverse remark or disclaimer made by the Secretarial Auditors.

In compliance with Regulation 24A of the SEBI LODR Regulations, read with SEBI circular no. CIR/CFD/CMD1/27/2019 dated February 08, 2019, the Secretarial Auditors have also issued Annual Secretarial Compliance Report for FY 2021. The Report is a clean Report, and does not point to any deficiencies.

23. Non-applicability of maintenance of cost records

The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act and the Rules thereunder with respect to the aviation business.

24. Whistleblower Policy / Vigil Mechanism

Pursuant to Section 177(9) of the Act and Regulation 22 of the SEBI LODR Regulations, your Company has adopted a Whistleblower Policy/ Vigil Mechanism (Policy) for Directors, senior management and employees of the Company and its subsidiary. The Policy provides for adequate safeguards against victimisation of whistleblowers and provides for direct access to the Chairperson of the Audit Committee, in exceptional circumstances. The Policy provides for a mechanism to report concerns about unethical behaviour, actual or suspected fraud, instances of leak of Unpublished Price Sensitive Information ("UPSI") or violations of your Company's Code of Conduct.

The Policy also enables suppliers, contractors, and other stakeholders to report unethical behaviour, misconduct, violation or legal or improper practices, actual or suspected fraud by a Company official without any fear of unfair treatment (including loss of business).

During FY 2021, no person was denied access to the Chairperson of the Audit Committee. The Audit Committee, which oversees the implementation of the Policy, on quarterly basis, reviews the status of complaints, summary of findings and action taken in accordance with the Policy.

The Policy is available on the Investor Relations section of the website of your Company at https://www.goindigo.in/content/dam/goindigo/investor-relations/policies/IGAL-WhistleBlower-Policy.pdf.

25. Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, as amended ("POSH Act")

Your Company has a zero-tolerance policy towards cases of sexual harassment at workplace and has a robust internal mechanism and gender-neutral policy on 'Prevention of Sexual Harassment at Workplace' (the "Policy") to deal with such matters. Your Company has constituted an Internal Complaints Committee ("ICC"), which has a woman Chairperson who is a member of our senior management team and has an external woman lawyer. All employees are sensitised about the Policy from their first day of employment. Awareness programs are conducted for employees and awareness posters with details of how to file a complaint, along with the details of the ICC members, are displayed across all our working locations. The ICC ensures that all cases reported are resolved in a timely manner, in accordance with the POSH Act.

During FY 2021, a total of 15 complaints were received by your Company, out of which 13 complaints were resolved after complying with due process and well within the prescribed timelines and 2 complaints were under investigation as on March 31, 2021 (which have since been resolved within the prescribed timelines). Your Company also has submitted the annual return to the local authority in compliance with the POSH Act.

Prevention of sexual harassment continues to be a core ethos of your Company and steps are continuously taken every year to make the policies, programmes, and awareness campaigns more and more robust. In FY 2021, your Company undertook the following initiatives and awareness programmes:

1. E-learning training module

For the first time, your Company launched an interactive and informative training module for all its employees across all locations. This training module was designed in a manner that it was accessible to all employees on a 24*7 basis since it was e-learning (online) module.

This module covered several critical aspects concerning prevention of sexual harassment at workplace, such as:

a. What constitutes sexual harassment at workplace.

b. Your Company's POSH Policy and the relevant provisions of the POSH Act.

c. How to report incidents of sexual harassment at workplace without having the fear of retaliation.

d. Mental and emotional support from the ICC to a victim of sexual harassment at workplace.

2. ICC awareness programme

The ICC conducted awareness programme for all its members across locations in order to ensure that the members undertake their responsibilities in accordance with the applicable POSH Policy.

3. Communication

Important communication emails were sent on behalf of the ICC (including from the ICC Chairperson's desk) to all the employees, emphasising the importance of prevention of sexual harassment at the workplace and the Company's zero tolerance towards any acts of sexual harassment. Other than emails, posters underlying the same message have been placed at offices across all locations.

26. Internal Financial Control and their adequacy

Your Company has put in place an adequate Internal Financial Control (IFC) system, to ensure compliance with various policies, practices, and statutes. Your Company ensures that such IFC systems are commensurate with the size and complexity of our business and are adequate and operating effectively on an ongoing basis.

The Board has adopted policies and procedures for:

- Effectiveness and efficiency of operations
- Adequacy of safeguarding Company's assets
- Prevention and detection of frauds and errors
- Accuracy and completeness of accounting records
- Timely preparation of reliable financial information

The details in respect of the Company's IFC and their adequacy are included in the Management Discussion and Analysis Report, which forms a part of the Annual Report.

27. Public Deposits

Your Company has not accepted deposits from the public falling within the ambit of Section 73 of the Act and the Rules made thereunder.

28. Particulars of Loans, Investments and Guarantees

The particulars of loans, investments and guarantees as on March 31, 2021, covered under Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended and Regulation 34(3) read with Schedule V of the SEBI LODR Regulations, are given at the notes in the standalone financial statements, which forms a part of the Annual Report.

29. Material changes and commitments affecting the financial position of your Company, between the end of the financial year and the date of this Report.

Other than as stated elsewhere in this Report, there are no material changes and commitments affecting the financial position of your Company between the end of the financial year and the date of this Report.

30. Management Discussion and Analysis Report

The Management Discussion and Analysis Report on your Company's financial and operational performance, industry trends and other required details prepared in compliance with Regulation 34 of the SEBI LODR Regulations for FY 2021 forms a part of the Annual Report.

31. Report on Corporate Governance

In compliance with Regulation 34 read with Schedule V of the SEBI LODR Regulations, the Report on Corporate Governance of your Company, inter alia, covering composition, details of meetings of the Board and Committees, together with a certificate from the Secretarial Auditors regarding compliance of conditions of corporate governance, forms a part of the Annual Report.

A certificate from the Whole Time Director and CEO and the Chief Financial Officer of your Company in terms of Regulation 17 of the SEBI LODR Regulations, inter-alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, also forms a part of the Annual Report.

32. Business Responsibility Report

In compliance with Regulation 34 of the SEBI LODR Regulations read with SEBI Circular no. CIR/CFD/CMD/2015 dated November 04, 2015, the Business Responsibility Report of your Company for FY 2021 describing the various initiatives undertaken from an environment, social and governance perspective during FY 2021 forms a part of the Annual Report.

33. Annual Return

In compliance with Section 92(3) and Section 134(3)(a) of the Act and Rules made thereunder, a copy of the Company's Annual Return as on March 31, 2021, is available on the Investor Relations Section of the website of your Company at https://www.goindigo.in/content/dam/goindigo/investor-relations/press-releases/2020-21/Annual-Return-MGT-7-FY-2020-21.pdf.

34. Significant material orders passed by the Regulators, Courts and Tribunals

There are no significant material orders passed by the regulators, courts or tribunals impacting the going concern status of your Company and its operations in future.

35. Awards and Recognitions

During FY 2021, your Company received multiple awards and recognition. Details in respect of such awards and recognition received by your Company are included in the Management Discussion and Analysis Report, which forms a part of this Annual Report.

36. Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, the Board, based on representations received from the Management and to the best of its knowledge, ability, and due inquiry, confirms that:

i. In the preparation of the annual accounts, applicable accounting standards have been followed and proper explanation for any material departures has been provided.

ii. Applicable accounting policies have been selected and applied consistently in order to form views/make judgments and estimates that are reasonable and prudent. This is intended to facilitate a true and fair view of the state of affairs of your Company at the end of the financial year including profit/loss of your Company for that period.

iii. Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act is taken for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv. Annual accounts have been prepared on a going concern basis.

v. IFCs to be followed by your Company have been laid down and such IFCs are adequate and operating effectively.

vi. Proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

37. Particulars of employees

The statement containing disclosure of remuneration under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014, as amended is given in Annexure - C forming a part of this Report. The information as per Rule 5(2) and Rule 5(3) of the abovementioned Rules pertaining to the names of top ten employees and other particulars of employees is provided in a separate annexure. However, as per the provisions of Section 136(1) of the Act and the Rules thereunder, the Annual Report and the financial statements, excluding the aforesaid annexure, are being sent to the Members, and other persons entitled thereto. Any Member interested in obtaining this, may write to the Company Secretary at the Registered Office of your Company in this regard.

None of the employees listed in the Annexure is related to any Director of your Company.

38. Transfer of unpaid / unclaimed dividend to Investor Education and Protection Fund

The provisions to transfer unpaid / unclaimed dividend to the Investor Education and Protection Fund under Section 124(5) of the Act do not apply to your Company for FY 2021 since there is no unpaid / unclaimed dividend which is due for transfer to the said Fund during the current financial year.

39. Reporting of Fraud

The Auditors of your Company have not reported any instances of fraud committed in your Company by its officers or employees as specified under Section 143(12) of the Act.

40. Conservation of Energy, Technology Absorption

Your Company persistently strives to run its operations more efficiently to reduce its fuel consumption and resultant fuel emissions. This endeavour entails your Company's continuous commitment towards conservation of energy and motivates it to embrace newer technological advances.

Your Company has incorporated policies, including flight and ground procedures, for conservation of fuel and has trained flight crew and aircraft maintenance engineers to ensure that fuel is conserved to the extent possible.

Your Company ensures that there is adequate fuel for its aircraft, after evaluating various traffic trends in the air and also on the ground, thus avoiding any additional/ unnecessary fuel upliftment. Your Company has installed a software for accurate flight planning. This software provides accurate maps and the most efficient flight path, restricting use of auxiliary power units, employing continuous descent approaches and economy cruise speeds. It also minimises aircraft weight by providing recommendations for removing unnecessary equipment and optimising engine settings for take-off and climb. Further, your Company has adopted innovative statistical data driven solutions for descent fuel optimisation. We are also working with Airbus on big data analytics using Airbus platforms like SKYWISE.

Your Company is engaged with stakeholders to collaborate on multiple air space optimisation initiatives like shortening of routes, promulgation of required navigation performance (RNP) approaches optimising flight routes through conditional route (CDR). Optimising flight routes: The Government of India has promoted flexible use of airspace and your Company has been using this opportunity to utilise every bit of optimum airspace to reduce fuel consumption and simultaneously reducing carbon emissions. Since August 2020, your Company has been able to reduce carbon emissions by 13,000 tonnes by utilising direct routes.

Your Company has sought to reduce the weight of its aircraft by selecting lighter seats and by choosing not to have in-flight entertainment systems. Your Company has further reduced the aircraft weight by equipping the entire fleet with Electronic Flight Bags (EFB) and removing paper manuals weighing 25kg from each Airbus aircraft.

Your Company has also adopted fuel policies designed to reduce costs on the ground, including the use of the Eco-Power Engine Wash process for aircraft engines, the use of ground equipment in place of aircraft auxiliary power units (which consume more fuel), use of single engine for taxiing on ground and introduction of other engineering/operating protocols. These policies are all designed to optimise fuel consumption and reduce our carbon footprint and thereby finally reducing costs.

Your Company continues to explore the feasibility of using ground vehicles on cleaner alternative fuels like CNG/ electricity to reduce carbon emissions at airports.

Keeping with the commitment of replacing all A320 CEO aircraft expeditiously, your Company has re-delivered 42 A320 CEO aircraft from a total fleet of 123 CEO aircraft during FY 2021. Your Company has also inducted 43 NEO aircraft which are 15% more fuel efficient. During FY 2021, 120 A320 NEO aircraft have operated approximately 160,000 flights. During FY 2021, your Company has operated 26 ATR 72-600 turboprop aircraft on regional routes. These are more fuel efficient compared to jet aircraft.

Your Company is continuously working with government authorities in relation to the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). In FY 2021, a successful external audit on fuel consumption on international operations was undertaken and was also reported to the DGCA.

41. Compliance with Secretarial Standards on Board and General Meetings

Pursuant to the provisions of Section 118 of the Act, your Company has complied with all the applicable provisions of the Secretarial Standard – 1 and Secretarial Standard – 2.

42. Foreign exchange earnings and outgo

The details of foreign exchange earnings and outgo for FY 2021, on an accrual basis, are set out below:

Particulars	Amount (Rs. in million)
Foreign exchange earnings	16,817.64
Foreign exchange outgo*	110,541.80

*Foreign exchange outgo excludes foreign exchange gain/loss on reinstatement of assets and liabilities

43. Acknowledgement

The Board is grateful for the continuous patronage of our valued customers and remains committed to ensuring that your Company provides an on-time, courteous and hassle-free experience. The Board acknowledges and appreciates the commendable efforts of the employees of your Company who have worked together as a team during the very difficult year gone by.

Your Company also takes this opportunity to express its appreciation for the support and co-operation extended by the Central and State governments, regulatory authorities, investors, bankers and other stakeholders.

On behalf of the Board of
InterGlobe Aviation Limited

Meleveetil Damodaran
Chairman
DIN: 02106990

Ronojoy Dutta
Whole Time Director and Chief Executive Officer
DIN: 08676730

Date: June 5, 2021
Place: Gurugram

Annexure – A

Annual Report on Corporate Social Responsibility Activities

1. Brief outline on CSR Policy of the Company

As a responsible corporate citizen, your Company's commitment to Corporate Social Responsibility (CSR) is ingrained in its culture. IndiGoReach, the CSR programme of your Company is an expression of 'Make a Change'. It is well integrated with the business and is synonymous with your Company's values. The CSR approach adopted by your Company, envisages that it evolves and executes strategies to support communities in partnership with Government, civil society and relevant stakeholders.

Your Company's CSR initiatives are founded on the following core pillars:

• Children and Education

Education is one of the core pillars of IndiGoReach. IndiGoReach initiatives aim to educate underprivileged children in multiple states of the country. Today, our education programme reaches out to 44,400+ children enrolled in identified schools. To ensure that students do not miss their studies during the Covid-19 pandemic lockdown, your Company introduced special initiatives to promote learning across multiple states of India. One of the education interventions of IndiGoReach is to cover 5,000 students from Class 6 to 10, in 25 rural Government schools across Badgaon and Kurabad blocks of Udaipur district. The programme aims at enabling these school children with the required academic skills and conceptual clarity while improving the relationship between the students, teachers, and parents. The IndiGo School Adoption Programme is being implemented to improve quality of teaching and learning process, enhance digital literacy through the 'Get Smart' bus initiative, and improve and maintain the existing infrastructure facilities created across seventy-five (75) Government schools.

• Women Empowerment

Under the IndiGoReach programme relating to women empowerment, your Company aims at increasing their income through on-farm and off-farm initiatives in the project villages of rural India. Presently, about 56,500 rural women are trained to undertake activities on livelihood creation. Under one such initiative, in the state of Tripura, 3,000 rural women are being collectivised into producer's organisations. They are then trained and engaged in livelihood activities for income enhancement. The "Water" (Women collectives led Action Towards Environment Rejuvenation) project reaches out to benefit approximately 37,500 rural women. In Assam and Meghalaya, we are supporting 1,500 rural women in 24 villages by promoting cultivation of ginger, turmeric and spices and strengthening village level institutions and market linkages.

• Environment

As part of the CSR work on environment, IndiGoReach, is upcycling old and discarded items such as old uniform, aircraft carpets and seat covers into useful and marketable products such as folders, carry bags, school bags, laptop sleeves, i-pad covers etc. These products are designed, developed, and marketed by the trained artisans and women of the rag-picking community in New Delhi. Your Company has also undertaken a project towards eco restoration and conservation of a watershed and a waterbody at Sikandarpur, Gurugram. Your Company is rehabilitating 18 structures (8 village water tanks and 10 ponds) to support agriculture, rural livelihoods, and household water usage.

• Heritage

Your Company is dedicated towards the promotion, development, and conservation of India's cultural heritage. It is carrying out 'Restoration of Historic Interiors of Lal Bagh Palace of Indore' and also supporting the maintenance of the gardens, toilets, pathways, and illumination of the Mausoleum of Abdul Rahim Khan- i- Khanan in New Delhi. In addition to the above, we have also undertaken a project towards conservation and restoration of the Mausoleum of Muhammad Qutb Shah in Hyderabad. In all our Heritage programs the conservation and preservation of dying skills of ancient craft, architecture, paintings, art and culture etc. are emphasised.

• 6E Responsibility

Your Company believes that it has a responsibility to reach out to communities who are affected in the event of a natural disaster. Hence, your Company had reached out to flood affected victims during Assam floods by transporting relief material to the flood affected regions. In response to the Covid-19 pandemic, during lockdown, your Company reached out to needy people with food packets in Delhi/NCR region.

- **Employee Volunteering Program**

  Your Company encourages employees to generously give their time, experience, and talent to CSR activities. The employees have enthusiastically participated in the International Day of Charity on September 5, 2020, Joy of Giving or the Daan Utsav Week between October 2 to 8, 2020, Christmas Day celebration on December 25, 2020, and International Women's Day on March 8, 2021.

2. Composition of the CSR Committee

The composition of the CSR Committee is in compliance with Section 135 of the Act. The Company Secretary acts as the Secretary of the Committee. The composition of the CSR Committee together with attendance of the members at the Committee meetings held during the year, are as under:

S. No.	Name of the Director	Designation / Category	Number of meetings of the CSR Committee held during the year	Number of meetings of the CSR Committee attended during the year
1	Ms. Rohini Bhatia	Chairperson, Promoter & Non-Executive Director	4	4
2	Dr. Anupam Khanna	Member, Independent Director	4	4
3	Mr. Anil Parashar	Member, Non-Executive Director	4	4

3. Web-link where composition of the CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company-

https://www.goindigo.in/csr.html?linkNav=csr_footer

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) – Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any – Nil

6. Average net profit of the Company as per section 135(5) of the Act –

Rs. 4,152.89 million

7.

(a) Two percent of average net profit of the Company as per section 135(5) of the Act – Rs.83.06 million

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – Nil

(c) Amount required to be set off for the financial year, if any – Nil

(d) Total CSR obligation for the financial year (7a+7b-7c) – Rs. 83.06 million

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (Rs. in million)	Amount Unspent (Rs. in million)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)*		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
83.10	Nil		Not Applicable		

* The Company has spent whole of its obligation towards CSR activities in FY 2021. Hence it was not required to transfer any amount in unspent CSR account.

(b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)*	Location of the project		Project duration	Amount allocated for the Project (Rs. in million)	Amount spent in the current financial Year (Rs. in million)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (Rs. in million)	Mode of Implementation – Direct (Yes/ No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration No.
1	Providing education to children from urban slums	(ii)	Yes	Haryana	Gurugram	2.3 years**	3.47	3.47	Nil	No	All India Human Development Council	CSR 00002861
2	Supporting children of SOS homes with provision of food, shelter, education etc.	(ii)	Yes	Telangana	Hyderabad	4 Years**	1.49	1.49	Nil	No	SOS Children's Villages of India	CSR 00000692
3	IndiGo School Adoption & Get Smart Program	(ii)	Yes	Uttar Pradesh, Uttarakhand, Madhya Pradesh, Gujarat, Assam	Gautam Buddh Nagar, Dehradun, Indore, Vadodara, Dibrugarh	4 Years	9.70	9.70	Nil	No	SAF Foundation	CSR 00000733
4	Academic improvement of children and the school ecosystem	(ii)	Yes	Madhya Pradesh	Bhopal, Betul	3 Years	5.39	5.39	Nil	No	Eklavya Foundation	CSR 00000465
5	Sponsoring Education of high intelligence quotient (IQ) kids from marginalised communities	(ii)	Yes	Haryana	Gurugram	5 Years***	1.66	1.66	Nil	No	Vidya Integrated Development for Youth and Adults	CSR 00001204

1	2	3	4	5		6	7	8	9	10	11	
S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)*	Location of the project		Project duration	Amount allocated for the Project (Rs. in million)	Amount spent in the current financial Year (Rs. in million)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (Rs. in million)	Mode of Implementation – Direct (Yes/ No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration No.
6	Supporting children enrolled under RTE (Right to Education)	(ii)	Yes	Uttar Pradesh	Lucknow	4 Years***	0.62	0.62	Nil	No	Kiddy Kingdom Academy Samiti	CSR 00002908
7	Facilitating education of children with Autism	(ii)	Yes	New Delhi	New Delhi	3.6 Years**	6.95	6.95	Nil	No	Tamana	CSR 00001236
8	Livelihood enhancement through sustainable agriculture and entrepreneurship development	(iii)	Yes	Maharashtra	Pune, Ahmednagar, Nasik, Thane	5 Years	1.03	1.03	Nil	No	Action for Agricultural Renewal in Maharashtra (AFARM)	CSR 00000092
9	Promoting sustainable livelihoods through women led institutions and capacity building	(iii)	Yes	Tripura	Agartala	3 Years	2.99	2.99	Nil	No	Seven Sisters Development Assistance	CSR 00000087
10	Livelihood creation of women farmers	(iii)	Yes	Assam, Meghalaya	Kamrup, Ri-Bhoi	4 Years	2.76	2.76	Nil	No	Grameen Sahara	CSR00011289
11	Eco restoration, conservation, and maintenance of the Sikanderpur pond	(iv)	Yes	Haryana	Gurugram	3.4 Years	7.92	7.92	Nil	No	I am Gurgaon & Society for Urban Regeneration of Gurgaon (SURGE)	CSR 00000018 & CSR 00002903
12	Sourcing and Planting of timber and fruit trees	(iv)	Yes	Uttar Pradesh	Gautam Buddh Nagar	4 Years	1.10	1.10	Nil	Yes	-	-
13	Promoting sustainable waste management practice	(iv)	Yes	New Delhi	New Delhi	2 Years	4.28	4.28	Nil	No	Chintan Environmental Research and Action Group	CSR 00003615

1	2	3	4	5		6	7	8	9	10	11	
S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)*	Location of the project		Project duration	Amount allocated for the Project (Rs. in million)	Amount spent in the current financial Year (Rs. in million)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (Rs. in million)	Mode of Implementation – Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration No.
14	Conservation and Restoration of the interiors of the Lal Bagh Palace	(v)	Yes	Madhya Pradesh	Indore	2.7 Years	11.29	11.29	Nil	No	World Monuments Fund India Association	CSR 00002009
15	Maintenance and Upkeep of the Abdur Rahim Khan-i-Khanan Mausoleum	(v)	Yes	New Delhi	New Delhi	4.3 Years	8.41	8.41	Nil	No	Aga Khan Foundation	CSR 00008713
16	Conservation and Restoration of the Muhammad Qutb Shah Mausoleum	(v)	Yes	Telangana	Hyderabad	2 Years	4.65	4.65	Nil	No	Aga Khan Foundation	CSR 00008713
17	Transport of flood relief material	(xii)	Yes	Assam	Guwahati	-	0.01	0.01	Nil	Yes	-	-
	Total						73.72	73.72				

Please note: *Local Area: Being an Airline Company with a PAN India presence, our CSR programs are geared to be implemented across the country in phased manner. Hence, all our programs are covered under local areas in and around places where we have airport operations.

** AIHDC, SOS and Tamana: Though certain activities were conducted prior to year 2018 with these organisations, yet we have reported 2018 as a base year for the beginning of the projects owing to a more structured MoUs signed from 2018 onwards.

*** Vidya School, KK: These two programs have been renewed on a year by year basis.

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5		6	7	8	
S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area* (Yes/No)	Location of the project		Amount spent in the current financial Year (Rs. in million)	Mode of Implementation – Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District			Name	CSR Registration No.
1	COVID-19 Relief Operations	(i)	Yes	New Delhi	New Delhi	5.00	No	Delhi Langar Seva Society	-
2	Upcycling of the old uniforms, seat covers and other related material	(iii)	Yes	New Delhi	New Delhi	0.55	No	Chetanalaya	CSR 00001117
	Total					5.55			

Note: *Local Area: Being an Airline company with a PAN India presence, our CSR programs are geared to be implemented across the country in phased manner. Hence, all our programs are covered under local areas.

(d) Amount spent in Administrative Overheads – Rs. 3.83 million

(e) Amount spent on Impact Assessment, if applicable – Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – Rs. 83.10 million

(g) Excess amount for set off, if any

S. No.	Particular	Amount (Rs. in million)
(i)	Two percent of average net profit of the Company as per section 135(5)	83.06
(ii)	Total amount spent for the Financial Year	83.10
(iii)	Excess amount spent for the Financial year [(ii)-(i)]	0.04*
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial years, if any	Nil
(v)	Amount available for set off in succeeding Financial years [(iii)-(iv)]	0.04*

*The Company does not intend to set-off this amount.

9. (a) Details of Unspent CSR amount for the preceding three financial years – Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) – Not applicable, as the concept of 'ongoing projects' has been introduced in the CSR Amendment Rules, relevant from FY 2021. Details of spend on all ongoing projects during FY 2021 are covered under 8(b) above.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details) – Nil

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5) –

Not Applicable. The Company has spent 100.05% of the CSR budget.

On behalf of the Board of Directors of
InterGlobe Aviation Limited

Rohini Bhatia
Chairperson of CSR Committee
DIN: 01583219

Ronojoy Dutta
Whole Time Director and Chief Executive Officer
DIN: 08676730

Date: June 5, 2021
Place: Gurugram

Annexure – B

Secretarial Audit Report
For the financial year ended March 31, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
InterGlobe Aviation Limited
(CIN: L62100DL2004PLC129768)
Upper Ground Floor, Thapar House, Gate No. 2,
Western Wing, 124 Janpath, New Delhi - 110001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by InterGlobe Aviation Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We report that

a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;

b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed, provide a reasonable basis for our opinion;

c) We have not verified the correctness and appropriateness of the financial statements of the Company;

d) Wherever required, we have obtained the management representation about the compliances of laws, rules and regulations and happening of events etc.;

e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis;

f) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

g) Some of the books and papers were verified through online means due to the prevailing lockdown (COVID-19) and due efforts have been made by the Company to make available all the relevant documents and records. Some of the books and papers will be verified physically after the lockdown.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the "Act") and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and

i) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (SEBI LODR).

* No event took place under these regulations during the Audit period.

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors and on General Meetings issued by the Institute of Company Secretaries of India. The Company was generally regular in filing of e-forms with the Registrar of Companies.

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, to the extent as mentioned above.

(vi) The Company is engaged in the business of providing domestic and international scheduled air transport services under the name of "IndiGo". As informed by the management, following are some of the laws which are specifically applicable to the Company:

- The Aircraft Act, 1934 and Rules made thereunder;
- The Aircraft (Carriage of Dangerous Goods) Rules, 2003;
- The Carriage by Air Act, 1972;
- The Regulations, Circulars, Requirements, Orders, Notifications, issued by Ministry of Civil Aviation, Bureau of Civil Aviation Security and the Directorate General of Civil Aviation.

We have checked the compliance management system of the Company to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. In our opinion and to the best of our information and according to explanations given to us, we believe that the compliance management system of the Company seems adequate to ensure compliance of laws specifically applicable to the Company.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except for those meetings which were held at shorter notice and which were in due compliance of Act and secretarial standard issued by ICSI and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

We further report that there are systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, The SEBI has accepted the Company's application for settlement of the adjudication proceeding initiated by the SEBI against the Company pursuant to the Show Cause Notice dated 10th November, 2020 and issued the Settlement Order. The Company has paid an amount of INR 2,10,37,500 towards settlement of the aforesaid adjudication proceeding. The Settlement Order records that the Company's offer to settle was on the basis that the Company neither admits nor denies the violations alleged in the Show Cause Notice.

We further report that during the Audit Period, the shareholders of the Company have passed, inter-alia, the following resolutions by way of special resolutions in its Annual General Meeting held on September 04, 2020:

- To increase the borrowings limit to the extent of Rs. 40,000 Crores (Rupees forty thousand Crores Only) under Section 180(1)(c) of the Act.
- To create security on the assets of the Company to the extent of Rs. 40,000 Crores (Rupees forty thousand Crores Only) under Section 180(1)(a) of the Act.
- Appointment and Remuneration of Mr. Ronojoy Dutta (DIN: 08676730), Chief Executive Officer as Whole Time Director and Chief Executive Officer of the Company.

For Sanjay Grover & Associates
Company Secretaries
Firm Registration No.: P2001DE052900

Kapil Dev Taneja
Partner
CP No.: 22944
M. No.: F4019
UDIN: F004019C000424560

New Delhi
June 05, 2021

Annexure – C

Statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 2021, the percentage increase in remuneration of Key Managerial Personnel during FY 2021:

S. No.	Name of Director / Key Managerial Personnel	Category of Director/ Designation	Ratio of remuneration to the median remuneration of employees	Percentage increase in remuneration
1.	Mr. Meleveetil Damodaran	Chairman and Independent Director	7.66	Refer to note below#
2.	Dr. Anupam Khanna	Independent Director	7.66	Refer to note below#
3.	Dr. Venkataramani Sumantran*	Independent Director	6.18	Refer to note below#
4.	Ms. Pallavi Shardul Shroff	Independent Director	4.45	Refer to note below#
5.	Mr. Rahul Bhatia	Promoter and Non-Executive Director	2.96	Refer to note below#
6.	Mr. Rakesh Gangwal	Promoter and Non-Executive Director	2.96	Refer to note below#
7.	Ms. Rohini Bhatia	Promoter and Non-Executive Director	4.45	Refer to note below#
8.	Mr. Anil Parashar	Non-Executive Director	9.39	Refer to note below#
9.	Mr. Gregg Albert Saretsky**	Non-Executive Director	1.73	Refer to note below#
10.	Mr. Ronojoy Dutta	Whole Time Director and CEO	376.21	Nil
11.	Mr. Jiten Chopra***	Chief Financial Officer	Not Applicable	Not Applicable
12.	Mr. Aditya Pande****	Chief Financial Officer	Not Applicable	Nil
13.	Mr. Sanjay Gupta	Company Secretary & Chief Compliance Officer	Not Applicable	Nil

#All the Non-Executive Directors of the Company are entitled for sitting fees of Rs. 100,000 for attending each meeting of the Board or its Committees, of which they are members. The sitting fee as paid for the FY 2021 is included in aforementioned remuneration paid to Directors.

*Dr. Venkataramani Sumantran was appointed as an Independent Director with effect from May 28, 2020.

**Mr. Gregg Albert Saretsky was appointed as Non-Executive Director with effect from October 01, 2020.

*** Mr. Jiten Chopra was appointed as the Chief Financial Officer of the Company with effect from February 22, 2021.

**** Mr. Aditya Pande, erstwhile Chief Financial Officer of the Company resigned with effect from February 21, 2021.

2. The percentage decrease in the median remuneration of employees for FY 2021 was 4.72%.
3. The Company had 23,711 permanent employees on the rolls of the Company as on March 31, 2021.
4. There is no increase in the salaries of the employees during the year.
5. It is hereby affirmed that the remuneration paid during the year is as per the remuneration policy of the Company.

On behalf of the Board of
InterGlobe Aviation Limited

Meleveetil Damodaran
Chairman
DIN: 02106990

Ronojoy Dutta
Whole Time Director and Chief Executive Officer
DIN: 08676730

Date: June 5, 2021
Place: Gurugram

Report on Corporate Governance

Your Directors have great pleasure in presenting the Report on Corporate Governance prepared in accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations").

Good Corporate Governance involves developing and implementing a culture of best management practices in compliance with the law. It also ensures the highest standards of integrity, transparency, accountability, and ethics in all business matters.

I. Company's Philosophy on Corporate Governance:

At InterGlobe Aviation Limited ("your Company" or "we"), we focus on integrity, transparency, accountability and ethics as the pillars of good corporate governance. We believe that all these are critical in successfully running your Company and reinforcing relationships with all our stakeholders. Your Company's actions and way of doing business are governed by these pillars which are reinforced at all levels.

Our corporate governance framework also ensures that we make timely disclosures and share accurate information in relation to our financial and operational performance with all our stakeholders.

Your Company has established systems and procedures to ensure that its Board is well informed and well equipped to fulfill its responsibilities. The Board and the Management together take strategic decisions to create long term shareholder value. Your Company's Code of Conduct for Directors and Senior Management and the Code of Conduct for all employees are an extension of our core values and reflect our commitment to ensure a good corporate governance framework and ensure ethical business practices across our operations.

Your Company has complied with the requirements of Corporate Governance as laid down under the Companies Act, 2013 ("Act") and the Rules made thereunder, as well as the provisions of Chapter IV of the SEBI LODR Regulations, as amended from time to time.

Board of Directors ("Board")

Your Company has a multi-tiered corporate governance structure, which includes the Board at the apex decision making level to provide leadership and guidance, and to oversee your Company's overall functioning and strategic supervision on behalf of all stakeholders. The Board provides guidance to the Senior Management and evaluates your Company's strategic direction, management policies and their effectiveness, and ensures that the long-term interests of all stakeholders, are being served. A detailed profile of each of the Directors, including their expertise and experience, is available on the Investor Relations section on your Company's website at https://www.goindigo.in/information/investor-relations.html?linkNav=investor-relations_footer.

Your Company's Board has a combination of Executive, Non-Executive, and Independent Directors complying with the requirements of the Act and the SEBI LODR Regulations. The composition of the Board represents an optimal mix of knowledge and experience to provide effective leadership for the business.

The composition of the Board as on March 31, 2021:

S. No.	Category	No. of Directors	Percentage to total no. of Directors (in %)
1.	Independent Directors	4	40
2.	Non-Executive Promoter Directors	3	30
3.	Non-Executive Non-Independent Directors	2	20
4.	Executive Director	1	10
	Total	10	100

All required information, including information as enumerated under Regulation 17(7) read with Part A of Schedule II of the SEBI LODR Regulations is made available to the Board, for discussions and considerations at the Board Meetings.

The Board is committed to comply with the following:

- Transparent procedures, practices and decisions based on adequate information
- Compliance with all relevant laws in letter and in spirit
- Adherence to the Code of Conduct by the Directors and the Senior Management
- Complete and timely disclosure of relevant financial and operational information to effectively monitor management performance
- Facilitate an induction schedule and a familiarisation program for new Board members
- Ensure independence in reviewing and approving corporate strategy, business plans and activities.

Your Company adheres to the Secretarial Standard on Meetings of the Board of Directors as prescribed by the Institute of Company Secretaries of India ("ICSI") ("SS -1").

Details of Board Meetings held during FY 2021

During the financial year, 12 meetings of the Board were held on the following dates, with necessary quorum being present:

S. No.	Date	Board Strength	No. of Directors present	% of attendance
1	June 02, 2020	9	9	100
2	June 03, 2020	9	9	100
3	June 12, 2020	9	9	100
4	July 29, 2020	9	9	100
5	July 30, 2020	9	9	100
6	August 10, 2020	9	9	100
7	September 26, 2020	9	9	100
8	October 29, 2020	10	10	100
9	October 30, 2020	10	9	90
10	January 28, 2021	10	10	100
11	January 29, 2021	10	9	90
12	February 09, 2021	10	9	90

The facility of participating by video conferencing was made available to the Directors, to enable them to attend the meetings of the Board and its Committees, whenever required. In view of the Covid-19 pandemic, all meetings were conducted via video conferencing.

Details of attendance of each Director at Board meetings and at the previous year's Annual General Meeting (AGM)

S. No.	Name of the Director	Category	No. of Board meetings held during tenure	No. of Board Meetings Attended*	% attendance	Attendance at previous AGM held on September 04, 2020 (Y/N)
1	Mr. Meleveetil Damodaran (Chairman) DIN: 02106990	Independent Director	12	12	100	Y
2	Dr. Anupam Khanna DIN: 03421015	Independent Director	12	12	100	Y
3	Ms. Pallavi Shardul Shroff* DIN: 00013580	Independent Director	12	11	92	Y
4	Dr. Venkataramani Sumantran** DIN: 02153989	Independent Director	12	12	100	Y
5	Mr. Rahul Bhatia DIN: 00090860	Promoter & Non-Executive Director	12	12	100	Y

S. No.	Name of the Director	Category	No. of Board meetings held during tenure	No. of Board Meetings Attended*	% attendance	Attendance at previous AGM held on September 04, 2020 (Y/N)
6	Mr. Rakesh Gangwal DIN: 03426679	Promoter & Non-Executive Director	12	12	100	Y
7	Ms. Rohini Bhatia$ DIN: 01583219	Promoter & Non-Executive Director	12	10	83	Y
8	Mr. Anil Parashar DIN: 00055377	Non-Executive Director	12	12	100	Y
9	Mr. Gregg Albert Saretsky# DIN: 08787780	Non-Executive Director	5	5	100	N.A.
10	Mr. Ronojoy Dutta DIN: 08676730	Executive Director	12	12	100	Y

*Ms. Pallavi Shardul Shroff was not able to attend the Board meeting held on February 9, 2021 and was granted leave of absence.

**Dr. Venkataramani Sumantran was appointed as Independent Director w.e.f. May 28, 2020.

$ Ms. Rohini Bhatia was not able to attend the Board meetings held on October 30, 2020, and January 29, 2021, and was granted leave of absence.

Mr. Gregg Albert Saretsky was appointed as Non-Executive Director w.e.f. October 01, 2020.

Board Meetings and Procedure: The Board and Committee meetings are pre-scheduled, and an annual calendar of such meetings is decided and informed to all Directors in advance. In exceptional circumstances and on matters requiring immediate action, the meetings are either held at shorter notice, with the approval of the Board/ Committee, or the approval of such matter(s) is taken by passing resolution(s) through circulation, subject to complying with all regulatory requirements.

The Board meets at regular intervals to discuss and decide on your Company's business policy and strategies apart from other normal business activities. The maximum interval between any two meetings of the Board/Committee did not exceed 120 days during the year. Agenda papers containing all necessary information/documents are made available to the Board/ Committee Members in advance to enable them to discharge their responsibilities effectively and take informed decisions. All necessary information as specified in the Act, SS-1, and the SEBI LODR Regulations, is regularly made available to the Board.

The Company Secretary finalises the agenda for Board meetings in consultation with the Chairman and the Whole Time Director and CEO. The agenda for Committee meetings is circulated after consultation with the Chairpersons of the respective Committees. The relevant members of the Management team are invited for discussions on your Company's performance at these meetings. In special and exceptional circumstances, additional item(s) are taken up as 'any other item' with the permission of the Chairperson of the Board/Committee and with the consent of majority of the Board / Committee members present in the meeting.

Board Support: The Company Secretary is responsible for convening of the Board and Committee meetings along with preparation of the agenda papers for such meetings. The Company Secretary attends all the meetings of the Board and its Committees and ensures that the Board and its Committees function in accordance with compliance and governance principles. The Company Secretary also ensures appropriate recording of minutes of the Meetings after incorporating the comments received from the members of the Board or respective Committees on the draft minutes.

Post-Meeting Follow-up System: Your Company has an effective post-meeting follow-up system, whereby all important decisions taken at Board/Committee meetings are tracked until their closure.

Independent Directors

Pursuant to Regulation 25(8) of the SEBI LODR Regulations, the Independent Directors of your Company have confirmed that they are not aware of any circumstances or situation which exists, or which may be reasonably anticipated, that could impact their ability to discharge their duties with an objective independent judgment and without any external influence. As confirmed to the Board, the Independent Directors of your Company meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI LODR Regulations.

Meeting of Independent Directors: Pursuant to Schedule IV of the Act and Regulation 25(3) of the SEBI LODR Regulations, Independent Directors of your Company met twice during the year on June 1, 2020 and February 26, 2021, without the presence of other members of the Board or your Company's Management. During these meetings they discussed a wide range of subjects including, but not limited to, review of performance of non-independent Directors as also themselves, including the Chairman of the Board and the Board as a whole. They also discussed the quality, quantity and timeliness of the flow of information between your Company's Management and the Board.

Skills matrix of the Board:

Your Company's Board represents a blend of experience and expertise across diverse areas of industry, management, finance, law, global business, sales and marketing, technology, etc.

The Directors on the Board possess professional qualifications, expertise and wide experience including experience that is relevant to the business of your Company. The Board is structured in a manner which ensures diversity by age, education/ qualifications, professional background, sector expertise and special skills. The Directors take appropriate measures to avoid any present or potential conflict of interest, ensure adequate availability of their time for your Company and emulate values that embody your Company's values, particularly integrity, honesty, and transparency.

In terms of requirement of the SEBI LODR Regulations, skills / expertise / competencies of the Directors are as follows:

S. No.	Core skills/expertise/competencies identified by the Board as required in the context of its business(es) and sector(s)	Names of Directors who possess such skills / expertise / competence
1.	Industry Knowledge	Mr. Rahul Bhatia Mr. Rakesh Gangwal Ms. Rohini Bhatia Dr. Anupam Khanna Mr. Anil Parashar Mr. Gregg Albert Saretsky Mr. Ronojoy Dutta
2.	Risk Management	Mr. Meleveetil Damodaran Dr. Anupam Khanna Dr. Venkataramani Sumantran Mr. Anil Parashar
3.	Understanding of Social Sector	Ms. Rohini Bhatia Dr. Anupam Khanna Dr. Venkataramani Sumantran Mr. Anil Parashar
4.	Law and Corporate Governance	Mr. Meleveetil Damodaran Mr. Rahul Bhatia Mr. Rakesh Gangwal Ms. Rohini Bhatia Ms. Pallavi Shardul Shroff Dr. Venkataramani Sumantran Mr. Anil Parashar
5.	Financial Expertise	Mr. Meleveetil Damodaran Mr. Anil Parashar Mr. Ronojoy Dutta
6.	Strategic Planning	Mr. Meleveetil Damodaran Mr. Rahul Bhatia Mr. Rakesh Gangwal Ms. Pallavi Shardul Shroff Dr. Venkataramani Sumantran Mr. Gregg Albert Saretsky Mr. Ronojoy Dutta

S. No.	Core skills/expertise/competencies identified by the Board as required in the context of its business(es) and sector(s)	Names of Directors who possess such skills / expertise / competence
7.	Leadership	Mr. Meleveetil Damodaran Mr. Rahul Bhatia Mr. Rakesh Gangwal Ms. Pallavi Shardul Shroff Mr. Gregg Albert Saretsky Mr. Ronojoy Dutta
8.	Global Business	Mr. Rahul Bhatia Mr. Rakesh Gangwal Dr. Anupam Khanna Ms. Pallavi Shardul Shroff Mr. Gregg Albert Saretsky Mr. Ronojoy Dutta
9.	Sales and Marketing	Ms. Rohini Bhatia Ms. Pallavi Shardul Shroff Mr. Gregg Albert Saretsky
10.	Technology	Dr. Anupam Khanna Dr. Venkataramani Sumantran Ms. Rohini Bhatia

Note: Every Director was advised to select top 5 skills only as possessed by him/ her out of the aforesaid 10 skills. The Directors have some/ all of the skills not listed against their names.

Board Membership Criteria and Selection Process: The responsibility for identifying and evaluating a suitable candidate for the Board is discharged by the Nomination and Remuneration Committee (the "NRC") under Section 178 of the Act. The NRC follows defined criteria for identifying, screening, and recommending candidates for election as a Director on the Board. While selecting a candidate, the NRC reviews and evaluates the Board's composition and diversity to ensure that the Board and its Committees have the right mix of skill, experience, competence, independence, and knowledge to effectively discharge their role. For the Board, diversity encompasses plurality in perspective, experience, education, background, ethnicity, nationality, gender, and other attributes. To ensure proper diversity and a transparent selection process guidance on the eligibility criteria and attributes for an individual's appointment to the Board, including Executive and Independent Directors, has been laid down in the Nomination and Remuneration Policy of your Company. The NRC recommends the appointment of a candidate based on the defined criteria. The Board, on the recommendation of the NRC, considers and approves appointment of the candidate as a Director on the Board and recommends his/ her appointment to the Members of your Company for their approval.

Familiarisation Programme: Your Company, through various presentations, conducts familiarisation programme for its Independent Directors to enable them to understand the business model of your Company, their roles, rights and responsibilities, nature of the industry in which your Company operates, its strategic and operating plans, etc.

The details of the familiarisation programme for the Independent Directors conducted by your Company is available on the Investor Relations section of the website of your Company at https://www.goindigo.in/content/dam/goindigo/investor-relations/policies/Final-Familarisation-Programmes-for-Independent-Directors-2020-21.pdf.

Shareholding of Non-Executive Directors

The shareholding of Non-Executive Directors in your Company as on March 31, 2021 is as follows:

S. No.	Name of the Non-Executive Director	No. of equity shares held
1	Mr. Meleveetil Damodaran	Nil
2	Dr. Anupam Khanna	Nil
3	Ms. Pallavi Shardul Shroff	Nil
4	Dr. Venkataramani Sumantran	Nil
5	Mr. Rahul Bhatia	40,000
6	Mr. Rakesh Gangwal	56,421,132
7	Ms. Rohini Bhatia	10,000
8	Mr. Anil Parashar	Nil
9	Mr. Gregg Albert Saretsky	Nil

Your Company does not have any convertible instruments as on date.

The names and category of the Directors, names of other listed entities in which they are Director(s) and number of other Directorship(s) and Committee Chairmanship(s)/ Membership(s) held by them as on March 31, 2021, are given below:

S. No.	Name of the Director	Directorships in other Public Companies	Committee Chairmanship(s)/ Membership(s) in other Public Companies		Names of Other Listed entities where Directors of the Company held Directorships with category
			Chairmanships	Memberships	
1.	Mr. Meleveetil Damodaran (Chairman) DIN: 02106990	8	3	7	1. Hero Motocorp Limited# 2. CRISIL Limited# 3. Tech Mahindra Limited# 4. Larsen and Toubro Limited# 5. Biocon Limited#
2.	Dr. Anupam Khanna DIN: 03421015	-	-	-	
3.	Ms. Pallavi Shardul Shroff DIN: 00013580	5	-	2	1. Apollo Tyres Limited# 2. Asian Paints Limited# 3. Trident Limited# 4. PVR Limited#
4.	Dr. Venkataramani Sumantran DIN: 02153989	2	2	3	1. Rane Holdings Ltd# 2. TVS Electronics Ltd#
5.	Mr. Rahul Bhatia DIN: 00090860	1	-	-	
6.	Mr. Rakesh Gangwal DIN: 03426679	-	-	-	
7.	Ms. Rohini Bhatia DIN: 01583219	-	-	-	
8.	Mr. Anil Parashar DIN: 00055377	1	-	-	
9.	Mr. Gregg Albert Saretsky DIN: 08787780	-	-	-	
10.	Mr. Ronojoy Dutta DIN: 08676730	-	-	-	

Independent Director

Notes:

- The committee positions and directorships held by the Directors, as mentioned above do not include private limited companies, foreign companies and companies registered under Section 8 of the Act as per the requirements of Regulation 26 of the SEBI LODR Regulations.
- The committees considered for this purpose are those prescribed under Regulation 26 of the SEBI LODR Regulations viz. Audit Committee and Stakeholders Relationship Committee of public limited companies.
- Necessary disclosures regarding directorships held in other companies as on March 31, 2021, have been made by the Directors.
- None of the Directors on the Board is a member of more than 10 (ten) committees or Chairman of more than 5 (five) committees (as specified in Regulation 26 of the SEBI LODR Regulations) across all the public limited companies, whether listed or not, in which he/ she is a Director. Necessary disclosures regarding committee positions in other public limited companies as on March 31, 2021, have been made by the Directors.
- Except Ms. Rohini Bhatia who is the wife of Mr. Rahul Bhatia, none of the Directors are related inter-se.
- Dr. Venkataramani Sumantran has been inducted as an Independent Director w.e.f. May 28, 2020.
- Mr. Gregg Albert Saretsky has been inducted as a Non-Executive Director w.e.f. October 01, 2020.
- Apart from receiving remuneration, none of the Non-Executive Directors has or had any material pecuniary relationship with your Company, its holding, subsidiary or associate companies, or their Promoters or Directors, during the two immediately preceding financial years or during the current financial year.
- The independence of a Director is determined by the criteria stipulated under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI LODR Regulations. The terms and conditions of appointment of the Independent Directors are disclosed on the website of your Company.
- None of the Directors of your Company is a Director in more than 7 (seven) listed companies, including as Independent Director in more than 7 (seven) listed companies (as specified in Regulation 17A of the SEBI LODR Regulations). In addition to the SEBI LODR Regulations, the Directorship of the Directors are also in compliance with Section 165 of the Act.
- During the financial year, no Independent Director has resigned.

II. Committees of the Board

In compliance with the statutory requirements, the Board has constituted five (5) Committees of the Board with specific terms of reference and scope as under: –

i. Audit Committee
ii. Nomination and Remuneration Committee
iii. Stakeholders Relationship Committee
iv. Corporate Social Responsibility Committee
v. Risk Management Committee

The composition of all the Committees meets the requirements of the Act and the SEBI LODR Regulations. The details of the role, terms of reference and composition of the Committees of the Board, including number of meetings held during FY 2021 and attendance thereat, are set forth below. Due to the exceptional circumstances caused by the Covid-19 pandemic, all Committee meetings in FY 2021 were held through video conferencing.

I. Audit Committee:

The Audit Committee has been constituted in accordance with the provisions of Section 177 of the Act and Regulation 18 read with Part C of Schedule II of the SEBI LODR Regulations.

a) An indicative list of the terms of reference of the Committee

The Committee's role and terms of reference are in compliance with the provisions of the Act and the SEBI LODR Regulations. The roles and terms of reference include the following:

- To oversee the financial reporting process to ensure transparency, correctness, and credibility of financial statements;
- To review the quarterly, half-yearly and annual financial statements before submission to Board for approval;
- To evaluate compliance of internal financial controls and risk management systems;
- To recommend appointment, remuneration and terms of appointment of auditors of the Company and review performance of statutory and internal auditors;
- To approve transactions of the Company with related parties or subsequent modification therein;
- To review and oversee the functioning of the whistle blower / vigil mechanism;
- To recommend policies in relation to prohibition of the Insider Trading Code and supervise implementation of the same;
- Review of tax and non-tax litigations.

b) Composition

The composition of the Committee is in compliance with the Act and the SEBI LODR Regulations. All the members of the Audit Committee are Non-Executive Directors, with two-thirds of them including the Chairman of the Committee, being Independent Directors. All the members of the Committee possess knowledge and understanding of finance, accounts, and audit. The Company Secretary acts as the Secretary to the Committee. The Whole Time Director and CEO, the Chief Financial Officer, the Vice President - Finance and Chief Accounting Officer and the General Counsel of your Company are permanent invitees to the meetings of the Committee. The concerned partners/ authorised representatives of the Statutory Auditors and Internal Auditors are also invited to the meetings of the Committee as and when required.

The Chairman of the Audit Committee has attended the previous AGM held on September 04, 2020, as required under Regulation 18 of the SEBI LODR Regulations.

c) Meetings and attendance

During the year, the Committee met nine (09) times on the following dates and the time gap between any two meetings was not more than 120 days. The meetings were attended by all the members of the Committee.

S. No.	Dates of the Committee meetings	Composition of the Committee and attendance at the meetings			
		Mr. Meleveetil Damodaran, Chairman*	Dr. Anupam Khanna, Member*#	Mr. Anil Parashar, Member**	Dr. Venkataramani Sumantran, Member*#
1	June 02, 2020,	✓	✓	✓	N.A.
2	June 26, 2020	✓	N.A.	✓	✓
3	July 29, 2020	✓	N.A.	✓	✓
4	September 30, 2020	✓	N.A.	✓	✓
5	October 29, 2020	✓	N.A.	✓	✓
6	December 03, 2020	✓	N.A.	✓	✓
7	January 28, 2021	✓	N.A.	✓	✓
8	February 09, 2021	✓	N.A.	✓	✓
9	February 25, 2021	✓	N.A.	✓	✓

*Independent Director

**Non-Executive Director

During the year, Dr. Anupam Khanna ceased to be a member and Dr. Venkataramani Sumantran was inducted as a member of the Committee w.e.f. June 09, 2020.

II. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee (the "NRC") has been constituted in accordance with the provisions of Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the SEBI LODR Regulations. As per the SEBI (Share Based Employee Benefits) Regulations, 2014, the NRC also acts as the Compensation Committee for administration of the Employees Stock Option Scheme (ESOS) of your Company.

a) An indicative list of the terms of reference of the Committee

The terms of reference of the Committee cover areas as contemplated under the Act and the SEBI LODR Regulations, besides other terms as referred by the Board from time to time. The roles and responsibilities of the NRC include the following:

- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down by the Committee and recommend to the Board their appointment and removal;
- To formulate criteria for evaluation of Directors, Board, and its Committees;
- To decide the overall compensation structure/ policy for the employees, Senior Management and Directors of the Company and recommend to the Board, all remuneration in whatever form, payable to the Senior Management;
- To devise a policy on Board diversity and succession planning;
- To oversee the familiarisation programs for Directors;
- To administer and superintend the ESOS including but not limited to formulation of detailed terms and conditions of the ESOS;
- To approve grant of options and allot shares against the options exercised in terms of ESOS of the Company to the eligible employees/ ex-employees/ Directors of the Company, from time to time.

b) Composition

The Committee's composition complies with Section 178 of the Act and Regulation 19 of the SEBI LODR Regulations. All the members of the Committee are Non-Executive Directors, with majority of them including the Chairman of the Committee, being Independent Directors. The Company Secretary acts as the Secretary of the Committee. The Whole Time Director and CEO and the Senior Vice President – HR of your Company are permanent invitees to these meetings.

The Chairman of the Committee has attended the previous AGM held on September 04, 2020 as required under Section 178(7) of the Act.

c) Meetings and attendance

During the year, the Committee met seven (07) times on the following dates:

S. No.	Date of the Committee meetings	Composition of the Committee and attendance at the meetings			
		Dr. Anupam Khanna, Chairman*	Mr. Meleveetil Damodaran, Member*	Mr. Anil Parashar, Member**	Ms. Pallavi Shardul Shroff, Member*#
1	June 02, 2020	✓	✓	✓	N.A.
2	July 29, 2020	✓	✓	✓	✓
3	October 29, 2020	✓	✓	✓	✓
4	October 30, 2020	✓	✓	✓	✓
5	December 14, 2020	✓	✓	✓	✓
6	January 28, 2021$	✓	✓	✓	✓
	January 29, 2021$	✓	✓	✓	✓
7	February 09, 2021	✓	✓	✓	Leave of absence

*Independent Director

**Non-Executive Director

During the year, Ms. Pallavi Shardul Shroff was inducted as a member of the Committee w.e.f. from June 09, 2020.

$ The NRC meeting held on January 28, 2021, was adjourned, and the adjourned meeting was held on January 29, 2021.

d) Board evaluation

Pursuant to the provisions of the Act and the SEBI LODR Regulations, an evaluation process was undertaken to evaluate performance of the Board and the Board Committees, the Chairman of the Board, and all Directors, including Independent Directors. The evaluation was aimed at improving the effectiveness and enhancing the contribution to the functioning of the Board. On the recommendation of the NRC, an independent external expert in the area of Board evaluation, was engaged by the Management. For further details on the Board evaluation, please refer to the Board's Report.

e) Remuneration Policy

The Nomination and Remuneration Policy ("NR Policy") of your Company is aimed at rewarding performance, based on review of achievements on a regular basis and to attract and retain high caliber talent. The Key Managerial Personnel ("KMPs"), Senior Management and other employees of your Company are assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organisation. Individual remuneration is determined based on various factors such as job profile, skill set, seniority, experience, and prevailing remuneration levels for equivalent jobs.

The NR Policy is designed to create a high-performance culture and endeavors to attract, retain, develop and motivate a high performing workforce. It also represents the approach of your Company to the remuneration of the Directors, KMPs, Senior Management and other employees. Your Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Based on the recommendation of the NRC, the Board has revised the NR Policy at its meeting held on June 5, 2021. As per the requirements of the Act and the SEBI LODR Regulations, the updated NR Policy is available on the Investor Relations section of the website of your Company at https://www.goindigo.in/content/dam/goindigo/investor-relations/policies/2021/InterGlobe-Nomination-and-Remneraion-Policy.pdf.

1) Remuneration to Non-Executive Directors

The Non- Executive Directors, including the Independent Directors, are paid sitting fees of Rs. 100,000 (Rupees One lakh only) for attending each meeting of the Board and its Committees. Further, the Independent Directors are entitled to receive remuneration in the form of profit related commission, not exceeding Rs. 5,000,000 (Rupees fifty lakhs), for each financial year during their tenure as Independent Directors, subject to the statutory ceiling, to be approved by the Board for each financial year, based on the financial performance of your Company for that financial year. The Covid-19 pandemic adversely impacted the financial performance of the Company during FY 2021. Therefore, no profit related commission was recommended by the Board for Independent Directors for FY 2021. Further, the Non-Executive Directors (other than Independent Directors), are also entitled to certain travel benefits in all flights operated by your Company, during their term as Non- Executive Directors of your Company.

Details of sitting fees paid to the Non - Executive Directors during the year are as under:

(Amount in Rs. Million)

S. No.	Name of Director	Sitting fees		Total
		Board meetings	Committee meetings	
1	Mr. Meleveetil Damodaran	1.2	1.9	3.1
2	Dr. Anupam Khanna	1.2	1.9	3.1
3	Dr. Venkataramani Sumantran (w.e.f. May 28, 2020)	1.2	1.3	2.5
4	Mr. Anil Parashar	1.2	2.6	3.8
5	Ms. Pallavi Shardul Shroff	1.1	0.7	1.8
6	Mr. Rahul Bhatia	1.2	-	1.2
7	Mr. Rakesh Gangwal	1.2	-	1.2
8	Ms. Rohini Bhatia	1.0	0.8	1.8
9	Mr. Gregg Albert Saretsky (w.e.f. October 01, 2020)	0.5	0.2	0.7
	Total	9.8	9.4	19.2

2) Remuneration of the Whole Time Director and CEO

The details of remuneration paid to Mr. Ronojoy Dutta, Whole Time Director and CEO of your Company during FY 2021 is as under:

(Amount in Rs. Million)

Salary & Allowances	Committed Bonus*	Perquisites	Total#
56.69	93.69	1.93	152.31

*Committed Bonus as per the terms of letter of appointment has been paid this year.

The above figures do not include provisions for encashable leave, gratuity, and Company's contribution to provident fund.

The notice period of termination either by your Company or by the Whole Time Director and CEO is 6 months or salary in lieu thereof. There is no separate provision for payment of severance fees. The NRC granted 185,000 stock options to the Whole Time Director and CEO on January 29, 2021, which was approved by the Board on March 06, 2021, and by the Members of your Company on April 10, 2021. The said Stock Options were granted at an exercise price of Rs. 765 per share with graded vesting over a period of 2.9 years. The details of the Postal Ballot result are provided hereinafter.

III. Corporate Social Responsibility Committee:

The Corporate Social Responsibility ("CSR") Committee has been constituted in accordance with the provisions of Section 135 of the Act. Your Company continues to pursue CSR activities as one of its fundamental priorities. The CSR Committee aligns and integrates social wellbeing, economic growth and environmental sustainability with your Company's core values, operations and growth.

a) An indicative list of the terms of reference of the Committee

The roles and responsibilities of the CSR Committee include the following:

- To oversee CSR and other related matters as may be referred to it by the Board and discharge the roles as prescribed under Section 135 of the Act;
- To lay down scope of CSR activities that can be undertaken by the Company;
- To recommend the amount to be incurred on such activities as per Schedule VII to the Act;
- To review the Business Responsibility Report and recommend the same to the Board for approval;
- To monitor the CSR Policy of the Company;
- To institute a transparent monitoring mechanism for implementation of CSR activities.

The CSR Policy adopted by your Company is uploaded on the Investor Relations section of the website of your Company at https://www.goindigo.in/content/dam/goindigo/investor-relations/policies/InterGlobe-Aviation-Limited-Corporate-Social-Responsibility-Policy-2.pdf.

b) Composition

The composition of the Committee is in compliance with Section 135 of the Act. The Company Secretary acts as the Secretary of the Committee. The Whole Time Director and CEO, the Senior Vice President – HR, the Chief Financial Officer, the General Counsel, the Vice President – Finance and Chief Accounting Officer and the Director – CSR of your Company are permanent invitees to the meeting of the Committee. There was no change in the composition of the Committee during the year.

c) Meetings and attendance

During the year, the Committee met four (04) times on the following dates with necessary quorum being present at all the meetings:

S. No.	Date of the Committee meetings	Composition of the Committee and attendance at the meetings		
		Ms. Rohini Bhatia, Chairperson**	Dr. Anupam Khanna, Member*	Mr. Anil Parashar, Member**
1	June 02, 2020	✓	✓	✓
2	July 29, 2020	✓	✓	✓
3	October 29, 2020	✓	✓	✓
4	January 28, 2021	✓	✓	✓

*Independent Director

**Non-Executive Director

IV. Stakeholders Relationship Committee:

The Committee has been constituted for redressal of shareholder and investor complaints and other stakeholders' related issues, in terms of Section 178 of the Act and Regulation 20 read with Part D of Schedule II of the SEBI LODR Regulations.

a) An indicative list of the terms of reference of the Committee

The roles and responsibilities of the Committee are as prescribed under the Act and the SEBI LODR Regulations, which include the following:

- To look into various aspects of interest of shareholders, including the resolution of their grievances, if any relating to transfer/ transmission of securities, non-receipt of annual report, non-receipt of declared dividends, dematerialisation/ rematerialisation of securities;
- To look into other matters relating to shareholders / investors including issues related to general meetings;
- To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends, if any; and
- To ensure timely receipt of dividend warrants/ annual reports by the shareholders of the Company.

b) Composition

The composition of the Committee is in accordance with provisions of Section 178(5) of the Act and Regulation 20 of the SEBI LODR Regulations. The Company Secretary acts as the Secretary of the Committee. The Chief Financial Officer, the General Counsel, and the Vice President – Finance and Chief Accounting Officer are permanent invitees to the meetings of the Committee.

The Chairperson of the Committee had attended the previous Annual General Meeting of your Company held on September 04, 2020, as required under Section 178(7) of the Act.

c) Meetings and attendance

In FY 2021 the Committee met four (4) times on the following dates with necessary quorum being present at all the meetings:

S. No.	Date of the Committee meetings	Composition of the Committee and attendance at the meetings				
		Ms. Rohini Bhatia, Chairperson**	Dr. Anupam Khanna, Member*#	Mr. Anil Parashar, Member**#	Ms. Pallavi Shardul Shroff, Member*#	Mr. Ronojoy Dutta, Member$
1	June 02, 2020	✓	✓	✓	N.A.	✓
2	July 29, 2020	✓	N.A.	N.A.	✓	✓
3	October 29, 2020	✓	N.A.	N.A.	✓	✓
4	January 28, 2021	✓	N.A.	N.A.	Leave of absence	✓

*Independent Director; **Non-Executive Director; $ Executive Director (Whole Time Director and CEO)

During the year, w.e.f. June 09, 2020, Dr. Anupam Khanna and Mr. Anil Parashar ceased to be the members of the Committee and Ms. Pallavi Shardul Shroff was inducted as member of the Committee.

Details of Investor Complaints received and redressed during FY 2021 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
0	1	1	0

The aforesaid complaint was resolved to the satisfaction of the shareholder in a timely manner. Your Company had received one demat request during the year which was attended within the stipulated timelines.

V. Risk Management Committee:

The Risk Management Committee has been constituted in accordance with the provisions of Regulation 21 of the SEBI LODR Regulations to frame, implement and monitor the risk management plan for your Company.

a) An indicative list of the terms of reference of the Committee

The roles and responsibilities of the Committee are as prescribed under the SEBI LODR Regulations, which include the following:

- To oversee the enterprise risk management process of the Company;
- To identify, review and discuss key risks for the Company including risks relating to liquidity and profitability, revenue, cyber threat and data protection, business continuity, employee relations and health, sustainability & climate change, airline safety and security, adverse regulatory changes and litigation, unfavorable fuel and forex movement and any other new risk that may be identified by the Management including reputational risks;
- To review the risk mitigation plans laid out by the Management;
- To frame, implement and monitor the risk management practices;
- To oversee, review, and update the risk management calendar;
- To anticipate risks, and to plan mitigation thereof.

b) Composition

The constitution of the Committee is in compliance with Regulation 21 of the SEBI LODR Regulations. The Company Secretary acts as the Secretary of the Committee. The Chief Financial Officer, the General Counsel, the Vice President – Finance and Chief Accounting Officer, and the Vice President – Investor Relations and Treasury are permanent invitees to the Committee meetings. At times, other senior executives of your Company are also invited.

c) Meetings and attendance

During the year, the Committee met six (06) times on the following dates with necessary quorum being present at all the meetings:

S. No.	Date of the Committee meetings	Composition of the Committee and attendance at the meetings					
		Dr. Venkataramani Sumantran, Chairman*#	Dr. Anupam Khanna, Member*	Mr. Anil Parashar, Member**	Mr. Meleveetil Damodaran, Member*$	Mr. Gregg Albert Saretsky, Member**$	Mr. Ronojoy Dutta, Member$#
1	June 02, 2020	N.A.	✓	✓	N.A.	N.A.	✓
2	July 30, 2020	✓	✓	✓	N.A.	N.A.	✓
3	September 30, 2020	✓	✓	✓	N.A.	N.A.	✓
4	October 29, 2020	✓	✓	✓	✓	N.A.	✓
5	December 29, 2020	✓	✓	Leave of absence	✓	✓	✓
6	January 29, 2021	✓	✓	✓	✓	✓	✓

*Independent Director; **Non-Executive Director; $ Executive Director (Whole Time Director and CEO)

#During the year, w.e.f. June 09, 2020, Dr. Venkataramani Sumantran was inducted as the member and Chairman of the Committee, and Mr. Ronojoy Dutta who was earlier designated as Chairman of the Committee was re-designated as member of the Committee.

$ Mr. Meleveetil Damodaran & Mr. Gregg Albert Saretsky were inducted as members of the Risk Management Committee w.e.f. October 29, 2020, and November 20, 2020, respectively.

IV. General Body Meetings

I. Details regarding the Annual General Meetings ("AGMs") held during the last three financial years and special resolutions passed at those meetings are as follows:

Financial Year	Date and Time	Venue	Special Resolutions passed
2019-20	Friday, September 04, 2020, at 10: 00 am	Through Video-conferencing or Other Audio Visual Means	• Approval for appointment and remuneration of Mr. Ronojoy Dutta, Whole Time Director and CEO of the Company • Approval for increase in the borrowing powers of the Board • Approval for increase in limit for creation of charges against borrowings of the Company
2018-19	Tuesday, August 27, 2019, at 10: 00 a.m.	PHD Chamber of Commerce and Industry, PHD House, 4/2, Sri Institutional Area, August Kranti Marg, New Delhi – 110016, India	• Approval for Alteration in the Articles of Association of the Company
2017-18	Friday, August 10, 2018, at 10:30 a.m.	Zoravar Auditorium, Manekshaw Centre, Khyber Lines, Delhi Cantonment, New Delhi - 110010, India	• Approval for payment of profit related commission to the Independent Directors of the Company • Approval for increase in the borrowing powers of the Board • Approval for increase in limit for creation of charges against borrowings of the Company

II. Details of resolutions passed through Postal Ballot during FY 2021 and details of e-voting:

a) Your Company sought the approval of members through Postal Ballot vide Notice dated March 10, 2021, for the following Special Resolution.

- To approve revision in the terms of remuneration and the minimum remuneration payable to Mr. Ronojoy Dutta, Whole Time Director and CEO of the Company by way of grant of Stock Options under InterGlobe Aviation Limited - Employee Stock Option Scheme 2015.

The abovesaid resolution was duly passed and the results of Postal Ballot/remote e-voting were announced on April 12, 2021. Ms. Amrita D.C. Nautiyal, Company Secretary in practice was appointed by the Board of Directors of your Company as the Scrutinizer to scrutinize the Postal Ballot and remote e-voting process in a fair and transparent manner. The details of votes cast through remote e-voting and the results thereof are as follows:

	No. of Ballots cast through remote e-voting (A)	No. of votes cast through remote e-voting (B)	No. of Invalid Ballots (C)	No. of invalid votes (D)	Total valid Ballots (A-C)	Total valid votes cast (B-D)	Percentage of total valid votes cast (%)
Votes cast in favour of the resolution	216	314,153,392	0	0	216	314,153,392	88.3859
Votes cast against the resolution	409	41,280,312	0	0	409	41,280,312	11.6141
Total	625	355,433,704	0	0	625	355,433,704	100.0000

Number of votes abstained/ less voted: 633,612.

Procedure for Postal Ballot

Your Company conducted the Postal Ballot in accordance with the provisions contained in Section 110 of the Act read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, and the General Circular No. 14/2020 dated April 8, 2020, the General Circular No. 17/2020 dated April 13, 2020, the General Circular No. 22/2020 dated June 15, 2020, the General Circular No. 33/2020 dated September 28, 2020 and the General Circular No. 39/2020 dated December 31, 2020, issued by the Ministry of Corporate Affairs (collectively referred as "MCA Circulars") and the SEBI LODR Regulations.

In compliance with the MCA Circulars and other applicable provisions, the Postal Ballot Notice along with explanatory statement in electronic mode was sent to all the Members whose e-mail addresses were registered with your Company/ their Depository Participants as on Friday, March 05, 2021. Your Company engaged the services of KFin Technologies Private Limited as the authorised agency to provide the remote e-voting facility during the voting period fixed for this purpose. The e-voting commenced at 9:00 a.m. on Friday, March 12, 2021, and ended at 5:00 p.m. on Saturday, April 10, 2021.

After completion of scrutiny of votes, the scrutinizer submitted her report and the results of voting by Postal Ballot were announced within 48 hours of conclusion of the voting period. The results were displayed on the website of your Company https://www.goindigo.in/content/dam/goindigo/investor-relations/Stock-Excahnge-Submissions/2021-22/Disclosure-under-Regulation-44-of-the-SEBI-Listing-Obligations-and-Disclosure-Requirements-Regulations-2015-Results-of-Postal-Ballot-by-remote-e-voting.pdf and communicated to the Stock Exchanges, Depositories, and Registrar and Share Transfer Agents. The resolution was passed by the requisite majority and was deemed to have been passed on the last date specified for casting of vote(s) through the remote e-voting, i.e., on April 10, 2021.

b) A Postal Ballot Notice dated May 26, 2021, has been issued to the Members, with the approval of the Board at its meeting held on May 10, 2021, seeking their approval for raising of funds by way of Qualified Institutions Placement ("QIP") for an amount not exceeding Rs. 3,000 crore. The last date mentioned in the Postal Ballot Notice for voting on the resolution through remote e-voting is June 25, 2021. (Approval of the Members has since been received).

V. Means of communication

Timely disclosure of consistent, comparable, relevant, and reliable information on corporate performance is the core of good governance. Effective communication is a process of exchanging information, ideas, thoughts, opinions and plans with all stakeholders.

Website: Your Company maintains a functional website with a separate section on 'Investor Relations' and disseminates all comprehensive information required to be uploaded on the website as per the SEBI LODR Regulations. Additionally, your Company has given a facility to its investors to register their email ids on the website of your Company to get email alerts about any upload made on the Investor Relations section of the website of your Company at https://www.goindigo.in/information/investor-relations.html?linkNav=investor-relations_footer.

Financial Results: All the quarterly and annual financial results along with transcripts of the earnings call are displayed on the Investor Relations section of the website of your Company at https://www.goindigo.in/information/investor-relations.html?linkNav=investor-relations_footer. The quarterly, half yearly and annual results of your Company's performance are published in leading newspapers namely Financial Express (All India English edition) and Jansatta (Delhi Hindi edition).

NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre: NEAPS and BSE Listing Centre are web-based applications designed by NSE and BSE respectively, for corporates for smooth filing of information with the stock exchanges. The quarterly results, shareholding pattern and all other corporate communications to the Stock Exchanges are filed through the NEAPS and the BSE Listing Centre, for dissemination on their respective websites.

News Releases, Presentations: Official news and media releases are sent to the Stock Exchanges on which the shares of your Company are listed and are also uploaded on the Investor Relations section of the website of your Company at https://www.goindigo.in/information/investor-relations.html?linkNav=investor-relations_footer.

Presentations to Institutional Investors/ Analysts: Presentations on the performance of your Company are placed on the Investor Relations section of the website of your Company at https://www.goindigo.in/information/investor-relations.html?linkNav=investor-relations_footer for the benefit of institutional investors, analysts and other Members immediately after communicating to the Stock Exchanges.

Annual Report: The Annual Report containing, inter alia, Audited Financial Statements, Audited Consolidated Financial Statements, Board's Report, Auditors' Report, and other important information is circulated to the Members and other persons entitled thereto. The Annual Report is also available in downloadable form on the website on the Investor Relations section of the website of your Company at https://www.goindigo.in/information/investor-relations.html?linkNav=investor-relations_footer.

VI. General shareholder information

i. Annual General Meeting

Day. Date and Time	Tuesday, August 31, 2021 at 2.30 p.m.
Venue	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM)
Date of Book closure / Record date	Wednesday, August 25, 2021 to Tuesday, August 31, 2021 (both days inclusive)

ii. Financial year

The financial year of your Company starts from the 1st day of April and ends on the 31st day of March of next year. Accordingly, this report covers the period from April 01, 2020, to March 31, 2021.

The tentative dates of meeting of Board for consideration of quarterly and financial results for FY 2022, are as follows:

Particulars	Tentative Schedule
Quarter ending June 30, 2021	On or before August 14, 2021
Quarter and half- year ending September 30, 2021	On or before November 14, 2021
Quarter and nine months ending December 31, 2021	On or before February 14, 2022
Financial year ending March 31, 2022	On or before May 30, 2022
Annual General Meeting for the financial year ending March 31, 2022	On or before August 31, 2022

iii. Listing on Stock Exchanges, Stock Code and Listing Fee Payment

Name and address of the Stock Exchange	Stock code	Status of listing fee paid for FY 2021
National Stock Exchange of India Limited (NSE) Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400051	INDIGO	Paid
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001	539448	Paid

Custodian Fees to Depositories

Your Company has paid the custodian fees for FY 2021 to National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") within the stipulated time.

iv. Corporate Identity Number (CIN) of the Company: L62100DL2004PLC129768

v. The International Securities Identification Number allotted to the Company's shares for NSDL and CDSL is INE646L01027

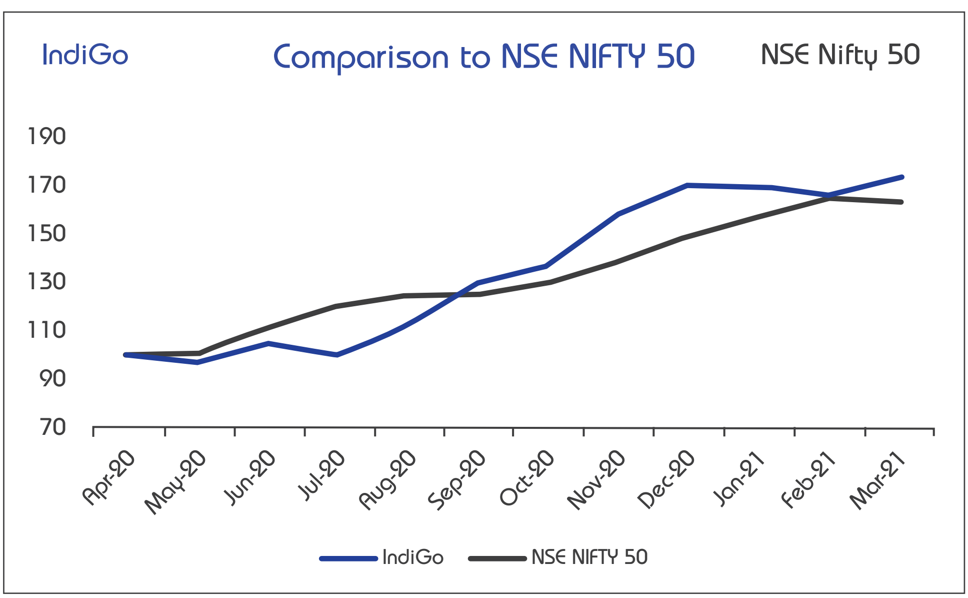
vi. Market Price Data:

The monthly high and low prices and volume of shares of your Company at BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) for FY 2021 are as under:

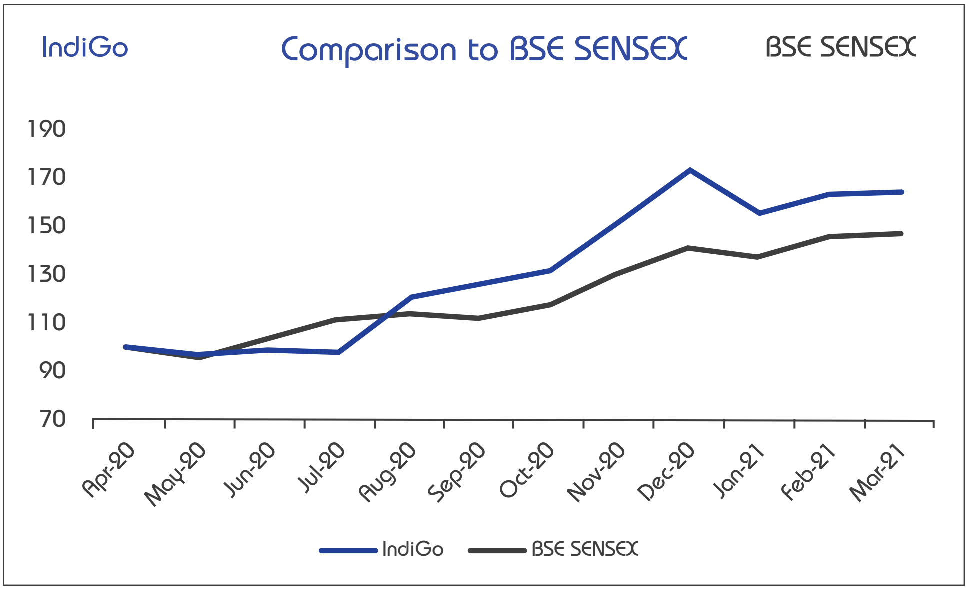
Month	NSE			BSE		
	Share Price in Rs.		No. of shares traded	Share Price in Rs.		No. of shares traded
	High Price	Low Price		High Price	Low Price	
Apr-20	1,090.85	865.00	45,104,483	1,090.85	865.05	1,626,847
May-20	1,060.00	850.00	71,043,986	1,059.85	850.30	3,252,233
Jun-20	1,210.00	935.00	74,972,350	1,214.95	935.15	3,444,898
Jul-20	1,075.35	875.25	40,473,096	1,075.20	873.10	2,571,375
Aug-20	1,253.00	928.00	83,613,022	1,252.05	928.00	10,637,664
Sep-20	1,355.00	1,180.85	55,614,351	1,354.95	1,182.60	2,377,369
Oct-20	1,396.00	1,251.00	29,312,610	1,395.55	1,253.35	1,051,895
Nov-20	1,743.85	1,285.00	44,139,641	1,743.80	1,286.00	1,382,537
Dec-20	1,787.00	1,425.00	43,180,740	1,786.95	1,356.40	1,791,159
Jan-21	1,779.00	1,534.00	22,643,310	1,778.35	1,534.55	1,070,530
Feb-21	1,743.90	1,502.30	23,872,804	1,743.10	1,504.55	1,375,146
Mar-21	1,823.85	1,575.20	29,416,499	1,822.00	1,513.40	1,264,925

vii. Performance in comparison with broad based indices:

a. Stock Performance in comparison to NSE NIFTY 50 for FY 2021: (Base 100)



b. Stock Performance in comparison to BSE Sensex for FY 2021: (Base 100)



viii. The securities of your Company were not suspended from trading on Stock Exchanges during the year.

ix. Registrar and Share Transfer Agent (RTA)

KFin Technologies Private Limited
(Formerly known as Karvy Fintech Private Limited)
Corporate Registry
Selenium, Tower- B, Plot No. 31 & 32, Financial
District, Nanakramguda, Hyderabad-500032, India.
Tel. No.: +91 40 6716 1509, Toll Free No.: 1800-309-4001.
E-mail: einward.ris@kfintech.com

x. Share transfer system:

In terms of Regulation 40(1) of the SEBI LODR Regulations, as amended, securities can be transferred only in dematerialised form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. The Members holding shares in physical form are requested to consider converting their holdings to dematerialised form.

Your Company's shares are traded on NSE and BSE compulsorily in dematerialised mode. The dematerialised shares are transferred directly to the beneficiaries by the depositories.

As per the provisions of the Act, a facility for making nomination is available to the Members in respect of the shares held by them. The Members holding shares in physical form may obtain nomination forms from the Corporate Secretarial Department or RTA of your Company. The Members holding shares in dematerialised form should contact their depository participants ("DP") in this regard.

The Stakeholders Relationship Committee is responsible to review the resolution of complaints by the Members and investors. Your Company obtains a half-yearly certificate of compliance related to share transfer formalities from a Company Secretary in practice as required under Regulation 40 of the SEBI LODR Regulations and files a copy of the certificate simultaneously with the Stock Exchanges.

Your Company has complied with all the requirements as specified in Regulation 40 of the SEBI LODR Regulations for effecting transfer of securities of your Company.

xi. Dematerialisation of shares and liquidity

Your Company's shares are compulsorily traded in dematerialised form and are actively traded on both NSE and BSE. The shares of your Company are available for trading in the dematerialised form under both the depositories, i.e., NSDL and CDSL. The Members can hold the shares with any of the DPs registered with these Depositories.

Your Company's equity shares are frequently traded on NSE and BSE. As on March 31, 2021, 99.80% of the paid-up share capital constituting almost 100% of the number of the Members is in dematerialised form.

Details of shares held in dematerialised and physical form as on March 31, 2021, are given below:

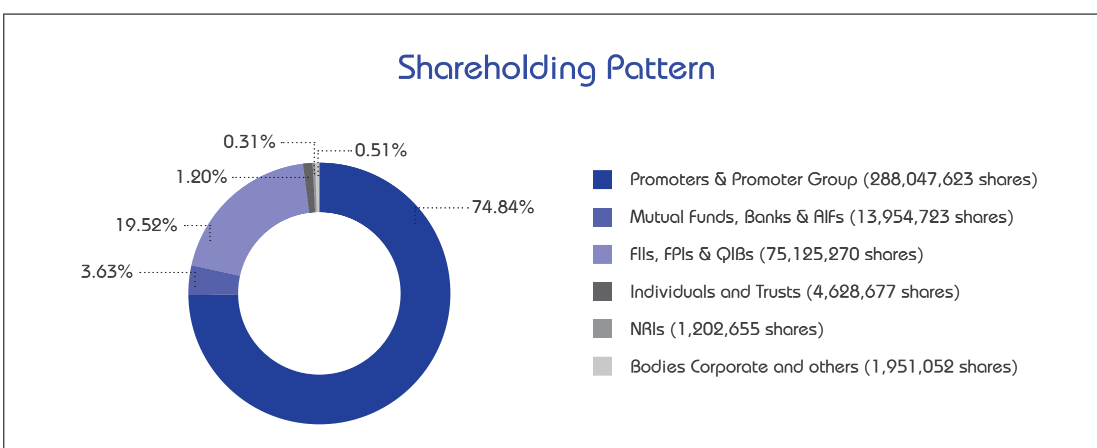
Dematerialised Form	Shareholders		Share Capital	
	No. of Shareholders	% to Total Shareholders	No. of Shares	% to Total Share Capital
NSDL	37,480	44.84	379,742,723	98.66
CDSL	46,113	55.16	4,400,722	1.14
Total in dematerialised from	83,593	100.00	384,143,445	99.80
Physical Form	3	0.00	766,555	0.20
Total	83,596	100.00	384,910,000	100.00

xii. Shareholding of the Company as on March 31, 2021

a. Distribution of shareholding as on March 31, 2021:

S. No.	Category Equity shares From-To	Shareholders		Share Capital	
		No. of Shareholders	% of Total Shareholders	No. of Shares	% of Total Shares
1	1 - 5000	83,128	99.44	3,610,263	0.94
2	5001 - 10000	108	0.13	777,022	0.20
3	10001 - 20000	85	0.10	1,161,253	0.30
4	20001 - 30000	34	0.04	847,091	0.22
5	30001 - 40000	30	0.04	1,063,890	0.28
6	40001 - 50000	26	0.03	1,162,074	0.30
7	50001 - 100000	57	0.07	4,124,596	1.07
8	100001 and above	128	0.15	372,163,811	96.69
	Total	83,596	100.00	384,910,000	100.00

b. Shareholding pattern of the Company as on March 31, 2021, is given as under:



Legends: FIIs – Foreign Institutional Investors, FPIs– Foreign Portfolio Investors, NRIs – Non-Resident Indians, QIBs – Qualified Institutional Buyers

c. Top ten shareholders other than Promoters as on March 31, 2021:

S. No.	Name of the Shareholders	Category	No. of shares held	% of shares held
1	Jwalamukhi Investment Holdings	FPI	8,521,662	2.21
2	UBS Principal Capital Asia Limited	FPI	5,453,221	1.42
3	ICICI Prudential Life Insurance Company Limited	QIB	3,913,723	1.02
4	Platinum Asia Fund	FPI	3,758,168	0.98
5	Kotak Flexicap Fund	MF	3,600,000	0.94
6	CITI Group Global Markets Mauritius Private Limited - ODI	FPI	3,411,471	0.89
7	Platinum International Fund	FPI	3,350,575	0.87
8	WF Asian Smaller Companies Fund Limited	FPI	2,325,539	0.60
9	Ishana Capital Master Fund	FPI	2,090,883	0.54
10	Wishbone Fund Limited	FPI	1,750,000	0.45
	Total		38,175,242	9.92

Legends - FPIs– Foreign Portfolio Investors, QIBs – Qualified Institutional Buyers, MF – Mutual Funds

xiii. Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity:

Your Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on March 31, 2021, your Company has no outstanding GDRs ADRs/ Warrants or any convertible instruments.

xiv. Commodity price risk or foreign exchange risk and hedging activities:

For details of commodity price risk and commodity hedging activities, please refer to part VIII of this Report. Your Company has not undertaken any forex or commodity hedging transaction during the year.

xv. Plant locations:

Your Company has built a twin bay hangar at Indira Gandhi International Airport, New Delhi. The hangar is ready and operating.

Your Company is also developing a twin bay hangar in Bangalore which is expected to be ready in FY 2022.

Since your Company is engaged in aviation services, it does not have any manufacturing or processing plants.

xvi. Address for correspondence:
Sanjay Gupta, Company Secretary and Chief Compliance Officer
InterGlobe Aviation Limited
Level – 1-5, Tower - C, Global Business Park,
M G Road, Gurugram, Haryana - 122 002, India
Phone: +91 - 124 - 435 2500
Fax: +91 - 124 - 426 8664
Dedicated e-mail Id for redressal of investors grievances: investors@goindigo.in.

xvii. Credit Ratings
Your Company's long term credit rating was reaffirmed at [ICRA] A+ with negative outlook and short-term credit rating was downgraded by a notch from [ICRA]A1+ to [ICRA] A1 by ICRA on July 29, 2020. This rating action was intimated to stock exchanges under provisions of Regulation 30 of the SEBI LODR Regulations. These ratings continue to be valid as on March 31, 2021.

While reaffirming the long-term rating, ICRA had factored in your Company's strong market position in the Indian airline industry with nearly 55% share of the domestic passenger traffic, superior cost structure, comfortable leverage, and liquidity position. ICRA attributed revision in short-term rating to an unprecedented disruption caused by the novel coronavirus pandemic on the demand for air travel. However, ICRA has also acknowledged that your Company's healthy operating efficiencies and recalibrated cost management strategies, coupled with lower crude prices helped mitigate some of the downside.

VII. Other Disclosures

i. Related Party Transactions

Please refer to the section on 'Related Party Transactions' under the Board's Report, which forms a part of the Annual Report.

ii. Whistle blower policy and vigil mechanism

Please refer to the section 'Whistle Blower Policy / Vigil Mechanism' under the Board's Report, which forms a part of the Annual Report.

iii. Requirements of Chapter IV of the SEBI LODR Regulations

Your Company has complied with all applicable requirements of Chapter IV of the SEBI LODR Regulations relating to obligations of a listed entity which has listed its specified securities.

iv. Details of non-compliance penalties, strictures imposed on your Company by the Stock Exchange(s) or the SEBI or any statutory authority, on any other matter related to capital markets, during the last three years.

Other than as mentioned below, your Company has complied with all the requirements of the Stock Exchanges, SEBI or other statutory authorities on any matters related to the capital markets during the previous three years:

During FY 2019, penalties were imposed by the Stock Exchanges, i.e., NSE and BSE for the delay in reconstitution of the Audit Committee and the Nomination and Remuneration Committee, which were paid by your Company. This penalty was subsequently waived by NSE as the reasons provided for non-compliance fell within the exemptions provided by NSE. Subsequently, BSE has also waived the penalty levied.

During FY 2019, there was delay in compliance of provisions of Regulation 17(1)(a) of SEBI LODR Regulations for appointment of one Woman Independent Director on the Board from April 01, 2019, till September 18, 2019. However, no penalty was imposed by the Stock Exchanges, i.e., NSE and BSE for the said delay.

Settlement proceedings: Your Company had filed an application for settlement before the Securities and Exchange Board of India ("SEBI") under the SEBI (Settlement Proceedings) Regulations, 2018 in relation to a show cause notice dated 10 November 2020 (the "Show Cause Notice") issued by SEBI pursuant to the complaints filed by one of the promoters. The Show Cause Notice provided an opportunity for settlement proceedings. Your Company's application for settlement of the adjudication proceedings, pursuant to the Show Cause Notice, was accepted by SEBI, and a Settlement Order was issued. Accordingly, your Company, while neither admitting nor denying the alleged violations, as duly recorded in the Settlement Order, has paid an amount of Rs. 21.03 million after which the adjudication proceedings have now concluded.

v. Compliance with mandatory corporate governance requirements and discretionary requirements

Your Company is in compliance with all mandatory requirements of the SEBI LODR Regulations for FY 2021. Your Company has appointed separate persons to the post of Chairman and Chief Executive Officer. In addition, your Company has also adopted the following discretionary requirements as specified under Part E of Schedule II of the SEBI LODR Regulations to the extent mentioned below:

a) Modified opinion in audit report:

Your Company has an unmodified audit opinion from the Statutory Auditors. Please also refer to relevant section of the Board's Report.

b) Reporting of Internal Auditor:

PricewaterhouseCoopers Services LLP (LLP Identification Number AAI -8885), the Internal Auditors of your Company, directly reports to the Audit Committee.

c) Shareholders' Rights:

Copies of the quarterly and annual financial results as approved by the Board are emailed to the shareholders who have registered on our email alert facility.

vi. Dividend Distribution Policy

Your Company has adopted 'InterGlobe Aviation Limited - Dividend Distribution Policy' in compliance with Regulation 43A of the SEBI LODR Regulations. The policy sets out the parameters and factors to be considered by the Board in determining the distribution of dividend to its shareholders and / or retaining profits of your Company. This policy is available on the Investor Relations section of the website of your Company at https://www.goindigo.in/content/dam/goindigo/investor-relations/policies/2021/InterGlobe-Aviation-Limited-Dividend-Distribution-Policy.pdf.

vii. Policy for determining material subsidiary

Your Company has a wholly owned subsidiary 'Agile Airport Services Private Limited' ("Agile"). The minutes of the board meetings of Agile are placed before the Board as provided in the Regulation 24 of the SEBI LODR Regulations. The Board has formulated a policy for determining material subsidiary pursuant to the provisions of the SEBI LODR Regulations, namely, "InterGlobe Aviation Limited - Policy on Material Subsidiary" which is available on the Investor Relations section of your Company's website at https://www.goindigo.in/content/dam/goindigo/investor-relations/policies/2021/InterGlobe-Aviation-Limited-Policy-on-Material-Subsidiary.pdf.

viii. Policy on 'Prevention of Sexual Harassment at Workplace'

Please refer to the section 'Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, ("POSH Act")', under Board's Report, which forms a part of the Annual Report.

ix. Code of Conduct for Directors and Senior Management

In compliance with the SEBI LODR Regulations, your Company has framed and adopted a Code of Conduct for all the Directors and Senior Management. The Code lays down in detail, the standards of business conduct, ethics and strict governance norms for the Board and senior management. The code is available on the Investor Relations section of the website of your Company at https://www.goindigo.in/content/dam/goindigo/investor-relations/policies/2021/Code-of-Conduct-for-Directors-and-Senior-Management.pdf. All the Directors and the Senior Management of your Company have affirmed compliance with this Code as on March 31, 2021. A declaration to this effect duly signed by the Whole Time Director and CEO, is annexed at the end of this Report.

x. Code of Conduct for employees

Along with the Code of Conduct for Directors and Senior Management, your Company has also laid down a Code of Conduct for its employees which is available on the Investor Relations section of the website of your Company at https://www.goindigo.in/content/dam/goindigo/investor-relations/policies/IndiGo-code-of-conduct.pdf.

xi. Prohibition of Insider Trading

In compliance with the SEBI Prohibition of Insider Trading Regulations, your Company has established systems and procedures to prohibit insider trading activities and has formulated and adopted a comprehensive Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Fair Disclosure Code") and Code of Conduct to Regulate, Monitor and Report Trading by the Designated Persons ("Prohibition of Insider Trading Code"). The Prohibition of Insider Trading Code lays down procedures to be followed and disclosures to be made, while trading in your Company's shares.

Your Company follows the highest standards of transparency and fairness in dealing with all stakeholders and ensures that no insider uses his or her position with or without the knowledge of your Company to gain personal benefit or to provide any benefit to any third party. The Company Secretary of your Company is the Compliance Officer for the purpose of Prohibition of Insider Trading Code.

xii. Reconciliation of share capital audit

Reconciliation of share capital audit is carried out by a qualified Company Secretary in practice to reconcile the total admitted equity share capital with NSDL and CDSL and the total issued and listed equity share capital of your Company. The audit report confirms that the total issued / paid-up capital is the aggregate of the number of shares held in physical form and in dematerialised form with NSDL and CDSL and matches with the total listed shares of your Company with NSE and BSE.

xiii. Corporate Social Responsibility Activities

Please refer to 'Annual Report on Corporate Social Responsibility Activities' (Annexure – 'A' to Board's Report), which forms part of the Annual Report.

xiv. Compliance with the Secretarial Standards issued by Institute of Company Secretaries of India

Your Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on "Meetings of Board of Directors (SS-1)" and "General Meetings (SS-2)".

xv. Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the SEBI LODR Regulations

Your Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) during FY 2021.

xvi. Certificate from Company Secretary in Practice

Your Company has obtained a certificate from Surya Gupta & Associates, Practicing Company Secretaries, confirming that none of the Directors on the Board has been debarred or disqualified from being appointed or continuing as a Director of your Company by the SEBI / MCA or any such statutory authority.

xvii. During the financial year, there were no instances recorded where the Board has not accepted any recommendation of any Committee of the Board which is mandatorily required. Your Company has followed the process as prescribed under the Act and the SEBI LODR Regulations where recommendation is required by any Committee of the Board for the approval of the Board.

xviii. Fee paid to the Statutory Auditors

The total fee all services paid by your Company and its subsidiary on a consolidated basis, to S R Batliboi & Co., Chartered Accountants, Statutory Auditors of your Company, and all entities in the network firm/ network entity of which Statutory Auditors is a part, during FY 2021 is Rs. 19.47 million for statutory audit and Rs. 21.16 million towards non audit services. The amount paid as fees for non audit services includes an amount of Rs. 12.10 million paid to the Statutory Auditors for work done relating to an arbitration in which your Company was a respondent, though no claims were preferred against it.

xix. Your Company does not have any unclaimed shares lying with it from any public issue.

VIII. Disclosure of commodity price risks and commodity hedging

a. Risk management policy of your Company with respect to commodities including through hedging:

Your Company has a significant exposure to jet fuel which represents a major part of your Company's total cost. Your Company's Risk Management Policy ("Policy") governs the risk management framework to address and actively manage various market risks including the risk on account of volatility in fuel prices in India. This Policy provides the operating parameters within which all risk management activities should be undertaken. As per this Policy, your Company is required to comply with the guidelines defined by the local regulators and no transaction that is speculative in nature can be undertaken by your Company in these instances.

b. Exposure of your Company to commodity and commodity risks faced by your Company throughout the year:

i. Total exposure of your Company to commodities in Rs.: For FY 2021, your Company had fuel expenses of Rs. 38,312.77 million.

ii. Exposure of the Company to various commodities:

Commodity Name	Exposure towards the particular commodity (Rs. in million)	% of such exposure hedged through commodity derivatives				
		Domestic market		International market		Total
		OTC	Exchange	OTC	Exchange	
Jet fuel	38,312.77	Not hedged through any commodity derivatives				

c. Commodity risks faced by your Company during the year and how they have been managed:

Your Company has a significant exposure to jet fuel prices and closely monitors the jet fuel prices and their impact on your Company's profitability. We believe that an increase in input costs needs to be recovered in the form of higher fares and hence, we do not use financial instruments for hedging the exposure. However, we have taken a number of steps to reduce our fuel consumption which ultimately led to lower unit fuel costs.

IX. Auditor's Certificate on Corporate Governance

Your Company has complied with all the requirements of corporate governance as specified in the SEBI LODR Regulations during the year. A certificate for compliance with Regulation 34 of the SEBI LODR Regulations, from Sanjay Grover & Associates, Practicing Company Secretaries (Firm Registration No. P2001DE052900), is annexed to this Report.

X. CEO/CFO Certification

A certificate on financial statements for the year pursuant to Regulation 17(8) read with Schedule II Part B of the SEBI LODR Regulations has been obtained from the Whole Time Director and CEO and the Chief Financial Officer of your Company. A copy of the same is annexed to this Report.

On behalf of the Board of
InterGlobe Aviation Limited

Meleveetil Damodaran
Chairman
DIN: 02106990

Ronojoy Dutta
Whole Time Director and Chief Executive Officer
DIN: 08676730

Date: June 5, 2021
Place: Gurugram

CEO / CFO Certification

To,
The Board of Directors
InterGlobe Aviation Limited

Dear Sir,

Sub: Compliance Certificate on the financial statements of InterGlobe Aviation Limited ("Company") under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, Ronojoy Dutta, Whole Time Director & Chief Executive Officer and Jiten Chopra, Chief Financial Officer of the Company hereby certify that:

A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2021, and that to the best of our knowledge and belief:
   1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws, and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2021, which are fraudulent, illegal, or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit Committee:
   1. significant changes in internal control over financial reporting during the year ended March 31, 2021
   2. significant changes in accounting policies during the year ended March 31, 2021, and that the same have been disclosed in the notes to the financial statements; and
   3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system over financial reporting.

Ronojoy Dutta
Whole Time Director and Chief Executive Officer

Jiten Chopra
Chief Financial Officer

Date : June 5, 2021
Place : Gurugram

Declaration on Compliance of Code of Conduct

I, Ronojoy Dutta, Whole Time Director and Chief Executive Officer of InterGlobe Aviation Limited, hereby confirm that the members of the Board of Directors and Senior Management personnel have affirmed compliance with the InterGlobe Aviation Limited - Code of Conduct for Directors and Senior Management for the financial year ended March 31, 2021.

Ronojoy Dutta
Whole Time Director and Chief Executive Officer

Date : June 5, 2021
Place : Gurugram

Corporate Governance Certificate

To
The Members
InterGlobe Aviation Limited

We have examined the compliance of conditions of Corporate Governance by InterGlobe Aviation Limited ("the Company"), for the financial year ended March 31, 2021, as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Listing Regulations

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Sanjay Grover & Associates
Company Secretaries
Firm Registration No.: P2001DE052900

Devesh Kumar Vasisht
Partner
M. No.: F8488, CP No.: 13700
UDIN: F008488C000424772

New Delhi
05.06.2021

Business Responsibility Report

The Business Responsibility Report ("BRR") of your Company for FY 2020-21 has been prepared in accordance with the National Voluntary Guidelines ("NVG") on social, environmental and economic responsibilities of business released by the Ministry of Corporate Affairs ("MCA"), Government of India which were issued to make companies aware and conscious of their social, environmental and economic responsibilities. The BRR also complies with Regulation 34(2)(f) of the SEBI LODR Regulations.

Section A: General information about your Company

1.	Corporate Identity Number (CIN) of the Company	:	L62100DL2004PLC129768
2.	Name of the Company	:	InterGlobe Aviation Limited
3.	Registered address	:	Upper Ground Floor, Thapar House, Gate No. 2, Western Wing, 124, Janpath, New Delhi - 110 001
4.	Website	:	www.goindigo.in
5.	E-mail id	:	investors@goindigo.in
6.	Financial Year reported	:	April 01, 2020 – March 31, 2021
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	:	Passenger Services - Air Transport (National Industrial Classification (NIC) Code - 51101, 51201, 52243)
8.	List three key products / services that the Company manufactures / provides	:	Scheduled and charter air services, for both passengers and cargo
9.	Total number of locations where business activity is undertaken by the Company	:	
	a) Number of International Locations (Provide details of major 5)		a) 7 International locations - Dhaka, Dubai, Doha, Abu Dhabi, Sharjah, Kuwait, Male were operated during the year*
	b) Number of National Locations		b) 65 domestic locations
10.	Markets served by the Company	:	India as well as the International locations mentioned in 9 above

* Flights for these international locations were operated under the "air bubble" arrangements of the Government of India. Scheduled flights to other international destinations were suspended due to the Covid-19 pandemic, with the exception of charter services to certain locations, for example, Singapore and Saudi Arabia.

Section B: Financial Details of the Company

1.	Paid up Capital (INR)	:	Rs. 3,849.10 million
2.	Total Turnover (INR)	:	Rs. 156,769.63 million
3.	Total loss after taxes (INR)	:	Rs. (58,297.92) million
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax* (%)	:	2.00 % (CSR spending as percentage of average net profit*)
5.	List of activities in which expenditure in 4 above has been incurred	:	Please refer to 'Annexure – A' to the Board's Report

*average net profit of the Company made during the three immediately preceding financial years.

Section C: Other Details

Does the Company have any Subsidiary Company / Companies?	:	The Company has one wholly owned subsidiary as on March 31, 2021, Agile Airport Services Private Limited ("Agile").
Do the Subsidiary Company / Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s)	:	Your Company's only wholly owned subsidiary, Agile, participates in the BR Initiatives of your Company so as to mirror its practices and also contributes to the sustainability initiatives of your Company.

Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	:	Your Company works with stakeholders in its extended value chain through its Social, Environmental and Economic initiatives. However, other entities do not directly participate in the BR Initiatives of the Company, although the suppliers and distributors work closely with supply chain on several risk mitigation programs.

Section D: BR Information

1. Details of Director / Directors responsible for Business Responsibilities ("BR"):

(a) Details of the Director / Directors responsible for implementation of the BR policy / policies-

Mr. Ronojoy Dutta (DIN Number: 08676730), Whole Time Director and Chief Executive Officer is responsible for implementation of the BR policies of the Company.

The Corporate Social Responsibility Committee ("CSR Committee") has also reviewed the BRR and recommended the same to the Board for approval. The composition of the CSR Committee is as follows:

DIN Number	Name of Director	Category	Designation
01583219	Ms. Rohini Bhatia	Non-Executive Director	Chairperson
03421015	Dr. Anupam Khanna	Independent Director	Member
00055377	Mr. Anil Parashar	Non-Executive Director	Member

(b) Details of the BR head

1.	DIN Number	:	08676730
2.	Name	:	Mr. Ronojoy Dutta
3.	Designation	:	Whole Time Director and CEO
4.	Telephone number	:	0124-4352500
5.	E-mail id	:	investors@goindigo.in

2. Principle-wise (as per NVGs) BR policy/policies –

S. No.	Principle Description	Reference of various Policies of your Company
P1	Businesses should conduct and govern themselves, with Ethics, Transparency and Accountability.	• Code of Conduct for all Employees ("Code of Conduct") • Code of Conduct for Directors and Senior Management • Whistleblower Policy / Vigil Mechanism • Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons • Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.	Safety Policy prepared as per Safety Management System (SMS) Manual of the Company, in terms of the Directorate General of Civil Aviation ("DGCA") Guidelines. The Safety Policy covers guidelines for developing, implementing, maintaining and constantly improving strategies and processes in a sustainable manner to ensure that all our aviation activities take place under a balanced allocation of organisational resources. The Safety Policy is also aimed at achieving the highest level of safety performance and meeting national and international standards, while delivering our services.
P3	Businesses should promote the well-being of all employees.	• HR Policies • Policy on Prevention of Sexual Harassment at Workplace ("POSH")

S.no.	Principle Description	Reference of various Policies of your Company
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.	Corporate Social Responsibility Policy ("CSR Policy")
P5	Businesses should respect and promote human rights.	• Code of Conduct which establishes the conduct expected from our employees. The Code of Conduct provides for nurturing a work environment where employees are treated with dignity and respect and are provided safe and humane working conditions. • Various other HR policies. • A gender neutral POSH Policy.
P6	Businesses should respect, protect and make efforts to restore the environment.	• Regulatory manuals for Engineering Department covering the detailed procedure for eco power wash and routine monitoring of engines and aircraft performance of the Company. • CSR Policy - In addition to the above, our CSR programmes also focus on tree plantation, afforestation and recycling wastes.
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.	Your Company is a member of International Air Transport Association (IATA), a global airline trade association which supports aviation with global standards for airline safety, security, efficiency and sustainability. The mission of IATA is to represent, lead and serve the airline industry. Your Company is also a member of Federation of Indian Airlines (FIA), a representative body that aims to address growth agendas and inter-airline cooperation in the Indian aviation industry.
P8	Businesses should support inclusive growth and development.	CSR Policy
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.	Customer Relationship Management process (CRM Process) covering the detailed process of screening of customer feedback and complaint review.

(a) Details of compliance (Reply in Y/N)

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy / policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders? [a]	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? [a] If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director? [a]	Y	N	N	Y	Y	N	Y	Y	N
5	Does the Company have a specified committee of the Board/ Director(s)/ Official(s) to oversee the implementation of the policy? [b]	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online? [c]	Y	N	N	Y	Y	N	Y	Y	N
7	Has the policy been formally communicated to all relevant internal and external stakeholders? [c]	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency? [d]	Y	Y	Y	Y	Y	Y	Y	Y	Y

Notes:

[a] Policies are formulated after detailed consultation with relevant stakeholders and are in line with industry and market standards, complying with applicable legal and regulatory requirements, both domestic and international. Most of the policies in respect of the aforesaid principles have been approved by the Board. The remaining policies are internal policies, which have been approved by the concerned Department Heads, after following a process of detailed discussion and consultation.

[b] In respect of the polices which have been approved by the Board, the Board and/ or its specified Committee are responsible for overseeing its implementation. For the remaining policies, certain officials in the respective Department, who report to the concerned Department Heads or the Senior Management of your Company, are responsible for monitoring and overseeing the implementation of the policies.

[c] The policies which have been approved by the Board as mentioned above can be viewed at the Investor Relations/Corporate Governance/ Policies section on the website of your Company at https://www.goindigo.in/information/investor-relations.html?linkNav=investor-relations_footer. The remaining policies which include the Safety Policy, HR Polices, POSH Policy, Regulatory manuals for Engineering Department and CRM Process are internal documents and are available on intranet for all employees. These Policies have been communicated to all relevant internal and external stakeholders.

[d] The Board and/ or its specified Committee(s) periodically review and evaluate the working of the polices which have been approved by the Board. An independent internal audit team, which reports to the Audit Committee also evaluates the working of certain policies on a periodic basis.

(b). If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

S. No.	Questions	P1	P2*	P3*	P4	P5	P6*	P7	P8	P9*
1	The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

*Most of the policies in respect of the aforesaid principles have been approved by the Board. The remaining policies are internal policies, which have been approved by the concerned Department Heads, after following a process as stated hereinabove. The policies which have been approved by the Board can be viewed at the Investor Relations/Corporate Governance/ Policies section on the website of your Company at https://www.goindigo.in/information/investor-relations.html?linkNav=investor-relations_footer and the remaining policies are internal documents and are available on intranet for all employees.

3. Governance related to BR

1.	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. (Within 3 months, 3-6 months, Annually, More than 1 year)	:	The Whole Time Director and CEO assess the BR performance of the Company on an annual basis.
2.	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	:	As of now the Company does not publish a Sustainability Report. However, the Company is in the process of preparing and publishing a Sustainability Report. The Company prepares a BR report, which is approved by the Board and published annually as a part of its Annual Report. The same is available at the Investor Relations/Financial Results/Annual Report section on the website of your Company at https://www.goindigo.in/information/investor-relations.html?linkNav=investor-relations_footer.

Section E: Principle-wise Performance

Principle 1 - Conducting and governing business with Ethics, Transparency and Accountability

The Code of Conduct and the Code of Conduct for Directors and Senior Management of your Company (collectively referred to as "Codes") are based on the principles of integrity, ethics, transparency, and accountability which are adhered to by our Directors, Senior Management and Employees while discharging their responsibilities. The Codes ensure that your Company is compliant with laws and regulations that apply to it.

The Codes govern all decisions taken and all actions performed – whether in the offices, at workplaces, in airports, on the aircraft, working outside office premises on Company work, or inside the boardroom. The Codes also address the responsibilities to the Company, to each other, and to our stakeholders. Our employees are trained on and kept well informed about the Code of Conduct, through online training programmes including mandatory annual refreshers.

As part of its corporate governance structure and the Codes, your Company has placed necessary safeguards to avoid any conflict of interest. The Senior Management personnel have also confirmed individually that they have not entered into any material transaction that could have a potential conflict of interest. Any incidence of conflict of interest is brought to the notice of the Management/ Board under the provisions of the Codes.

Your Company has adopted a Whistleblower Policy/ Vigil Mechanism which short-circuits hierarchy and allows employees to highlight any instance of unethical behaviour, actual or suspected fraud, leaks of Unpublished Price Sensitive Information ("UPSI") or violations of the Code of Conduct.

The scope of our Whistleblower Policy and its Vigil Mechanism is wide enough to include suppliers, contractors and other stakeholders and encourage them to report their concerns about unethical behaviour, misconduct, violations or illegal or improper practices, actual or suspected fraud by a Company official, without any fear of unfair treatment (including loss of business). Your Company prohibits discrimination, retaliation, or harassment of any kind against any employees who report under the Vigil Mechanism, ensuring adequate safeguards against victimisation of whistleblowers. The Audit Committee of the Board oversees the function of this mechanism. The Audit Committee, on a quarterly basis, reviews the status of complaints, summary of findings and action taken in accordance with the Policy.

Your Company has various processes in place to receive complaints pertaining to the violation of the Code of Conduct, through a dedicated web portal 'ispeak', email, and phone.

We have a dedicated internal team that responds to and deals with the complaints in a timely manner.

For more details on this, please refer to the Board's Report, which forms part of the Annual Report.

Principle 2: Providing services that are safe and contribute to sustainability while conducting operations.

Your Company is committed to provide services that are safe and contribute to sustainability while conducting its operations. More recently, your Company has set up a Environmental, Social, Governance ("ESG") taskforce comprising senior functionaries.

Safety is critical to our business. Aviation safety means that the risks related to operations of aircraft are either eliminated or controlled to an acceptable level. The DGCA formulates the national regulations related to safety and is responsible for supervising and inspecting airlines, approving training, and issuing licenses to pilots and cabin crew to ensure the safety of passengers and aircraft. Your Company complies with all DGCA mandates and maintains safety protocols in close liaison with the authorities.

Your Company has a Safety Policy drafted in accordance with the SMS Manual of your Company and captures the DGCA Guidelines. The Safety Policy is also aimed at achieving the highest level of safety performance and meeting national and international standards, while delivering our services. Your Company is committed to develop, implement, maintain, and constantly improve its strategies and processes in a sustainable manner to ensure that all our aviation activities take place under a balanced allocation of organisational resources. Your Company also ensures that its growing operations conform to the highest possible level of safety performance, meeting and exceeding safety standards set by both national and international regulatory bodies.

As a member of the global Flight Safety Foundation, the airline shares learnings from world aviation with all operations departments, in order to incorporate the best industry practices.

Your Company is also a participating member of the International Air Transport Association ("IATA") Data Exchange programme, where safety related data is shared between IATA member airlines and comparisons with global performance on a wide range of safety parameters can be easily made.

There is a robust and comprehensive Safety Management System (SMS) in place, designed to identify and report hazards before an incident occurs and ensure that employees understand their responsibility to report any perceived hazards. All such safety hazard reports are diligently analysed to identify risks, and necessary actions are taken. At periodic Safety Committee meetings, the Management reviews and monitors all important safety issues and formulates plans to minimise any risks. Incident-based data is reported to the regulatory bodies according to the standards set by them.

One important input to the SMS is the proactive Flight Data Monitoring System that is designed to trigger safety alerts related to the operation of flights and enable Flight Operations Management to take well informed decisions with respect to procedure formulation, training etc.

Regular safety audits, inspections and surveillance checks are performed as part of the Quality Assurance programme.

Your Company has continued to maintain a high state of preparedness for any eventuality related to emergency response. Trainings, exercises, and drills have continued as planned, adopting a mix of live and virtual sessions. For this purpose, a Virtual Command Centre has been successfully established and practiced.

For international operations, your Company prepares for and complies with stringent Safety Assessment of Foreign Aircraft (SAFA) inspections as carried out by SAFA Auditors in foreign countries.

The IATA Operational Safety Audit (IOSA) programme is an internationally recognised and accepted evaluation system designed to assess the operational management and control systems of an airline. IOSA certification is undertaken, as a condition of IATA membership, every two years. Your Company was last audited in FY 2020 and is IOSA certified until February 2022. Successive IOSA audits have established that the safety standards of your Company are at par with the international industry, but at no stage does this induce complacency nor inhibit constant improvement. As examples, on parameters such as "Unstable Approaches" or "Long Landings", your Company has continued to improve through FY 2021 and is well above the global standard.

A magazine named IndSafe is released every month by the Safety Department to highlight pertinent case studies from elsewhere and ensure that operating crew, engineers, airport staff and others are aware of the latest practices in safety management.

The FY 2021 was marked by onset of Covid-19 pandemic across the globe impacting every industry, especially the aviation sector. To meet the highest standards of safety, your Company raised the level of safety risk awareness across all operational activities, specifically concentrating on passenger health.

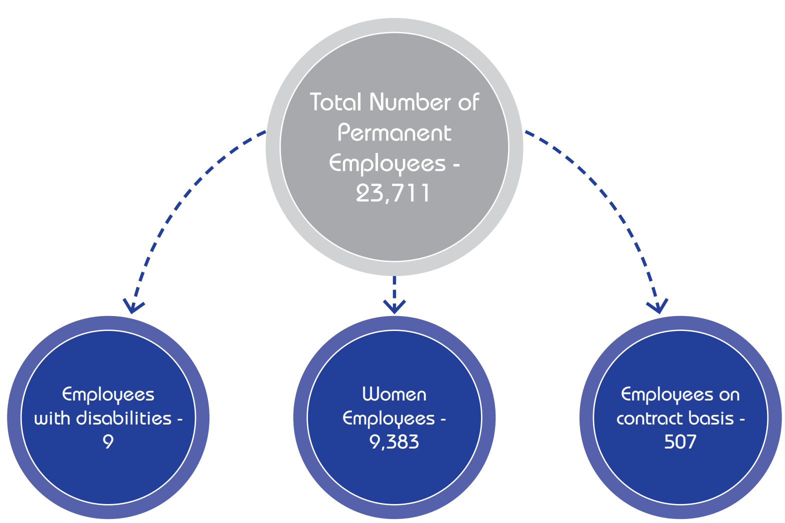
We reviewed the risk levels constantly and put into place a wide range of actions to minimise the risk of infections for passengers and crew. We have achieved an average 81.50% web check-in, health declarations and itinerary retrievals in line with contactless check-ins for FY21 and aim to achieve 100% in the near future.

During the year, repeated reviews and Safety Risk Assessments (SRAs) were conducted by our medical team with support from the operating department to combat Covid-19. IndiGo was a pioneer in implementing preventive measures in line with industry best practices and in consultation with the Indian Council of Medical Research (ICMR), International Air Transport Association (IATA) and World Health Organisation (WHO) medical advisors.

Principle 3: Businesses should promote the wellbeing of all employees

Your Company is committed to promote diversity in workplace and provide equal opportunity for all employees regardless of race, colour, religion, age, gender, sexual orientation, national origin, disability, and other factors. Employees have the right to work in an environment free from any form of discrimination which can be considered harassing, coercive, or disruptive, particularly behaviour that tantamount to sexual harassment. Your Company has a strict zero-tolerance policy towards any sexual harassment. The intent is to provide a work environment free from all forms of harassment, provide equal opportunity to all, respect privacy and recognise the right to be heard.

Your Company ensures a safe, healthy, and clean working environment for all its employees. Employee engagement activities are conducted regularly to maintain a healthy work environment. Well-being of all employees is a priority to your Company and all necessary steps are taken to ensure the same. Details of number of employees grouped under different heads, as on March 31, 2021 are as follows:



Our only wholly owned subsidiary, Agile Airport Services Private Limited, delivers ground handling services at various domestic airports where your Company operates, with 14,212 employees on its roll and only 1 employee on contract as on March 31, 2021.

Details relating to complaints received during FY 2021:

S. No.	Category	No. of complaints received during FY 2021	
		Filed during the year	Pending as at end of the year
1	Child labour/ forced labour / involuntary labour	-	-
2	Sexual harassment	15	2*
3	Discriminatory employment	-	-

*complaints were under investigation as on March 31, 2021 (which have since been resolved within the prescribed timelines)

During FY 2021, no instances related to child labour/ forced labour/ involuntary labour and discriminatory employment have been reported.

Your Company believes in achieving the best possible employee engagement, which is core to our culture and critical to providing excellent customer service. Recognition is important and we frequently award accolades such as 'Employee of the Month', 'Employee of the Quarter', or 'Employee of the Year' to motivate our team. In addition, in early 2020, your Company has instituted a programme to elicit continuous feedback mechanism from its employees. Known as "6e Speaks", this programme entails seeking quick pulse type responses twice a month with about 4-6 questions on pre-determined areas that have been researched as having an impact on employee engagement. Your Company then reviews these inputs on a continuous basis and makes necessary adjustments to critical employee processes.

Training is also a great motivator and the learning and development ethos in your Company is one of the developing skills for its people across all levels. A myriad of courses at our "IFly" academies in Gurugram and Bangalore cater to skills and behaviour relevant to current roles and potential growth in the future, with a focus on enabling self- development and self-directed learning.

Our approach ranges from initial programmes, that are designed to align our joiners with our values, understand SOPs, service standards, regulatory Guidelines, IndiGo culture, etc., to advanced courses on leadership and team management as people advance through the Company. With Covid-19, the majority of our training has been enabled over virtual and e-learning. Infrastructure was upgraded and we worked closely with regulatory bodies to become the first airline to start virtual classes. We ensured that all our operational employees understood safety and precautionary procedures.

Principle 4: Respecting the interest of stakeholders especially who are disadvantaged, vulnerable and marginalised

Your Company has identified its internal and external stakeholders and has also identified the disadvantaged, vulnerable & marginalised stakeholders.

The CSR programmes and projects are aimed at serving the needy, deserving, socio-economically backward and disadvantaged communities, to improve the quality of their lives.

Please refer to 'Annexure – A' to the Board's Report - 'Annual Report on Corporate Social Responsibility Activities', which forms a part of the Annual Report, for details on initiatives taken by your Company to engage with disadvantaged, vulnerable and marginalised stakeholders.

Principle 5: Promoting and respecting Human Rights

Our human capital interventions are driven by the dynamic business landscape we operate in. Your Company is committed to protect and respect human rights and remedying rights violations when identified.

The Code of Conduct and the spirit of the Company focuses on values including ethical guidelines. The Code of Conduct provides for nurturing a work environment where employees are treated with dignity and respect and are provided safe and humane working conditions. The Code of Conduct is applicable to all employees, associates, and business partners of your Company. The Code of Conduct is also applicable to the employees of our only wholly owned subsidiary, i.e., Agile Airport Services Private Limited. Your Company upholds human rights and promotes the diversity which each employee brings to the organisation. Your

Company has in place various HR policies which reinforce the commitment of your Company towards respecting Human Rights. Your Company has a strong commitment not only towards its employees but also towards third parties.

No complaints were received regarding human rights violation during the year.

Your Company also has a gender neutral POSH Policy and follows a zero-tolerance policy towards any sexual harassment at the workplace. The intent is to provide a work environment which is free from all forms of harassment, provide an equal opportunity to all, respect privacy and recognise the right to be heard. For a detailed disclosure relating to the POSH Policy being followed by your Company, the complaints received and resolved during the year and initiatives and awareness programmes undertaken by your Company, please refer to the Board's Report which forms a part of the Annual Report.

Principle 6: Protecting and making efforts to restore the Environment

Environmental protection and the conservation of natural resources are part of your Company's business philosophy. We are committed to environmental sustainability as well as deep engagement with communities. Air transport connects the world, bringing people and goods together. However, the benefits of aviation also have an environmental downside. Your Company strongly believes that the emissions, noise, harmful industrial processes, and waste must be managed, reduced and wherever possible, eliminated. This also extends to our only wholly owned subsidiary, i.e., Agile Airport Services Private Limited.

Airlines are united in their determination to manage and reduce their impact on the environment in partnership with airports, air navigation service providers (ANSPs) and aircraft manufacturers all over the world. Your Company has inducted a mix of A320 NEO and A321 NEO aircraft which are inherently more fuel efficient and reduce carbon footprints. We invest in environment-friendly technologies, where feasible and deploy our resources as efficiently as possible. We also ensure compliance with various environmental laws and regulations that apply to our business operations.

Your Company strives to follow:

- recycling where possible;
- reducing consumption of water, energy, and other natural resources;
- conserving paper by limiting printing and reusing boxes or other containers;
- disposing waste, hazardous, and electronic products properly; and
- prompt reporting of any actual or near miss spill or release of material to the environment so that steps can be taken to correct, prevent and control those conditions immediately.

Your Company is also in continuous pursuit of other avenues of reducing environmental impact, such as use of electric powered ramp tugs, electric buses, battery operated water carts and electric freight loaders. Furthermore, we are in the process of moving from paperwork to electronic flight folders which would reduce on-board weight and contribute to paper conservation.

Other initiatives adopted by your Company towards reducing environmental impact are as described hereunder:

- Software Upgrade: Enhanced our flight planning which provides accurate maps, atmospheric predictions, and the most efficient flight paths.
- Reshaped Fuel Tank (NACA) Inlet: 0.3% reduction in cruise drag equals a saving between 10 Kgs and 20 Kgs of fuel per flight offsetting CO_2 emission.
- Sharklets: Your Company has inducted aircraft with sharklets which are 3.5% extra fuel efficient.
- Routine monitoring of engine and aircraft performance allows your Company to monitor long-term performance degradation. This permits detection of unexpected shifts in engine/aircraft performance. Timely detection and launching of appropriate maintenance actions has proactively reduced the risk of an operational disruption and minimised any additional fuel consumption associated with the problem.
- Eco Power Wash, which re-circulates water in a closed loop. In FY 2021, Eco power washes for our fleet resulted in neatness and cleanliness of aircraft, fuselage reduced drag and increased fuel efficiency. Engines run cooler at the same thrust and thus have a longer on-wing life contributing to fuel saving and reduced impact on air.
- Descent Profile Optimisation: This is a fuel saving initiative which updates the Flight Management System performance database and enables the most fuel efficient operation of the aircraft in descent.

Besides the initiates mentioned above, our CSR programmes also focus on tree plantation, afforestation, and recycling wastes. As part of the CSR work on environment, IndiGoReach (the CSR programme of your Company), is upcycling old and discarded items such as aircraft carpets and seat covers into useful and marketable products such as folders, carry bags, school bags, laptop sleeves, i-pad covers etc. For details of the initiatives taken by your Company for protecting and making efforts to restore the environment under its CSR Programmes, please refer to 'Annexure – A' to the Board's Report - 'Annual Report on Corporate Social Responsibility Activities', which forms a part of the Annual Report.

Principle 7: Adopting a responsible manner while influencing public regulatory Policy

Your Company has been associated with some of the renowned domestic and international associations. We have a significant presence among various associations such as The Associated Chambers of Commerce and Industry (ASSOCHAM), PHD Chamber of Commerce and Industry and other business associations in India and overseas.

Your Company is an active member of the Federation of Indian Airlines (FIA), which works to identify and take up issues on behalf of the aviation industry, with various regulatory authorities, government departments and other key stakeholders and provides a platform for consensus building amongst the member carriers. Your Company also actively participates in multi-stakeholder debates and when relevant, responds to public consultations. Your Company is also a member of IATA, the global airline trade association whose mission is to represent, lead and serve the airline industry. The Whole Time Director and CEO is a member of the Board of Governors of IATA and was elected for a three year term in FY 2021.

Principle 8: Supporting Growth and Equitable Development

The CSR interventions of your Company are based on the CSR Policy complying with the provisions of the Act. The CSR Programmes of your Company represent our commitment towards improving the different segments of our society equitably. We believe that community engagement will enable us to strike a balance between globalisation and self- sufficiency, aiding economic development for all. As a responsible organisation, community care remains consistently embedded in our value-creation system. Our initiative IndiGoReach is instrumental in bridging the gap between the underprivileged and available resources.

The CSR approach adopted by your Company, envisages that we develop and execute strategies to support communities in partnership with governments, civil society and relevant stakeholders.

The details of the CSR projects undertaken by your Company and amount spent towards CSR projects and initiatives taken by your Company, during FY 2021, are set out in the Annual Report on CSR activities, which forms a part of the Annual Report.

Principle 9: Providing value to the customers and consumers in responsible manner

Customer service is core to your Company. All processes and procedures are designed to ultimately improve customer experience and value, by making journeys hassle-free and courteous.

Customers can contact us via many channels, including our 24 x 7 contact center, email, live chat on our website, chat on WhatsApp, and social media (Twitter, Facebook, LinkedIn, Instagram, TripAdvisor).

We have a Customer Relations department that ensures proper tracking of 100% of communications with the customers; building on this, we have created an eco-system where customer feedback is periodically shared with relevant departments to review procedures and analyse training needs. Customer satisfaction indicators are set forth below:

Net Promoter Score: A survey is conducted to collect customer satisfaction after every flight. We measure and review every part of a customer's journey from making the booking to leaving the arrival airport, in an effort to achieve the best possible result.

Emails: Every customer is advised of a unique tracking number and possible self-service options, in order to provide immediate assistance if feasible. The overall time taken to close email correspondence is under 40 hours.

Social Media: A dedicated team ensures robust customer engagement in several ways. The team creates general awareness of aviation rules (e.g., web check-in; baggage policy, etc.), posts advisories on weather conditions or traffic alerts so that customer can plan their travel to / from airport. The team interacts with customers within 20 minutes for the first response, which is industry leading. We are prominent across all social media channels and actively respond on Twitter, Facebook, LinkedIn, TripAdvisor & Instagram.

Call Center: a 24 x 7 support for our customers, with state of the art technology enabled services. Our call centre service levels are currently at 97% with quality rating by customers at 4.6 on a scale of 5.

DGCA data shows that your Company has consistently one of the lowest rates of complaint per 10,000 passengers, at around 0.07/10K flown passengers.

We have invested in "customer facing" artificial intelligence technology to further optimise our operations and expand our services, which helps enhance customer satisfaction. The Customer Relations team is supported by the latest technology which improves efficiency and governance, resulting in better productivity.

Communication: We ensure that customers are kept well informed on any regulation or flight status that impacts their travel. We send messages via emails, SMSs, Calls, or WhatsApp (depending on the kind of message) to our customers before their flights, to inform them of their flight status and make their travel hassle free. During Covid-19, with continuously changing regulations and guidelines, we have ensured that our customers are well informed of these via SMSs.

Your Company has multiple channels for grievance redressal including our website, call centres, email etc., and according to neutral data, the incidence of customer dissatisfaction is way below other Indian airlines. For instance, according to BrandWatch data, your Company receives around a third of the negative mentions on Twitter compared to its smaller competitors.

Your Company was awarded in 4 different categories at the 15th Annual 'Stevie Awards for Sales & Customer Service 2021':

- Gold for the Contact Centre of the Year
- Silver for Best Use of Technology in Customer Service
- Bronze for Best Customer Feedback Strategy
- Bronze for Customer Service Complaints Team of the year

Covid-19 Response Management: During the pandemic, we were able to respond and resolve 100% of emails from customers through proactive communication, which included extending of vouchers and creation of credit shells. In due course, your Company had refunded 99.5% of the total amount we owed to our customers, as of March 31, 2021. The remaining 0.5%, which was still held in credit shell on March 31, 2021, was refunded shortly thereafter.

On behalf of the Board of
InterGlobe Aviation Limited

Meleveetil Damodaran
Chairman
DIN: 02106990

Ronojoy Dutta
Whole Time Director and Chief Executive Officer
DIN: 08676730

Date: June 5, 2021
Place: Gurugram

Independent Auditor's Report

To the Members of InterGlobe Aviation Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of InterGlobe Aviation Limited ("the Company"), which comprise the Balance sheet as at March 31 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as 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 together with the ethical requirements that are relevant to our audit of the 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 audit opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to Note 42 to the standalone financial statements, which describes the possible effects of uncertainties relating to COVID-19 pandemic on the Company's operations and results as assessed by the management. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2021. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Recognition of Passenger Revenue (refer note 21 to the standalone financial statements)	
The Company recognises passenger revenue on flown basis i.e. when the service is rendered. Moreover, fees charged for cancellation of flight tickets is recognised as revenue on rendering of the said service. Further, the company recognises revenue from unexercised rights of customers which are non-refundable in nature, based on past trends in proportion to the pattern of rights exercised by the customer. The determination of passenger revenue to be recognised for each flight requires complex IT systems and involves high volume of transactions. We identified revenue recognition as a key audit matter because passenger revenue is one of the Company's key performance indicators, it involves complicated IT systems that handle large volumes of transaction data and includes exchange of information with industry systems and partner airlines and the judgement required by management in determining the unexercised rights of passengers, all of which give rise to an inherent risk that revenue could be recorded in the incorrect period or at incorrect amount.	Our procedures included, but were not limited to the following: • assessed that the revenue recognition policy is in line with 115 'Revenue from Contracts with Customers'; • involved our IT specialist to assist in assessing the design, implementation and operating effectiveness of management's general IT controls and key application controls over the Company's IT systems and third- party systems (assessed the assurance report attesting the appropriateness and effectiveness of the internal control system established by the service provider (the SSAE 16 report and bridge letters)) which govern revenue recognition, and key manual internal controls over passenger revenue recognition, including controls related to estimation of trends in respect of unused revenue documents and testing of preventive controls over unauthorised override; • performed tests of details such as tested revenue and collection reconciliations of Company's records with reports generated from third party systems, tested manual journal entries posted into relevant revenue accounts in the sub-ledger and general ledger which met specified risk-based criteria. • analysed the terms related to passenger tickets and obtained data supporting Company's historical expiry trend in respect of unused revenue documents and tested a sample of revenue documents from the source data to ascertain timing of the recognition they were recorded and evaluated the judgements used in determining the timing of the recognition of revenue from unexercised rights of passengers. • performed tests to verify that the timing of passenger revenue recognition was appropriate;
Lease accounting, incentives and corresponding tax implications (refer note 16.b to the standalone financial statements)	
The Company operates certain new and used aircraft under lease arrangements. For determination of the appropriate lease accounting under 116, basis classification of leases, sale and leaseback transactions, and corresponding tax treatment, the Company has considered the substance of the transaction rather than just the legal form including among other factors, treatment of receipt of non-refundable incentives in connection with acquisition of new aircrafts. We considered lease accounting, of aircraft and other leases (including the corresponding tax treatment), as a key audit matter due to significant judgement required in the assumptions and estimates used to determine the Right of Use (ROU) asset and lease liability, viz assessment of lease term (including modification terms), determination of appropriate incremental borrowing rate, treatment of non-refundable incentives received in connection with the acquisition of the aircrafts and other other assets in ROU, componentisation of the ROU asset, and the tax treatment of incentives involves a significant degree of management judgement in interpreting the various relevant rules, regulations and practices.	Our audit procedures included but were not limited to: • tested that the Company's accounting policies are in compliance with requirements of 116, including consideration of exemptions; • assessed the design, implementation and operating effectiveness of management's key internal controls over process for identifying lease contracts, or contracts which contain leases, related incentives and accounting thereof; tested the completeness of the data in the aircraft lease master , by validating the key terms of the aircraft acquisition and leases agreements (including modifications) and assessed management judgements used in determining the classification of leases, • performed tests of details to examine the inputs used for determining right of use assets and lease liabilities related to lease contracts with underlying lease agreements including related incentives received and performed computation checks on the amount of lease liability and the right to use, tracing of the same to bank statements, credit notes, underlying contracts/documents;

	• assessed the inputs used for determination of the incremental borrowing rate including, assessment of lease term by reference to the underlying lease contracts and market data; • engaged our internal tax specialists to assess Company's assumptions, critical judgements made by management on the tax treatment of incentives, which impacted their estimations of the provisions required for open tax assessments and for other years, basis the favourable ITAT orders received by the Company, opinions given by third party tax advisors, settlements being made by the Company under Direct Tax Vivaad se Vishwas scheme for certain years; • assessed the adequacy of the disclosures in respect of the tax position in Note 30 to the standalone financial statements.
Aircraft Maintenance Obligations (refer note 17 to the standalone financial statements)	
The company operates aircraft which are held under lease arrangements and incurs liabilities for maintenance costs in respect of aircraft leased during the term of the lease. These arise from legal and contractual obligations relating to the condition of the aircraft when it is returned to the lessor. At each reporting date, the calculation of the maintenance provision includes a number of variable factors and assumptions including: likely utilisation of the aircraft; the expected cost of the heavy maintenance check at the future date it is expected to occur; the condition of the aircraft engine, contractual return conditions. Given the involvement of inherent level of management judgement required as a result of the complex and subjective element around these variable factors and assumptions in order to quantify the provision amounts, we have identified this as a key audit matter.	Our audit procedures to assess aircraft maintenance provisions included but were not limited to the following: • assessed the design, implementation and operating effectiveness of the management's internal controls over the maintenance process including accounting for maintenance provisions for aircraft held under operating leases; • assessed the adequacy of the provision recorded and key assumptions adopted by management in estimating the provisions and any changes therein, and reviewed the terms of the operating leases, compared assumptions to contract terms and the Company's maintenance cost experience; • obtained information about the utilisation pattern by reference to the expected future maintenance event dates from Company's appropriate personnel and assessed the consistency of the provisions with the engineering department's assessment of the condition of aircraft, based on underlying engine borescope inspections and results, analysis of historical flight hours, estimate of the cost of maintenance work to historic invoices; • assessed the adequacy of the provision by ensuring that all significant return condition obligations included in aircraft operating lease contracts have been considered; • performed sensitivity analysis around the key assumptions;

Impact of COVID-19 on impairment of non-financial assets (refer note 42 to the standalone financial statements)	
During the current year, due to significant impact of COVID-19 on the business operations of the Company, impairment indicators were identified on the investments in non-financial assets, namely PPE and ROU. As a result, an impairment assessment was required to be performed. There was uncertainty in estimating the recoverable amount of the PPE and ROU, which principally arose from the inputs used in both forecasting and discounting future cash flows. Furthermore, the value in use is highly sensitive to changes in these inputs. The determination of the recoverable amount of the PPE and ROU was one of the key judgmental areas in preparing the financial statements due to a combination of the significance of the ROU and PPE and involved management making estimates and judgements that are critical to the outcomes of these inputs and the inherent uncertainty in the assumptions supporting the recoverable amount of these assets, hence impact of COVID-19 on the impairment of non-financial assets, has been determined to be a key audit matter.	Our audit procedures included but were not limited to: • obtained management's most recent financial results forecasts and liquidity analysis underlying their impairment assessment and tested the integrity of the forecasts, including mathematical accuracy. • together with our valuation specialists, inspected management's most recent forecasts and assessed the underlying assumptions/calculations, the assumed duration of the disruption, having considered information on capacity, passenger load factors and expected growth rates from recent industry sources. • assessed potential changes in key drivers with management in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable. • assessed the most recent forecasts with the management of the entity to understand Company's and the Board's views on impairment of the non-financial assets. • assessed the adequacy of the disclosures made in the Standalone Financial Statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is 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.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the 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 system 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 management's 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 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.
- 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.

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

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

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 for the financial year ended March 31, 2021 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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) According to the information and explanation given by the management and as stated in note 43 which provides shareholders' approval relating to managerial remuneration, we report that remuneration paid or provided to its only whole time director and CEO, for the year ended March 31, 2021 within the limits and in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note.30 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij
Partner
Membership Number: 095169
UDIN: 21095169AAAABT9810

Place of Signature: Gurugram
Date: June 5, 2021

Independent Auditors' Report (contd...)

Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: InterGlobe Aviation Limited ('the company')

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of two years except for aircraft and spare engines, which are verified on an annual basis and rotables which are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification by management is reasonable, having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were physically verified during the year. As informed to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

(ii) The management has conducted physical verification of inventory at reasonable intervals intervals except for goods in transit amounting to Rs. 288.51 mn, which have not been verified during the year or at the end of the year. No material discrepancies were noted on such verification. Inventories lying with third parties have been confirmed by them as at year end and no material discrepancies were noticed in respect of such confirmations.

(iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon. In respect of investments made, provisions of section 186 have been complied with by the company.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues, including provident fund, employees' state insurance, income-tax, goods and services tax, duty of custom, cess, and other statutory dues applicable to it. As explained to us, the Company did not have any dues on account of duty of excise, sales tax, service tax and value added tax.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales tax, value added tax, duty of custom, duty of excise, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues of income tax, sales-tax, service tax, customs duty, value added tax and cess which have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. Mn)	Amount paid under protest (Rs. Mn)	Period to which the amount relates	Forum at which the dispute is pending
Income Tax Act	Revision to the taxable income on account of: Tax treatment of certain incentives received by the company from manufacturers with the acquisition of the aircraft and engine and disallowance of certain expenses /adjustments (Refer Note 30)	-	-	AY 2007-08	High Court of Delhi and CIT (A)
Income Tax Act	Revision to the taxable income on account of: Tax treatment of certain incentives received by the company from manufacturers with the acquisition of the aircraft and engine and disallowance of certain expenses /adjustments (Refer Note 30)	8.66	1.30	AY 2010-11	ITAT and CIT(A)
Income Tax Act	Writ Petition before High Court challenging the reopening of assessment on account of: Tax treatment of certain incentives received by the company from manufacturers with the acquisition of the aircraft and engine and disallowance of certain expenses /adjustments (Refer Note 30)	3,921.14	-	AY 2011-12	High Court of Delhi
Income Tax Act	Revision to the taxable income on account of: Tax treatment of certain incentives received by the company from manufacturers with the acquisition of the aircraft and engine and disallowance of certain expenses /adjustments(Refer Note 30)	7,981.03	350.00	AY 2012-13, AY 2013-14 , AY 2014-15 and AY 2015-16	ITAT
Income Tax Act	Revision to the taxable income on account of: Tax treatment of certain incentives received by the company from manufacturers with the acquisition of the aircraft and engine and disallowance of certain expenses /adjustments(Refer Note 30)	7,396.76	381.26	AY 2016-17	CIT(A)
Income Tax Act	Revision to the taxable income on account of: Tax treatment of certain incentives received by the company from manufacturers with the acquisition of the aircraft and engine and disallowance of certain expenses /adjustments(Refer Note 30)	9,270.31	391.92	AY 2017-18	CIT(A)
Income Tax Act	Revision to the taxable income on account of: Tax treatment of certain incentives received by the company from manufacturers with the acquisition of the aircraft and engine, disallowance of certain expenses and demand of Dividend Distribution Tax(Refer Note 30)	5,902.48	-	AY 2018-19	CIT(A)
Income Tax Act	Tax deducted at source	1.02	-	AY 2007-08	AO
Income Tax Act	Tax deducted at source	22.78	11.41	AY 2012-13	CIT(A)
Income Tax Act	Tax deducted at source	0.73	0.73	AY 2014-15	CIT(A)
Income Tax Act	Tax deducted at source	13.43	2.13	AY 2008-09, AY 2009-10, AY 2010-11, AY 2013-14, AY 2014-15, 2019-20	AO, ITAT
Income Tax Act	Tax deducted at source	115.74	-	AY 2013-14	CIT(A)
Finance Act, 1994 (Service Tax)	Penalty for late payment of service tax on various expenses incurred on ECB	358.56	89.64	FY 2012-13 to FY 2013-14	CESTAT
Finance Act, 1994 (Service Tax)	Service tax on food and beverages sold in aircraft to on-board passengers	344.93	18.26	FY 2013-14 to FY 2017-18 (till 30 June 2017)	CESTAT
Finance Act, 1994 (Service Tax)	Service tax on passenger ticket cancellation and refund processing charges	2,086.19	47.53	FY 2012-13 to FY 2016-17	CESTAT

Name of the statute	Nature of dues	Amount (Rs. Mn)	Amount paid under protest (Rs. Mn)	Period to which the amount relates	Forum at which the dispute is pending
Finance Act, 1994 (Service Tax)	Cenvat credit availment on input services used for providing cargo service and credit availed on the basis of ineligible invoices	204.56	7.67	FY 2008-09 to FY 2011-12	CESTAT
The Customs Act	IGST (under customs) on engine stand imported	25.37	1.90	FY 2017-18 to FY 2018-19	CESTAT
The Customs Act	Customs duty and penalty on import of aircraft engines	531.20	-	FY 2011-12 to FY 2012-13	CESTAT
The Customs Act	Refund of customs duty attributable to notional freight charges added to the value of ATF	0.12	0.12	April 2015 to August 2017;	Commissioner of Customs (Appeals), New Delhi
The Customs Act	Customs Duty and Penalty demanded on notional freight charges added to value of ATF	0.35	-	FY 2018-19	Commissioner of Customs (Appeals)
The Customs Act	Demand for Cost Recovery Charges for transshipment	1.61	1.61	FY 2018-19 to 2019-20	CESTAT
Central Sales Tax Act, 1956 & Maharashtra Value Added Tax, 2003	CST on sale of goods in an international flight	7.85	0.95	FY 2012-13	Joint Commissioner (Appeals)
Maharashtra Value Added Tax, 2003	Denial of Input Tax Credit	0.17	-	FY 2012-13	Joint Commissioner (Appeals)
Maharashtra Value Added Tax, 2003	Tax on sale of goods in an international flights and Denial of Input Tax Credit	5.28	0.86	FY 2013-14	Joint Commissioner (Appeals)
Maharashtra Value Added Tax, 2003	Tax on sale of goods in an international flights and Denial of Input Tax Credit	4.91	2.08	FY 2015-16	Joint Commissioner (Appeals)
Maharashtra Value Added Tax, 2003	Tax on sale of goods in an international flights and Denial of Input Tax Credit	7.40	1.23	FY 2016-17	Joint Commissioner (Appeals)
Mumbai Municipal Corporations Act, 1888	Octroi on import/inward movement of aircraft engine and engines stand into city of Mumbai for installation	74.39	74.39	FY 2016-17	High Court
Rajasthan Value Added Tax, 2003	Demand raised by AC of Commercial Taxes on account of mismatch in turnover and denial of Input Tax Credit	0.24	-	FY 2015-16	Assistant Commissioner of Commercial Taxes, Jaipur
Karnataka Value Added tax, 2003	Demand raised by DC on differential tax of 9% on the goods sold @ 5.5% and denied refund.	4.75	1.12	FY 2015-16	Deputy Commissioner (Appeals)
Central Sales Tax Act, 1956 & Karnataka Vat Rules, 2005	Central Sales Tax on sale of goods in international flights in state of Karnataka	1.80	0.54	FY 2015-16	Deputy Commissioner (Appeals)
Central Sales Tax Act, 1956 & Karnataka Vat Rules, 2005	Central Sales Tax on sale of goods in international flights in state of Karnataka	1.23	0.37	FY 2016-17	Deputy Commissioner (Appeals)

Name of the statute	Nature of dues	Amount (Rs. Mn)	Amount paid under protest (Rs. Mn)	Period to which the amount relates	Forum at which the dispute is pending
Customs Tariff Act, 1975 and The Integrated Goods and Services Tax, 2017	Integrated Goods and Services Tax on re-import of aircraft, engines & certain aircraft parts after repair	8,539.11	8,539.11	FY 2017-18 to FY 2020-21	Supreme Court/ High Court, CESTAT and Commissioner of Customs (Appeals), ND/Bengaluru /Hyderabad
Maharashtra GST Act, 2017	Demand of ITC due to non-deposit of tax by the Supplier	3.06	-	FY 2019-20	Joint Commissioner (Appeals)
Andhra Pradesh Goods and Services TaxAct, 2017	Central and State Goods and Service Tax on various matters	39.04	3.90	July 2017 to March 2019	Joint Commissioner (Appeals)
Delhi Value Added Tax Act, 2004	Denial of input tax credit on account of mismatch in sale reported by Suppliers	1.01	-	April 2012to March 2013	Special Commissioner (Appeals)
The Customs Act	Penalty on incorrect IGST notification applied at the time of import	0.05	-	FY 2017-18	Commissioner of Customs (Appeals)
The Customs Act	IGST (under customs) and Penalty on account of alleged misclassification of goods	0.07	0.01	FY 2018-19	Commissioner of Customs (Appeals)
The Customs Act	Customs duty and penalty on relinquishment of warehoused liquor	0.16	0.15	FY 2019-20	Commissioner of Customs (Appeals)

According to the information and explanations given to us, there are no dues of excise duty, and cess which have not been deposited on account of any dispute.

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution or bank. The Company did not have any loans or borrowing from the government and there were no debentures issued during the year or outstanding as at 31 March 2021.

(ix) In our opinion and according to information and explanations given by the management, the Company has not raised any money by way of further public offer/debt instruments. The term loans taken by the Company have been applied for the purposes for which they were raised.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanation given by the management and as stated in note 43 which provides shareholders' approval relating to managerial remuneration, we report that managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions for purchase of assets with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij
Partner
Membership Number: 095169
UDIN: 21095169AAAABT9810

Place of Signature: Gurugram
Date: June 5, 2021

Independent Auditors' Report (contd...)

ANNEXURE 2 REFERRED IN PARAGRAPH 2(f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF INTERGLOBE AVIATION LIMTED

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

We have audited the internal financial controls over financial reporting of Interglobe Aviation Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij
Partner
Membership Number: 095169
UDIN: 21095169AAAABT9810

Place of Signature: Gurugram
Date: June 5, 2021

Standalone Balance Sheet

as at 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

	Note	As at 31 March 2021	As at 31 March 2020
I. ASSETS			
Non-current assets			
a. Property, plant and equipment	3.a.	7,960.70	24,984.69
b. Right of use assets	4	179,861.71	142,461.38
c. Capital work-in-progress		663.51	1,292.70
d. Intangible assets	5	332.28	335.91
e. Intangible assets under development		53.90	109.69
f. Financial assets			
(i) Investments	6	1.93	1.85
(ii) Loans	7	15,788.32	12,741.54
(iii) Other financial assets	8	16.34	58.30
g. Deferred tax assets (net)	20.d.	2,949.44	2,949.44
h. Income tax assets (net)	20.c.	5,010.97	4,291.79
i. Other non-current assets	9	9,498.13	7,142.69
Total non-current assets		222,137.23	196,369.98
Current assets			
a. Inventories	10	3,164.18	2,861.28
b. Financial assets			
(i) Investments	6	72,899.76	94,991.67
(ii) Trade receivables	11	2,191.66	2,596.11
(iii) Cash and cash equivalents	12	5,082.80	6,760.42
(iv) Bank balances other than cash and cash equivalents, above	13	107,187.80	101,533.64
(v) Loans	7	1,286.04	4,551.23
(vi) Other financial assets	8	6,192.86	6,231.06
c. Other current assets	9	8,146.77	4,589.17
Total current assets		206,151.87	224,114.58
Assets held for sale	3.b.	1,453.44	-
TOTAL ASSETS		429,742.54	420,484.56
II. EQUITY AND LIABILITIES			
EQUITY			
a. Equity share capital	14	3,849.10	3,847.96
b. Other equity	15	(3,140.01)	54,776.43
Total equity		709.09	58,624.39
LIABILITIES			
Non-current liabilities			
a. Financial liabilities			
(i) Borrowings	16.a	3,816.28	3,465.87
(ii) Lease liabilities	16.b	202,805.34	155,791.01
(iii) Other financial liabilities	16.c	26,049.29	30,388.86
b. Provisions	17	5,372.65	5,533.23
c. Other non-current liabilities	19	241.90	369.77
d. Deferred incentives		1,730.27	2,206.31
Total non-current liabilities		240,015.73	197,755.05
Current liabilities			
a. Financial liabilities			
(i) Borrowings	16.a	21,239.95	-
(ii) Trade payables	18		
- total outstanding dues of micro enterprises and small enterprises		280.98	59.25
- total outstanding dues of creditors other than micro enterprises and small enterprises		15,279.61	15,595.41
(iii) Lease liabilities	16.b	70,734.97	64,544.27
(iv) Other financial liabilities	16.c	47,234.60	45,897.39
b. Provisions	17	16,067.36	13,950.90
c. Current tax liabilities (net)	20.c.	30.76	30.76
d. Other current liabilities	19	17,673.46	23,551.09
e. Deferred incentives		476.03	476.05
Total current liabilities		189,017.72	164,105.12
TOTAL EQUITY AND LIABILITIES		429,742.54	420,484.56

The accompanying notes form an integral part of the standalone financial statements
As per our report of even date attached
For S.R. Batliboi & Co LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

per Sanjay Vij
Partner
Membership No. 95169

Place: Gurgaon
Date: 5 June 2021

For and on behalf of the Board of Directors of
InterGlobe Aviation Limited

Ronojoy Dutta
Whole Time Director and
Chief Executive Officer
DIN: 08676730

Anil Parashar
Director
DIN: 00055377

Jiten Chopra
Chief Financial Officer

Sanjay Gupta
Company Secretary and
Chief Compliance Officer

Place: Gurgaon
Date: 5 June 2021

Standalone Statement of Profit and Loss

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
Income			
Revenue from operations	21	146,406.31	357,560.01
Other income	22	10,363.32	15,362.42
Total income		156,769.63	372,922.43
Expenses			
Aircraft fuel expenses		38,312.77	124,537.94
Aircraft and engine rentals (net)		2,804.57	4,966.57
Supplementary rentals and aircraft repair and maintenance (net)		41,912.60	58,672.37
Airport fees and charges		16,128.84	29,116.84
Purchase of stock-in-trade (In-flight)		543.21	1,809.08
Changes in inventories of stock-in-trade	23	11.61	(30.53)
Employee costs	24	30,261.95	43,953.61
Finance costs	25	21,419.83	18,758.71
Depreciation and amortisation expense	26	46,986.85	39,736.13
Foreign exchange (gain) / loss (net)		(5,230.26)	15,461.89
Other expenses	27	21,915.58	38,690.71
Total expenses		215,067.55	375,673.32
Loss before tax		(58,297.92)	(2,750.89)
Tax expense	20.a.		
Current tax		-	8.21
Deferred tax charge / (credit)		-	(277.51)
Total tax expense/ (credit)		-	(269.30)
Loss for the year		(58,297.92)	(2,481.59)
Other comprehensive income	15.b.		
Items that will not be reclassified to profit or loss			
- Remeasurements of defined benefit plans		(16.65)	14.70
- Income tax relating to above mentioned item		-	(3.70)
Other comprehensive income/ (loss) for the year, net of tax		(16.65)	11.00
Total comprehensive income/ (loss) for the year		(58,314.57)	(2,470.59)
Earnings per equity share of face value of Rs. 10 each (previous year Rs. 10 each)	35		
Basic (Rs.)		(151.49)	(6.45)
Diluted (Rs.)		(151.49)	(6.45)

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached
For S.R. Batliboi & Co LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

per Sanjay Vij
Partner
Membership No. 95169

Place: Gurgaon
Date: 5 June 2021

For and on behalf of the Board of Directors of
InterGlobe Aviation Limited

Ronojoy Dutta
Whole Time Director and
Chief Executive Officer
DIN: 08676730

Anil Parashar
Director
DIN: 00055377

Jiten Chopra
Chief Financial Officer

Sanjay Gupta
Company Secretary and
Chief Compliance Officer

Place: Gurgaon
Date: 5 June 2021

Standalone Cash Flow Statement

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

		For the year ended 31 March 2021	For the year ended 31 March 2020
A.	Cash flows from operating activities		
	Loss before tax	(58,297.92)	(2,750.89)
	Adjustments for:		
	Depreciation and amortisation expense	46,986.85	39,736.13
	Interest on lease liabilities	16,196.87	13,644.50
	Unrealised foreign exchange (gain) / loss (net)	(4,664.75)	13,122.27
	Interest accretion on provisions and other financial liabilities measured at amortised cost	4,416.75	4,564.57
	Marked to market gain on current investments	(3,206.34)	(4,595.12)
	Interest income from bank deposits	(1,268.98)	(2,571.70)
	Non cash incentives, claims and credits (net)	(3,603.61)	(2,164.89)
	Net gain on sale of current investments	(1,145.47)	(1,930.57)
	Interest income from financial assets at amortised cost	(1,174.57)	(986.56)
	Employee stock option scheme expense (included in salaries, wages and bonus)	306.58	(99.15)
	Liabilities no longer required written back	(78.31)	(76.67)
	Interest on borrowings measured at amortised cost	244.71	336.48
	Redelivery and overhaul cost	1.17	160.78
	Property, plant and equipment written off	540.72	104.04
	(Profit) / loss on sale of property, plant and equipment (net)	(9.98)	49.26
	Profit on sale and leaseback of owned assets (net)	(12.81)	-
	Bad debts written off	193.81	13.45
	Impairment loss on trade receivables	2.92	3.70
	Advances written off	13.81	0.60
	Impairment loss on deposits	-	8.37
	Operating profit / (loss) before working capital changes	(4,558.55)	56,568.61
	Adjustments for:		
	Increase in loans, other financial assets, and other assets	(7,540.86)	(5,297.29)
	Increase in inventories	(302.90)	(746.87)
	Increase/ (decrease) in trade payables, other financial liabilities, other liabilities and provisions	(3,475.26)	20,961.83
	Decrease in trade receivables	392.71	1,009.13
	Cash generated from / (used in) operating activities	(15,484.86)	72,495.41
	Income tax paid	(719.18)	(3,062.40)
	Net cash generated from / (used in) operating activities	(16,204.04)	69,433.01
B.	Cash flows from investing activities		
	Purchase of mutual funds / shares / fixed rate non-convertible debentures (Refer to Note 6)	(127,041.95)	(230,557.46)
	Proceeds from sale of mutual funds / shares / fixed rate non-convertible debentures (Refer to Note 6)	153,485.67	207,256.58
	Investment in deposits (Refer to Note 8, 12 and 13)	(99,258.59)	(94,209.29)
	Proceeds from maturity of deposits (Refer to Note 8, 12 and 13)	89,267.28	78,752.90
	Interest received	1,366.62	3,692.97
	Proceeds from sale and leaseback of owned assets	18,833.68	-
	Purchase of property, plant and equipment and intangible assets (including capital advances)	(4,360.33)	(10,872.15)
	Proceeds from sale of property, plant and equipment	164.69	267.38
	Net cash generated from / (used in) investing activities	32,457.07	(45,669.07)

		For the year ended 31 March 2021	For the year ended 31 March 2020
C.	Cash flows from financing activities		
	Repayment of lease liabilities (net of incentives)	(19,967.92)	(8,707.56)
	Interest charges paid on lease liabilities	(15,928.23)	(13,374.50)
	Proceeds from secured loans (Refer to Note 3 below)	48,442.04	420.61
	Repayment of secured loans (Refer to Note 3 below)	(30,099.91)	-
	Interest paid on secured loans	(292.04)	(340.10)
	Final dividend paid	-	(1,922.53)
	Corporate dividend tax paid	-	(395.34)
	Securities premium received on account of issue of shares	91.55	240.69
	Proceeds from issue of shares on exercise of stock options	1.14	3.89
	Net cash used in financing activities	(17,753.37)	(24,074.84)
	Net decrease in cash and cash equivalents during the year (A+B+C)	(1,500.34)	(310.90)
	Effect of exchange rate changes on cash and cash equivalents held in foreign currency	(177.28)	(56.51)
D.	Cash and cash equivalents at the beginning of the year		
	Cash on hand	53.38	48.89
	Balance with banks:		
	- On current accounts	1,096.17	5,436.79
	- On deposit accounts (with original maturity of three months or less)	5,610.87	1,642.15
		6,760.42	7,127.83
E.	Cash and cash equivalents as at the end of the year		
	Cash on hand	6.46	53.38
	Balance with banks:		
	- On current accounts	1,347.45	1,096.17
	- On deposit accounts (with original maturity of three months or less)	3,728.89	5,610.87
		5,082.80	6,760.42

Notes:

1. The Standalone Cash Flow Statement has been prepared in accordance with 'Indirect method' as set out in Ind AS - 7 - 'Statement of Cash Flows', as notified under Section 133 of the Companies Act, 2013.
2. Cash and cash equivalents includes Rs. 4,223.69 (previous year Rs. 3,968.28) held in foreign currency which can be repatriated back by the Company subject to procedural compliances in local jurisdictions.
3. Changes in liabilities arising from financing activities

	For the year ended 31 March 2021	For the year ended 31 March 2020
Opening balance of secured loans	6,856.40	5,882.51
Cash flows		
Repayment of secured loans	(30,099.91)	-
Proceeds from secured loans	48,442.04	420.61
Non-cash changes		
Foreign currency exchange fluctuations	(142.30)	553.28
Closing balance of secured loans	25,056.23	6,856.40

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For S.R. Batliboi & Co LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

per Sanjay Vij
Partner
Membership No. 95169

Place: Gurgaon
Date: 5 June 2021

For and on behalf of the Board of Directors of
InterGlobe Aviation Limited

Ronojoy Dutta
Whole Time Director and
Chief Executive Officer
DIN: 08676730

Anil Parashar
Director
DIN: 00055377

Jiten Chopra
Chief Financial Officer

Sanjay Gupta
Company Secretary and
Chief Compliance Officer

Place: Gurgaon
Date: 5 June 2021

Standalone Statement of Changes in Equity

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

a. Equity share capital

Particulars	Note	For the year ended 31 March 2021		For the year ended 31 March 2020	
		Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year		384,796,279	3,847.96	384,406,838	3,844.07
Changes in equity share capital during the year:					
Issued during the year pursuant to exercise of employee stock options	37	113,721	1.14	389,441	3.89
Balance at the end of the year		384,910,000	3,849.10	384,796,279	3,847.96

b. Other equity

Particulars	Note	Equity component of compound financial instruments*	Reserves and surplus				Total
			Employee stock options outstanding account	Securities premium	General reserve	Retained earnings	
Balance as at 1 April 2020		58.79	105.11	38,184.21	389.07	16,039.25	54,776.43
Changes in other equity during the year ended 31 March 2021:							
Loss for the year						(58,297.92)	(58,297.92)
Other comprehensive income/ (loss) for the year**	15.b.(iv)					(16.65)	(16.65)
Total comprehensive income/ (loss) for the year						(58,314.57)	(58,314.57)
Premium received during the year on account of issue of shares on exercise of employee stock options	15.b.(ii)	-	-	91.55	-	-	91.55
Amount (utilised) / transfer for issue of shares on exercise of employee stock options	15.b.(ii)	-	(61.45)	61.45	-	-	-
Employee stock option scheme expense	37	-	306.58	-	-	-	306.58
Balance as at 31 March 2021		58.79	350.24	38,337.21	389.07	(42,275.32)	(3,140.01)

* Represents equity component of compound financial instruments (net of tax) 36,716 fully paid up 0.00% convertible preference shares of Rs.1,000 each. Refer to Note 15.a.

** Other comprehensive income/ (loss) represents remeasurement of defined benefit plans (net of tax).

Standalone Statement of Changes in Equity

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

b. Other equity (contd...)

Particulars	Note	Equity component of compound financial instruments*	Reserves and surplus				Total
			Employee stock options outstanding account	Securities premium	General reserve	Retained earnings	
Balance as at 1 April 2019		58.79	406.82	37,740.96	389.07	27,008.18	65,603.82
Impact of Ind AS 116 - Leases (Refer to Note 16.b.)						(6,180.47)	(6,180.47)
Restated balance as at 1 April 2019		58.79	406.82	37,740.96	389.07	20,827.71	59,423.35
Changes in other equity during the year ended 31 March 2020:							
Loss for the year						(2,481.59)	(2,481.59)
Other comprehensive income/ (loss) for the year**	15.b.(iv)					11.00	11.00
Total comprehensive income/ (loss) for the year						(2,470.59)	(2,470.59)
Final dividend	15.b.(iv)					(1,922.53)	(1,922.53)
Corporate dividend tax	15.b.(iv)					(395.34)	(395.34)
Premium received during the year on account of issue of shares on exercise of employee stock options	15.b.(ii)	-	-	240.69	-	-	240.69
Amount (utilised) / transfer for issue of shares on exercise of employee stock options	15.b.(ii)	-	(202.56)	202.56	-	-	-
Employee stock option scheme expense	37	-	(99.15)	-	-	-	(99.15)
Balance as at 31 March 2020		58.79	105.11	38,184.21	389.07	16,039.25	54,776.43

* Represents equity component of compound financial instruments (net of tax) 36,716 fully paid up 0.00% convertible preference shares of Rs.1,000 each. Refer to Note 15.a.

** Other comprehensive income represents remeasurement of defined benefit plans (net of tax).

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For S.R. Batliboi & Co LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

per Sanjay Vij
Partner
Membership No. 95169

Place: Gurgaon
Date: 5 June 2021

For and on behalf of the Board of Directors of
InterGlobe Aviation Limited

Ronojoy Dutta
Whole Time Director and
Chief Executive Officer
DIN: 08676730

Anil Parashar
Director
DIN: 00055377

Jiten Chopra
Chief Financial Officer

Sanjay Gupta
Company Secretary and
Chief Compliance Officer

Place: Gurgaon
Date: 5 June 2021

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

1. Company Information / Overview

InterGlobe Aviation Limited (the "Company") is a public limited company domiciled in India. The Company was incorporated on 13 January 2004 as a private limited company in India under the provisions of the Companies Act applicable in India. Subsequently, the Company changed its legal status from a private company to a public company on 11 August 2006. The Company's registered office is at Upper Ground Floor, Thapar House, Gate No. 2, Western Wing, 124 Janpath, New Delhi - 110 001, India. The shares were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on 10 November 2015. The Company is in the low cost carrier (LCC) segment of the airline industry in India. The principal activities of the Company comprises of air transportation which includes passenger and cargo services and providing related allied services including in-flight sales.

2.a Basis of preparation

(i) Statement of compliance

The standalone financial statements comply with Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 (the "Act"), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), relevant provisions of the Act and other accounting principles generally accepted in India. The standalone financial statements are prepared on accrual and going concern basis.

The standalone financial statements were authorised for issue by the Board of Directors of the Company on 5 June 2021.

(ii) Basis of measurement

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

(iii) Critical accounting estimates and judgements

In preparing these standalone financial statements, 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 estimates and judgements in applying accounting policies that have the most significant effect on the standalone financial statements are as follows:

Note 2.(b) (xv) and 32 - measurement of defined benefit obligations: key actuarial assumptions.

Note 2.(b) (x) and (xi) - judgement required to ascertain lease classification and fair value of assets including assets held for sale.

Note 2.(b) (viii) and (ix) - measurement of useful life and residual values of property, plant and equipment and useful life of intangible assets.

Note 2.(b) (viii) and (ix) - Determination of major engine and airframe overhauls and other heavy maintenance as separate components for owned aircraft and aircraft taken on lease (previously classified as finance lease under erstwhile Ind AS) and their associated costs.

Note 2.(b) (xvi), (xxi) and 17 - estimation of provision of maintenance, redelivery and overhaul cost.

Note 2.(b) (xvi) and 30 - judgement is required to ascertain whether it is probable or not that an outflow of resources embodying economic benefits will be required to settle all disputes including taxation and legal claim.

Note 37 - judgement required to determine grant date fair value.

Note 2.(b) (iii), (v) and 28 - fair value measurement of financial instruments.

Notes forming part of the standalone financial statements

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Note 2.(b) (xxiii) - judgement required to determine probability of recognition of deferred tax assets.

Note 2.(b) (xvii) - judgement required to determine standalone price for each performance in bundled contracts.

Note 2.(b) (xi) - judgement is required in determining the lease term of contracts with extension and termination options.

Note 2.(b) (xi) - estimation of the incremental borrowing rate used for accounting of leases.

Note 2.(b) (xiv) - judgement required in impairment assessment.

There are no assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year except those stated in Note 42.

2.b Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these standalone financial statements except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy.

(i) Current - non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting period; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting period; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

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

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non- current.

Notes forming part of the standalone financial statements

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(Rupees in millions, except for share data and if otherwise stated)

(ii) Foreign currency transactions and translations

Functional and presentation currency

The management has determined the currency of the primary economic environment in which the Company operates i.e., functional currency, to be Indian Rupees (Rs.). The standalone financial statements are presented in Indian Rupees, which is the Company's functional and presentation currency. All amounts have been rounded to the nearest millions upto two decimal places, unless otherwise stated.

Transactions and balances

Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of the Company at the exchange rates on the date of the transactions or at an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains/(losses) arising on account of realisation/settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the Standalone Statement of Profit and Loss. However, gains/ (losses) arising on translation of certain lease liabilities which represents long-term foreign currency monetary loans taken before 31 March 2016 and used for acquisition of depreciable right of use assets, are adjusted in the cost of respective item of right of use assets. The treatment will continue till the repayment of the long-term foreign currency monetary loans.

Foreign exchange gains / (losses) arising on translation of foreign currency monetary loans are presented in the Standalone Statement of Profit and Loss on net basis. However, foreign exchange differences arising from foreign currency monetary loans to the extent regarded as an adjustment to borrowing costs are presented in the Standalone Statement of Profit and Loss, within finance costs.

(iii) 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 principal or the most advantageous market must be accessible to/ by the Company.

All assets and liabilities for which fair value is measured or disclosed in the standalone 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) 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 standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing 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.

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.

The Company measures financial instruments, such as, investments (other than investment in subsidiaries), at fair value at each reporting date. Also, fair value of financial instruments measured at amortised cost is disclosed in Note 28.

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

(iv) Investment in subsidiaries

Investment in subsidiaries is carried at cost, less any impairment in the value of investment, in these separate standalone financial statements.

(v) 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

Recognition and initial measurement

All financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets are initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Classification and subsequent measurement

Classification

For the purpose of subsequent measurement, the Company classifies financial assets in following categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

A financial asset being 'debt instrument' is measured at the amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

A financial asset being 'debt instrument' is measured at the FVTOCI if both of the following criteria are met:

- The asset is held within the business model, whose objective is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

A financial asset being equity instrument is measured at FVTPL.

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL.

Subsequent measurement

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the Standalone Statement of Profit and Loss.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the Standalone Statement of Profit and Loss.

Notes forming part of the standalone financial statements

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Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any gain or loss on derecognition is recognised in the Standalone Statement of Profit and Loss.

Impairment of financial assets (other than at fair value)

The Company recognises loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case those financial assets are measured at lifetime ECL. The changes (incremental or reversal) in loss allowance computed using ECL model, are recognised as an impairment gain or loss in the Standalone Statement of Profit and Loss.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Financial liabilities

Recognition and initial measurement

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the liability.

Classification and subsequent measurement

Financial liabilities are classified as measured at amortised cost or FVTPL.

A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the Standalone Statement of Profit and Loss.

Financial liabilities other than classified as FVTPL, are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in Standalone Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Standalone Statement of Profit and Loss.

Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the Standalone Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the Standalone Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

Notes forming part of the standalone financial statements

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Compound financial instruments - convertible preference shares

Compound financial instruments issued by the Company comprises of convertible preference shares that can be converted to equity shares of the Company.

Convertible preference shares are bifurcated into liability and equity components based on the terms of the contract.

The liability component of convertible preference shares is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of convertible preference shares is not remeasured subsequently.

Interest related to the liability component is recognised in Standalone Statement of Profit and Loss. On conversion, the liability component is reclassified to equity and no gain or loss is recognised.

(vi) Share capital

Equity share capital

Issuance of ordinary shares are recognised as equity share capital in equity. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity, net of any tax effects.

(vii) Cash and cash equivalents

Cash and cash equivalents comprises of cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(viii) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises: (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate component of property, plant and equipment. The Company has recognised major inspection costs relating to engine and airframe overhauls and other heavy maintenance as separate components for owned aircraft and leased aircraft previously classified as finance leases under erstwhile Ind AS.

The cost of improvements to aircraft taken on lease except leased aircraft which were previously classified as finance leases under erstwhile Ind AS, if recognition criteria are met, have been capitalised and disclosed separately as leasehold improvement - aircraft.

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. Any gain or loss arising on derecognition of property, plant and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of property, plant and equipment) is included in the Standalone Statement of Profit and Loss when property, plant and equipment is derecognised. The carrying amount of any component accounted as a separate component is derecognised, when replaced or when the property, plant and equipment to which the component relates gets derecognised.

Notes forming part of the standalone financial statements

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Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that the future economic benefits associated with expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Standalone Statement of Profit and Loss at the time of incurrence.

Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values and is charged to Standalone Statement of Profit and Loss. Depreciation on property, plant and equipment, except owned aircraft and spare engine, rotables and non-aircraft equipment, leasehold improvements and leasehold improvements - aircraft , is provided on written down value method at the rates and in the manner provided in Schedule II of the Companies Act, 2013. Depreciation on owned aircraft and spare engine, rotables and non-aircraft equipment is provided on the straight line method at the rates and in the manner prescribed in Schedule II of the Companies Act, 2013.

Major inspection costs relating to engine and airframe overhauls and other heavy maintenance are identified as separate components for owned and leased aircraft previously classified as finance leases under erstwhile Ind AS and are depreciated over the expected lives between major overhauls and remaining useful life of the aircraft, whichever is lower.

Depreciation on Property, plant and equipment has been charged based on the following useful lives:

Asset Head	Useful life in years
Owned Aircraft and spare engines	
- Aircraft and engine components including spare engines	20
- Major inspection and overhaul costs	2 - 12
Rotables and non-aircraft equipment*	20
Furniture and fixtures	10
Computer	
- End user devices	3
- Server and networks	6
Office equipment	
- Office equipment	5
- Electrical equipment	10
Ground support equipment	15
Vehicles (including ground support vehicles)	
-Motor vehicles (ground support equipment)	8
-Motor vehicles	8

* The life of the rotables is reassessed, the moment these are installed to the aircraft and are expected to be redelivered along with the aircraft. Accordingly, the net carrying value of rotables are depreciated in the same period in which such aircraft is redelivered.

Expenditure incurred towards leasehold improvements - aircraft is depreciated on a straight line basis over the remaining period of the lease of the aircraft or 5 years, whichever is lower.

Leasehold improvements are depreciated on a straight line basis over the period of the initial lease term or their estimated useful life, whichever is lower.

Buildings are depreciated on a straight line basis over the remaining period of the lease of land on which building is constructed or 60 years, whichever is lower.

The useful lives have been determined based on internal evaluation done by management and are in line with the estimated useful lives, to the extent prescribed by the Schedule II of the Companies Act, 2013, in order to reflect the technological obsolescence and actual usage of the asset. The residual values are not more than 5% of the original cost of the asset.

Depreciation is calculated on a pro-rata basis for assets purchased/sold during the period.

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The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed by management at each reporting date and adjusted prospectively, as appropriate.

Capital work-in-progress

Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in-progress.

(ix) Intangible assets

Recognition and measurement

Intangible assets that are acquired are recognised only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of assets can be measured reliably. The intangible assets are recorded at cost of acquisition including incidental costs related to acquisition and installation and are carried at cost less accumulated amortisation and impairment losses, if any.

Gain or loss arising from derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognised in the Standalone Statement of Profit and Loss when the asset is derecognised.

Subsequent costs

Subsequent costs are capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure on intangible assets is recognised in the Standalone Statement of Profit and Loss, as incurred.

Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives of 3 years using the straight-line method. Amortisation is calculated on a pro-rata basis for assets purchased/ disposed during the period.

Amortisation method and useful life are reviewed at each reporting date and adjusted prospectively, if appropriate.

Intangible assets under development

Cost of intangible assets under development as at the reporting date are disclosed as intangible assets under development.

(x) Asset held for sale

The Company's non-current asset are classified as asset held for sale if it is highly probable that the carrying amount of non-current asset will be recovered primarily through sale rather than through continuing use and its sale is highly probable. The sale is considered to be highly probable only when such non-current asset is available for immediate sale in its present condition and the sale is expected to be complete within an year from the date of classification. Such non-current asset are measured at lower of their carrying amount and fair value less cost to sell. If a newly acquired non-current asset meets the criteria to be classified as asset held for sale, such non-current asset being measured on initial recognition at the lower of its carrying amount had it not been so classified (for example, cost) and fair value less costs to sell. Losses on initial classification as asset held for sale and subsequent gain and losses on re-measurement are recognised in Standalone Statement of Profit and Loss. Assets and liabilities classified as held for sale are presented separately in the Standalone Balance Sheet.

(xi) Leases

The Company's lease asset classes primarily consist of leases for aircraft and engines, equipment, leasehold land and buildings. The Company assesses at the inception date whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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i) Lease liabilities

At the commencement date, the Company measures the lease liabilities at the present value of the lease payments that are not paid at that date. The lease liabilities include lease payments, payment of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate, exercise price of a purchase option, if the company is reasonably certain to exercise that option, less any incentives receivable.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate (IBR). The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right of use assets in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced by the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a lease modification, including modification in the lease term, lease payments or assessment of an option to purchase the underlying asset. The lease liabilities are re-measured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

ii) 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, if any. Right of use assets are also correspondingly adjusted to reflect any re-measurement impact in the lease liabilities on account of lease modification. The right of use assets are also subject to impairment. Refer to the accounting policies in Note 2.(b) (xiv) Impairment of non-financial assets.

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) Other Leases

Lease payments associated with any other leases which falls outside the purview of Ind AS 116, short term leases and leases for which the underlying asset is of low value are charged to Standalone Statement of Profit and Loss on straight line basis over the lease term or another systematic basis which is more representative of the pattern of use of underlying asset.

v) Sale and leaseback transactions

Where sale proceeds (net of maintenance obligation, if any) 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 (net of maintenance obligation, if any) 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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vi) Depreciation

Depreciation on assets held as right of use assets is charged to Standalone Statement of Profit and Loss on a straight line basis from the commencement date to the earlier of the end of the useful life of the right of use assets or the end of the lease term, except for leased aircraft previously classified as finance leases under erstwhile Ind AS where depreciation is charged on useful life of right of use assets.

Depreciation on right of use assets has been charged based on the following period:

Asset Head	Useful life in years
Aircraft and engines	
- Aircraft and engines components including spare engines	1-12
- Leased aircraft previously classified as finance lease under erstwhile Ind AS	20
- Major inspection and overhaul costs (Refer to Note 2. (xxi))	2-12
Equipment	8
Leasehold land	15-20
Buildings	1-10

(xii) Incentive - non-refundable

Cash incentives

The Company receives non-refundable incentives in connection with the 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 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 Company 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 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 Standalone 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 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 utilisation of incentives against liability towards purchase of goods and services.

(xiii) Inventories

Inventories primarily includes stores and spares and loose tools (other than those which meet the criteria of property, plant and equipment) and in-flight inventories. Inventories are valued at lower of cost or Net Realisable Value ('NRV'). Cost of inventories comprise all costs of purchase after deducting non refundable rebates and discounts and all other costs incurred in bringing the inventories to their present location and condition. Cost are assigned to individual items of inventory on the weighted average cost basis. NRV for in-flight inventory is the estimated selling price of goods sold less the estimated cost necessary to make the sale. NRV for stores and spares and loose tools used in rendering of services are not written down below cost except in cases where the price of such

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materials have declined and it is estimated that the cost of rendering of services will exceed their selling price. Where necessary, due allowance is made for all damaged, obsolete and slow moving items. The comparison of cost and net realizable value is made on an item by item basis at each reporting date.

(xiv) Impairment - non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Standalone Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(xv) Employee benefits

Short-term employee benefits

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the reporting 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 an undiscounted amount expected to be paid when the liabilities are settled.

Post-employment benefit plans

Defined contribution plans

The Company pays provident fund contributions to the appropriate government authorities. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefits expense when an employee renders the related service.

Defined benefit plans

Defined benefit plans of the Company comprises gratuity.

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The gratuity plan of the Company is unfunded.

The liability recognised in the Standalone Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated by actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost and other costs are included in employee costs in the Standalone Statement of Profit and Loss.

Notes forming part of the standalone financial statements

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Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised immediately in the Standalone Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods

Changes in the present value of the defined benefit obligation resulting from settlement or curtailments are recognised immediately in Standalone Statement of Profit and Loss as past service cost.

Other long-term employee benefits

i. Compensated absences

The Company's net obligation in respect of compensated absences is the amount of benefit to be settled in future, that employees have earned in return for their service in the current and previous periods. The benefit is discounted to determine its present value. The obligation is measured on the basis of an actuarial valuation using the projected unit credit method. Remeasurements are recognised in Standalone Statement of Profit and Loss in the period in which they arise.

ii. Others

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of benefit to be settled in future, that employees have earned in return for their service in the current and previous periods. The benefit is discounted to determine its present value. The obligation is measured on the basis of an actuarial valuation using the projected unit credit method. Remeasurements are recognised in Standalone Statement of Profit and Loss in the period in which they arise.

Share-based payment arrangements

The grant-date fair value of equity-settled share-based payment arrangements granted to employees under the Employee Stock Option Scheme ('ESOS') is generally recognised as an employee stock option scheme expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. The increase in equity recognised in connection with a share based payment transaction is presented in the "Employee stock option outstanding account", as separate component in equity. For share-based payment awards with market conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes. At the end of each period, the Company revises its estimates of the number of options that are expected to be vested based on the non-market performance conditions at the vesting date.

(xvi) Provisions and contingent liabilities and assets

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past events, 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 current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

The Company has in its fleet aircraft on lease. As contractually agreed under the lease contracts (except for leases previously classified as finance lease under erstwhile Ind AS), the aircraft have to be redelivered to the lessors at the end of the lease term under stipulated contractual return conditions. The redelivery obligations are determined by management based on historical trends and data, and are recorded under 'provision for maintenance, redelivery and overhaul cost' at the present value of expected outflow, where effect of the time value of money is material with the corresponding value capitalised under 'Right of use assets'.

Notes forming part of the standalone financial statements

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(Rupees in millions, except for share data and if otherwise stated)

Contingent liabilities and assets

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

(xvii) Revenue recognition

Revenue is recognised upon transfer of control of promised goods or services to customers. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, incentives, performance bonuses, price concessions, amounts collected on behalf of third parties, or other similar items, if any, as specified in the contract with the customer. Revenue from bundled contracts is recognized separately for each performance obligation based on stand-alone selling price. Revenue is recorded provided the recovery of consideration is probable and determinable.

Passenger services

Passenger revenue is recognised on flown basis i.e. when the service is rendered, net of discounts given to the passengers, amount collected on behalf of third parties, applicable taxes and airport levies such as passenger service fee, user development fee, etc., if any. Fees charged for cancellation of flight tickets are recognised as revenue on rendering of the said service.

The Company considers whether it is a principal or agent in relation to services by considering whether it has a performance obligation to provide services to the customer or whether the obligation is to arrange for services to be provided by a third party, such as another carrier or a third party.

The Company sells certain tickets with connecting flights with one or more segments operated by its other airline partners. For segments operated by its other airline partners, the Company has determined that every partner airline is responsible for their portion of the contract (i.e. transportation of the passenger). The Company recognizes revenue for the segment operated by the Company at the selling price of the ticket net of the amount transferrable to the other airline partner. The amount transferrable to the other airline partner for its segment is recognised as a financial liability.

Tickets sold by other airlines where the Company provides the transportation are recognized as passenger revenue at the estimated value to be billed to the other airline when the services are provided as per contract.

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 consideration from sale of tickets not yet flown is credited to unearned revenue i.e. 'Forward Sales' disclosed under other current liabilities. The unutilised balance in Forward Sales for more than an year is recognised as revenue based on historical statistics, data and management estimates and considering the Company's cancellation policy.

Cargo services

Cargo revenue is recognised when service is rendered i.e. goods are transported, net of discounts, amount collected on behalf of third parties, airport levies and applicable taxes.

In flight sales

Revenue from sale of merchandise and food and beverages is recognised on transfer of goods to passengers, net of applicable taxes.

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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. 'Forward Sales' disclosed under other current liabilities.

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 income on a systematic basis over the period for which such grant is entitled.

Interest income

Interest income on financial assets (including deposits with banks) is recognised using the effective interest method on a time proportionate basis.

Claims and other credits - non-refundable

Claims relate to reimbursement towards operational expenses such as operating lease rentals, aircraft repair and maintenance, etc, are adjusted against such expenses over the estimated period for which these reimbursements pertains. When credits are used against purchase of goods and services such as operating lease rentals, aircraft repair and maintenance, etc, these are adjusted against such expenses on utilization basis. The claims and credits are netted off against related expense arising on the same transaction as it reflects the substance of transaction. Further, any claim or credit not related to reimbursement towards operational expenses or used for purchase of goods and services are recognised as income in the Standalone Statement of Profit and Loss when a contractual entitlement exists, the amount can be reliably measured and receipt is virtually certain.

Customer Loyalty Programme

The Company operates a rewards programme in partnership with credit card companies and this programme is referred as 'Co-Branded Card'. The Co-Branded Card provides points to its members on spending from the card as per the agreement. Reward points are redeemable by the members in the future periods for travel with the Company. Revenue against the reward points is recognised when redeemed by the members for travel with Company on flown basis. Reward points remain unredeemed at the time of expiry of such points is recognised in Other Income. Consideration value received from Co- Branded card companies is recognised as other liabilities till its redemption/ expiry.

The Company recognises fees and other incidental charges collected under such programme under the head "Other Income" by allocating them to the separately identifiable performance obligations.

(xviii) Commission

The incentives/ commission attributable to sales/ services made through agents/ customers is recognised on sale of ticket and on rendering of cargo services which is in accordance with the terms of contracts.

(xix) Expenditure

Expenses are accounted for on the accrual basis and provisions are made for all known losses and liabilities.

(xx) Borrowing costs

Borrowing costs attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing cost includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Notes forming part of the standalone financial statements

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(Rupees in millions, except for share data and if otherwise stated)

(xxi) Supplementary rentals and aircraft repair and maintenance

Under certain lease arrangements of aircraft, 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 (except for leased aircraft previously classified as finance lease under erstwhile Ind AS).

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.

For leased assets classified as finance lease under erstwhile Ind AS, cost incurred for major inspection costs relating to engine and airframe overhauls and other major components are recorded as separate component and depreciated over the lower of useful life or balance period of lease.

Aircraft maintenance covered by third party maintenance agreements, wherein the cost is charged to the Standalone 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 Standalone Statement of Profit and Loss on incurred basis.

(xxii) Aircraft fuel expense

Aircraft fuel expenses are recognised in the Standalone Statement of Profit and Loss as uplifted and consumed, net off any discounts.

(xxiii) Tax expense

Tax expense comprises of current tax and deferred tax. It is recognised in the Standalone Statement of Profit and Loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any relating to income taxes. It is measured using tax rates enacted for the relevant reporting period.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that is probable that future taxable profits will be available against which they can be used. Deferred tax assets unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised. Significant management judgement is required to determine the probability of deferred tax asset.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Notes forming part of the standalone financial statements

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Minimum Alternative Tax ('MAT') credit entitlement under the provisions of the Income-tax Act, 1961 is recognised as a deferred tax asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Company and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Company becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is recognised to the extent that is probable that future taxable profits will be available against which they can be used. MAT credit entitlement has been presented as deferred tax asset in Standalone Balance Sheet. Significant management judgement is required to determine the probability of recognition of MAT credit entitlement.

During the previous year, the Company has adopted the option of lower tax rate as provided in the Taxation Law Amendment Ordinance, 2019 and consequently the Company has written off the MAT credit entitlement in the Standalone Statement of Profit and Loss.

Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and assets levied by the same tax authorities.

(xxiv) Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its equity shares.

Basic EPS is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted EPS is determined by adjusting profit attributable to equity shareholders and the weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares, which comprise share options granted to employees.

(xxv) 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.

(xxvi) Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

Notes forming part of the standalone financial statements
for the year ended 31 March 2021
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3.a. Property, plant and equipment

As at 31 March 2021

Particulars	Owned aircraft and spare engines	Buildings	Furniture and fixtures	Computer	Office equipment	Ground support equipment	Vehicles (including ground support vehicles)	Leasehold improvements	Leasehold improvements - aircraft	Rotables and non-aircraft equipment	Total
Gross value - at cost											
Balance at the beginning of the year	24,771.11	-	337.39	1,168.75	190.70	2,946.43	2,705.13	990.74	1,499.40	2,661.21	37,270.86
Additions during the year	1,394.51	1,392.46	39.32	168.62	234.30	172.97	69.48	96.61	-	1,333.56	4,901.83
Disposals during the year	23,787.17	-	13.38	20.92	24.70	6.88	80.59	67.56	420.54	1,104.58	25,526.32
Adjustments during the year*	(1,613.61)	-	-	-	-	-	-	-	-	-	(1,613.61)
Balance at the end of the year	764.84	1,392.46	363.33	1,316.45	400.30	3,112.52	2,694.02	1,019.79	1,078.86	2,890.19	15,032.76
Accumulated depreciation											
Balance at the beginning of the year	6,512.71	-	212.06	873.08	122.88	1,093.98	1,154.82	773.56	1,257.85	285.23	12,286.17
Depreciation for the year	1,288.29	17.71	38.99	174.68	38.31	358.32	486.05	126.60	155.63	482.75	3,167.33
Depreciation on disposals	7,112.33	-	11.74	17.54	21.85	4.37	51.03	61.18	420.54	483.82	8,184.40
Adjustments during the year*	(197.04)	-	-	-	-	-	-	-	-	-	(197.04)
Balance at the end of the year	491.63	17.71	239.31	1,030.22	139.34	1,447.93	1,589.84	838.98	992.94	284.16	7,072.06
Net carrying value as at 31 March 2021	273.21	1,374.75	124.02	286.23	260.96	1,664.59	1,104.18	180.81	85.92	2,606.03	7,960.70

* Represents certain aircraft and engines reclassified as assets held for sale. Refer to Note 3.b.

Notes forming part of the standalone financial statements
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3.a. Property, plant and equipment (contd...)

As at 31 March 2020

Particulars	Owned aircraft and spare engines	Leased aircraft	Furniture and fixtures	Computer	Office equipment	Ground support equipment	Vehicles (including ground support vehicles)	Leasehold improvements	Leasehold improvements - aircraft	Rotables and non-aircraft equipment	Total
Gross value - at cost											
Balance at the beginning of the year	23,239.22	41,284.67	280.77	921.33	144.63	2,206.97	1,685.06	845.81	2,064.68	1,924.41	74,597.55
Reclassified on account of adoption of Ind AS 116 (Refer to Note 16.b.)	-	(41,284.67)	-	-	-	-	-	-	(588.03)	-	(41,872.70)
Additions during the year	2,680.45	-	58.02	247.89	47.04	741.22	1,053.24	147.86	22.75	850.77	5,849.24
Disposals during the year	1,148.56	-	1.40	0.47	0.97	1.76	33.17	2.93	-	113.97	1,303.23
Balance at the end of the year	24,771.11	-	337.39	1,168.75	190.70	2,946.43	2,705.13	990.74	1,499.40	2,661.21	37,270.86
Accumulated depreciation											
Balance at the beginning of the year	4,624.78	9,299.96	151.07	621.95	93.04	750.61	695.81	652.95	1,209.91	181.93	18,282.01
Reclassified on account of adoption of Ind AS 116 (Refer to Note 16.b.)	-	(9,299.96)	-	-	-	-	-	-	(156.13)	-	(9,456.09)
Depreciation for the year	2,509.67	-	62.05	251.49	30.60	344.32	478.48	123.53	204.07	114.59	4,118.80
Depreciation on disposals	621.74	-	1.06	0.36	0.76	0.95	19.47	2.92	-	11.29	658.55
Balance at the end of the year	6,512.71	-	212.06	873.08	122.88	1,093.98	1,154.82	773.56	1,257.85	285.23	12,286.17
Net carrying value as at 31 March 2020	18,258.40	-	125.33	295.67	67.82	1,852.45	1,550.31	217.18	241.55	2,375.98	24,984.69

On transition to Ind AS, the Company had elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the Previous Indian GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

3.b. Assets held for sale

Certain aircraft and engines have been classified as assets held for sale as at 31 March 2021 where it is highly probable that the carrying amount of these assets will be recovered primarily through sale rather than through continuing use and the sale is expected to be complete within one year. These assets have been measured at lower of their carrying amount and fair value less cost to sell.

Notes forming part of the standalone financial statements
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4. Right of use assets

As at 31 March 2021

Particulars	Aircraft and Engines	Equipment	Leasehold Land	Buildings	Total
Gross value - at cost					
Balance at the beginning of the year	176,303.72	5,399.15	2,899.38	2,210.60	186,812.85
Additions during the year	79,930.91	-	-	1.56	79,932.47
Disposals during the year	6,288.53	-	-	38.79	6,327.32
Adjustments during the year *	1,075.52	(11.28)	44.78	143.13	1,252.15
Balance at the end of the year	251,021.62	5,387.87	2,944.16	2,316.50	261,670.15
Accumulated depreciation					
Balance at the beginning of the year	43,694.29	213.17	185.63	258.38	44,351.47
Depreciation for the year**	42,680.65	636.38	187.65	279.61	43,784.29
Depreciation on disposals	6,288.53	-	-	38.79	6,327.32
Balance at the end of the year	80,086.41	849.55	373.28	499.20	81,808.44
Net carrying value as at 31 March 2021	170,935.21	4,538.32	2,570.88	1,817.30	179,861.71

As at 31 March 2020

Particulars	Aircraft and Engines	Equipment	Leasehold Land	Buildings	Total
Gross value - at cost					
As at 1 April 2019 on account of adoption of Ind AS 116 (Refer to Note 16.b)	90,192.50	-	1,765.02	1,396.57	93,354.09
Reclassified on account of adoption of Ind AS 116 (Refer to Note 16.b.)	41,872.70	-	-	-	41,872.70
Additions during the year	43,515.31	5,399.15	1,134.36	748.21	50,797.03
Disposals during the year	743.28	-	-	-	743.28
Adjustments during the year *	1,466.49	-	-	65.82	1,532.31
Balance at the end of the year	176,303.72	5,399.15	2,899.38	2,210.60	186,812.85
Accumulated depreciation					
As at 1 April 2019 on account of adoption of Ind AS 116 (Refer to Note 16.b)	-	-	-	-	-
Reclassified on account of adoption of Ind AS 116 (Refer to Note 16.b.)	9,456.09	-	-	-	9,456.09
Depreciation for the year**	34,865.66	213.17	185.63	258.38	35,522.84
Depreciation on disposals	627.46	-	-	-	627.46
Balance at the end of the year	43,694.29	213.17	185.63	258.38	44,351.47
Net carrying value as at 31 March 2020	132,609.43	5,185.98	2,713.75	1,952.22	142,461.38

*Includes adjustment on account of foreign currency (gain)/loss, arising on re-statement of long-term foreign currency monetary loans used for acquisition of a depreciable capital asset and modification on leases amounting to Rs. 1,252.15 (previous year Rs. 1,532.31).

** Depreciation for the year includes Rs. 167.26 (previous year Rs. 185.63) capitalised as part of Capital work-in-progress.

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for the year ended 31 March 2021

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5. Intangible assets

As at 31 March 2021

Particulars	Computer software	Total
Gross value - at cost		
Balance at the beginning of the year	1,467.47	1,467.47
Additions during the year	198.87	198.87
Disposals during the year	38.80	38.80
Balance at the end of the year	1,627.54	1,627.54
Accumulated amortisation		
Balance at the beginning of the year	1,131.56	1,131.56
Amortisation for the year	202.49	202.49
Disposals during the year	38.79	38.79
Balance at the end of the year	1,295.26	1,295.26
Net carrying value as at 31 March 2021	332.28	332.28

As at 31 March 2020

Particulars	Computer software	Total
Gross value - at cost		
Balance at the beginning of the year	1,157.44	1,157.44
Additions during the year	324.57	324.57
Adjustments during the year	(14.54)	(14.54)
Balance at the end of the year	1,467.47	1,467.47
Accumulated amortisation		
Balance at the beginning of the year	852.56	852.56
Amortisation for the year	280.12	280.12
Adjustments during the year	(1.12)	(1.12)
Balance at the end of the year	1,131.56	1,131.56
Net carrying value as at 31 March 2020	335.91	335.91

On transition to Ind AS, the Company had elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2015 measured as per the Previous Indian GAAP and use that carrying value as the deemed cost of the intangible assets.

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6. Investments

Particulars	As at 31 March 2021	As at 31 March 2020
Non-current investments		
Equity investments in subsidiary	1.10	1.10
Equity investments	0.83	0.75
Total	1.93	1.85
Current investments		
Mutual funds	72,659.76	94,991.67
Debentures	240.00	-
Total	72,899.76	94,991.67
Grand Total	72,901.69	94,993.52

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Investments in equity instruments - at cost				
Equity investments in subsidiary, unquoted				
110,000 (previous year 110,000) equity shares of Rs. 10 each, fully paid up, of Agile Airport Services Private Limited	1.10	-	1.10	-
Investments at fair value through profit or loss (FVTPL)				
Equity investments, unquoted				
4,814 (previous year 3,859) equity shares of Thai Baht (THB) 100 each, fully paid up, of Aeronautical Radio of Thailand, a state enterprise under the Ministry of Transport*	0.83	-	0.75	-
Mutual funds, unquoted**				
10,422,522 (previous year 13,063,384) units of Aditya Birla Sun Life Savings Fund Growth - Direct Plan	-	4,448.71	-	5,236.18
20,165,148 (previous year 26,717,512) units of Aditya Birla Sun Life Floating Rate Fund - Growth Direct Plan	-	5,458.37	-	6,740.72
15,854,511 (previous year 22,200,675) units of ICICI Prudential Saving Fund - Direct Plan - Growth	-	6,653.96	-	8,666.48
1,978,630 (previous year 2,406,909) units of Axis Treasury Advantage Fund - Direct Growth	-	4,912.11	-	5,596.43
223,129,022 (previous year 228,575,091) units of Kotak Savings Fund - Direct Plan - Growth	-	7,738.74	-	7,509.54
1,502,737 (previous year 2,290,938) units of SBI Magnum Low Duration Fund - Direct Plan - Growth	-	4,201.30	-	6,025.11
10,067,029 (previous year 14,288,513) units of Aditya Birla Sun Life Money Manager Fund Growth Direct Plan	-	2,890.96	-	3,871.08
302,317 (previous year 1,269,458) units of HDFC Money Market Fund - Direct Plan - Growth Option	-	1,352.54	-	5,356.90
4,922,619 (previous year 649,528) units of ICICI Prudential Liquid Fund - Direct Plan - Growth	-	1,500.10	-	190.82
3,300,473 (previous year 9,196,834) units of ICICI Prudential Money Market Fund - Direct Plan - Growth	-	974.56	-	2,568.35
586,266 (previous year 875,171) units of Kotak Money Market Scheme - Direct Plan - Growth	-	2,042.43	-	2,899.51

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

6. Investments (contd...)

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
51,384,873 (previous year 95,827,901) units of L&T Ultra Short term Fund Direct Plan Growth	-	1,803.31	-	3,203.51
71,747 (previous year 775,129) units of Nippon India Money Market Fund - Direct Growth Plan Growth Option	-	231.08	-	2,366.20
843,422 (previous year 1,625,875) units of SBI Magnum Ultra Short Duration Fund Direct Growth	-	3,980.09	-	7,283.35
416,748 (previous year 926,017) units of UTI Money Market Fund - Direct Growth Plan	-	998.18	-	2,099.98
64,627,374 (previous year 134,667,249) units of HDFC Floating Rate Debt Fund- Direct Plan- Growth Option	-	2,474.63	-	4,764.86
129,292,961 (previous year 163,767,161) units of IDFC Low Duration Fund Growth Direct Plan	-	3,963.84	-	4,731.99
52,584,150 (previous year 320,295,067) units of IDFC Ultra short Term Fund Direct Plan Growth	-	629.49	-	3,653.42
522,673,308 (previous year 561,426,322) units of HDFC Ultra short Fund Direct Growth	-	6,240.41	-	6,320.82
Nil (previous year 938,229) units of Kotak Overnight Fund Direct - Growth	-	-	-	1,000.02
Nil (previous year 2,673,365) units of Aditya Birla Sun Life overnight Fund - Growth Direct Plan	-	-	-	2,887.90
357,311 (previous year 705,256) units of Invesco India Treasury Advantage Fund - Direct Plan Growth	-	1,090.45	-	2,018.50
910,952 (previous year Nil) units of Axis Liquid Fund Direct Growth	-	2,081.32	-	-
177,384 (previous year Nil) units of L&T Liquid Fund Direct Plan Growth	-	500.03	-	-
616,560 (previous year Nil) units of Nippon India Liquid Fund Direct Growth - Plan Growth Option	-	3,102.90	-	-
360,683 (previous year Nil) units of Kotak Liquid Fund	-	1,500.10	-	-
115,718 (previous year Nil) units of UTI Liquid Cash Plan - Direct Plan Growth	-	390.03	-	-
370,809 (previous year Nil) units of HDFC Liquid Fund - Direct Plan Growth Option	-	1,500.12	-	-
Investments at amortized cost				
Fixed rate non- convertible debentures, unquoted				
240 (previous year Nil) secured, redeemable, 4% fixed rate non-convertible debentures (NCD) of Rs. 1,000,000 each, fully paid up, of Citicorp Finance (India) Limited***	-	240.00	-	-
Total	1.93	72,899.76	1.85	94,991.67
Aggregate value of unquoted investments	1.93	72,899.76	1.85	94,991.67

There are no quoted investments during the current and previous year.

* The transfer of investment is restricted to airline members flying in Thailand.

** Mutual Funds include Rs. 16,724.35 (previous year Rs. 18,173.14) as mutual funds under lien to banks as security for availing various non-fund based lines of credit.

*** Fixed rate non-convertible debenture of Rs. 240.00 (previous year Rs. Nil) are under lien as security for availing non-fund based lines of credit.

Details on the Company's bank deposits, current investments, cash and cash equivalents and bank balances other than cash and cash equivalent, bifurcated into non-lien and under lien is included in Note 44.

Information about the Company's exposure to credit and market risks, and fair value measurement, is included in Note 28.

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

7. Loans

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Unsecured, considered good, unless otherwise stated				
Security deposits				
- Considered good*	15,788.32	1,286.04	12,741.54	4,551.23
- Credit impaired	-	7.73	-	8.37
	15,788.32	1,293.77	12,741.54	4,559.60
Less: Impairment allowances	-	7.73	-	8.37
Total	15,788.32	1,286.04	12,741.54	4,551.23

* Includes deposits given to related parties amounting to Rs. 51.25 (previous year Rs. 51.23) which represents deposits given to private companies in which a director of the Company is a director or member. Refer to Note 34.

8. Other financial assets

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Unsecured, considered good, unless otherwise stated				
Bank deposits (due for maturity after twelve months from the reporting date) *	13.94	-	53.43	-
Interest accrued but not due on financial instruments	2.40	389.14	4.87	479.18
Maintenance recoverable	-	2,472.54	-	4,131.55
Others (including credit recoverable)	-	3,331.18	-	1,620.33
Total	16.34	6,192.86	58.30	6,231.06

*Bank deposits include Rs. 0.10 (previous year Rs. 51.32) as deposits under lien to banks as security for availing various non-fund based lines of credit.

Details on the Company's bank deposits, current investments, cash and cash equivalents and bank balances other than cash and cash equivalent, bifurcated into non-lien and under lien is included in Note 44.

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

9. Other assets

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Unsecured, considered good, unless otherwise stated				
Prepaid expenses	-	355.56	-	380.05
Balance with tax authorities*	8,918.84	6,393.47	6,326.38	2,170.17
Deferred incentives (non-cash)	-	25.28	-	27.58
Capital advances	449.03	-	660.31	-
Advance to employees	130.26	33.17	156.00	58.76
Other recoverable	-	775.58	-	1,135.17
	9,498.13	7,583.06	7,142.69	3,771.73
Advance to suppliers				
- Considered good	-	563.71	-	817.44
- Considered doubtful	-	2.19	-	3.94
	-	565.90	-	821.38
Less: Impairment allowances for doubtful advances	-	2.19	-	3.94
	-	563.71	-	817.44
Total	9,498.13	8,146.77	7,142.69	4,589.17

* Balance with tax authorities includes Integrated Goods and Services Tax ('IGST') amounting to Rs. 8,539.11 (previous year Rs. 5,955.36) paid under protest to custom authorities, on re-import of repaired aircraft, aircraft engines and other certain aircraft parts and Rs. 582.75 (previous year Rs. 564.19) paid under protest to various tax authorities. Refer to Note 30.(ii).

10. Inventories

Particulars	As at 31 March 2021	As at 31 March 2020
Valued at lower of cost or net realisable value		
Stores and spares		
- Engineering stores and spares	2,625.27	2,558.54
- Goods in transit	288.51	63.44
	2,913.78	2,621.98
Loose tools	159.98	137.27
Stock-in-trade		
- In-flight inventory	90.42	102.03
Total	3,164.18	2,861.28

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

11. Trade receivables

Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good, unless otherwise stated		
Trade receivables		
- Considered good	2,191.66	2,596.11
- Credit impaired	79.26	76.28
	2,270.92	2,672.39
Less: Impairment allowances	79.26	76.28
Total	2,191.66	2,596.11

Trade receivables includes receivables from related parties amounting Rs. 106.07 (previous year Rs. 2.47). Refer to Note 34.

The carrying amount of trade receivables approximates their fair value, is included in Note 28.

The Company's exposure to credit and currency risks, and impairment allowances related to trade receivables is disclosed in Note 28.

For details of contract balances refer to Note 19.

12. Cash and cash equivalents

Particulars	As at 31 March 2021	As at 31 March 2020
Cash on hand	6.46	53.38
Balance with banks:		
- On current account	1,347.45	1,096.17
- On deposit account (with original maturity of three months or less)	3,728.89	5,610.87
Total	5,082.80	6,760.42

Cash and cash equivalents includes Rs. 4,223.69 (previous year Rs. 3,968.28) held in foreign currency which can be repatriated back by the Company subject to procedural compliances in local jurisdictions. It also includes unclaimed dividend as at 31 March 2021 amounting to Rs. 0.98 (previous year Rs. 0.08).

Details on the Comapny's bank deposits, current investments, cash and cash equivalents and bank balances other than cash and cash equivalent, bifurcated into non-lien and under lien is included in Note 44.

Information about the Company's exposure to credit and market risks, and fair value measurement, is included in Note 28.

13. Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2021	As at 31 March 2020
Bank balances other than cash and cash equivalents*		
- On deposit account	107,187.80	101,533.64
Total	107,187.80	101,533.64

*Bank deposits include deposits under lien to banks as security for availing various fund and non-fund based lines of credit amounting to Rs. 97,712.71 (previous year Rs. 96,263.89) and as security towards government authorities (refer to Note 30(iii)) amounting to Rs. 9.45 (previous year Rs. 9.45).

Bank deposits also includes Rs. 82,393.10 (previous year Rs. 94,036.49) held in foreign currency.

Details on the Company's bank deposits, current investments, cash and cash equivalents and bank balances other than cash and cash equivalent, bifurcated into non-lien and under lien is included in Note 44.

Information about the Company's exposure to credit and market risks, and fair value measurement, is included in Note 28.

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

14. Share capital

Particulars		As at 31 March 2021	As at 31 March 2020
a.	Authorised		
	Equity shares		
	750,000,000 (previous year 750,000,000) equity shares of Rs. 10 each	7,500.00	7,500.00
	Total	7,500.00	7,500.00
b.	Issued, subscribed and paid up		
	384,910,000 (previous year 384,796,279) equity shares of Rs. 10 each, fully paid up	3,849.10	3,847.96
	Total	3,849.10	3,847.96

c. Reconciliation of number of equity shares outstanding at the beginning and end of the year:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Equity shares issued, subscribed and paid up		
Equity shares at the beginning of the year	384,796,279	384,406,838
Equity shares increased during the year :		
- Issued during the year pursuant to exercise of employee stock options (Refer to Note 37)	113,721	389,441
Equity shares at the end of the year	384,910,000	384,796,279

d. Terms / rights attached to the equity shares

The Company has one class of equity share having a par value of Rs. 10 per share. Each holder of the equity share is entitled to one vote per share and is entitled to dividend declared, if any. The paid up equity shares of the Company rank pari-pasu in all respects, including dividend. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The interim dividend is declared by the Board of Directors. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

e. Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of Shares	Amount	Number of Shares	Amount
Equity shares allotted as fully paid bonus shares by capitalisation of capital redemption reserve in the year ended 31 March 2016	155,400,000	1,554.00	155,400,000	1,554.00
Equity shares allotted as fully paid bonus shares by capitalisation of general reserve in the year ended 31 March 2016	153,944,400	1,539.44	153,944,400	1,539.44
Total	309,344,400	3,093.44	309,344,400	3,093.44

During the year ended 31 March 2016, the Company had issued 309,344,400 equity shares of Rs. 10 each as bonus shares.

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

14. Share capital (contd...)

f. Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

Particulars	As at 31 March 2021	As at 31 March 2020
	Number of Shares	Number of Shares
Equity shares allotted pursuant to scheme of merger	147,000	147,000
	147,000	147,000

The Company had issued 147,000 fully paid equity shares having a par value of Rs. 1,000 each for consideration other than cash during the year ended 31 March 2016, which were subsequently sub divided into 14,700,000 equity shares of Rs. 10 each.

g. Shareholders holding more than 5% equity shares in the Company:

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of Shares	%	Number of Shares	%
InterGlobe Enterprises Private Limited	145,706,774	37.85%	145,706,774	37.87%
Rakesh Gangwal	56,421,132	14.66%	56,421,132	14.66%
The Chinkerpoo Family Trust (Trustee: Shobha Gangwal & J.P.Morgan Trust Company of Delaware)	52,263,313	13.58%	52,263,313	13.58%
Shobha Gangwal	32,310,461	8.39%	32,310,461	8.40%

h. Shares reserved for issuance under Stock Option Plans of the Company

For details of shares reserved for issue under the employee stock option scheme (ESOS) of the Company. (Refer to Note 37)

i. Other Notes

During the year ended 31 March 2018, the Company had completed the Institutional Placement Programme ("IPP") under Chapter VIII-A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended. As per the Prospectus, the IPP proceeds can be utilised for one or more of the following: acquisition of aircraft, purchase of ground support equipment, repayment / prepayment of debt, including finance leases for aircraft, and general corporate purposes. As at 31 March 2020, 100% of the IPP proceeds were utilised by the Company towards the purposes mentioned in the prospectus.

15. Other equity

Particulars	As at 31 March 2021	As at 31 March 2020
Equity component of compound financial instruments	58.79	58.79
Reserves and surplus	(3,198.80)	54,717.64
Total	(3,140.01)	54,776.43

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

15. Other equity (contd...)

a. Equity component of compound financial instruments

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Nil (previous year Nil) 0.00% convertible preference shares of Rs. 1,000 each *		
Balance at the beginning of the year	58.79	58.79
Balance at the end of the year	58.79	58.79

* The fully paid up convertible preference shares of Rs. 1,000 each were issued at a premium ranging from Rs. 5,650 to Rs. 6,642 per share with 0.00% coupon rate and were convertible into equity shares of the Company in the ratio of 1:1 not earlier than (a) the initial public offer of the Company; or (b) a strategic sale of the Company. In the event of liquidation of the Company before conversion of convertible preference shares, the preference shareholders had priority over the equity shares in the repayment of the capital. The holder of preference shares were entitled to one vote per share at any meeting of the Company on any resolutions of the Company directly affecting their rights.

During the year ended 31 March 2016, 36,716 fully paid up 0.00% convertible preference shares were converted into equity shares of the Company in the prescribed ratio of 1:1, vide resolution passed by the Board at its meeting held on 23 June 2015.

b. Reserves and surplus

Particulars	As at 31 March 2021	As at 31 March 2020
Employee stock option outstanding account (Refer to Note 37)	350.24	105.11
Securities premium	38,337.21	38,184.21
General reserve	389.07	389.07
Retained earnings	(42,275.32)	16,039.25
Total	(3,198.80)	54,717.64

(i) Employee stock option outstanding account

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Balance at the beginning of the year	105.11	406.82
Employee stock option scheme expense (Refer to Note 37)*	306.58	(99.15)
Amount utilised for issue of shares pursuant to exercise of employee stock options (Refer to Note 37)	(61.45)	(202.56)
Balance at the end of the year	350.24	105.11

Employee stock option outstanding account is used to record the impact of employee stock option schemes. Refer to Note 37 for further details of these plans.

*Includes a reversal of employee stock option scheme expense of Rs. 22.55 (previous year Rs. 160.53) towards forfeiture of employee stock options granted to certain employees.

(ii) Securities premium

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Balance at the beginning of the year	38,184.21	37,740.96
Amount transferred for issue of shares pursuant to exercise of employee stock options (Refer to Note 37)	61.45	202.56
Premium received during the year on account of issue of shares on exercise of employee stock options (Refer to Note 37)	91.55	240.69
Balance at the end of the year	38,337.21	38,184.21

Securities premium is used to record the premium on issue of shares and the same is utilised in accordance with the provisions of the Companies Act, 2013.

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

15. Other equity (contd...)

(iii) General reserve

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Balance at the beginning of the year	389.07	389.07
Balance at the end of the year	389.07	389.07

The Company had transferred certain percentage of retained earnings to general reserve as per the provisions for dividend distribution under the Companies Act, 1956.

(iv) Retained earnings

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Balance at the beginning of the year	16,039.25	27,008.18
Less: Impact of Ind AS 116 - Leases (Refer to Note 16.b.)	-	(6,180.47)
Less: Loss for the year	(58,297.92)	(2,481.59)
Add: Other comprehensive income/ (loss) - remeasurement of defined benefit plans (net of tax)	(16.65)	11.00
Amount available for appropriation	(42,275.32)	18,357.12
Less: Appropriations		
Final dividend (Refer note below)	-	(1,922.53)
Corporate dividend tax	-	(395.34)
Balance at the end of the year	(42,275.32)	16,039.25

Dividends

The following dividends were declared and paid by the Company

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Final dividend of Rs. Nil per share (previous year Rs. 5 per share*)	-	1,922.53

*On 27 May 2019, the Board of Directors has recommended a final dividend of Rs. 5 per share (face value of Rs. 10 per share) for the financial year ended 31 March 2019 and the same was approved by the shareholders at their Annual General Meeting held on 27 August 2019.

Retained earnings are the accumulated profits/ (losses) earned by the Company till date, adjusted with impact of changes in accounting pronouncements and amount transferred from other comprehensive income, less transfer to general reserves, dividend (including applicable taxes) and other distributions made to the shareholders.

16. Financial liabilities

16.a Borrowings

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Secured				
Term loans:				
Foreign currency term loan				
- From others*	3,816.28	-	3,465.87	-
Working capital loans:				
From Banks:				
- Foreign currency loan	-	1,239.95	-	-
- Indian Rupee loan	-	20,000.00	-	-
Total	3,816.28	21,239.95	3,465.87	-

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

16. Financial liabilities (contd...)

*Current maturities of foreign currency term loan amounting to Rs. Nil (previous year Rs. 3,390.53) have been disclosed under 'Other financial liabilities' (Refer to Note 16.c).

Information about the Company's exposure to market and liquidity risks is included in Note 28.

Non-current Borrowings

Secured - Term loans

As at 31 March 2021

Particulars	Disclosed under	As at 31 March 2021	Interest rate*	Period of maturity from the reporting date
Foreign currency term loan - USD#	Financial liabilities - borrowings	3,816.28	USD LIBOR plus markup	39 months

*Markup is 275 basis points over 6 month USD LIBOR. The period of maturity from the date of origination is 143 months.

#The terms of above mentioned loan has been amended during the current year and accordingly it is repayable in ten equal installments of USD 5.5 million between the period July 2023 - June 2024.

Foreign currency term loan is secured by way of assignment of rights, title, benefits and interests of the Company in respect to Buyer-furnished equipment ('BFE') installed or to be installed in the aircraft under BFE Security and Assignment Agreement. Moreover, the lender has a contractual right to buy certain aircraft to be delivered to the Company partially by utilising the pre-delivery payments under the agreement signed by Airbus S.A.S, lender and the Company.

There are no defaults as on reporting date in repayment of principal and interest.

Non-current Borrowings

Secured - Term loans

As at 31 March 2020

Particulars	Disclosed under	As at 31 March 2020	Interest rate*	Period of maturity from the reporting date
Foreign currency term loan - USD#	Financial liabilities - borrowings	3,465.87	USD LIBOR plus markup	51 months
Current maturities of foreign currency term loan#	Other financial liabilities	3,390.53		

* Markup is 275 basis points over 6 month USD LIBOR. The period of maturity from the date of origination is 143 months.

The terms of above mentioned loan is repayable in twenty unequal installments ranging between USD 4.5 million to USD 5.5 million between the period September 2020 - June 2024.

Foreign currency term loan is secured by way of assignment of rights, title, benefits and interests of the Company in respect to Buyer-furnished equipment ('BFE') installed or to be installed in the aircraft under BFE Security and Assignment Agreement. Moreover, the lender has a contractual right to buy certain aircraft to be delivered to the Company partially by utilising the pre-delivery payments under the agreement signed by Airbus S.A.S, lender and the Company.

There are no defaults as on reporting date in repayment of principal and interest.

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

16. Financial liabilities (contd...)

Current Borrowings

Secured - Working capital loans

As at 31 March 2021

Working capital loans are repayable in 6 to 180 days from the reporting date. These loans are drawn under banking facilities that are revolving in nature i.e., can be redrawn upon repayment. These facilities have an availability period till September 2021 which can be extended mutually by banks and the Company.

Rate of interest on working capital loans ranges from 3.20% to 7% per annum.

Foreign currency loan is secured through deposits with banks under lien and subservient charge on current assets excluding cash and cash equivalents and investments of the Company.

Indian Rupee loan is secured through deposits with banks under lien and exclusive charge on credit/debit card receivables of the company (present and future) and first pari passu charge by way of hypothecation on unencumbered current assets.

There are no defaults as on reporting date in repayment of principal and interest.

16.b Lease liabilities

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Lease liabilities*	202,805.34	70,734.97	155,791.01	64,544.27
Total	202,805.34	70,734.97	155,791.01	64,544.27

The Company's leased assets primarily consist of leases for aircraft and engines, equipment, leasehold land and buildings.

Interest expense on lease liabilities for the year is amounting to Rs. 16,435.04 (previous year Rs. 13,906.20) (including interest amounting to Rs. 238.17 (previous year Rs. 261.70) capitalized under capital work-in-progress). Refer to Note 25.

Certain lease liabilities amounting to Rs. 16,153.80 (previous year Rs. 17,486.65) are secured against the respective aircraft. Remaining lease liabilities are secured to the extent of letter of credits issued / deposits given to lessors.

The Company has recognized an expense of Rs. 2,804.57 (previous year Rs. 4,966.57) on account of short term leases which represents leased aircraft and engines having a remaining lease term of less than 12 months as on transition date 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.

The Company has several lease contracts that include extension and termination options. The management has included termination options in determination of lease term for contracts having such option. Extension options have not been included in determination of lease term since the management is reasonably certain not to exercise these options. 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 disclosed under "Supplementary rentals and aircraft repair and maintenance(net)"

During the current year the Company has entered into sale and leaseback arrangements, for certain aircraft and engines owned and controlled by the Company, to increase its liquidity. The Company has recorded proceeds of Rs. 18,833.68 (net) from the sale and leaseback arrangements as disclosed in the Standalone Cash Flow Statement. The profit (net of loss) on sale and leaseback agreements is Rs.12.81 disclosed in Note 22.

Future cash outflows for leases not yet commenced amounts to Rs. 62,343.06 (previous year Rs. 73,848.41).

The maturity analysis of lease liabilities are disclosed in Note 28. Further, information about the Company's exposure to market risks is disclosed in Note 28.

*Includes lease liabilities with related parties amounting to Rs. 5,429.29 (previous year Rs. 6,080.73). Refer to Note 34.

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

16. Financial liabilities (contd...)

The impact of transition to Ind AS 116 on retained earnings (cumulative effect of applying the standard) as on 1 April 2019 is Rs. 6,180.47 (net of deferred tax amounting to Rs. 3,319.76). It represents:

1. Recognition of lease liabilities of Rs. 146,320.72, being the present value of the remaining lease payments.
2. Recognition of right of use assets of Rs. 93,942.04 (including deferred rentals amounting to Rs. 3,500.81). The deferred incentive as at transition date amounting to Rs. 48,724.34 has been netted off from right of use assets.

16.c Other financial liabilities

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Current maturities of foreign currency term loan	-	-	-	3,390.53
Interest accrued but not due on borrowings	-	32.53	-	79.86
Supplementary rentals	17,203.63	44,038.84	26,052.24	39,914.40
Aircraft maintenance	8,845.66	3,162.25	4,336.62	2,512.52
Unclaimed dividend	-	0.98	-	0.08
Total	26,049.29	47,234.60	30,388.86	45,897.39

Information about the Company's exposure to market and liquidity risks is included in Note 28.

17. Provisions

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Provision for employee benefits				
- Provision for defined benefit plans (Refer to Note 32)	1,342.01	162.84	1,019.36	140.04
- Provision for other long term employee benefits	1,069.57	1,014.80	1,210.98	495.29
Others				
- Provision for maintenance, redelivery and overhaul cost (Refer to Note below)	2,961.07	14,889.72	3,302.89	13,315.57
Total	5,372.65	16,067.36	5,533.23	13,950.90

Information about the Company's exposure to market and liquidity risks is included in Note 28.

Provision for maintenance, redelivery and overhaul cost

The schedule of provision as required to be disclosed in compliance with Ind AS 37 on 'Provisions, Contingent Liabilities and Contingent Assets' is as under:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Balance as at beginning of the year	16,618.46	2,202.49
Provisions created during the year*	12,215.44	17,150.11
Interest accretion on provisions during the year	154.84	85.48
Amounts utilised/adjusted during the year	(10,422.14)	(3,728.69)
Impact of exchange loss on restatement of opening provision	(1,025.82)	(116.75)
Impact of exchange loss on restatement of closing provision	310.01	1,025.82
Balance as at end of the year	17,850.79	16,618.46
Balance as at end of the year - Non-current	2,961.07	3,302.89
Balance as at end of the year - Current	14,889.72	13,315.57

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

17. Provisions (contd...)

*It includes:

a. Provision for redelivery obligation: The Company has in its fleet, aircraft on lease. As contractually agreed under certain lease contracts, the aircraft have to be redelivered to the lessors at the end of the lease term under stipulated contractual return conditions. The redelivery obligations are determined by management based on historical trends and data, and are capitalised at the present value of expected outflow, where effect of the time value of money is material.

b. Provision for overhaul expenses for certain aircraft held under lease are recorded at discounted value, where effect of the time value of money is material.

c. Provision for engine maintenance which represents 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.

The measurement of the provision for redelivery and overhaul cost includes assumptions primarily relating to expected costs and discount rates commensurate with the expected obligation maturity schedules. An estimate is therefore made to ensure that the provision corresponds to the present value of the expected costs to be borne by the Company. Judgement is exercised by management given the long-term nature of assumptions that go into the determination of the provision. The assumption made in relation to the current year are consistent with those in the previous year.

Expected timing of resulting outflow of economic benefit is financial year 2021-22 to 2030-31 (previous year 2020-21 to 2027-28) and the Company calculates the provision using Discounted Cash Flow (DCF) method.

Sensitivity analysis for key assumptions used:

If expected cost differ by 10% from management's estimate, while holding all other assumptions constant, the provision for maintenance, redelivery and overhaul cost may increase/ decrease by Rs. 1,371.22 (previous year by Rs. 1,575.19).

If expected discount rate differ by 1%, while holding all other assumptions constant, the provision for maintenance, redelivery and overhaul cost may increase by Rs. 22.29 (previous year Rs. 19.81) or decrease by Rs. 20.02 (previous year by Rs. 18.72).

18. Trade payables

Particulars	As at 31 March 2021	As at 31 March 2020
Micro enterprises and small enterprises (Refer to Note below)	280.98	59.25
	280.98	59.25
Other than micro enterprises and small enterprises		
- Related parties (Refer to Note 34)	94.37	167.63
- Other trade payables	15,185.24	15,427.78
	15,279.61	15,595.41
Total	15,560.59	15,654.66

Information about the Company's exposure to market and liquidity risks is included in Note 28.

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

18. Trade payables (contd...)

Dues to micro and small enterprises

Particulars	As at 31 March 2021	As at 31 March 2020
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	280.98	59.25
- Interest	0.19	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	17.44	-
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 MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.19	-
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 the MSMED Act, 2006	-	-

19. Other liabilities

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Advances from sales agents	-	3,038.38	-	4,701.86
Forward sales	-	11,554.11	-	14,332.64
Employee related liabilities	142.95	1,236.20	284.64	1,416.95
Statutory dues	-	1,507.81	-	2,634.87
Others - amount received in advance	98.95	336.96	85.13	464.77
Total	241.90	17,673.46	369.77	23,551.09

Contract balances

Contract assets represents trade receivables which are generally unsecured and are derived from revenue earned from customers, primarily located in India and certain parts of Middle East and South Asia. 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 consideration from sale of tickets not yet flown, reported as Forward Sales disclosed under other current liabilities.

Particulars	As at 31 March 2021	As at 31 March 2020
Trade receivables (Refer to Note 11)	2,191.66	2,596.11
Forward sales (Refer to Note 19)	11,554.11	14,332.64

Revenue recognised from amount included in contract liabilities (forward sales) at the beginning of the year amounts to Rs. 162.95 (previous year Rs. 18,432.08) (excludes amount collected on behalf of third parties).

Notes forming part of the standalone financial statements
for the year ended 31 March 2021
(Rupees in millions, except for share data and if otherwise stated)

20. Tax expense

a. Amounts recognised in the Standalone Statement of Profit and Loss comprises :

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Current tax:		
- Current year	-	-
- Previous years	-	8.21
	-	8.21
Deferred tax expense:		
Attributable to-		
Deferred tax charge / (credit) for current year	-	(4,133.75)
Deferred tax charge / (credit) pertaining to prior years [including MAT credit entitlement written off of Rs. Nil (previous year Rs. 4,314.46)]	-	3,856.24
	-	(277.51)
Total tax expense	-	(269.30)

Income tax recognised in other comprehensive income

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Remeasurements of defined benefit plans	(16.65)	14.70
Income tax relating to above mentioned item	-	(3.70)

b. Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Loss before tax	(58,297.92)	(2,750.89)
Tax using the Company's domestic tax rate - 25.168% (previous year - 25.168%)	(14,672.42)	(692.34)
Tax effect of:		
Income not liable to tax	(4,912.55)	(3,475.26)
Additional deduction on employee stock option scheme expense	(8.92)	(24.35)
Adjustments in current tax of prior years	-	8.21
Adjustments in deferred tax charge / (credit) pertaining to prior years [including MAT credit entitlement written off of Rs. Nil (previous year Rs. 4,314.46)]	38.10	3,856.24
Unabsorbed depreciation and carry forward of losses*	19,526.72	-
Others	29.07	58.20
Income tax expense	-	(269.30)

* Represents tax effect of unabsorbed depreciation and carry forward of losses on which deferred tax asset is not recognised.

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

20. Tax expense (contd...)

c. Income tax assets and income tax liabilities:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Income tax assets [net of current income tax liabilities Rs. 26,477.94 (previous year: Rs. 26,477.94)]*	5,010.97	4,291.79
Less: Current income tax liabilities [net of current income tax assets of Rs. 23.48 (previous year Rs. 23.48)]	30.76	30.76
Net income tax assets at the year end	4,980.21	4,261.03

* Includes Rs. 1,150.00 (previous year Rs. 1,150.00) paid under protest to Income Tax Authorities.

d. The tax effect of deferred tax assets and liabilities comprises of :

Particulars	As at 31 March 2021	As at 31 March 2020
Property, plant and equipment and intangible assets	(3,561.46)	(5,305.63)
Other non-current assets	20.71	21.64
Investments at FVTPL	(1,919.16)	(1,615.56)
Financial liabilities at amortised cost	(1,219.51)	(1,915.93)
Financial assets at amortised cost	1,865.40	1,931.75
Employee related provisions and liabilities	750.87	634.71
Other liabilities and provisions	38.73	56.86
Unabsorbed depreciation and carry forward of losses	3,773.66	3,882.40
Deferred incentives	639.08	825.46
Right of use assets and lease liabilities	2,603.16	4,467.76
Others	(42.04)	(34.02)
Deferred tax assets (net)	2,949.44	2,949.44

e. Movement in deferred tax assets / (liabilities) balances

Particulars	Net balance 1 April 2020	Recognised in profit or loss	Recognised in OCI	Net balance 31 March 2021
Property, plant and equipment and intangible assets	(5,305.63)	1,744.17	-	(3,561.46)
Other non-current assets	21.64	(0.93)	-	20.71
Investments at FVTPL	(1,615.56)	(303.60)	-	(1,919.16)
Financial liabilities at amortised cost	(1,915.93)	696.42	-	(1,219.51)
Financial assets at amortised cost	1,931.75	(66.35)	-	1,865.40
Employee related provisions and liabilities	634.71	116.16	-	750.87
Other liabilities and provisions	56.86	(18.13)	-	38.73
Unabsorbed depreciation and carry forward of losses	3,882.40	(108.74)	-	3,773.66
Deferred incentives	825.46	(186.38)	-	639.08
Right of use assets and lease liabilities	4,467.76	(1,864.60)	-	2,603.16
Others	(34.02)	(8.02)	-	(42.04)
Deferred tax assets (net)	2,949.44	-	-	2,949.44

The Company foresees future taxable profits in the subsequent years against which deferred tax asset as at 31 March 2021 will be utilised.

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

21. Revenue from operations

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Sale of services		
- Passenger services	129,619.69	338,408.67
- Cargo services	11,451.02	10,444.18
- Tours and packages	-	7.34
Sale of products		
- In-flight sales (traded goods)	1,028.25	4,828.40
Other operating revenue		
- Incentives	476.04	476.04
- Subsidies received under various schemes	514.50	1,337.06
- Others*	3,316.81	2,058.32
Total	146,406.31	357,560.01

* Others includes claims received from original equipment manufacturer and income from advertisement.

22. Other income

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income from bank deposits	1,268.98	2,571.70
Net gain on sale of current investments	1,145.47	1,930.57
Marked to market gain on current investments	3,206.34	4,595.12
Interest income from financial assets at amortised cost	1,174.57	986.56
Other non-operating income:		
- Profit on sale and leaseback of owned assets [net of loss on sale and leaseback of owned assets Rs. 269.41 (previous year Rs. Nil)]	12.81	-
- Profit on sale of property, plant and equipment [net of loss on sale of property, plant and equipment Rs. 2.70 (previous year Rs. Nil)]	9.98	-
- Liabilities no longer required written back	78.31	76.67
- Miscellaneous income*	3,466.86	5,201.80
Total	10,363.32	15,362.42

* Miscellaneous income includes claims received from original equipment manufacturer and one-time registration fee from sales agents.

23. Changes in inventories of stock-in-trade

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
In-flight purchases		
- Opening stock	102.03	71.50
- Closing stock	(90.42)	(102.03)
Net decrease/ (increase) in stock-in-trade	11.61	(30.53)

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

24. Employee costs

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, wages and bonus (Refer to Note 37)	29,315.92	42,794.54
Contribution to provident and other funds (Refer to Note 32)	864.72	966.30
Staff welfare expenses	81.31	192.77
Total	30,261.95	43,953.61

25. Finance costs

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest expenses:		
- Interest on lease liabilities	16,196.87	13,644.50
- Interest on borrowings measured at amortised cost	244.71	336.48
- Interest accretion on provisions and other financial liabilities measured at amortised cost	4,416.75	4,564.57
- Interest others	560.81	-
Net loss on foreign currency transactions and translation to the extent regarded as borrowing cost*	0.69	213.16
Total	21,419.83	18,758.71

* Schedule III to the Companies Act, 2013 requires disclosure of exchange differences arising from foreign currency term loan to the extent that they are regarded as an adjustment to interest cost. The amount of Rs. 0.69 (previous year Rs. 213.16) representing this adjustment has been disclosed in the above note.

The remaining foreign exchange gain of Rs. 5,230.26 (previous year foreign exchange loss of Rs. 15,461.89) has been disclosed under "Foreign exchange (gain)/ loss (net)".

26. Depreciation and amortisation expense

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation:		
- Property, plant and equipment (Refer to Note 3.a.)	3,167.33	4,118.80
- Right of use assets (Refer to Note 4)	43,617.03	35,337.21
Amortisation on intangible assets (Refer to Note 5)	202.49	280.12
Total	46,986.85	39,736.13

Notes forming part of the standalone financial statements
for the year ended 31 March 2021
(Rupees in millions, except for share data and if otherwise stated)

27. Other expenses

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Repairs and maintenance	806.02	1,130.04
Insurance		
- aircraft	496.26	434.08
- others	343.96	311.40
Tours and packages	-	3.68
Ground handling charges	5,272.52	8,207.46
Reservation cost	1,286.52	2,026.07
Commission	1,059.58	5,981.26
Sales promotion and advertisement	296.31	838.30
In-flight and passenger cost	2,584.11	1,800.33
Crew accommodation and transportation	1,401.10	5,098.94
Operating cost of software	1,367.81	1,717.02
Training	489.87	2,391.55
Legal and professional	1,377.75	1,684.61
Auditor's remuneration:		
- Audit fees	10.38	13.00
- Limited reviews	7.88	7.45
- Other matters	0.45	2.05
- Reimbursement of expenses	0.26	0.92
Recruitment cost	11.21	126.41
Rent	1,011.57	1,044.01
Rates and taxes	1,006.32	692.75
Bank charges	278.57	259.92
Property, plant and equipment written off	540.72	104.04
Loss on sale of property, plant and equipment [net of profit on sale of property, plant and equipment Rs. Nil (previous year Rs. 4.39)]	-	49.26
Travelling and conveyance	372.61	1,542.55
Printing and stationery	116.23	343.88
Communication and information technology	87.02	132.11
Other operating cost	1,046.42	2,007.53
Advances written off	13.81	0.60
Bad debts written off	193.81	13.45
Impairment loss on deposits	-	8.37
Impairment loss on trade receivables	2.92	3.70
Corporate social responsibility expenses (Refer to Note 36)	83.10	227.37
Sitting fees and commission	19.96	14.69
Miscellaneous expenses	330.53	471.91
Total	21,915.58	38,690.71

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

28. Fair value measurement and financial instruments

a. Financial instruments – by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

(i) As at 31 March 2021

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial assets								
Non-current								
Investments**	6	0.83	-	-	0.83	-	-	0.83
Loans	7	-	-	15,788.32	15,788.32	-	-	17,221.46
Other financial assets*	8	-	-	16.34	16.34	-	-	16.34
Current								
Investments	6							
Mutual funds		72,659.76	-	-	72,659.76	-	72,659.76	-
Fixed rate non- convertible debentures*		-	-	240.00	240.00	-	-	240.00
Trade receivables*	11	-	-	2,191.66	2,191.66	-	-	2,191.66
Cash and cash equivalents*	12	-	-	5,082.80	5,082.80	-	-	5,082.80
Bank balances other than cash and cash equivalents*	13	-	-	107,187.80	107,187.80	-	-	107,187.80
Loans	7	-	-	1,286.04	1,286.04	-	-	1,286.18
Other financial assets*	8	-	-	6,192.86	6,192.86	-	-	6,192.86
TOTAL		72,660.59	-	137,985.82	210,646.41			
Financial liabilities								
Non-current								
Borrowings#	16.a	-	-	3,816.28	3,816.28	-	-	3,816.28
Other financial liabilities								
Supplementary rentals	16.c	-	-	17,203.63	17,203.63	-	-	17,459.67
Aircraft maintenance	16.c	-	-	8,845.66	8,845.66	-	-	9,131.49
Current								
Borrowings*	16.a	-	-	21,239.95	21,239.95	-	-	21,239.95
Trade payables*	18	-	-	15,560.59	15,560.59	-	-	15,560.59
Other current financial liabilities								
Interest accrued but not due on borrowings#	16.c	-	-	32.53	32.53	-	-	32.53
Supplementary rentals	16.c	-	-	44,038.84	44,038.84	-	-	44,248.53
Aircraft maintenance	16.c	-	-	3,162.25	3,162.25	-	-	3,168.79
Unclaimed dividend*	16.c	-	-	0.98	0.98	-	-	0.98
TOTAL		-	-	113,900.71	113,900.71			

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

28.a. Financial instruments – by category and fair values hierarchy (contd...)

(ii) As at 31 March 2020

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial assets								
Non-current								
Investments**	6	0.75	-	-	0.75	-	-	0.75
Loans	7	-	-	12,741.54	12,741.54	-	-	14,793.84
Other financial assets*	8	-	-	58.30	58.30	-	-	58.30
Current								
Investments	6							
Mutual funds		94,991.67	-	-	94,991.67	-	94,991.67	-
Trade receivables*	11	-	-	2,596.11	2,596.11	-	-	2,596.11
Cash and cash equivalents*	12	-	-	6,760.42	6,760.42	-	-	6,760.42
Bank balances other than cash and cash equivalents*	13	-	-	101,533.64	101,533.64	-	-	101,533.64
Loans	7	-	-	4,551.23	4,551.23	-	-	4,559.81
Other financial assets*	8	-	-	6,231.06	6,231.06	-	-	6,231.06
TOTAL		94,992.42	-	134,472.30	229,464.72			
Financial liabilities								
Non-current								
Borrowings#	16.a	-	-	3,465.87	3,465.87	-	-	3,465.87
Other financial liabilities								
Supplementary rentals	16.c	-	-	26,052.24	26,052.24	-	-	27,142.89
Aircraft maintenance	16.c	-	-	4,336.62	4,336.62	-	-	4,565.66
Current								
Trade payables*	18	-	-	15,654.66	15,654.66	-	-	15,654.66
Other current financial liabilities								
Current maturities of foreign currency term loan#	16.c	-	-	3,390.53	3,390.53	-	-	3,390.53
Interest accrued but not due on borrowings#	16.c	-	-	79.86	79.86	-	-	79.86
Supplementary rentals	16.c	-	-	39,914.40	39,914.40	-	-	40,552.52
Aircraft maintenance	16.c	-	-	2,512.52	2,512.52	-	-	2,556.43
Unclaimed dividend*	16.c	-	-	0.08	0.08	-	-	0.08
TOTAL		-	-	95,406.78	95,406.78			

Borrowings (including current maturities) have been contracted at floating rates of interest, which resets at short intervals. Accordingly, the carrying value of such borrowings (including interest accrued but not due) approximates fair value.

* The carrying amounts of trade receivables, trade payables, borrowings, cash and cash equivalents, bank balances other than cash and cash equivalents, fixed rate non-convertible debentures, unclaimed dividend and other current financial assets, approximates the fair values, due to their short-term nature. The other non-current financial assets represents bank deposits (due for maturity after twelve months from the reporting date) and interest accrued but not due on financial instruments, the carrying value of which approximates the fair values as on the reporting date.

** Non-current investments excludes investment in subsidiary which is carried at cost.

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

28. Fair value measurement and financial instruments (contd...)

The fair values for loans were calculated based on discounted cash flows using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of supplementary rentals and aircraft maintenance are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

There has been no transfers between Level 1, Level 2 and Level 3 for the year ended 31 March 2021 and 31 March 2020.

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of NAV for mutual funds.

- the fair value of the remaining financial instruments is determined using discounted cash flow method.

Valuation processes

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Senior Management. Discussions on valuation and results are held between the Senior Management and valuation team atleast once every quarter in line with the Company's quarterly reporting periods.

b. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ;
- Market Risk - Foreign currency ; and
- Market Risk - Interest rate

Risk management framework

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management policies and ensuring its effectiveness.

The Company's risk management policies are established to identify and analyse the risks faced by the Company to set appropriate risks limits and controls and to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Risk Management Committee oversees how management monitors compliance with Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risk faced by the Company.

(i) Credit risk

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the Standalone Balance Sheet

Particulars	As at 31 March 2021	As at 31 March 2020
Investments		
Fixed rate non-convertible debentures	240.00	-
Trade receivables	2,191.66	2,596.11
Loans	17,074.36	17,292.77
Cash and cash equivalents	5,082.80	6,760.42
Bank balances other than cash and cash equivalents	107,187.80	101,533.64
Other financial assets	6,209.20	6,289.36

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

28. Fair value measurement and financial instruments (contd...)

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk on cash and cash equivalents and other bank balances is limited as the Company generally invests in deposits with financial institutions with high credit ratings assigned by credit rating agencies. Investments primarily include investment in debt based mutual fund units with low risk. Further, investments in fixed rate non-convertible debentures are secured by way of first pari passu charge over moveable financial assets identified by the issuer and simple mortgage over the immoveable assets of the issuer. The loans primarily represents security deposits given as pre delivery payments to aircraft manufacturer. Such deposit will be returned to the Company on deliveries of the aircraft by the aircraft manufacturer as per the contract. The credit risk associated with such security deposits is relatively low.

Trade receivables are generally unsecured and are derived from revenue earned from customers primarily located in India and certain parts of Middle East and South Asia. Trade receivables also includes receivables from credit card companies which are realisable within a period 1 to 7 working days.

The Company monitors the economic environment in which it operates to manage its credit risk. The Company manages its credit risk through various measures including establishing credit limits and continuously monitoring credit worthiness of customers to whom it extends credit in the normal course of business.

The Company sells majority of its air transportation services against advances made by agents/ customers and through online channels.

The Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available internal credit risk factors such as the Company's historical experience for customers. Based on the business environment in which the Company operates, management considers that the trade receivables (other than receivables from government departments) are in default (credit impaired) if the payments are more than 90 days past due, however, the Company based upon past trends determine an impairment allowance for loss on receivables outstanding for more than 180 days past due.

Majority of trade receivables are from domestic customers, which are fragmented and are not concentrated to individual customers. Trade receivables as at year end primarily includes Rs. 1,160.40 (previous year Rs. 879.82) relating to revenue generated from passenger services and Rs. 1,110.52 (previous year Rs. 1,792.57) relating to revenue generated from cargo services.

The Company's exposure to credit risk for trade receivables is as follows:

Particulars	Gross carrying amount	
	As at 31 March 2021	As at 31 March 2020
1-90 days past due *	1,933.17	2,175.44
91 to 180 days past due	104.92	211.24
More than 180 days past due#	232.83	285.71
	2,270.92	2,672.39

* The Company believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour.

The Company based upon past trends determine an impairment allowance for loss on receivables outstanding for more than 180 days past due. Receivables more than 180 days past due primarily comprises receivables from government departments, which are fully realisable based on historical payment behaviour and hence, no loss allowance has been recognised, and from agents for which the impairment allowance has already been recognised on specific credit risk factor.

The allowance for lifetime expected credit loss on customer balances for the year ended 31 March 2021 and 31 March 2020 is insignificant and hence the same has not been recognised. The reversal for lifetime expected credit loss on customer balances for the current year is Rs. Nil (previous year Rs. Nil.)

Movement in the allowance for impairment in respect of trade receivables

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Balance at the beginning of the year	76.28	78.36
Add: Impairment loss recognised	13.93	-
Less: Bad debts written off	10.95	2.08
Balance at the end of the year	79.26	76.28

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

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28. Fair value measurement and financial instruments (contd...)

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Company's approach to manage liquidity is to have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that its liquidity position, comprising of total cash, bank deposits and investments (including amounts under lien) of Rs. 185,184.30 as at 31 March 2021 (previous year Rs. 203,339.16), anticipated future internally generated funds from operations, and its fully available, revolving undrawn fund and non fund based credit facilities will enable it to meet its future known obligations in the ordinary course of business. As of 31 March 2021, the Company had received revolving fund based credit line sanctions amounting to Rs. 28,742.04 (previous year Rs. Nil.), of which the Company has drawn Rs. 21,239.95 (previous year Rs. Nil.) and has undrawn revolving fund based credit facilities of Rs. 7,502.09 (previous year Rs. Nil.). Additionally, the Company also has undrawn non fund based credit facilities amounting to Rs. 104,769.75 (previous year Rs. 77,033.25). The Company does not believes a significant liquidity risk with regard to its lease liabilities as the assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. In addition to this, the Company has unencumbered assets (including owned aircraft and engines) as well as access to adequate financing arrangements. Hence, in case a liquidity need were to arise, the Company believes it has sufficient means to meet its ongoing capital, operating, and other liquidity requirements. The Company will continue to consider various borrowing or leasing options to maximize liquidity and supplement cash requirements as necessary.

The Company's liquidity management process as monitored by management, includes the following:

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Company's liquidity position on the basis of expected cash flows.
- Maintaining diversified credit lines.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The contractual cash flow amounts are gross and undiscounted, and includes interest accrued but not due on borrowings.

As at 31 March 2021	Carrying amount	Contractual cash flows				
		Less than six months	Between six months and one year	Between one and five years	More than five years	Total
Borrowings	25,056.23	21,239.95	-	3,816.28	-	25,056.23
Lease liabilities	273,540.31	37,261.53	35,823.80	196,716.62	60,745.76	330,547.71
Interest accrued but not due on borrowings	32.53	32.53	-	-	-	32.53
Supplementary rentals*	61,242.47	33,962.55	10,758.41	19,473.29	631.89	64,826.14
Aircraft maintenance	12,007.91	1,806.95	1,433.25	8,851.34	1,149.08	13,240.62
Trade payables	15,560.59	15,560.59	-	-	-	15,560.59
Unclaimed dividend	0.98	0.98	-	-	-	0.98
Total	387,441.02	109,865.08	48,015.46	228,857.53	62,526.73	449,264.80

As at 31 March 2020	Carrying amount	Contractual cash flows				
		Less than six months	Between six months and one year	Between one and five years	More than five years	Total
Borrowings (including current maturities)	6,856.40	1,017.16	2,373.37	3,465.87	-	6,856.40
Lease liabilities	220,335.28	33,027.73	30,805.20	158,138.37	17,149.34	239,120.64
Interest accrued but not due on borrowings	79.86	79.86	-	-	-	79.86
Supplementary rentals*	65,966.64	28,094.75	13,491.84	30,208.76	813.29	72,608.64
Aircraft maintenance	6,849.14	605.92	2,065.95	4,885.85	369.37	7,927.09
Trade payables	15,654.66	15,654.66	-	-	-	15,654.66
Unclaimed dividend	0.08	0.08	-	-	-	0.08
Total	315,742.06	78,480.16	48,736.36	196,698.85	18,332.00	342,247.37

* Against payments for supplementary rentals amounting to Rs. 59,321.80 (previous year Rs. 65,714.51), the Company has issued letter of credit/ standby letter of credit which are backed by deposits/mutual funds/NCDs liened to financial institutions.

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

28. Fair value measurement and financial instruments (contd...)

(iii) Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

A. Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates primarily relates to certain bank deposits, foreign currency term loan and certain lease liabilities carrying floating rate of interest.

Exposure to interest rate risk

The Company's interest rate risk arises from certain bank deposits, foreign currency term loan and certain lease liabilities carrying floating rate of interest. These deposits and obligations expose the Company to cash flow interest rate risk. The exposure of the Company to interest rate changes as reported to the management at the end of the reporting period are as follows:

Variable-rate instruments	As at 31 March 2021	As at 31 March 2020
Financial Liabilities		
Foreign currency term loan- from others (including current maturities)	3,816.28	6,856.40
Lease liabilities (previously classified as finance leases under erstwhile Ind AS)	16,153.80	17,486.65
Total	19,970.08	24,343.05
Financial Assets		
Cash and cash equivalents		
- Balance with banks - On deposit account (with original maturity of three months or less)	3,199.27	3,129.66
Bank balances other than cash and cash equivalents - On deposit account	39,241.58	80,222.58
Total	42,440.85	83,352.24

Interest rate sensitivity analysis

A reasonably possible change of 0.50 % in interest rates at the reporting date would have affected the profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Standalone Statement of Profit and Loss	
	Increase by 0.50%	Decrease by 0.50%
Impact on profit / (loss) for the year ended 31 March 2021		
Change in interest on financial liabilities	(99.85)	99.85
Change in interest on financial assets	212.20	(212.20)
Impact on profit / (loss) for the year ended 31 March 2020		
Change in interest on financial liabilities	(121.72)	121.72
Change in interest on financial assets	416.76	(416.76)

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

28. Fair value measurement and financial instruments (contd...)

B. Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Company's operating, investing and financing activities.

Exposure to foreign currency risk

The summary of quantitative data about the Company's exposure to currency risk, as expressed in Indian Rupees, as at 31 March 2021 and 31 March 2020 are as below:

As at 31 March 2021

Particulars	USD	EUR	GBP	AED	NPR	OMR	SGD	THB	QAR	BDT	LKR	CHF	HKD	KWD	MYR	SAR	TRY	CNY	MVR
Financial assets																			
Trade receivables	78.28	2.69	0.54	324.40	9.56	-	14.41	8.01	184.89	46.95	2.79	-	0.26	53.21	0.08	40.52	0.20	-	-
Cash and cash equivalents	3,712.27	-	0.04	224.89	37.08	12.90	84.17	121.47	0.12	0.07	0.02	-	4.39	0.13	2.68	0.25	0.95	22.26	-
Bank balances other than cash and cash equivalents	82,393.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans	15,794.11	-	-	0.43	15.80	-	0.57	2.28	0.61	8.31	-	-	12.18	-	-	-	0.07	-	-
Other financial assets	5,800.59	-	-	-	-	-	4.87	-	-	-	-	-	-	-	-	-	-	-	-
Total financial assets	107,778.35	2.69	0.58	549.72	62.44	12.90	104.02	131.76	185.62	55.33	2.81	-	16.83	53.34	2.76	40.77	1.22	22.26	-
Financial liabilities																			
Borrowings	5,056.23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lease liabilities	268,186.07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other financial liabilities	73,279.07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade payables	5,750.31	236.39	42.42	395.99	1.53	11.02	6.69	12.85	114.99	66.25	0.11	27.57	9.79	30.85	2.13	58.90	0.38	18.34	0.01
Total financial liabilities	352,271.68	236.39	42.42	395.99	1.53	11.02	6.69	12.85	114.99	66.25	0.11	27.57	9.79	30.85	2.13	58.90	0.38	18.34	0.01

As at 31 March 2020

Particulars	USD	EUR	GBP	AED	NPR	OMR	SGD	THB	QAR	BDT	LKR	CHF	HKD	KWD	MYR	SAR	TRY	CNY	MVR	PLN	VND
Financial assets																					
Trade receivables	32.54	2.60	-	47.58	19.76	0.15	10.53	6.42	5.76	54.75	8.07	-	0.35	0.77	1.16	6.46	0.64	-	-	-	-
Cash and cash equivalents	3,405.63	-	-	138.23	0.38	28.55	23.20	0.23	93.11	0.04	0.02	-	3.85	0.16	0.85	0.16	2.14	271.75	-	-	-
Other bank balances	94,036.49	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans	16,124.78	-	-	0.44	15.80	-	0.57	3.32	0.42	8.52	-	-	12.54	-	-	-	0.08	-	-	-	-
Other financial assets	5,550.72	-	-	34.18	-	-	4.79	4.16	-	-	-	-	-	-	-	-	-	-	-	-	-
Total financial assets	119,150.16	2.60	-	220.43	35.94	28.70	39.09	14.13	99.28	63.30	8.08	-	16.73	0.93	2.01	6.62	2.85	271.75	-	-	-
Financial liabilities																					
Borrowings	6,856.40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lease liabilities	215,025.64	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other financial liabilities	72,895.63	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade payables	7,883.07	259.19	13.13	669.58	21.68	54.95	137.55	52.37	135.55	78.44	28.63	12.67	8.92	80.96	33.43	202.39	0.25	23.82	0.01	0.00	0.07
Total financial liabilities	302,660.73	259.19	13.13	669.58	21.68	54.95	137.55	52.37	135.55	78.44	28.63	12.67	8.92	80.96	33.43	202.39	0.25	23.82	0.01	0.00	0.07

Amounts which are less than ten thousand are appearing as '0.00'.

Notes forming part of the standalone financial statements
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28. Fair value measurement and financial instruments (contd...)

Sensitivity analysis

A reasonably possible strengthening/ (weakening) of the Indian Rupee against below currencies as at 31 March 2021 and 31 March 2020 would have affected the measurement of financial instruments denominated in foreign currency and affected Standalone Statement of Profit and Loss by the amounts shown below. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Standalone Statement of Profit and Loss for the year ended 31 March 2021		Standalone Statement of Profit and Loss for the year ended 31 March 2020	
	Gain/ (loss) on appreciation	Gain/ (loss) on depreciation	Gain/ (loss) on appreciation	Gain/ (loss) on depreciation
1% depreciation / appreciation in Indian Rupees against following foreign currencies:				
AED	(1.54)	1.54	4.49	(4.49)
CHF	0.28	(0.28)	0.13	(0.13)
EUR	2.34	(2.34)	2.57	(2.57)
GBP	0.42	(0.42)	0.13	(0.13)
NPR	(0.61)	0.61	(0.14)	0.14
OMR	(0.02)	0.02	0.26	(0.26)
SGD	(0.97)	0.97	0.98	(0.98)
THB	(1.19)	1.19	0.38	(0.38)
QAR	(0.71)	0.71	0.36	(0.36)
LKR	(0.03)	0.03	0.21	(0.21)
BDT	0.11	(0.11)	0.15	(0.15)
USD*	2,444.93	(2,444.93)	1,835.11	(1,835.11)
HKD	(0.07)	0.07	(0.08)	0.08
KWD	(0.22)	0.22	0.80	(0.80)
MYR	(0.01)	0.01	0.31	(0.31)
SAR	0.18	(0.18)	1.96	(1.96)
TRY	(0.01)	0.01	(0.03)	0.03
CNY	(0.04)	0.04	(2.48)	2.48
MVR	0.00	(0.00)	0.00	(0.00)
PLN	-	-	0.00	(0.00)
VND	-	-	0.00	(0.00)
Total	2,442.84	(2,442.84)	1,845.11	(1,845.11)

USD: United States Dollar, GBP: Great British Pound, AED: Arab Emirates Dirhams, NPR: Nepalese Rupees, OMR: Omani Rials, THB: Thai Baht, CHF: Swiss Franc, SGD: Singapore Dollar, EUR: Euro, QAR: Qatari Riyal, BDT: Bangladeshi Taka, LKR: Sri Lankan Rupee, HKD: Hong Kong Dollars, KWD: Kuwaiti Dinar, MYR: Malaysian Ringgit, SAR: Saudi Riyal, TRY: Turkish Lira, CNY: Chinese Yuan, MVR: Maldivian Rufiyaa, PLN: Polish Zloty, VND: Vietnamese Dong.

Amounts which are less than ten thousand are appearing as '0.00'.

* The sensitivity analysis to foreign currency risk includes an exposure to foreign exchange fluctuations on long term foreign currency loans that have been capitalised in the cost of the related right of use assets. 1% depreciation / appreciation in Indian Rupees against USD, affects the adjustment to right of use assets by Rs. 161.54 (previous year Rs. 174.87). It is expected to impact the Standalone Statement of Profit and Loss over the remaining life of the right of use assets as an adjustment to depreciation charge.

Notes forming part of the standalone financial statements
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29. Capital management

The primary objective of the management of the Company's capital structure is to maintain an efficient mix of debt and equity in order to achieve a low cost of capital, while taking into account the desirability of retaining financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows. Management also monitors the return on equity.

The Board of directors regularly review the Company's capital structure in light of the economic conditions, business strategies and future commitments.

For the purpose of the Company's capital management, capital includes issued share capital, securities premium and all other equity reserves and debt includes term loan and working capital loans.

Debt equity ratio:

Particulars	As at 31 March 2021	As at 31 March 2020
Foreign currency term loan - from others (including current maturities)	3,816.28	6,856.40
Working capital loan from banks - Indian Rupee loan	20,000.00	-
Working capital loan from banks - Foreign currency loan	1,239.95	-
Total Debt (A)	25,056.23	6,856.40
Equity share capital	3,849.10	3,847.96
Other equity	(3,140.01)	54,776.43
Total Equity (B)	709.09	58,624.39
Debt equity ratio (C = A/B)	35.34	0.12

Return on equity:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Loss for the year	(58,297.92)	(2,481.59)
Equity share capital	3,849.10	3,847.96
Other equity	(3,140.01)	54,776.43
Total equity	709.09	58,624.39
Return on equity Ratio (%)	-8221.51%	-4.23%

30. Contingent liabilities (to the extent not provided for)

The Company is a party to various taxation disputes and legal claims, which are not acknowledged as debts. Significant management judgement is required to ascertain that it is not probable that an outflow of resources embodying economic benefits will be required to settle the taxation disputes and legal claims.

(i) Income tax

The income tax authority has assessed and revised the taxable income of the Company up to Assessment Year ("AY") 2018-19 on account of disallowance of certain expenses and in respect of the tax treatment of certain incentives received from the manufacturer with the acquisition of aircraft and engines. The Company has not yet received assessment orders for subsequent years.

Notes forming part of the standalone financial statements

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30. Contingent liabilities (to the extent not provided for) (contd...)

The Company has received favourable orders from the final fact-finding authority, the Income Tax Appellate Tribunal ("ITAT") for AY 2007-08, 2008-09 and 2009-10 against certain such disallowances and/or adjustments made by the tax authority. However, the tax authority's appeal against the order of the ITAT is pending before the Hon'ble High Court and for AY 2012-13, the matter has been referred to Special Bench of ITAT. However, the Company believes, based on legal advice from counsels, that the view taken by ITAT is sustainable in higher courts and accordingly, no provision is required to be recorded in the books of account.

During the current year, under Direct Tax Vivad se Vishwas scheme ("DTVSVS"), the Company has accepted the order passed by tax authorities to conclude the matters for AY 2008-09 and 2009-10. However, the final administrative order is awaited from tax authorities for AY 2008-09 and 2009-10.

The tax exposure (excluding interest and penalty) for various matters arising up to AY 2018-19 i.e. the last year assessed, amounts to Rs. 4,907.19 (previous year Rs. 5,753.87) in case the incentives are held to be taxable on an amortized basis over the initial lease period. The above amounts are net of Rs. 5,331.67 (previous year Rs. 4,887.28), which represents minimum alternate tax recoverable written off in the earlier years. However, the exposure could increase to Rs. 14,029.94 (previous year Rs. 13,478.55) in case the incentives are held to be taxable on a receipt basis.

(ii) The Company is in legal proceedings for various disputed legal matters related to Customs, Octroi, Service Tax, Integrated Goods and Services Tax ('IGST') and Value Added Tax ('VAT'). The amounts involved in these proceedings, not acknowledged as debt, are:

(1) Service Tax- Rs. 144.71 (previous year Rs. 151.11),

(2) Value Added Tax - Rs. 28.46 (previous year Rs. 16.51),

(3) Octroi - Rs. 74.39 (previous year Rs. 74.39) and

(4) IGST on re-imports* - Rs. 8,539.11 (previous year Rs. 5,955.36).

The Company believes, based on advice from counsels/experts, that the views taken by authorities are not sustainable and accordingly, no provision is required to be recorded in the books of account.

*During the year, the Company has paid Integrated Goods and Services Tax ("IGST") amounting to Rs. 2,583.75 (previous year Rs 1,820.00) under protest, on re-import of repaired aircraft, aircraft engines and other certain aircraft parts, to custom authorities and therefore as at 31 March 2021, cumulative amount paid under protest is Rs. 8,539.11 (previous year Rs. 5,955.36). In this regard, the Company has also filed the appeals before the Appellate authorities. The Company, based on legal advice from counsels, believes that no IGST is payable on such re-import of repaired aircraft, aircraft engines and other certain aircraft parts and accordingly, such amounts have been shown as recoverable. During the current year, the Company has received favourable order from the Customs Excise and Service Tax Appellate Tribunal ("CESTAT"), New Delhi.

(iii) The Competition Commission of India ("CCI") passed an order dated 17 November, 2015 against, inter alia, the Company, imposing a penalty of Rs. 637.40 on the Company on account of cartelization for determination of fuel surcharge included in the component of Cargo services. The Company filed an appeal against this order before the Competition Appellate Tribunal and it referred the matter back to the CCI for fresh adjudication. CCI passed a final order dated 07 March 2018 reducing the penalty amount on the Company to Rs. 94.50. The Company has filed an appeal before the National Company Law Appellate Tribunal ("NCLAT") against the order imposing penalty which is currently pending. The penalty imposed by CCI on the Company was stayed by NCLAT upon deposit of 10% of the penalty amount.

The Company based on legal advice from counsel, believes that the views taken by authorities are not sustainable and accordingly, no provision is required to be recorded in the books of account.

(iv) In February 2019, Hon'ble Supreme Court of India in its judgement clarified the applicability of allowances that should be considered to measure obligations under Employees Provident Fund Act, 1952. There are interpretative challenges on the application of judgement retrospectively and as such the Company does not consider that there is any probable obligations for past periods. Accordingly, based on evaluation the Company has made a provision for provident fund contribution on prospective basis.

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30. Contingent liabilities (to the extent not provided for) (contd...)

(v) Legal cases

As per the notification dated 1 January 2016, The Payment of Bonus (Amendment) Act, 2015 is applicable retrospectively w.e.f 1 April 2014. In view of the partial stay granted by Karnataka and Kerala High Court, the impact of this amendment for the period 1 April 2014 till 31 March 2015 amounting to Rs. 19.47 has not been acknowledged as debt.

(vi) During the current year, the Company has renegotiated its existing agreements with an Original Equipment Manufacturer ("OEM") for spare engines support and provision of maintenance services which settles claims pursuant to these agreements that the Company and OEM had raised against each other. The net financial impact arising from this settlement has been recorded in the Standalone Financial Statements.

(vii) Other legal proceedings for which the Company is contingently liable

The Company is party to various legal proceedings in the normal course of business and does not expect the outcome of these proceedings to have any adverse effect on the standalone financial statements and hence, no provision has been set-up against the same.

Notes:

Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements or decisions pending with various forums or authorities. Accordingly, the above mentioned contingent liabilities are disclosed at undiscounted amount.

31. Commitments

Particulars	As at 31 March 2021	As at 31 March 2020
Estimated amount of contracts remaining to be executed on capital account and other commitments, and not provided for in the books of account [net of advances Rs. 449.03 (previous year Rs. 660.31)]	2,925,642.05	3,193,720.06

As on the reporting date, the Company expects that the estimated realizable value of these assets will exceed the commitment value net of discounts, benefits and incentives which will accrue to the Company consequential to buying these assets.

32. Employee benefits

The Company contributes to the following post-employment benefit plans.

Defined contribution plan

The Company pays provident fund contributions to the appropriate government authorities at rate specified as per regulations.

An amount of Rs. 825.40 (previous year Rs. 909.84) has been recognised as an expense in respect of the Company's contribution to Provident Fund and the same has been deposited with the relevant authorities. It has been shown under Employee costs in the Standalone Statement of Profit and Loss.

Defined benefit plan

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days of total basic salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the Company on retirement, separation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972.

The following table sets out the status of the defined benefit plan as required under Ind-AS 19 - Employee Benefits, bifurcated under passenger services (including corporate employees) and cargo services:

Notes forming part of the standalone financial statements

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32. Employee benefits (contd...)

a. Passenger services

(i) Changes in present value of defined benefit obligation:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Present value of obligation at the beginning of the year	1,135.51	872.05
Interest cost	81.63	68.61
Current service cost	310.48	256.91
Benefits paid	(67.21)	(49.07)
Remeasurements - actuarial loss/ (gain) from changes in demographic assumptions	(14.56)	20.92
Remeasurements - actuarial loss/ (gain) from changes in financial assumptions	15.39	(112.06)
Remeasurements - actuarial loss/ (gain) from experience adjustments	16.46	78.15
Present value of obligation at the end of the year	1,477.70	1,135.51

(ii) Assumptions:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Economic assumptions		
Discount rate	6.48%	6.68%
Rate of increase in compensation levels	All Employees: 0.1% for first year. Thereafter: Non Crew: 10.75% Crew: 5.75%	All Employees: 0.1% for first two year. Thereafter: Non Crew : 10.75% Crew : 5.75%
Demographic assumptions:		
Retirement age	Pilot: 65 years	Pilot: 65 years
	Cabin Crew: 40 years	Cabin Crew: 40 years
	Non Crew: 60 years	Non Crew: 60 years
Mortality table	IALM (2012-14)	IALM (2012-14)
Withdrawal	Crew: 11% Non Crew: 16%	12% for first two years 18% thereafter

Assumptions regarding future mortality have been based on published statistics and mortality tables.

(iii) Sensitivity analysis

Defined benefit obligation

Change in assumptions	As at 31 March 2021		As at 31 March 2020	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
(Increase)/ decrease in obligation with 1% movement in discount rate	(78.51)	85.92	(60.48)	65.95
Increase/ (decrease) in obligation with 1% movement in future rate in compensation levels	127.59	(120.21)	98.00	(92.39)
(Increase)/ decrease in obligation with 1% movement in withdrawal rate	(39.34)	42.87	(30.45)	32.94

The sensitivity analysis is based on a change in above assumption while holding all other assumptions constant. The changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied, as has been applied when calculating the provision for defined benefit plan recognised in the Standalone Balance Sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous years.

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

32. Employee benefits (contd...)

Risk exposure:

The defined benefit plan is exposed to a number of risks, the most significant of which are detailed below:

Change in discount rates: A decrease in discount yield will increase plan liabilities.

Mortality table: The gratuity plan obligations are to provide benefits for the life of the member, so increase in life expectancy will result in an increase in plan liabilities.

(iv) Defined benefit liability and employer contribution

The expected maturity analysis of undiscounted defined benefit liability is as follows:

Particulars	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
As at 31 March 2021	164.95	173.99	510.14	741.19	1,590.27
As at 31 March 2020	141.86	109.25	446.49	629.17	1,326.77

b. Cargo services

(i) Changes in present value of defined benefit obligation:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Present value of obligation at the beginning of the year	23.89	20.76
Interest cost	1.66	1.56
Current service cost	4.74	3.92
Benefits paid	(2.52)	(0.63)
Remeasurements - actuarial loss/ (gain) from changes in demographic assumptions	(0.08)	0.82
Remeasurements - actuarial loss/ (gain) from changes in financial assumptions	0.39	(3.79)
Remeasurements - actuarial loss/ (gain) from experience adjustments	(0.93)	1.25
Present value of obligation at the end of the year	27.15	23.89

(ii) Assumptions:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Economic assumptions:		
Discount rate	6.40%	6.68%
Rate of increase in compensation levels	0.1% for one year 10.75% thereafter	0.1% for first two year 10.75% thereafter
Demographic assumptions:		
- Retirement age	60 years	60 years
- Mortality table	IALM (2012-14)	IALM (2012-14)
- Withdrawal	16%	12% for first two years 18% thereafter

Assumptions regarding future mortality have been based on published statistics and mortality tables.

Notes forming part of the standalone financial statements
for the year ended 31 March 2021
(Rupees in millions, except for share data and if otherwise stated)

32. Employee benefits (contd...)

(iii) Sensitivity analysis

Defined benefit obligation

Change in assumptions	As at 31 March 2021		As at 31 March 2020	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Increase/ (decrease) in obligation with 1% movement in discount rate	(1.53)	1.71	(1.35)	1.51
Increase/ (decrease) in obligation with 1% movement in future rate in compensation levels	1.99	(1.78)	1.75	(1.56)
(Increase)/ decrease in obligation with 1% movement in withdrawal rate	(0.49)	0.58	(0.50)	0.59

The sensitivity analysis are based on a change in above assumption while holding all other assumptions constant. The changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied, as has been applied when calculating the provision for defined benefit plan recognised in the Standalone Balance Sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous years.

Risk exposure:

The defined benefit plan is exposed to a number of risks, the most significant of which are detailed below:

Change in discount rates: A decrease in discount yield will increase plan liabilities.

Mortality table: The gratuity plan obligations are to provide benefits for the life of the member, so increase in life expectancy will result in an increase in plan liabilities.

(iv) Defined benefit liability and employer contribution

The expected maturity analysis of undiscounted defined benefit liability is as follows:

Particulars	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
As at 31 March 2021	3.08	2.82	8.29	13.95	28.14
As at 31 March 2020	2.79	2.05	8.32	14.50	27.66

c. Bifurcation of provision for defined benefit plan at the end of year:

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for defined benefit plans		
Passenger services		
- Current	159.85	137.35
- Non-current	1,317.85	998.16
Cargo services		
- Current	2.99	2.70
- Non-current	24.16	21.19
Total	1,504.85	1,159.40

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

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33. Segment reporting

Based on the "management approach" as defined in Ind AS 108 – Operating Segments, the Chief Operating Decision Maker ('CODM') evaluates the Company's performance at an overall company level as one segment i.e. 'air transportation services' based on the nature of operations, the risks and rewards and the nature of the regulatory environment across the Company's network and the interchangeability of use of assets across the network routes of the Company.

Segment wise information for the year ended 31 March 2021 and 31 March 2020 are as follows:

Information about services - Income

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
a. Air transportation services	146,406.31	357,560.01
b. Other income	10,363.32	15,362.42
Total	156,769.63	372,922.43

Information about geographical areas - Income

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
a. Air transportation services		
I. Domestic	127,712.39	288,861.30
II. International	18,693.92	68,698.71
b. Other income	10,363.32	15,362.42
Total	156,769.63	372,922.43

Revenue from air transportation services is directly attributed to domestic and international operations or are attributed on a reasonable basis. Other income is not allocated as the underlying assets/ liabilities/services are used interchangeably. Non-current assets, other than financial instruments, deferred tax assets (net) and income tax assets (net), primarily comprises of right of use assets, property, plant and equipment and other non-current assets which cannot be bifurcated between domestic and international locations, as such assets are used interchangeably. Accordingly, the same has not been bifurcated between domestic and international locations.

No single external customer amounts to 10% or more of the Company's revenue. Accordingly, information about major customer is not provided.

34. Related party disclosures

a. List of related parties and nature of relationship where control exists:

(i) Subsidiaries

Agile Airport Services Private Limited (wholly owned subsidiary)

b. List of related parties and nature of relationship with whom transactions have taken place during the current/ previous year

(i) Entity/ person with direct or indirect significant influence over the Company

InterGlobe Enterprises Private Limited

Ms. Shobha Gangwal - Wife of Mr. Rakesh Gangwal

(ii) Subsidiaries

Agile Airport Services Private Limited (wholly owned subsidiary)

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

34. Related party disclosures (contd...)

(iii) Key managerial personnel of the Company and their close family members

Mr. Rahul Bhatia – Director

Ms. Rohini Bhatia – Director

Mr. Rakesh Gangwal - Director

Dr. Anupam Khanna - Independent Director

Ms. Pallavi Shardul Shroff– Independent Woman Director (with effect from 19 September 2019)

Mr. Anil Parashar - Non-executive director

Ms. Ritu Parashar - Wife of Mr. Anil Parashar

Mr. Meleveetil Damodaran - Independent Director and Chairman of the Board

Mr. Ronojoy Dutta - Whole Time Director & Chief Executive Officer (Chief Executive Officer till 26 January 2020)

Dr. Asha Mukherjee - Sister of Mr. Rakesh Gangwal

Mr. Kapil Bhatia - Father of Mr. Rahul Bhatia

Mr. Alok Mehta - Brother of Ms. Rohini Bhatia

Mr. Rohit Philip - Chief Financial Officer (till 15 September 2019)

Mr. Aditya Pande - Chief Financial Officer (with effect from 16 September 2019 till 21 February 2021)

Mr. Jiten Chopra - Chief Financial Officer (with effect from 22 February 2021)

Dr. Venkataramani Sumantran - Independent Director (with effect from 28 May 2020)

Mr. Gregg Albert Saretsky - (Non-Independent Non-Executive Director) Additional Director (with effect from 01 October 2020)

Mr. Sanjay Gupta - Company Secretary and Chief Compliance Officer

(iv) Other related parties - Entities which are joint ventures or subsidiaries or where control/ significant influence exists of parties as given in (a) or (b)(i), (b)(ii) and (b)(iii) above

InterGlobe Air Transport Limited

InterGlobe Hotels Private Limited

CAE Simulation Training Private Limited

The Chinkerpoo Family Trust (Trustee: Ms. Shobha Gangwal & J.P.Morgan Trust Company of Delaware)

Caddie Hotels Private Limited

InterGlobe Real Estate Ventures Private Limited

InterGlobe Business Solutions Private Limited

InterGlobe Air Transport Limited W.L.L.

InterGlobe Education Services Limited

Shardul Amarchand Mangaldas & Co. (with effect from 19 September 2019)

InterGlobe Technology Quotient Private Limited

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

34. Related party disclosures (contd...)

c. Transactions with related parties during the current / previous year:

S. No.	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
(i)	Rent		
	InterGlobe Air Transport Limited	-	1.12
(ii)	Commission		
	InterGlobe Air Transport Limited	0.01	203.87
	InterGlobe Air Transport Limited W.L.L.*	46.48	133.56
	*The Company has received or due to receive remittances of Rs. 2,174.60 (previous year Rs. 5,257.20) for the sale of passenger tickets through the agent for which the above commission was paid or payable.		
(iii)	Crew accommodation and transportation		
	InterGlobe Hotels Private Limited	10.60	104.05
	Caddie Hotels Private Limited	13.18	88.36
(iv)	Training		
	CAE Simulation Training Private Limited	211.01	1,002.71
(v)	Operating cost of software		
	InterGlobe Business Solutions Private Limited	-	28.05
(vi)	Repairs and maintenance		
	InterGlobe Air Transport Limited	-	0.27
	InterGlobe Real Estate Ventures Private Limited	15.86	15.95
(vii)	Miscellaneous income		
	InterGlobe Air Transport Limited	-	0.55
	CAE Simulation Training Private Limited	0.15	1.12
	InterGlobe Education Services Limited	1.80	7.84
	Agile Airport Services Private Limited	13.55	7.33
(viii)	Reimbursement for expenses received		
	Agile Airport Services Private Limited	0.94	0.30
(ix)	Reimbursement for expenses paid		
	InterGlobe Air Transport Limited W.L.L.	10.89	13.03
(x)	Miscellaneous expenses		
	InterGlobe Air Transport Limited	0.01	0.06
	InterGlobe Real Estate Ventures Private Limited	10.59	11.65
(xi)	Purchase of property, plant and equipment, capital work-in-progress, intangible assets and other assets		
	InterGlobe Business Solutions Private Limited	-	58.56

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

34. Related party disclosures (contd...)

S. No.	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
(xii)	Compensation to key managerial personnel		
	Short-term employee benefits	199.71	633.00
	Post-employment benefits	4.20	5.90
	Share-based payment (Refer Note 37) **	34.89	21.78
	Other long-term benefits	0.60	8.14
	** Excludes a reversal of employee stock option scheme expense of Rs. 10.79 (previous year Rs. 160.53) during the year towards forfeiture of employee stock options granted.		
(xiii)	Sitting fees and commission***		
	Mr. Rahul Bhatia	1.20	1.10
	Ms. Rohini Bhatia	1.80	1.90
	Mr. Rakesh Gangwal	1.20	1.10
	Dr. Anupam Khanna	3.10	3.50
	Mr. Anil Parashar	3.80	3.50
	Mr. Meleveetil Damodaran	3.10	2.30
	Ms. Pallavi Shardul Shroff	1.80	0.30
	Mr. Gregg Albert Saretsky	0.70	-
	Mr. Venkataramani Sumantran	2.50	-
	*** Excludes applicable taxes		
(xiv)	Final dividend paid (Refer to Note 15.b.(iv))		
	Mr. Kapil Bhatia	-	0.25
	Mr. Rahul Bhatia	-	0.20
	Ms. Rohini Bhatia	-	0.05
	Mr. Rakesh Gangwal	-	282.11
	Ms. Shobha Gangwal	-	161.55
	Dr. Asha Mukherjee	-	6.25
	The Chinkerpoo Family Trust (Trustee: Ms. Shobha Gangwal & J.P.Morgan Trust Company of Delaware)	-	261.32
	Mr. Alok Mehta****	-	0.00
	Ms. Ritu Parashar	-	0.01
	InterGlobe Enterprises Private Limited	-	728.53
	**** Amount in absolute terms is Rs. Nil (previous year Rs. 1,275).		
(xv)	Ground handling charges		
	Agile Airport Services Private Limited##	2,934.00	3,516.69
	## Excluding applicable taxes		
(xvi)	Security deposit paid		
	InterGlobe Real Estate Ventures Private Limited	0.02	24.75
	InterGlobe Enterprises Private Limited	-	26.06
(xvii)	Legal expenses		
	Shardul Amarchand Mangaldas & Co.	1.16	4.82
(xviii)	Depreciation under Ind AS 116*****		
	CAE Simulation Training Private Limited	636.38	213.17
	InterGlobe Enterprises Private Limited	40.63	37.92
	InterGlobe Real Estate Ventures Private Limited	25.60	25.67
	InterGlobe Air Transport Limited	0.12	0.07

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

34. Related party disclosures (contd...)

S. No.	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
(xix)	Interest under Ind AS 116*****		
	CAE Simulation Training Private Limited	328.69	114.56
	InterGlobe Enterprises Private Limited	29.69	29.43
	InterGlobe Real Estate Ventures Private Limited	18.25	19.54
	InterGlobe Air Transport Limited	0.03	0.02
	*****Lease payments in respect of above parties for the year is amounting to Rs. 876.20 (previous year Rs. 330.39).		

d. Outstanding balances

S. No.	Particulars	As at 31 March 2021	As at 31 March 2020
(i)	Payables		
	InterGlobe Air Transport Limited	0.01	0.03
	InterGlobe Hotels Private Limited	3.67	16.93
	Caddie Hotels Private Limited	3.47	11.15
	CAE Simulation Training Private Limited	14.37	43.53
	InterGlobe Real Estate Ventures Private Limited	1.11	0.79
	Agile Airport Services Private Limited	71.22	10.00
	Shardul Amarchand Mangaldas & Co.	0.52	1.07
	InterGlobe Air Transport Limited W.L.L	-	84.13
	Key managerial personnel	19.49	62.60
(ii)	Investment in equity shares of subsidiary (Refer to Note 6)		
	Agile Airport Services Private Limited	1.10	1.10
(iii)	Receivables - (Including general sales agent (GSA))		
	Agile Airport Services Private Limited	2.01	2.12
	InterGlobe Education services Limited	0.07	0.35
	InterGlobe Air Transport Limited W.L.L	103.99	-
(iv)	Security deposits - Receivable		
	InterGlobe Real Estate Ventures Private Limited	25.19	25.17
	InterGlobe Enterprises Private Limited	26.06	26.06
(v)	Lease liabilities		
	CAE Simulation Training Private Limited	4,910.02	5,523.52
	InterGlobe Enterprises Private Limited	321.82	344.26
	InterGlobe Real Estate Ventures Private Limited	197.45	212.01
	InterGlobe Air Transport Limited	-	0.94

During the current year, an unrelated party has assigned its right to receive Rs. 48.83 (towards commission as an agent) to InterGlobe Technology Quotient Private Limited. Accordingly, the Company has discharged its obligation towards unrelated party by making payment of Rs. 48.83 to InterGlobe Technology Quotient Private Limited.

e. Terms and Conditions

All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business. Outstanding balances at the year end are unsecured and settlement occurs in cash. Transactions relating to dividend, subscriptions for new equity shares are on the same terms and conditions that are offered to other shareholders.

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

35. Earnings per share (EPS)

a. Profit attributable to equity share holders

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit / (loss) attributable to equity share holders:		
Profit / (loss) attributable to equity share holders for basic earnings	(58,297.92)	(2,481.59)
Profit / (loss) attributable to equity share holders adjusted for the effect of dilution	(58,297.92)	(2,481.59)

b. Weighted average number of equity shares

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Weighted average number of equity shares		
- For basic earnings per share	384,821,055	384,658,050
Dilutive effect of stock options*	-	-
	384,821,055	384,658,050
Basic earnings per share (Rs.)	(151.49)	(6.45)
Diluted earnings per share (Rs.)	(151.49)	(6.45)
Nominal value per share (Rs.)	10	10

1,766,414 (previous year 360,759) of the stock options granted to employees under the existing employee share option schemes have not been included in the calculation of diluted earnings per share because they are anti-dilutive.

36. Corporate social responsibility

Under Section 135 of the Companies Act, 2013, the Company is required to spend, in every financial year, atleast 2% of the average net profits of the Company made during the three immediately preceding financial years on Corporate Social Responsibility (CSR), pursuant to its policy in this regard.

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
a) Gross amount required to be spent by the Company during the year	83.06	315.32
b) Amount spent and paid during the year	83.10	227.37
Particulars of amount spent and paid during the year:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	83.10	227.37
	83.10	227.37

37. Share-based payment arrangements

a. Description of share-based payment arrangements

InterGlobe Aviation Limited Employees Stock Option Scheme - 2015 (ESOS 2015 - II)

On 23 June 2015, the Board of Directors approved the InterGlobe Aviation Limited Employees Stock Option Scheme - 2015 (the "ESOS 2015 - II"), which was subsequently approved in the Extraordinary General Meeting held on 25 June 2015. ESOS 2015 - II, comprises 3,107,674 options, which are granted to eligible employees of the Company determined by Compensation 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 options were granted on the dates as mentioned in table below.

Notes forming part of the standalone financial statements

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37. Share-based payment arrangements (contd...)

S No.	Grant Date	Number of Options	Exercise Price (Rs.)	Vesting Conditions	Vesting Period	Contractual period
(i)	30-Oct-15	420,530	10.00	Graded vesting to President and Whole Time Director of the Company, can be exercised within 1 year from the respective vesting dates.	4 years	2 years to 5 years
(ii)	30-Oct-15	1,514,587	765.00	Graded vesting to other employees of the Company, can be exercised within 4 years from the respective vesting dates.	4 years	5 years to 8 years
(iii)	30-Oct-15	332,026	765.00	Subject to market condition being met, the options granted to President and Whole Time Director of the Company, can be exercised within 4 years of vesting.	After 4.5 years	8.5 years
(iv)	16-Sep-16	353,299	10.00	Graded vesting to other employees of the Company, can be exercised within 15 March of the calendar year following the calendar year in which the applicable vesting occurs, but in any event no Option will be Exercised later than 7 (seven) years after the Date of Grant or 3 (three) months after termination of employment of the Optionee.*	4 years	1.5 years to 7 years
(v)	23-Aug-18	100,000	1049.95	Graded vesting to other employees of the Company, can be exercised within 4 years from the respective vesting dates.	4 years	5 years to 8 years
(vi)	14-Feb-20	53,000	765.00	Graded vesting to other employees of the Company, can be exercised within 4 years from the respective vesting dates.	2 years	5 years to 6 years
(vii)	29-Jun-20	1,474,894	765.00	Graded vesting to other employees of the Company, can be exercised within 4 years from the respective vesting dates.*	4 years	5 years to 8 years
(viii)	29-Jan-21	185,000	765.00	Graded vesting to Whole Time Director and CEO of the Company, can be exercised within 4 years from the respective vesting dates.#	2.9 years	5 years to 6.9 years

b. Measurement of fair values

The weighted average fair value of stock options as on grant date

Particulars	Method of Valuation	Weighted average fair value as on the grant date (Rs.)
ESOS 2015 - II		
- President and whole time director covered in a.(i) above	Black Scholes option pricing model	756-758
- Employees other than President and whole time director covered in a.(ii) above	Black Scholes option pricing model	360-488
- President and whole time director covered in a.(iii) above	Black Scholes option pricing model and Monte Carlo Stimulation	448
- Employees other than President and whole time director covered in a.(iv) above*	Black Scholes option pricing model	737-820
- Employees other than President and whole time director covered in a.(v) above	Black Scholes option pricing model	347-485
- Employees other than President and whole time director covered in a.(vi) above	Black Scholes option pricing model	848-885
- Employees other than President and whole time director covered in a.(vii) above*	Black Scholes option pricing model	519-627
- Whole Time Director and CEO covered in a.(viii) above#	Black Scholes option pricing model	1,053-1,131

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(Rupees in millions, except for share data and if otherwise stated)

37. Share-based payment arrangements (contd...)

The inputs used in the measurement of grant date fair value are as follows:

Particulars	Share Price (Rs.)	Exercise Price (Rs.)	Expected Volatility	Expected Life (in years)	Expected Dividend	Risk free Interest Rate
ESOS 2015 - II						
- President and whole time director covered in a.(i) above	765.00	10.00	60.5% - 66.7%	1.5 - 4.5	0.0%	7.5%
- Employees other than President and whole time director covered in a.(ii) above	765.00	765.00	60.0% - 61.1%	3 - 6	0.0%	7.5%
- President and whole time director covered in a.(iii) above	765.00	765.00	62.4%	2	0.0%	7.5%
- Employees other than President and whole time director covered in a.(iv) above*	868.00	10.00	52.7%	1.25 - 4.25	3.62%	7.5%
- Employees other than President and whole time director covered in a.(v) above	1,049.95	1,049.95	15.0%	3-6	0.54%	7.5%
- Employees other than President and whole time director covered in a.(vi) above	1,446.54	765.00	19.4%	3-4	0.45%	5.95% - 6.24%
- Employees other than President and whole time director covered in a.(vii) above*	1,013.05	765.00	40.3%	3-6	0.29%	5.07% - 5.96%
- Whole Time Director and CEO covered in a.(viii) above#	1,592.80	765.00	43.4%	3-5.45	0.29%	5.30% - 5.86%

* During the year ended 31 March 2021, the Board of Directors had accepted resignation of Mr. Aditya Pande from the post of Chief Financial Officer of the Company effective 21 February 2021. During the year ended 31 March 2020, the Board of Directors had accepted resignation of Mr. Rohit Philip from the post of Chief Financial Officer of the Company effective 15 September 2019.

During the year ended 31 March 2021, the Company has granted 185,000 stock options to its Whole Time Director and Chief Executive Officer which was approved by the shareholders through postal ballot on 10 April 2021.

The risk-free interest rates are determined based on current yield to maturity of Government Bonds with 10 years residual maturity. Expected volatility calculation is based on historical daily closing stock prices of competitors / Company using standard deviation of daily change in stock price. The minimum life of stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised. The expected life has been considered based on average sum of maximum life and minimum life and may not necessarily indicative of exercise patterns that may occur. Dividend yield has been calculated taking into account expected rate of dividend on equity share price as on grant date basis past trends. For the measurement of grant date fair value certain market conditions were considered in the method of valuation.

c. Effect of employee stock option scheme on the Standalone Statement of Profit and Loss:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Employee stock option scheme expense (included in salaries, wages and bonus)**	306.58	(99.15)
Total	306.58	(99.15)

** Includes a reversal of employee stock option scheme expense of Rs. 22.55 (previous year Rs. 160.53) towards forfeiture of employee stock options granted to certain employees.

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

37. Share-based payment arrangements (contd...)

d. Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the share option schemes were as follows:

Particulars	As at 31 March 2021		As at 31 March 2020	
	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	360,759	843.99	831,850	574.79
Add: Options granted during the year	1,659,894	765.00	53,000	765.00
Less: Options forfeited and expired during the year	140,518	765.00	247,310	10.00
Less: Options exercised during the year***	113,721	815.11	276,781	765.00
Options outstanding as at the year end	1,766,414	777.91	360,759	843.99

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of options	Range of exercise prices (Rs.)	Number of options	Range of exercise prices (Rs.)
Exercisable at the end of the year	155,538	765-1,049.95	222,759	765-1,049.95

Particulars	As at 31 March 2021	As at 31 March 2020
Weighted average remaining life of options outstanding at the end of the year	5.69	4.08

***The weighted average share price at the date of exercise of options exercised during the year was Rs. 1,667.13 (previous year Rs. 1,396.58). Further, during the current year, certain employees has exercised their rights to exercise employee stock options.

38. (a) Mr. Gregg Albert Saretsky has been appointed as an (Non-Independent Non-Executive Director) Additional Director with effect from 01 October 2020, subject to the approval of shareholders at the forthcoming Annual General Meeting of the Company.

(b) Mr. Aditya Pande, erstwhile Chief Financial Officer resigned with effect from 21 February 2021.

(c) Mr. Jiten Chopra has been appointed as the Chief Financial Officer of the Company with effect from 22 February 2021.

(d) Dr. Venkataramani Sumantran has been appointed as an Independent Director with effect from 28 May 2020.

39. The Company has established a comprehensive system of maintenance of information and documents that are required by the transfer pricing legislation under section 92-92F of the Income Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by due date as required under the law. The management is of the opinion that its international transactions with the associated enterprises are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

40. The Company had filed an application for settlement before the Securities and Exchange Board of India ("SEBI") under the SEBI (Settlement Proceedings) Regulations, 2018 in relation to a show cause notice dated 10 November 2020 (the "Show Cause Notice") issued by the SEBI pursuant to the complaints filed by one of the promoters. The SEBI has accepted the Company's application for settlement of the adjudication proceeding pursuant to the Show Cause Notice and issued

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

the Settlement Order. Accordingly, the Company, while neither admitting or denying the alleged violations, has paid an amount of Rs. 21.03 after which the adjudication proceedings have now concluded.

41. InterGlobe Enterprises Private Limited and Mr. Rahul Bhatia, as claimants (the "IGE Group"), submitted a Request for Arbitration dated 1 October 2019 to the London Court of International Arbitration under the shareholders agreement dated 23 April 2015 (as amended on 17 September 2015) (the "Shareholders Agreement") executed between, inter-alia, the IGE Group, Mr. Rakesh Gangwal, The Chinkerpoo Family Trust, Ms. Shobha Gangwal (together with Mr. Gangwal and The Chinkerpoo Family Trust, the "RG Group") and the Company. The IGE Group and the RG Group are promoters of the Company. The Company has been named as a respondent as it is a party to the Shareholders Agreement. The Company has been named as a proper party to the arbitration and no monetary claim, including any compensation, has been sought against the Company by the IGE Group or the RG Group and accordingly the Company believes that the claims filed in the arbitration do not impact the Financial Statements of the Company. The pleadings of the IGE Group, the RG Group and the Company in the arbitration have now been completed.

42. During the year ended 31 March 21, the Company's operations were severely affected due the ongoing Covid-19 Pandemic. We have been ramping up our operations in a phased manner, in accordance with Government directions, post the lockdown imposed by the Central Government in May 2020. Our international operations remained significantly curtailed. We were also witnessing a steady recovery in demand. However, starting March 2021, the second wave of Covid-19 has hit the country leading to a significant drop in demand which has impacted our revenue and profitability for the period.

While there is uncertainty in the revenue environment in the near term which is expected to normalise in the long-run, IndiGo's balance sheet continues to remain strong with sufficient liquidity as of 31 March 2021. We continue to remain focused to reduce our unit costs. Stringent controls have been put in place on all discretionary spends and capital expenditures are being approved on a case-to-case basis. We are closely monitoring the current environment and will continue to take necessary actions that strengthen our cash position.

Health and safety of our passengers and employees has always been of paramount importance for us. This has become even more relevant during the current pandemic. To ensure the well-being of our passengers, we have introduced several measures including contactless boarding, strict enforcement of social distancing norms, regular sanitisation of our aircraft and provision of PPE kit, masks and face shields. To ensure our employees are protected, all employees are being vaccinated and support is being provided to tide over through this crisis.

The Company has assessed the recoverability of the carrying amount of assets while preparing the Company's Financial Statements for the year ended 31 March 2021. We have performed sensitivity analysis on the assumptions used and based on current estimates, expect the carrying amount of these assets will be recovered. We have a strong cash position as of 31 March 2021 and hold our current investments in highly liquid funds and bank fixed deposits. We have met and expect to meet all our ongoing cash obligations pertaining to our lease rentals, debt repayments and any other financial obligations. Through this period of uncertainty, we will continue to monitor, any material changes to future economic conditions impacting our financial position.

43. The managerial remuneration paid by the Company to its Whole Time Director and Chief Executive Officer in accordance with the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013, was approved by the shareholders at the Annual General Meeting held on 4 September 2020. Further, the revision in remuneration and minimum remuneration for the year ended 31 March 2021 on account of grant of the stock options, which amounts to a stock compensation charge of Rs. 19.22, was approved by the shareholders through postal ballot on 10 April 2021.

Notes forming part of the standalone financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

44. Details of bank deposits, current investments, cash and cash equivalents and bank balances other than cash and cash equivalent:

As at 31 March 2021

Particulars	Non lien	Under lien	Total
Bank deposits (due for maturity after twelve months from the reporting date) (Refer to Note 8)	13.84	0.10	13.94
Current investments (Refer to Note 6)	55,935.41	16,964.35	72,899.76
Cash and cash equivalents (Refer to note 12)	5,081.82	0.98	5,082.80
Bank balance other than cash & cash equivalents (Refer to Note 13)	9,465.64	97,722.16	107,187.80
Total	70,496.71	114,687.59	185,184.30

As at 31 March 2020

Particulars	Non lien	Under lien	Total
Bank deposits (due for maturity after twelve months from the reporting date) (Refer to Note 8)	2.11	51.32	53.43
Current investments (Refer to Note 6)	76,818.53	18,173.14	94,991.67
Cash and cash equivalents (Refer to note 12)	6,760.34	0.08	6,760.42
Bank balance other than cash & cash equivalents(Refer to Note 13)	5,269.75	96,263.89	101,533.64
Total	88,850.73	114,488.43	203,339.16

As per our report of even date attached
For S.R. Batliboi & Co LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

per Sanjay Vij
Partner
Membership No. 95169

Place: Gurgaon
Date: 5 June 2021

For and on behalf of the Board of Directors of
InterGlobe Aviation Limited

Ronojoy Dutta
Whole Time Director and
Chief Executive Officer
DIN: 08676730

Anil Parashar
Director
DIN: 00055377

Jiten Chopra
Chief Financial Officer

Sanjay Gupta
Company Secretary and
Chief Compliance Officer

Place: Gurgaon
Date: 5 June 2021

Independent Auditor's Report

To the Members of InterGlobe Aviation Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of InterGlobe Aviation Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2021, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2021, their consolidated loss including other comprehensive loss, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as 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 together with the ethical requirements that are relevant to our audit of the 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 audit opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to Note 42 to the consolidated financial statements, which describes the possible effects of uncertainties relating to COVID-19 pandemic on the Group operations and results as assessed by the management. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2021. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Recognition of Passenger Revenue (refer note 21 to the consolidated financial statements)	
The Group recognises passenger revenue on flown basis i.e. when the service is rendered. Moreover, fees charged for cancellation of flight tickets is recognised as revenue on rendering of the said service. Further, the Group recognises revenue from unexercised rights of customers which are non-refundable in nature, based on past trends in proportion to the pattern of rights exercised by the customer. The determination of passenger revenue to be recognised for each flight requires complex IT systems and involves high volume of transactions. We identified revenue recognition as a key audit matter because passenger revenue is one of the Group's key performance indicators, it involves complicated IT systems that handle large volumes of transaction data and includes exchange of information with industry systems and partner airlines and the judgement required by management in determining the unexercised rights of passengers, all of which give rise to an inherent risk that revenue could be recorded in the incorrect period or at incorrect amount.	Our procedures included, but were not limited to the following: • assessed that the revenue recognition policy is in line with Ind AS 115 'Revenue from Contracts with Customers'; • involved our IT specialist to assist in assessing the design, implementation and operating effectiveness of management's general IT controls and key application controls over the Group's IT systems and third- party systems (assessed the assurance report attesting the appropriateness and effectiveness of the internal control system established by the service provider (the SSAE 16 report and bridge letters)) which govern revenue recognition, and key manual internal controls over passenger revenue recognition, including controls related to estimation of trends in respect of unused revenue documents and testing of preventive controls over unauthorised override; • performed tests of details such as tested revenue and collection reconciliations of Group's records with reports generated from third party systems, tested manual journal entries posted into relevant revenue accounts in the sub-ledger and general ledger which met specified risk-based criteria. • analysed the terms related to passenger tickets and obtained data supporting Group's historical expiry trend in respect of unused revenue documents and tested a sample of revenue documents from the source data to ascertain timing of the recognition they were recorded and evaluated the judgements used in determining the timing of the recognition of revenue from unexercised rights of passengers. • performed tests to verify that the timing of passenger revenue recognition was appropriate;

Lease accounting, incentives and corresponding tax implications (refer note 16.b to the consolidated financial statements)	
The Group operates certain new and used aircraft under both finance and operating lease arrangements. For determination of the appropriate lease accounting under Ind AS 116, basis classification of leases, sale and leaseback transactions, and corresponding tax treatment, the Group has considered the substance of the transaction rather than just the legal form including among other factors, treatment of receipt of non-refundable incentives in connection with acquisition of new aircrafts. We considered lease accounting, of aircraft and other leases (including the corresponding tax treatment), as a key audit matter due to significant judgement required in the assumptions and estimates used to determine the Right of Use (ROU) asset and lease liability, viz assessment of lease term (including modification terms), determination of appropriate incremental borrowing rate, treatment of non-refundable incentives received in connection with the acquisition of the aircrafts and other other assets in ROU, componentisation of the ROU asset, and the tax treatment of incentives involves a significant degree of management judgement in interpreting the various relevant rules, regulations and practices.	Our audit procedures included but were not limited to: • tested that the Group's accounting policies are in compliance with requirements of Ind AS 116, including consideration of exemptions; • assessed the design, implementation and operating effectiveness of management's key internal controls over process for identifying lease contracts, or contracts which contain leases, related incentives and accounting thereof; tested the completeness of the data in the aircraft lease master, by validating the key terms of the aircraft acquisition and leases agreements (including modifications) and assessed management judgements used in determining the classification of leases, • performed tests of details to examine the inputs used for determining right of use assets and lease liabilities related to lease contracts with underlying lease agreements including related incentives received and performed computation checks on the amount of lease liability and the right to use, tracing of the same to bank statements, credit notes, underlying contracts/documents; • assessed the inputs used for determination of the incremental borrowing rate including, assessment of lease term by reference to the underlying lease contracts and market data;

	• engaged our internal tax specialists to assess Group assumptions, critical judgements made by management on the tax treatment of incentives, which impacted their estimations of the provisions required for open tax assessments and for other years, basis the favourable ITAT orders received by the Holding Company, opinions given by third party tax advisors, settlements being made by the Group under Vishwas se Vivaad scheme for certain years; • assessed the adequacy of the disclosures in respect of the tax position in Note 30 to the consolidated financial statements.
Aircraft Maintenance Obligations (refer note 17 to the consolidated financial statements)	
The Group operates aircraft which are owned or are held under operating lease arrangements and incurs liabilities for maintenance costs in respect of aircraft leased during the term of the lease. These arise from legal and contractual obligations relating to the condition of the aircraft when it is returned to the lessor. At each reporting date, the calculation of the maintenance provision includes a number of variable factors and assumptions including: likely utilisation of the aircraft; the expected cost of the heavy maintenance check at the future date it is expected to occur; the condition of the aircraft engine, contractual return conditions. Given the involvement of inherent level of management judgement required as a result of the complex and subjective element around these variable factors and assumptions in order to quantify the provision amounts, we have identified this as a key audit matter.	Our audit procedures to assess aircraft maintenance provisions included but were not limited to the following: • assessed the design, implementation and operating effectiveness of the management's internal controls over the maintenance process including accounting for maintenance provisions for aircraft held under operating leases; • assessed the adequacy of the provision recorded and key assumptions adopted by management in estimating the provisions and any changes therein, and reviewed the terms of the operating leases, compared assumptions to contract terms and the Group's maintenance cost experience; • obtained information about the utilisation pattern by reference to the expected future maintenance event dates from Group's appropriate personnel and assessed the consistency of the provisions with the engineering department's assessment of the condition of aircraft, based on underlying engine borescope inspections and results, analysis of historical flight hours, estimate of the cost of maintenance work to historic invoices; • assessed the adequacy of the provision by ensuring that all significant return condition obligations included in aircraft operating lease contracts have been considered; • performed sensitivity analysis around the key assumptions;
Impact of COVID-19 on impairment of non-financial assets (refer note 42 to the consolidated financial statements)	
During the current year, due to significant impact of COVID-19 on the business operations of the Group, impairment indicators were identified on the investments in non-financial assets, namely PPE and ROU. As a result, an impairment assessment was required to be performed. There was uncertainty in estimating the recoverable amount of the PPE and ROU, which principally arose from the inputs used in both forecasting and discounting future cash flows. Furthermore, the value in use is highly sensitive to changes in these inputs. The determination of the recoverable amount of the PPE and ROU was one of the key judgmental areas in preparing the financial statements due to a combination of the significance of the ROU and PPE and involved management making estimates and judgements that are critical to the outcomes of these inputs and the inherent uncertainty in the assumptions supporting the recoverable amount of these assets, hence impact of COVID-19 on the impairment of non-financial assets, has been determined to be a key audit matter.	Our audit procedures included but were not limited to: • obtained management's most recent financial results forecasts and liquidity analysis underlying their impairment assessment and tested the integrity of the forecasts, including mathematical accuracy. • together with our valuation specialists, inspected management's most recent forecasts and assessed the underlying assumptions/calculations, the assumed duration of the disruption, having considered information on capacity, passenger load factors and expected growth rates from recent industry sources. • assessed potential changes in key drivers with management in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable. • assessed the most recent forecasts with the management of the Group to understand Group's and the Board's views on impairment of the non-financial assets. • assessed the adequacy of the disclosures made in the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is 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.

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 and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

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

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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the 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 management's 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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 for the financial year ended March 31, 2021 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

As required by Section 143(3) of the Act, 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 purposes 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 consolidation of the financial statements have been kept so far as it appears from our examination of those books;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary company, incorporated in India, none of the directors of group are is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company and its subsidiary company incorporated in India, refer to our separate Report in "Annexure 1" to this report;

(g) Accordingly to the information and explanation given by the management of the Holding Company and as stated in note 43 to the consolidated financial statements which provide shareholder's approval related to the managerial remuneration, we report that remuneration paid or provided to its only whole time director and CEO, for the year ended March 31, 2021 is within the limits and in accordance with the requisite approvals mandated by the provisions of the section 197 read with Schedule V to the Companies Act, 2013;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated financial statements – Refer Note 30 to the consolidated financial statements;

ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2021;

iii. There was no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary incorporated in India during the year ended March 31, 2021.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij
Partner
Membership Number: 095169
UDIN: 21095169AAAABU9592

Place of Signature: Gurugram
Date: June 5, 2021

Independent Auditors' Report (contd...)

ANNEXURE 1 REFERRED IN PARAGRAPH 2(f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF INTERGLOBE AVIATION LIMTED

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

We have audited the internal financial controls over financial reporting of Interglobe Aviation Limited ('Holding Company) and its subsidiary (together "the Group") as of March 31, 2021 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Group's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Group's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij
Partner
Membership Number: 095169
UDIN: 21095169AAAABU9592

Place of Signature: Gurugram
Date: June 5, 2021

Consolidated Balance Sheet

as at 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

	Note	As at 31 March 2021	As at 31 March 2020
I. ASSETS			
Non-current assets			
a. Property, plant and equipment	3.a.	7,969.66	24,995.69
b. Right of use assets	4	179,861.71	142,461.38
c. Capital work-in-progress		663.51	1,292.70
d. Intangible assets	5	334.96	335.91
e. Intangible assets under development		54.19	109.69
f. Financial assets			
(i) Investments	6	0.83	0.75
(ii) Loans	7	15,806.57	12,759.54
(iii) Other financial assets	8	16.34	58.30
g. Deferred tax assets (net)	20.d.	3,026.93	2,992.82
h. Income tax assets (net)	20.c.	5,139.53	4,296.71
i. Other non-current assets	9	9,498.13	7,142.69
Total non-current assets		222,372.36	196,446.18
Current assets			
a. Inventories	10	3,164.18	2,861.28
b. Financial assets			
(i) Investments	6	73,394.06	94,991.67
(ii) Trade receivables	11	2,189.78	2,594.16
(iii) Cash and cash equivalents	12	5,088.85	7,190.66
(iv) Bank balances other than cash and cash equivalents, above	13	107,187.80	101,533.64
(v) Loans	7	1,286.04	4,551.23
(vi) Other financial assets	8	6,192.86	6,231.27
c. Other current assets	9	8,182.16	4,610.69
Total current assets		206,685.73	224,564.60
Assets held for sale	3.b.	1,453.44	-
TOTAL ASSETS		430,511.53	421,010.78
II. EQUITY AND LIABILITIES			
EQUITY			
a. Equity share capital	14	3,849.10	3,847.96
b. Other equity	15	(2,740.51)	54,931.44
Equity attributable to owners of the Company		1,108.59	58,779.40
c. Non-controlling interest		-	-
Total equity		1,108.59	58,779.40
LIABILITIES			
Non-current liabilities			
a. Financial liabilities			
(i) Borrowings	16.a	3,816.28	3,465.87
(ii) Lease liabilities	16.b	202,805.34	155,791.01
(iii) Other financial liabilities	16.c	26,049.29	30,388.86
b. Provisions	17	5,522.94	5,634.98
c. Other non-current liabilities	19	241.90	369.77
d. Deferred incentives		1,730.27	2,206.31
Total non-current liabilities		240,166.02	197,856.80
Current liabilities			
a. Financial liabilities			
(i) Borrowings	16.a	21,239.95	-
(ii) Trade payables	18		
- total outstanding dues of micro enterprises and small enterprises		280.98	61.15
- total outstanding dues of creditors other than micro enterprises and small enterprises		15,232.31	15,614.67
(iii) Lease liabilities	16.b	70,734.97	64,544.27
(iv) Other financial liabilities	16.c	47,234.60	45,897.39
b. Provisions	17	16,083.58	13,962.54
c. Current tax liabilities (net)	20.c.	30.76	30.76
d. Other current liabilities	19	17,923.74	23,787.75
e. Deferred incentives		476.03	476.05
Total current liabilities		189,236.92	164,374.58
TOTAL EQUITY AND LIABILITIES		430,511.53	421,010.78

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached
For S.R. Batliboi & Co LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

per Sanjay Vij
Partner
Membership No. 95169

Place: Gurgaon
Date: 5 June 2021

For and on behalf of the Board of Directors of
InterGlobe Aviation Limited

Ronojoy Dutta
Whole Time Director and
Chief Executive Officer
DIN: 08676730

Anil Parashar
Director
DIN: 00055377

Jiten Chopra
Chief Financial Officer

Sanjay Gupta
Company Secretary and
Chief Compliance Officer

Place: Gurgaon
Date: 5 June 2021

Consolidated Statement of Profit and Loss

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
Income			
Revenue from operations	21	146,406.31	357,560.01
Other income	22	10,369.64	15,355.09
Total income		156,775.95	372,915.10
Expenses			
Aircraft fuel expenses		38,312.77	124,537.94
Aircraft and engine rentals (net)		2,804.57	4,966.57
Supplementary rentals and aircraft repair and maintenance (net)		41,912.60	58,672.37
Airport fees and charges		16,128.84	29,116.84
Purchase of stock-in-trade (In-flight)		543.21	1,809.08
Changes in inventories of stock-in-trade	23	11.61	(30.53)
Employee costs	24	32,954.92	47,099.59
Finance costs	25	21,419.83	18,758.71
Depreciation and amortisation expense	26	46,994.46	39,739.29
Foreign exchange (gain) / loss (net)		(5,230.26)	15,461.89
Other expenses	27	19,104.10	35,340.04
Total expenses		214,956.65	375,471.79
Loss before tax		(58,180.70)	(2,556.69)
Tax expense	20.a.		
Current tax		(78.68)	91.30
Deferred tax charge / (credit)		(37.75)	(311.21)
Total tax expense / (credit)		(116.43)	(219.91)
Loss for the year		(58,064.27)	(2,336.78)
Other comprehensive income	15.b.		
Items that will not be reclassified to profit or loss			
- Remeasurements of defined benefit plans		(2.17)	14.68
- Income tax relating to above mentioned item		(3.64)	(3.69)
Other comprehensive income/ (loss) for the year, net of tax		(5.81)	10.99
Total comprehensive income/ (loss) for the year		(58,070.08)	(2,325.79)
Loss for the year attributable to	45		
- Owners of the Company		(58,064.27)	(2,336.78)
- Non-controling interest		-	-
Other comprehensive income/ (loss) for the year attributable to	45		
- Owners of the Company		(5.81)	10.99
- Non-controling interest		-	-
Total comprehensive income/ (loss) for the year attributable to	45		
- Owners of the Company		(58,070.08)	(2,325.79)
- Non-controling interest		-	-
Earnings per equity share of face value of Rs. 10 each (previous year Rs. 10 each)	35		
Basic (Rs.)		(150.89)	(6.07)
Diluted (Rs.)		(150.89)	(6.07)

The accompanying notes form an integral part of the consolidated financial statements
As per our report of even date attached
For S.R. Batliboi & Co LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

per Sanjay Vij
Partner
Membership No. 95169

Place: Gurgaon
Date: 5 June 2021

For and on behalf of the Board of Directors of
InterGlobe Aviation Limited

Ronojoy Dutta
Whole Time Director and
Chief Executive Officer
DIN: 08676730

Anil Parashar
Director
DIN: 00055377

Jiten Chopra
Chief Financial Officer

Sanjay Gupta
Company Secretary and
Chief Compliance Officer

Place: Gurgaon
Date: 5 June 2021

Consolidated Cash Flow Statement

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

		For the year ended 31 March 2021	For the year ended 31 March 2020
A.	Cash flows from operating activities		
	Loss before tax	(58,180.70)	(2,556.69)
	Adjustments for:		
	Depreciation and amortisation expense	46,994.46	39,739.29
	Interest on lease liabilities	16,196.87	13,644.50
	Unrealised foreign exchange (gain) / loss (net)	(4,664.75)	13,122.27
	Interest accretion on provisions and other financial liabilities measured at amortised cost	4,416.75	4,564.57
	Marked to market gain on current investments	(3,213.31)	(4,595.12)
	Interest income from bank deposits	(1,269.28)	(2,571.70)
	Non cash incentives, claims and credits (net)	(3,603.61)	(2,164.89)
	Net gain on sale of current investments	(1,154.35)	(1,930.57)
	Interest income from financial assets at amortised cost	(1,174.57)	(986.56)
	Employee stock option scheme expense (included in salaries, wages and bonus)	306.58	(99.15)
	Liabilities no longer required written back	(78.31)	(76.67)
	Interest on borrowings measured at amortised cost	244.71	336.48
	Redelivery and overhaul cost	1.17	160.79
	Property, plant and equipment written off	540.72	104.04
	(Profit) / loss on sale of property, plant and equipment (net)	(9.98)	49.26
	Profit on sale and leaseback of owned assets (net)	(12.81)	-
	Bad debts written off	193.81	13.45
	Impairment loss on trade receivables	2.92	3.70
	Advances written off	13.81	0.60
	Impairment loss on deposits	-	8.37
	Operating profit / (loss) before working capital changes	(4,449.87)	56,765.97
	Adjustments for:		
	Increase in loans, other financial assets, and other assets	(7,554.77)	(5,350.98)
	Increase in inventories	(302.90)	(746.87)
	Increase/ (decrease) in trade payables, other financial liabilities, other liabilities and provisions	(3,462.49)	21,188.88
	Decrease in trade receivables	392.63	1,011.08
	Cash generated from / (used in) operating activities	(15,377.40)	72,868.08
	Income tax paid	(764.14)	(3,150.26)
	Net cash generated from / (used in) operating activities	(16,141.54)	69,717.82
B.	Cash flows from investing activities		
	Purchase of mutual funds / shares / fixed rate non-convertible debentures (Refer to Note 6)	(128,822.40)	(230,557.46)
	Proceeds from sale of mutual funds / shares / fixed rate non-convertible debentures (Refer to Note 6)	154,787.67	207,256.58
	Investment in deposits (Refer to Note 8, 12 and 13)	(99,558.59)	(94,209.29)
	Proceeds from maturity of deposits (Refer to Note 8, 12 and 13)	89,567.28	78,752.90
	Interest received	1,366.92	3,692.97
	Proceeds from sale and leaseback of owned assets	18,833.68	-
	Purchase of property, plant and equipment and intangible assets (including capital advances)	(4,368.87)	(10,883.06)
	Proceeds from sale of property, plant and equipment	164.69	267.38
	Net cash generated from / (used in) investing activities	31,970.38	(45,679.98)
C.	Cash flows from financing activities		
	Repayment of lease liabilities (net of incentives)	(19,967.92)	(8,707.56)
	Interest charges paid on lease liabilities	(15,928.23)	(13,374.50)
	Proceeds from secured loans (Refer to Note 3 below)	48,442.04	420.61
	Repayment of secured loans (Refer to Note 3 below)	(30,099.91)	-

Consolidated Cash Flow Statement

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

		For the year ended 31 March 2021	For the year ended 31 March 2020
	Interest paid on secured loans	(292.04)	(340.10)
	Final dividend paid	-	(1,922.53)
	Corporate dividend tax paid	-	(395.34)
	Securities premium received on account of issue of shares	91.55	240.69
	Proceeds from issue of shares on exercise of stock options	1.14	3.89
	Net cash used in financing activities	(17,753.37)	(24,074.84)
	Net decrease in cash and cash equivalents during the year (A+B+C)	(1,924.53)	(37.00)
	Effect of exchange rate changes on cash and cash equivalents held in foreign currency	(177.28)	(56.51)
D.	Cash and cash equivalents at the beginning of the year		
	Cash on hand	53.38	48.89
	Balance with banks:		
	- On current accounts	1,526.41	5,593.13
	- On deposit accounts (with original maturity of three months or less)	5,610.87	1,642.15
		7,190.66	7,284.17
E.	Cash and cash equivalents as at the end of the year		
	Cash on hand	6.46	53.38
	Balance with banks:		
	- On current accounts	1,353.50	1,526.41
	- On deposit accounts (with original maturity of three months or less)	3,728.89	5,610.87
		5,088.85	7,190.66

Notes:

1. The Consolidated Cash Flow Statement has been prepared in accordance with 'Indirect method' as set out in Ind AS - 7 - 'Statement of Cash Flows', as notified under Section 133 of the Companies Act, 2013.
2. Cash and cash equivalents includes Rs. 4,223.69 (previous year Rs. 3,968.28) held in foreign currency which can be repatriated back by the Group subject to procedural compliances in local jurisdictions.
3. Changes in liabilities arising from financing activities

	For the year ended 31 March 2021	For the year ended 31 March 2020
Opening balance of secured loans	6,856.40	5,882.51
Cash flows		
Repayment of secured loans	(30,099.91)	-
Proceeds from secured loans	48,442.04	420.61
Non-cash changes		
Foreign currency exchange fluctuations	(142.30)	553.28
Closing balance of secured loans	25,056.23	6,856.40

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For S.R. Batliboi & Co LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

per Sanjay Vij
Partner
Membership No. 95169

Place: Gurgaon
Date: 5 June 2021

For and on behalf of the Board of Directors of
InterGlobe Aviation Limited

Ronojoy Dutta
Whole Time Director and
Chief Executive Officer
DIN: 08676730

Anil Parashar
Director
DIN: 00055377

Jiten Chopra
Chief Financial Officer

Sanjay Gupta
Company Secretary
and Chief Compliance
Officer

Place: Gurgaon
Date: 5 June 2021

Consolidated Statement of Changes in Equity

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

a. Equity share capital

Particulars	Note	For the year ended 31 March 2021		For the year ended 31 March 2020	
		Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year		384,796,279	3,847.96	384,406,838	3,844.07
Changes in equity share capital during the year:					
Issued during the year pursuant to exercise of employee stock options	37	113,721	1.14	389,441	3.89
Balance at the end of the year		384,910,000	3,849.10	384,796,279	3,847.96

b. Other equity

Particulars	Note	Equity component of compound financial instruments*	Reserves and surplus				Total equity attributable to owners of the Company
			Employee stock options outstanding account	Securities premium	General reserve	Retained earnings	
Balance as at 1 April 2020		58.79	105.11	38,184.21	389.07	16,194.26	54,931.44
Changes in other equity during the year ended 31 March 2021:							
Loss for the year						(58,064.27)	(58,064.27)
Other comprehensive income/ (loss) for the year**	15.b.(iv)					(5.81)	(5.81)
Total comprehensive income/ (loss) for the year						(58,070.08)	(58,070.08)
Premium received during the year on account of issue of shares on exercise of employee stock options	15.b.(ii)	-	-	91.55	-	-	91.55
Amount (utilised) / transfer for issue of shares on exercise of employee stock options	15.b.(ii)	-	(61.45)	61.45	-	-	-
Employee stock option scheme expense	37	-	306.58	-	-	-	306.58
Balance as at 31 March 2021		58.79	350.24	38,337.21	389.07	(41,875.82)	(2,740.51)

* Represents equity component of compound financial instruments (net of tax) 36,716 fully paid up 0.00% convertible preference shares of Rs.1,000 each. Refer to Note 15.a.

** Other comprehensive income/ (loss) represents remeasurement of defined benefit plans (net of tax).

Consolidated Statement of Changes in Equity

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

b. Other equity (contd...)

Particulars	Note	Equity component of compound financial instruments*	Reserves and surplus				Total equity attributable to owners of the Company
			Employee stock options outstanding account	Securities premium	General reserve	Retained earnings	
Balance as at 1 April 2019		58.79	406.82	37,740.96	389.07	27,018.39	65,614.03
Impact of Ind AS 116 - Leases (Refer to Note 16.b)						(6,180.47)	(6,180.47)
Restated balance as at 1 April 2019		58.79	406.82	37,740.96	389.07	20,837.92	59,433.56
Changes in other equity during the year ended 31 March 2020:							
Loss for the year						(2,336.78)	(2,336.78)
Other comprehensive income/ (loss) for the year**	15.b.(iv)					10.99	10.99
Total comprehensive income/ (loss) for the year						(2,325.79)	(2,325.79)
Final dividend	15.b.(iv)	-	-	-	-	(1,922.53)	(1,922.53)
Corporate dividend tax	15.b.(iv)	-	-	-	-	(395.34)	(395.34)
Premium received during the year on account of issue of shares on exercise of employee stock options	15.b.(ii)	-	-	240.69	-	-	240.69
Amount (utilised) / transfer for issue of shares on exercise of employee stock options	15.b.(ii)	-	(202.56)	202.56	-	-	-
Employee stock option scheme expense	37	-	(99.15)	-	-	-	(99.15)
Balance as at 31 March 2020		58.79	105.11	38,184.21	389.07	16,194.26	54,931.44

* Represents equity component of compound financial instruments (net of tax) 36,716 fully paid up 0.00% convertible preference shares of Rs.1,000 each. Refer to Note 15.a.

** Other comprehensive income represents remeasurement of defined benefit plans (net of tax).

The accompanying notes form an integral part of the consolidated financial statements
As per our report of even date attached
For S.R. Batliboi & Co LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

per Sanjay Vij
Partner
Membership No. 95169

Place: Gurgaon
Date: 5 June 2021

For and on behalf of the Board of Directors of
InterGlobe Aviation Limited

Ronojoy Dutta
Whole Time Director and
Chief Executive Officer
DIN: 08676730

Anil Parashar
Director
DIN: 00055377

Jiten Chopra
Chief Financial Officer

Sanjay Gupta
Company Secretary and
Chief Compliance Officer

Place: Gurgaon
Date: 5 June 2021

Notes forming part of the consolidated financial statements
for the year ended 31 March 2021
(Rupees in millions, except for share data and if otherwise stated)

1. Company Information / Overview

InterGlobe Aviation Limited (the "Company") is a public limited company domiciled in India. The Company was incorporated on 13 January 2004 as a private limited company in India under the provisions of the Companies Act applicable in India. Subsequently, the Company changed its legal status from a private company to a public company on 11 August 2006. The Company's registered office is at Upper Ground Floor, Thapar House, Gate No. 2, Western Wing, 124 Janpath, New Delhi - 110 001, India. The shares were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on 10 November 2015. The Company is in the low cost carrier (LCC) segment of the airline industry in India.

The subsidiary of the Company, i.e. Agile Airport Services Private Limited ("Agile") has been incorporated on 14 February 2017.

InterGlobe Aviation Limited together with its subsidiary is hereinafter referred to as the "Group". The activities of the Group comprises of air transportation and pre-flight and post flight ground handling operations which includes passenger and cargo services and providing related allied services such as in-flight sales, business of ground handling and other allied services at the airports.

2.a Basis of preparation

(i) Statement of compliance

The consolidated financial statements comply with Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 (the "Act"), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), relevant provisions of the Act and other accounting principles generally accepted in India. The consolidated financial statements are prepared on accrual and going concern basis.

The consolidated financial statements were authorised for issue by the Board of Directors of the Company on 5 June 2021.

(ii) Basis of measurement

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

(iii) Critical accounting estimates and judgements

In preparing these consolidated financial statements, 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 estimates and judgements in applying accounting policies that have the most significant effect on the consolidated financial statements are as follows:

Note 2.(b) (xiv) and 32 - measurement of defined benefit obligations: key actuarial assumptions.

Note 2.(b) (ix) and (x) - judgement required to ascertain lease classification and fair value of assets including assets held for sale.

Note 2.(b) (vii) and (viii) - measurement of useful life and residual values of property, plant and equipment and useful life of intangible assets.

Note 2.(b) (vii) and (viii) - Determination of major engine and airframe overhauls and other heavy maintenance as separate components for owned aircraft and aircraft taken on lease (previously classified as finance lease under erstwhile Ind AS), and their associated costs.

Note 2.(b) (xv), (xx) and 17- estimation of provision of maintenance, redelivery and overhaul cost.

Notes forming part of the consolidated financial statements
for the year ended 31 March 2021
(Rupees in millions, except for share data and if otherwise stated)

Note 2.(b) (xiii) - judgement required in impairment assessment.

Note 2.(b) (xv) and 30. - judgement is required to ascertain whether it is probable or not that an outflow of resources embodying economic benefits will be required to settle all disputes including taxation and legal claim.

Note 37 - judgement required to determine grant date fair value.

Note 2.(b) (iii), (iv) and 28 - fair value measurement of financial instruments.

Note 2.(b) (xxii)- judgement required to determine probability of recognition of deferred tax assets.

Note 2.(b) (xvi) - judgement required to determine standalone price for each performance in bundled contracts.

Note 2.(b) (x) - judgement is required in determining the lease term of contracts with extension and termination options.

Note 2.(b) (x) - estimation of the incremental borrowing rate used for accounting of leases.

There are no assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year except those stated in Note 42.

(iv) Basis of consolidation

The Company consolidates entity which it owns or controls. The consolidated financial statements comprise the standalone financial statements of the Company and its subsidiary as disclosed in Note 45. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions are eliminated upon consolidation. These consolidated financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interest which represents part of net profit or loss and net assets of subsidiary that are not, directly or indirectly, owned or controlled by the Company, are excluded.

2.b Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these consolidated financial statements except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy.

(i) Current - non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the normal operating cycle of the respective company of the Group;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting period; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the normal operating cycle of the respective company of the Group;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting period; or
- the respective company of the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

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

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the respective company of the Group has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non-current.

(ii) Foreign currency transactions and translations

Functional and presentation currency

The management has determined the currency of the primary economic environment in which the Group operates i.e., functional currency, to be Indian Rupees (Rs.). The consolidated financial statements are presented in Indian Rupees, which is the Group's functional and presentation currency. All amounts have been rounded to the nearest millions upto two decimal places, unless otherwise stated.

Transactions and balances

Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of the Group at the exchange rates on the date of the transactions or at an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains/(losses) arising on account of realisation/settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the Consolidated Statement of Profit and Loss. However, gains/ (losses) arising on translation of certain lease liabilities which represents long-term foreign currency monetary loans taken before 31 March 2016 and used for acquisition of depreciable right of use assets, are adjusted in the cost of respective item of right of use assets. The treatment will continue till the repayment of the long-term foreign currency monetary loans.

Foreign exchange gains / (losses) arising on translation of foreign currency monetary loans are presented in the Consolidated Statement of Profit and Loss on net basis. However, foreign exchange differences arising from foreign currency monetary loans to the extent regarded as an adjustment to borrowing costs are presented in the Consolidated Statement of Profit and Loss, within finance costs.

(iii) 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:

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

- 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 principal or the most advantageous market must be accessible to/ by the Group.

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) 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 reassessing 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.

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.

The Group measures financial instruments, such as, investments, at fair value at each reporting date. Also, fair value of financial instruments measured at amortised cost is disclosed in Note 28.

(iv) 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

Recognition and initial measurement

All financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets are initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Classification and subsequent measurement

Classification

For the purpose of subsequent measurement, the Group classifies financial assets in following categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

A financial asset being 'debt instrument' is measured at the amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

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A financial asset being 'debt instrument' is measured at the FVTOCI if both of the following criteria are met:

- The asset is held within the business model, whose objective is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

A financial asset being equity instrument is measured at FVTPL.

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL.

Subsequent measurement

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the Consolidated Statement of Profit and Loss.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the Consolidated Statement of Profit and Loss.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any gain or loss on derecognition is recognised in the Consolidated Statement of Profit and Loss.

Impairment of financial assets (other than at fair value)

The Group recognises loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case those financial assets are measured at lifetime ECL. The changes (incremental or reversal) in loss allowance computed using ECL model, are recognised as an impairment gain or loss in the Consolidated Statement of Profit and Loss.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Financial liabilities

Recognition and initial measurement

All financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the liability.

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Classification and subsequent measurement

Financial liabilities are classified as measured at amortised cost or FVTPL.

A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the Consolidated Statement of Profit and Loss.

Financial liabilities other than classified as FVTPL, are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in Consolidated Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Consolidated Statement of Profit and Loss.

Derecognition

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the Consolidated Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the Consolidated Balance Sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

Compound financial instruments - convertible preference shares

Compound financial instruments issued by the Company comprises of convertible preference shares that can be converted to equity shares of the Company.

Convertible preference shares are bifurcated into liability and equity components based on the terms of the contract.

The liability component of convertible preference shares is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of convertible preference shares is not remeasured subsequently.

Interest related to the liability component is recognised in Consolidated Statement of Profit and Loss. On conversion, the liability component is reclassified to equity and no gain or loss is recognised.

(v) Share capital

Equity share capital

Issuance of ordinary shares are recognised as equity share capital in equity. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity, net of any tax effects.

(vi) Cash and cash equivalents

Cash and cash equivalents comprises of cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

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(vii) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises: (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate component of property, plant and equipment. The Group has recognised major inspection costs relating to engine and airframe overhauls and other heavy maintenance as separate components for owned aircraft and leased aircraft previously classified as finance leases under erstwhile Ind AS.

The cost of improvements to aircraft taken on lease except leased aircraft which were previously classified as finance leases under erstwhile Ind AS, if recognition criteria are met, have been capitalised and disclosed separately as leasehold improvement - aircraft.

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. Any gain or loss arising on derecognition of property, plant and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of property, plant and equipment) is included in the Consolidated Statement of Profit and Loss when property, plant and equipment is derecognised. The carrying amount of any component accounted as a separate component is derecognised, when replaced or when the property, plant and equipment to which the component relates gets derecognised.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that the future economic benefits associated with expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Consolidated Statement of Profit and Loss at the time of incurrence.

Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values and is charged to Consolidated Statement of Profit and Loss. Depreciation on property, plant and equipment, except owned aircraft and spare engine, rotables and non-aircraft equipment, leasehold improvements and leasehold improvements - aircraft, is provided on written down value method at the rates and in the manner provided in Schedule II of the Companies Act, 2013. Depreciation on owned aircraft and spare engine, rotables and non-aircraft equipment is provided on the straight line method at the rates and in the manner prescribed in Schedule II of the Companies Act, 2013.

Major inspection costs relating to engine and airframe overhauls and other heavy maintenance are identified as separate components for owned and leased aircraft previously classified as finance leases under erstwhile Ind AS and are depreciated over the expected lives between major overhauls and remaining useful life of the aircraft, whichever is lower.

Depreciation on Property, plant and equipment has been charged based on the following useful lives:

Asset Head	Useful life in years
Owned Aircraft and spare engines	
- Aircraft and engine components including spare engines	20
- Major inspection and overhaul costs	2 - 12
Rotables and non-aircraft equipment*	20
Furniture and fixtures	10
Computer	

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Asset Head	Useful life in years
- End user devices	3
- Server and networks	6
Office equipment	
- Office equipment	5
- Electrical equipment	10
Ground support equipment	15
Vehicles (including ground support vehicles)	
- Motor vehicles (ground support equipment)	8
- Motor vehicles	8

*The life of the rotables is reassessed, the moment these are installed to the aircraft and are expected to be redelivered along with the aircraft. Accordingly, the net carrying value of rotables are depreciated in the same period in which such aircraft is redelivered.

Expenditure incurred towards leasehold improvements - aircraft is depreciated on a straight line basis over the remaining period of the lease of the aircraft or 5 years, whichever is lower.

Leasehold improvements are depreciated on a straight line basis over the period of the initial lease term or their estimated useful life, whichever is lower.

Buildings are depreciated on a straight line basis over the remaining period of the lease of land on which building is constructed or 60 years, whichever is lower.

The useful lives have been determined based on internal evaluation done by management and are in line with the estimated useful lives, to the extent prescribed by the Schedule II of the Companies Act, 2013, in order to reflect the technological obsolescence and actual usage of the asset. The residual values are not more than 5% of the original cost of the asset.

Depreciation is calculated on a pro-rata basis for assets purchased/sold during the period.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed by management at each reporting date and adjusted prospectively, as appropriate.

Capital work-in-progress

Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in-progress.

(viii)Intangible assets

Recognition and measurement

Intangible assets that are acquired are recognised only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and the cost of assets can be measured reliably. The intangible assets are recorded at cost of acquisition including incidental costs related to acquisition and installation and are carried at cost less accumulated amortisation and impairment losses, if any.

Gain or loss arising from derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.

Subsequent costs

Subsequent costs are capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure on intangible assets is recognised in the Consolidated Statement of Profit and Loss, as incurred.

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Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives of 3 years using the straight-line method. Amortisation is calculated on a pro-rata basis for assets purchased/ disposed during the period.

Amortisation method and useful life are reviewed at each reporting date and adjusted prospectively, if appropriate.

Intangible assets under development

Cost of intangible assets under development as at the reporting date are disclosed as intangible assets under development.

(ix) Asset held for sale

The Group's non-current asset are classified as asset held for sale if it is highly probable that the carrying amount of non-current asset will be recovered primarily through sale rather than through continuing use and its sale is highly probable. The sale is considered to be highly probable only when such non-current asset is available for immediate sale in its present condition and the sale is expected to be complete within an year from the date of classification. Such non-current asset are measured at lower of their carrying amount and fair value less cost to sell. If a newly acquired non-current asset meets the criteria to be classified as asset held for sale, such non-current asset being measured on initial recognition at the lower of its carrying amount had it not been so classified (for example, cost) and fair value less costs to sell. Losses on initial classification as asset held for sale and subsequent gain and losses on re-measurement are recognised in Consolidated Statement of Profit and Loss. Assets and liabilities classified as held for sale are presented separately in the Consolidated Balance Sheet.

(x) Leases

The Group's lease asset classes primarily consist of leases for aircraft and engines, equipment, leasehold land and buildings. The Group assesses at the inception date whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

i) Lease liabilities

At the commencement date, the Group measures the lease liabilities at the present value of the lease payments that are not paid at that date. The lease liabilities include lease payments, payment of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate, exercise price of a purchase option, if the Group is reasonably certain to exercise that option, less any incentives receivable.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate (IBR). The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right of use assets in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced by the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a lease modification, including modification in the lease term, lease payments or assessment of an option to purchase the underlying asset. The lease liabilities are re-measured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

ii) 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.

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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, if any. Right of use assets are also correspondingly adjusted to reflect any re-measurement impact in the lease liabilities on account of lease modification. The right of use assets are also subject to impairment. Refer to the accounting policies in Note 2.(b) (xiii) Impairment of non-financial assets.

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) Other Leases

Lease payments associated with any other leases which falls outside the purview of Ind AS 116, short term leases and leases for which the underlying asset is of low value are charged to Consolidated Statement of Profit and Loss on straight line basis over the lease term or another systematic basis which is more representative of the pattern of use of underlying asset.

v) Sale and leaseback transactions

Where sale proceeds (net of maintenance obligation, if any) 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 (net of maintenance obligation, if any) 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.

vi) Depreciation

Depreciation on assets held as right of use assets is charged to Consolidated Statement of Profit and Loss on a straight line basis from the commencement date to the earlier of the end of the useful life of the right of use assets or the end of the lease term, except for leased aircraft previously classified as finance leases under erstwhile Ind AS where depreciation is charged on useful life of right of use assets.

Depreciation on right of use assets has been charged based on the following period:

Asset Head	Useful life in years
Aircraft and engines	
- Aircraft and engines components including spare engines	1-12
- Leased aircraft previously classified as finance lease under erstwhile Ind AS	20
- Major inspection and overhaul costs (Refer to Note 2. (xx))	2-12
Equipment	8
Leasehold land	15-20
Buildings	1-10

(xi) Incentive - non-refundable

Cash incentives

The Group receives non-refundable incentives in connection with the 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 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.

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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 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 Consolidated 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 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 utilisation of incentives against liability towards purchase of goods and services.

(xii) Inventories

Inventories primarily includes stores and spares and loose tools (other than those which meet the criteria of property, plant and equipment) and in-flight inventories. Inventories are valued at lower of cost or Net Realisable Value ('NRV'). Cost of inventories comprise all costs of purchase after deducting non refundable rebates and discounts and all other costs incurred in bringing the inventories to their present location and condition. Cost are assigned to individual items of inventory on the weighted average cost basis. NRV for in-flight inventory is the estimated selling price of goods sold less the estimated cost necessary to make the sale. NRV for stores and spares and loose tools used in rendering of services are not written down below cost except in cases where the price of such materials have declined and it is estimated that the cost of rendering of services will exceed their selling price. Where necessary, due allowance is made for all damaged, obsolete and slow moving items. The comparison of cost and net realizable value is made on an item by item basis at each reporting date.

(xiii)Impairment - non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Consolidated Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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(xiv) Employee benefits

Short-term employee benefits

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the reporting 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 an undiscounted amount expected to be paid when the liabilities are settled.

Post-employment benefit plans

Defined contribution plans

The Group pays provident fund contributions to the appropriate government authorities. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefits expense when an employee renders the related service.

Defined benefit plans

Defined benefit plans of the Group comprises gratuity.

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The gratuity plan of the Group is unfunded.

The liability recognised in the Consolidated Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated by actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost and other costs are included in employee costs in the Consolidated Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised immediately in the Consolidated Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Changes in the present value of the defined benefit obligation resulting from settlement or curtailments are recognised immediately in Consolidated Statement of Profit and Loss as past service cost.

Other long-term employee benefits

i. Compensated absences

The Group's net obligation in respect of compensated absences is the amount of benefit to be settled in future, that employees have earned in return for their service in the current and previous periods. The benefit is discounted to determine its present value. The obligation is measured on the basis of an actuarial valuation using the projected unit credit method. Remeasurements are recognised in Consolidated Statement of Profit and Loss in the period in which they arise.

ii. Others

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of benefit to be settled in future, that employees have earned in return for their service in the current and previous periods. The benefit is discounted to determine its present value. The obligation is measured on the basis of an actuarial valuation using the projected unit credit method. Remeasurements are recognised in Consolidated Statement of Profit and Loss in the period in which they arise.

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Share-based payment arrangements

The grant-date fair value of equity-settled share-based payment arrangements granted to employees under the Employee Stock Option Scheme ('ESOS') is generally recognised as an employee stock option scheme expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. The increase in equity recognised in connection with a share based payment transaction is presented in the "Employee stock option outstanding account", as separate component in equity. For share-based payment awards with market conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes. At the end of each period, the Company revises its estimates of the number of options that are expected to be vested based on the non-market performance conditions at the vesting date.

(xv) Provisions and contingent liabilities and assets

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past events, 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 current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

The Group has in its fleet aircraft on lease. As contractually agreed under the lease contracts (except for leases previously classified as finance lease under erstwhile Ind AS), the aircraft have to be redelivered to the lessors at the end of the lease term under stipulated contractual return conditions. The redelivery obligations are determined by management based on historical trends and data, and are recorded under 'provision for maintenance, redelivery and overhaul cost' at the present value of expected outflow, where effect of the time value of money is material with the corresponding value capitalised under 'Right of use assets'.

Contingent liabilities and assets

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

(xvi)Revenue recognition

Revenue is recognised upon transfer of control of promised goods or services to customers. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, incentives, performance bonuses, price concessions, amounts collected on behalf of third parties, or other similar items, if any, as specified in the contract with the customer. Revenue from bundled contracts is recognized separately for each performance obligation based on stand-alone selling price. Revenue is recorded provided the recovery of consideration is probable and determinable.

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Passenger services

Passenger revenue is recognised on flown basis i.e. when the service is rendered, net of discounts given to the passengers, amount collected on behalf of third parties, applicable taxes and airport levies such as passenger service fee, user development fee, etc., if any. Fees charged for cancellation of flight tickets are recognised as revenue on rendering of the said service.

The Group considers whether it is a principal or agent in relation to services by considering whether it has a performance obligation to provide services to the customer or whether the obligation is to arrange for services to be provided by a third party, such as another carrier or a third party.

The Group sells certain tickets with connecting flights with one or more segments operated by its other airline partners. For segments operated by its other airline partners, the Group has determined that every partner airline is responsible for their portion of the contract (i.e. transportation of the passenger). The Group recognizes revenue for the segment operated by the Group at the selling price of the ticket net of the amount transferrable to the other airline partner. The amount transferrable to the other airline partner for its segment is recognised as a financial liability.

Tickets sold by other airlines where the Group provides the transportation are recognized as passenger revenue at the estimated value to be billed to the other airline when the services are provided as per contract.

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 consideration from sale of tickets not yet flown is credited to unearned revenue i.e. 'Forward Sales' disclosed under other current liabilities. The unutilised balance in Forward Sales for more than an year is recognised as revenue based on historical statistics, data and management estimates and considering the Group's cancellation policy.

Cargo services

Cargo revenue is recognised when service is rendered i.e. goods are transported, net of discounts, amount collected on behalf of third parties, airport levies and applicable taxes.

In flight sales

Revenue from sale of merchandise and food and beverages is recognised on transfer of goods to passengers, net of applicable taxes.

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. 'Forward Sales' disclosed under other current liabilities.

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 income on a systematic basis over the period for which such grant is entitled.

Interest income

Interest income on financial assets (including deposits with banks) is recognised using the effective interest method on a time proportionate basis.

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Claims and other credits - non-refundable

Claims relate to reimbursement towards operational expenses such as operating lease rentals, aircraft repair and maintenance, etc, are adjusted against such expenses over the estimated period for which these reimbursements pertains. When credits are used against purchase of goods and services such as operating lease rentals, aircraft repair and maintenance, etc, these are adjusted against such expenses on utilization basis. The claims and credits are netted off against related expense arising on the same transaction as it reflects the substance of transaction. Further, any claim or credit not related to reimbursement towards operational expenses or used for purchase of goods and services are recognised as income in the Consolidated Statement of Profit and Loss when a contractual entitlement exists, the amount can be reliably measured and receipt is virtually certain.

Customer Loyalty Programme

The Group operates a rewards programme in partnership with credit card companies and this programme is referred as 'Co-Branded Card'. The Co-Branded Card provides points to its members on spending from the card as per the agreement. Reward points are redeemable by the members in the future periods for travel with the Group. Revenue against the reward points is recognised when redeemed by the members for travel with Group on flown basis. Reward points remain unredeemed at the time of expiry of such points is recognised in Other Income. Consideration value received from Co- Branded card companies is recognised as other liabilities till its redemption/expiry.

The Group recognises fees and other incidental charges collected under such programme under the head "Other Income" by allocating them to the separately identifiable performance obligations.

(xvii) Commission

The incentives/ commission attributable to sales/ services made through agents/ customers is recognised on sale of ticket and on rendering of cargo services which is in accordance with the terms of contracts.

(xviii) Expenditure

Expenses are accounted for on the accrual basis and provisions are made for all known losses and liabilities.

(xix) Borrowing costs

Borrowing costs attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing cost includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(xx) Supplementary rentals and aircraft repair and maintenance

Under certain lease arrangements of aircraft, 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 (except for leased aircraft previously classified as finance lease under erstwhile Ind AS).

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.

For leased assets classified as finance lease under erstwhile Ind AS, cost incurred for major inspection costs relating to engine and airframe overhauls and other major components are recorded as separate component and depreciated over the lower of useful life or balance period of lease.

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.

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

(xxi) Aircraft fuel expense

Aircraft fuel expenses are recognised in the Consolidated Statement of Profit and Loss as uplifted and consumed, net off any discounts.

(xxii) Tax expense

Tax expense comprises of current tax and deferred tax. It is recognised in the Consolidated Statement of Profit and Loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any relating to income taxes. It is measured using tax rates enacted for the relevant reporting period.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that is probable that future taxable profits will be available against which they can be used. Deferred tax assets unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised. Significant management judgement is required to determine the probability of deferred tax asset.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternative Tax ('MAT') credit entitlement under the provisions of the Income-tax Act, 1961 is recognised as a deferred tax asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Group and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Group becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is recognised to the extent that is probable that future taxable profits will be available against which they can be used. MAT credit entitlement has been presented as deferred tax asset in Consolidated Balance Sheet. Significant management judgement is required to determine the probability of recognition of MAT credit entitlement. During the previous year, the Group has adopted the option of lower tax rate as provided in the Taxation Law Amendment Ordinance, 2019 and consequently the Group has written off the MAT credit entitlement in the Consolidated Statement of Profit and Loss.

Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and assets levied by the same tax authorities.

(xxiii) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its equity shares.

Basic EPS is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Notes forming part of the consolidated financial statements
for the year ended 31 March 2021
(Rupees in millions, except for share data and if otherwise stated)

Diluted EPS is determined by adjusting profit attributable to equity shareholders and the weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares, which comprise share options granted to employees.

(xxiv) 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.

(xxv) Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

Notes forming part of the onsolidated financial statements
for the year ended 31 March 2021
(Rupees in millions, except for share data and if otherwise stated)

3.a. Property, plant and equipment

As at 31 March 2021

Particulars	Owned aircraft and spare engines	Buildings	Furniture and fixtures	Computer	Office equipment	Ground support equipment	Vehicles (including ground support vehicles)	Leasehold improvements	Leasehold improvements - aircraft	Rotables and non-aircraft equipment	Total
Gross value - at cost											
Balance at the beginning of the year	24,771.11	-	340.24	1,169.08	191.20	2,946.43	2,705.13	1,001.22	1,499.40	2,661.21	37,285.02
Additions during the year	1,394.51	1,392.46	39.45	169.02	234.58	172.97	69.48	100.85	-	1,333.56	4,906.88
Disposals during the year	23,787.17	-	13.38	20.92	24.70	6.88	80.59	67.56	420.54	1,104.58	25,526.32
Adjustments during the year*	(1,613.61)	-	-	-	-	-	-	-	-	-	(1,613.61)
Balance at the end of the year	764.84	1,392.46	366.31	1,317.18	401.08	3,112.52	2,694.02	1,034.51	1,078.86	2,890.19	15,051.97
Accumulated depreciation											
Balance at the beginning of the year	6,512.71	-	212.38	873.16	122.96	1,093.98	1,154.82	776.24	1,257.85	285.23	12,289.33
Depreciation for the year	1,288.29	17.71	39.66	175.02	38.58	358.32	486.05	132.41	155.63	482.75	3,174.42
Depreciation on disposals	7,112.33	-	11.74	17.54	21.85	4.37	51.03	61.18	420.54	483.82	8,184.40
Adjustments during the year*	(197.04)	-	-	-	-	-	-	-	-	-	(197.04)
Balance at the end of the year	491.63	17.71	240.30	1,030.64	139.69	1,447.93	1,589.84	847.47	992.94	284.16	7,082.31
Net carrying value as at 31 March 2021	273.21	1,374.75	126.01	286.54	261.39	1,664.59	1,104.18	187.04	85.92	2,606.03	7,969.66

* Represents certain aircraft and engines reclassified as assets held for sale. Refer to Note 3.b.

Notes forming part of the standalone financial statements
for the year ended 31 March 2021
(Rupees in millions, except for share data and if otherwise stated)

3.a. Property, plant and equipment (contd...)

As at 31 March 2020

Particulars	Owned aircraft and spare engines	Leased aircraft	Furniture and fixtures	Computer	Office equipment	Ground support equipment	Vehicles (including ground support vehicles)	Leasehold improvements	Leasehold improvements - aircraft	Rotables and non-aircraft equipment	Total
Gross value - at cost											
Balance at the beginning of the year	23,239.22	41,284.67	280.77	921.33	144.63	2,206.97	1,685.06	845.81	2,064.68	1,924.41	74,597.55
Reclassified on account of adoption of Ind AS 116 (Refer to Note 16.b.)	-	(41,284.67)	-	-	-	-	-	-	(588.03)	-	(41,872.70)
Additions during the year	2,680.45	-	60.87	248.22	47.54	741.22	1,053.24	158.34	22.75	850.77	5,863.40
Disposals during the year	1,148.56	-	1.40	0.47	0.97	1.76	33.17	2.93	-	113.97	1,303.23
Balance at the end of the year	24,771.11	-	340.24	1,169.08	191.20	2,946.43	2,705.13	1,001.22	1,499.40	2,661.21	37,285.02
Accumulated depreciation											
Balance at the beginning of the year	4,624.78	9,299.96	151.07	621.95	93.04	750.61	695.81	652.95	1,209.91	181.93	18,282.01
Reclassified on account of adoption of Ind AS 116 (Refer to Note 16.b.)	-	(9,299.96)	-	-	-	-	-	-	(156.13)	-	(9,456.09)
Depreciation for the year	2,509.67	-	62.37	251.57	30.68	344.32	478.48	126.21	204.07	114.59	4,121.96
Depreciation on disposals	621.74	-	1.06	0.36	0.76	0.95	19.47	2.92	-	11.29	658.55
Balance at the end of the year	6,512.71	-	212.38	873.16	122.96	1,093.98	1,154.82	776.24	1,257.85	285.23	12,289.33
Net carrying value as at 31 March 2020	18,258.40	-	127.86	295.92	68.24	1,852.45	1,550.31	224.98	241.55	2,375.98	24,995.69

On transition to Ind AS, the Group had elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the Previous Indian GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

3.b. Assets held for sale

Certain aircraft and engines have been classified as assets held for sale as at 31 March 2021 where it is highly probable that the carrying amount of these assets will be recovered primarily through sale rather than through continuing use and the sale is expected to be complete within one year. These assets have been measured at lower of their carrying amount and fair value less cost to sell.

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

4. Right of use assets

As at 31 March 2021

Particulars	Aircraft and Engines	Equipment	Leasehold Land	Buildings	Total
Gross value - at cost					
Balance at the beginning of the year	176,303.72	5,399.15	2,899.38	2,210.60	186,812.85
Additions during the year	79,930.91	-	-	1.56	79,932.47
Disposals during the year	6,288.53	-	-	38.79	6,327.32
Adjustments during the year *	1,075.52	(11.28)	44.78	143.13	1,252.15
Balance at the end of the year	251,021.62	5,387.87	2,944.16	2,316.50	261,670.15
Accumulated depreciation					
Balance at the beginning of the year	43,694.29	213.17	185.63	258.38	44,351.47
Depreciation for the year**	42,680.65	636.38	187.65	279.61	43,784.29
Depreciation on disposals	6,288.53	-	-	38.79	6,327.32
Balance at the end of the year	80,086.41	849.55	373.28	499.20	81,808.44
Net carrying value as at 31 March 2021	170,935.21	4,538.32	2,570.88	1,817.30	179,861.71

As at 31 March 2020

Particulars	Aircraft and Engines	Equipment	Leasehold Land	Buildings	Total
Gross value - at cost					
As at 1 April 2019 on account of adoption of Ind AS 116 (Refer to Note 16.b)	90,192.50	-	1,765.02	1,396.57	93,354.09
Reclassified on account of adoption of Ind AS 116 (Refer to Note 16.b.)	41,872.70	-	-	-	41,872.70
Additions during the year	43,515.31	5,399.15	1,134.36	748.21	50,797.03
Disposals during the year	743.28	-	-	-	743.28
Adjustments during the year *	1,466.49	-	-	65.82	1,532.31
Balance at the end of the year	176,303.72	5,399.15	2,899.38	2,210.60	186,812.85
Accumulated depreciation					
As at 1 April 2019 on account of adoption of Ind AS 116 (Refer to Note 16.b)	-	-	-	-	-
Reclassified on account of adoption of Ind AS 116 (Refer to Note 16.b.)	9,456.09	-	-	-	9,456.09
Depreciation for the year**	34,865.66	213.17	185.63	258.38	35,522.84
Depreciation on disposals	627.46	-	-	-	627.46
Balance at the end of the year	43,694.29	213.17	185.63	258.38	44,351.47
Net carrying value as at 31 March 2020	132,609.43	5,185.98	2,713.75	1,952.22	142,461.38

*Includes adjustment on account of foreign currency (gain)/loss, arising on re-statement of long-term foreign currency monetary loans used for acquisition of a depreciable capital asset and modification on leases amounting to Rs. 1,252.15 (previous year Rs. 1,532.31).

** Depreciation for the year includes Rs. 167.26 (previous year Rs. 185.63) capitalised as part of Capital work-in-progress.

Notes forming part of the consolidated financial statements
for the year ended 31 March 2021
(Rupees in millions, except for share data and if otherwise stated)

5. Intangible assets

As at 31 March 2021

Particulars	Computer software	Total
Gross value - at cost		
Balance at the beginning of the year	1,467.47	1,467.47
Additions during the year	202.07	202.07
Disposals during the year	38.80	38.80
Balance at the end of the year	1,630.74	1,630.74
Accumulated amortisation		
Balance at the beginning of the year	1,131.56	1,131.56
Amortisation for the year	203.01	203.01
Disposals during the year	38.79	38.79
Balance at the end of the year	1,295.78	1,295.78
Net carrying value as at 31 March 2021	334.96	334.96

As at 31 March 2020

Particulars	Computer software	Total
Gross value - at cost		
Balance at the beginning of the year	1,157.44	1,157.44
Additions during the year	324.57	324.57
Adjustments during the year	(14.54)	(14.54)
Balance at the end of the year	1,467.47	1,467.47
Accumulated amortisation		
Balance at the beginning of the year	852.56	852.56
Amortisation for the year	280.12	280.12
Adjustments during the year	(1.12)	(1.12)
Balance at the end of the year	1,131.56	1,131.56
Net carrying value as at 31 March 2020	335.91	335.91

On transition to Ind AS, the Group had elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2015 measured as per the Previous Indian GAAP and use that carrying value as the deemed cost of the intangible assets.

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

6. Investments

Particulars	As at 31 March 2021	As at 31 March 2020
Non-current investments		
Equity investments	0.83	0.75
Total	0.83	0.75
Current investments		
Mutual funds	73,154.06	94,991.67
Debentures	240.00	-
Total	73,394.06	94,991.67
Grand Total	73,394.89	94,992.42

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Investments at fair value through profit or loss (FVTPL)				
Equity investments, unquoted				
4,814 (previous year 3,859) equity shares of Thai Baht (THB) 100 each, fully paid up, of Aeronautical Radio of Thailand, a state enterprise under the Ministry of Transport*	0.83	-	0.75	-
Mutual funds, unquoted**				
10,422,522 (previous year 13,063,384) units of Aditya Birla Sun Life Savings Fund Growth - Direct Plan	-	4,448.71	-	5,236.18
20,165,148 (previous year 26,717,512) units of Aditya Birla Sun Life Floating Rate Fund - Growth Direct Plan	-	5,458.37	-	6,740.72
15,854,511 (previous year 22,200,675) units of ICICI Prudential Saving Fund - Direct Plan - Growth	-	6,653.96	-	8,666.48
1,978,630 (previous year 2,406,909) units of Axis Treasury Advantage Fund - Direct Growth	-	4,912.11	-	5,596.43
223,129,022 (previous year 228,575,091) units of Kotak Savings Fund - Direct Plan - Growth	-	7,738.74	-	7,509.54
1,502,737 (previous year 2,290,938) units of SBI Magnum Low Duration Fund - Direct Plan - Growth	-	4,201.30	-	6,025.11
10,067,029 (previous year 14,288,513) units of Aditya Birla Sun Life Money Manager Fund Growth Direct Plan	-	2,890.96	-	3,871.08
302,317 (previous year 1,269,458) units of HDFC Money Market Fund - Direct Plan - Growth Option	-	1,352.54	-	5,356.90
4,922,619 (previous year 649,528) units of ICICI Prudential Liquid Fund - Direct Plan - Growth	-	1,500.10	-	190.82
3,300,473 (previous year 9,196,834) units of ICICI Prudential Money Market Fund - Direct Plan - Growth	-	974.56	-	2,568.35
586,266 (previous year 875,171) units of Kotak Money Market Scheme - Direct Plan - Growth	-	2,042.43	-	2,899.51
51,384,873 (previous year 95,827,901) units of L&T Ultra Short term Fund Direct Plan Growth	-	1,803.31	-	3,203.51
71,747 (previous year 775,129) units of Nippon India Money Market Fund - Direct Growth Plan Growth Option	-	231.08	-	2,366.20
843,422 (previous year 1,625,875) units of SBI Magnum Ultra Short Duration Fund Direct Growth	-	3,980.09	-	7,283.35

Notes forming part of the consolidated financial statements
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6. Investments (contd...)

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
416,748 (previous year 926,017) units of UTI Money Market Fund - Direct Growth Plan	-	998.18	-	2,099.98
64,627,374 (previous year 134,667,249) units of HDFC Floating Rate Debt Fund- Direct Plan- Growth Option	-	2,474.63	-	4,764.86
129,292,961 (previous year 163,767,161) units of IDFC Low Duration Fund Growth Direct Plan	-	3,963.84	-	4,731.99
52,584,150 (previous year 320,295,067) units of IDFC Ultra short Term Fund Direct Plan Growth	-	629.49	-	3,653.42
522,673,308 (previous year 561,426,322) units of HDFC Ultra short Fund Direct Growth	-	6,240.41	-	6,320.82
Nil (previous year 938,229) units of Kotak Overnight Fund Direct - Growth	-	-	-	1,000.02
Nil (previous year 2,673,365) units of Aditya Birla Sun Life overnight Fund - Growth Direct Plan	-	-	-	2,887.90
357,311 (previous year 705,256) units of Invesco India Treasury Advantage Fund - Direct Plan Growth	-	1,090.45	-	2,018.50
910,952 (previous year Nil) units of Axis Liquid Fund Direct Growth	-	2,081.32	-	-
177,384 (previous year Nil) units of L&T Liquid Fund Direct Plan Growth	-	500.03	-	-
616,560 (previous year Nil) units of Nippon India Liquid Fund Direct Growth - Plan Growth Option	-	3,102.90	-	-
360,683 (previous year Nil) units of Kotak Liquid Fund	-	1,500.10	-	-
115,718 (previous year Nil) units of UTI Liquid Cash Plan - Direct Plan Growth	-	390.03	-	-
370,809 (previous year Nil) units of HDFC Liquid Fund - Direct Plan Growth Option	-	1,500.12	-	-
503,561 (previous year Nil) units of Aditya Birla Sun Life Liquid Fund - Growth- Direct Plan	-	166.95	-	-
929,656 (previous year Nil) units of Aditya Birla Sun Life Money Manager Fund - Growth- Direct Plan	-	266.97	-	-
223,061 (previous year Nil) units of Aditya Birla Sun Life Floating Rate fund - Growth- Direct Plan	-	60.38	-	-
Investments at amortized cost				
Fixed rate non- convertible debentures, unquoted				
240 (previous year Nil) secured, redeemable, 4% fixed rate non-convertible debentures (NCD) of Rs. 1,000,000 each, fully paid up, of Citicorp Finance (India) Limited***	-	240.00	-	-
Total	0.83	73,394.06	0.75	94,991.67
Aggregate value of unquoted investments	0.83	73,394.06	0.75	94,991.67

There are no quoted investments during the current and previous year.

* The transfer of investment is restricted to airline members flying in Thailand.

** Mutual Funds include Rs. 16,724.35 (previous year Rs. 18,173.14) as mutual funds under lien to banks as security for availing various non-fund based lines of credit.

*** Fixed rate non-convertible debenture of Rs. 240.00 (previous year Rs. Nil) are under lien as security for availing non-fund based lines of credit.

Details on the Group's bank deposits, current investments, cash and cash equivalents and bank balances other than cash and cash equivalent, bifurcated into non-lien and under lien is included in Note 44.

Information about the Group's exposure to credit and market risks, and fair value measurement, is included in Note 28.

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

7. Loans

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Unsecured, considered good, unless otherwise stated				
Security deposits				
- Considered good*	15,806.57	1,286.04	12,759.54	4,551.23
- Credit impaired	-	7.73	-	8.37
	15,806.57	1,293.77	12,759.54	4,559.60
Less: Impairment allowances	-	7.73	-	8.37
Total	15,806.57	1,286.04	12,759.54	4,551.23

* Includes deposits given to related parties amounting to Rs. 51.25 (previous year Rs 51.23) which represents deposits given to private companies in which a director of the Company is a director or member. Refer to Note 34.

8. Other financial assets

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Unsecured, considered good, unless otherwise stated				
Bank deposits (due for maturity after twelve months from the reporting date)*	13.94	-	53.43	-
Interest accrued but not due on financial instruments	2.40	389.14	4.87	479.18
Maintenance recoverable	-	2,472.54	-	4,131.55
Others (including credit recoverable)	-	3,331.18	-	1,620.54
Total	16.34	6,192.86	58.30	6,231.27

*Bank deposits include Rs. 0.10 (previous year Rs.51.32) as deposits under lien to banks as security for availing various non-fund based lines of credit.

Details on the Group's bank deposits, current investments, cash and cash equivalents and bank balances other than cash and cash equivalent, bifurcated into non-lien and under lien is included in Note 44.

9. Other assets

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Unsecured, considered good, unless otherwise stated				
Prepaid expenses	-	390.93	-	400.94
Balance with tax authorities*	8,918.84	6,393.47	6,326.38	2,170.80
Deferred incentives (non-cash)	-	25.28	-	27.58
Capital advances	449.03	-	660.31	-
Advance to employees	130.26	33.17	156.00	58.76
Other recoverable	-	775.58	-	1,135.17
	9,498.13	7,618.43	7,142.69	3,793.25
Advance to suppliers				
- Considered good	-	563.73	-	817.44
- Considered doubtful	-	2.19	-	3.94
	-	565.92	-	821.38
Less: Impairment allowances for doubtful advances	-	2.19	-	3.94
	-	563.73	-	817.44
Total	9,498.13	8,182.16	7,142.69	4,610.69

* Balance with tax authorities includes Integrated Goods and Services Tax ('IGST') amounting to Rs. 8,539.11 (previous year Rs. 5,955.36) paid under protest to custom authorities, on re-import of repaired aircraft, aircraft engines and other certain aircraft parts and Rs. 582.75 (previous year Rs. 564.19) paid under protest to various tax authorities. Refer to Note 30.(ii).

Notes forming part of the consolidated financial statements
for the year ended 31 March 2021
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10. Inventories

Particulars	As at 31 March 2021	As at 31 March 2020
Valued at lower of cost or net realisable value		
Stores and spares		
- Engineering stores and spares	2,625.27	2,558.54
- Goods in transit	288.51	63.44
	2,913.78	2,621.98
Loose tools	159.98	137.27
Stock-in-trade		
- In-flight inventory	90.42	102.03
Total	3,164.18	2,861.28

11. Trade receivables

Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good, unless otherwise stated		
Trade receivables		
- Considered good	2,189.78	2,594.16
- Credit impaired	79.26	76.28
	2,269.04	2,670.44
Less: Impairment allowances	79.26	76.28
Total	2,189.78	2,594.16

Trade receivables includes receivables from related parties amounting Rs. 104.06 (previous year Rs. 0.35). Refer to Note 34.

The carrying amount of trade receivables approximates their fair value, is included in Note 28.

The Group's exposure to credit and currency risks, and impairment allowances related to trade receivables is disclosed in Note 28.

For details of contract balances refer to Note 19.

12. Cash and cash equivalents

Particulars	As at 31 March 2021	As at 31 March 2020
Cash on hand	6.46	53.38
Balance with banks:		
- On current account	1,353.50	1,526.41
- On deposit account (with original maturity of three months or less)	3,728.89	5,610.87
Total	5,088.85	7,190.66

Cash and cash equivalents includes Rs. 4,223.69 (previous year Rs. 3,968.28) held in foreign currency which can be repatriated back by the Group subject to procedural compliances in local jurisdictions. It also includes unclaimed dividend as at 31 March 2021 amounting to Rs. 0.98 (previous year Rs. 0.08).

Details on the Group's bank deposits, current investments, cash and cash equivalents and bank balances other than cash and cash equivalent, bifurcated into non-lien and under lien is included in Note 44.

Information about the Group's exposure to credit and market risks, and fair value measurement, is included in Note 28.

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

13. Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2021	As at 31 March 2020
Bank balances other than cash and cash equivalents*		
- On deposit account	107,187.80	101,533.64
Total	107,187.80	101,533.64

*Bank deposits include deposits under lien to banks as security for availing various fund and non-fund based lines of credit amounting to Rs. 97,712.71 (previous year Rs. 96,263.89) and as security towards government authorities (refer to Note 30(iii)) amounting to Rs. 9.45 (previous year Rs. 9.45).
Bank deposits also includes Rs. 82,393.10 (previous year Rs. 94,036.49) held in foreign currency.

Details on the Group's bank deposits, current investments, cash and cash equivalents and bank balances other than cash and cash equivalent, bifurcated into non-lien and under lien is included in Note 44.

Information about the Group's exposure to credit and market risks, and fair value measurement, is included in Note 28.

14. Share capital

Particulars		As at 31 March 2021	As at 31 March 2020
a.	Authorised		
	Equity shares		
	750,000,000 (previous year 750,000,000) equity shares of Rs. 10 each	7,500.00	7,500.00
	Total	7,500.00	7,500.00
b.	Issued, subscribed and paid up		
	384,910,000 (previous year 384,796,279) equity shares of Rs. 10 each, fully paid up	3,849.10	3,847.96
	Total	3,849.10	3,847.96

c. Reconciliation of number of equity shares outstanding at the beginning and end of the year:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Equity shares issued, subscribed and paid up		
Equity shares at the beginning of the year	384,796,279	384,406,838
Equity shares increased during the year :		
- Issued during the year pursuant to exercise of employee stock options (Refer to Note 37)	113,721	389,441
Equity shares at the end of the year	384,910,000	384,796,279

d. Terms / rights attached to the equity shares

The Company has one class of equity share having a par value of Rs. 10 per share. Each holder of the equity share is entitled to one vote per share and is entitled to dividend declared, if any. The paid up equity shares of the Company rank pari-pasu in all respects, including dividend. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The interim dividend is declared by the Board of Directors. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes forming part of the consolidated financial statements
for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

14. Share capital (contd...)

e. Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of Shares	Amount	Number of Shares	Amount
Equity shares allotted as fully paid bonus shares by capitalisation of capital redemption reserve in the year ended 31 March 2016	155,400,000	1,554.00	155,400,000	1,554.00
Equity shares allotted as fully paid bonus shares by capitalisation of general reserve in the year ended 31 March 2016	153,944,400	1,539.44	153,944,400	1,539.44
Total	309,344,400	3,093.44	309,344,400	3,093.44

During the year ended 31 March 2016, the Company had issued 309,344,400 equity shares of Rs. 10 each as bonus shares.

f. Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

Particulars	As at 31 March 2021	As at 31 March 2020
	Number of Shares	Number of Shares
Equity shares allotted pursuant to scheme of merger	147,000	147,000
	147,000	147,000

The Company had issued 147,000 fully paid equity shares having a par value of Rs. 1,000 each for consideration other than cash during the year ended 31 March 2016, which were subsequently sub divided into 14,700,000 equity shares of Rs. 10 each.

g. Shareholders holding more than 5% equity shares in the Company:

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of Shares	%	Number of Shares	%
InterGlobe Enterprises Private Limited	145,706,774	37.85%	145,706,774	37.87%
Rakesh Gangwal	56,421,132	14.66%	56,421,132	14.66%
The Chinkerpoo Family Trust (Trustee: Shobha Gangwal & J.P.Morgan Trust Company of Delaware)	52,263,313	13.58%	52,263,313	13.58%
Shobha Gangwal	32,310,461	8.39%	32,310,461	8.40%

h. Shares reserved for issuance under Stock Option Plans of the Company

For details of shares reserved for issue under the employee stock option scheme (ESOS) of the Company. (Refer to Note 37)

i. Other Notes

During the year ended 31 March 2018, the Company had completed the Institutional Placement Programme ("IPP") under Chapter VIII-A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended. As per the Prospectus, the IPP proceeds can be utilised for one or more of the following: acquisition of aircraft, purchase of ground support equipment, repayment / prepayment of debt, including finance leases for aircraft, and general corporate purposes. As at 31 March 2020, 100% of the IPP proceeds were utilised by the Company towards the purposes mentioned in the prospectus.

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

15. Other equity

Particulars	As at 31 March 2021	As at 31 March 2020
Equity component of compound financial instruments	58.79	58.79
Reserves and surplus	(2,799.30)	54,872.65
Total	(2,740.51)	54,931.44

a. Equity component of compound financial instruments

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2021
Nil (previous year Nil) 0.00% convertible preference shares of Rs. 1,000 each *		
Balance at the beginning of the year	58.79	58.79
Balance at the end of the year	58.79	58.79

* The fully paid up convertible preference shares of Rs. 1,000 each were issued at a premium ranging from Rs. 5,650 to Rs. 6,642 per share with 0.00% coupon rate and were convertible into equity shares of the Company in the ratio of 1:1 not earlier than (a) the initial public offer of the Company; or (b) a strategic sale of the Company. In the event of liquidation of the Company before conversion of convertible preference shares, the preference shareholders had priority over the equity shares in the repayment of the capital. The holder of preference shares were entitled to one vote per share at any meeting of the Company on any resolutions of the Company directly affecting their rights.

During the year ended 31 March 2016, 36,716 fully paid up 0.00% convertible preference shares were converted into equity shares of the Company in the prescribed ratio of 1:1, vide resolution passed by the Board at its meeting held on 23 June 2015.

b. Reserves and surplus

Particulars	As at 31 March 2021	As at 31 March 2020
Employee stock option outstanding account (Refer to Note 37)	350.24	105.11
Securities premium	38,337.21	38,184.21
General reserve	389.07	389.07
Retained earnings	(41,875.82)	16,194.26
Total	(2,799.30)	54,872.65

(i) Employee stock option outstanding account

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Balance at the beginning of the year	105.11	406.82
Employee stock option scheme expense (Refer to Note 37)*	306.58	(99.15)
Amount utilised for issue of shares pursuant to exercise of employee stock options (Refer to Note 37)	(61.45)	(202.56)
Balance at the end of the year	350.24	105.11

Employee stock option outstanding account is used to record the impact of employee stock option schemes. Refer to Note 37 for further details of these plans.

*Includes a reversal of employee stock option scheme expense of Rs. 22.55 (previous year Rs. 160.53) towards forfeiture of employee stock options granted to certain employees.

Notes forming part of the consolidated financial statements
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15. Other equity (contd...)

(ii) Securities premium

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Balance at the beginning of the year	38,184.21	37,740.96
Amount transferred for issue of shares pursuant to exercise of employee stock options (Refer to Note 37)	61.45	202.56
Premium received during the year on account of issue of shares on exercise of employee stock options (Refer to Note 37)	91.55	240.69
Balance at the end of the year	38,337.21	38,184.21

Securities premium is used to record the premium on issue of shares and the same is utilised in accordance with the provisions of the Companies Act, 2013.

(iii) General reserve

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Balance at the beginning of the year	389.07	389.07
Balance at the end of the year	389.07	389.07

The group had transferred certain percentage of retained earnings to general reserve as per the provisions for dividend distribution under the Companies Act, 1956.

(iv) Retained earnings

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Balance at the beginning of the year	16,194.26	27,018.39
Less: Impact of Ind AS 116 - Leases (Refer to Note 16.b.)	-	(6,180.47)
Less: Loss for the year	(58,064.27)	(2,336.78)
Add: Other comprehensive income/ (loss) - remeasurement of defined benefit plans (net of tax)	(5.81)	10.99
Amount available for appropriation	(41,875.82)	18,512.13
Less: Appropriations		
Final dividend (Refer note below)	-	(1,922.53)
Corporate dividend tax	-	(395.34)
Balance at the end of the year	(41,875.82)	16,194.26

Dividends

The following dividends were declared and paid by the Company

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Final dividend of Rs. Nil per share (previous year Rs. 5 per share*)	-	1,922.53

*On 27 May 2019, the Board of Directors has recommended a final dividend of Rs. 5 per share (face value of Rs. 10 per share) for the financial year ended 31 March 2019 and the same was approved by the shareholders at their Annual General Meeting held on 27 August 2019.

Retained earnings are the accumulated profits/ (losses) earned by the Group till date, adjusted with impact of changes in accounting pronouncements and amount transferred from other comprehensive income, less transfer to general reserves, dividend (including applicable taxes) and other distributions made to the shareholders.

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

16. Financial liabilities

16.a Borrowings

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Secured				
Term loans:				
Foreign currency term loan				
- From others*	3,816.28	-	3,465.87	-
Working capital loans:				
From Banks:				
- Foreign currency loan	-	1,239.95	-	-
- Indian Rupee loan	-	20,000.00	-	-
Total	3,816.28	21,239.95	3,465.87	-

*Current maturities of foreign currency term loan amounting to Rs.Nil (previous year Rs. 3,390.53) have been disclosed under 'Other financial liabilities' (Refer to Note 16.c).

Information about the Group's exposure to market and liquidity risks is included in Note 28.

Non-current Borrowings

Secured - Term loans

As at 31 March 2021

Particulars	Disclosed under	As at 31 March 2021	Interest rate*	Period of maturity from the reporting date
Foreign currency term loan - USD#	Financial liabilities - borrowings	3,816.28	USD LIBOR plus markup	39 months

*Markup is 275 basis points over 6 month USD LIBOR. The period of maturity from the date of origination is 143 months.

#The terms of above mentioned loan has been amended during the current year and accordingly it is repayable in ten equal installments of USD 5.5 million between the period July 2023 - June 2024.

Foreign currency term loan is secured by way of assignment of rights, title, benefits and interests of the Company in respect to Buyer-furnished equipment ('BFE') installed or to be installed in the aircraft under BFE Security and Assignment Agreement. Moreover, the lender has a contractual right to buy certain aircraft to be delivered to the Company partially by utilising the pre-delivery payments under the agreement signed by Airbus S.A.S, lender and the Company.

There are no defaults as on reporting date in repayment of principal and interest.

As at 31 March 2020

Particulars	Disclosed under	As at 31 March 2020	Interest rate*	Period of maturity from the reporting date
Foreign currency term loan - USD#	Financial liabilities - borrowings	3,465.87	USD LIBOR plus markup	51 months
Current maturities of foreign currency term loan#	Other financial liabilities	3,390.53		

* Markup is 275 basis points over 6 month USD LIBOR. The period of maturity from the date of origination is 143 months.

#The terms of above mentioned loan is repayable in twenty unequal installments ranging between USD 4.5 million to USD 5.5 million between the period September 2020 - June 2024.

Notes forming part of the consolidated financial statements
for the year ended 31 March 2021
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16. Financial liabilities (contd...)

Foreign currency term loan is secured by way of assignment of rights, title, benefits and interests of the Company in respect to Buyer-furnished equipment ('BFE') installed or to be installed in the aircraft under BFE Security and Assignment Agreement. Moreover, the lender has a contractual right to buy certain aircraft to be delivered to the Company partially by utilising the pre-delivery payments under the agreement signed by Airbus S.A.S, lender and the Company.

There are no defaults as on reporting date in repayment of principal and interest.

Current Borrowings

Secured - Working capital loans

As at 31 March 2021

Working capital loans are repayable in 6 to 180 days from the reporting date. These loans are drawn under banking facilities that are revolving in nature i.e., can be redrawn upon repayment. These facilities have an availability period till September 2021 which can be extended mutually by banks and the Group.

Rate of interest on working capital loans ranges from 3.20% to 7% per annum.

Foreign currency loan is secured through deposits with banks under lien and subservient charge on current assets excluding cash and cash equivalents and investments of the Group.

Indian Rupee loan is secured through deposits with banks under lien and exclusive charge on credit/debit card receivables of the Group (present and future) and first pari passu charge by way of hypothecation on unencumbered current assets.

There are no defaults as on reporting date in repayment of principal and interest.

16.b Lease liabilities

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Lease liabilities*	202,805.34	70,734.97	155,791.01	64,544.27
Total	202,805.34	70,734.97	155,791.01	64,544.27

The Group's leased assets primarily consist of leases for aircraft and engines, equipment, leasehold land and buildings.

Interest expense on lease liabilities for the year is amounting to Rs. 16,435.04 (previous year Rs.13,906.20) (including interest amounting to Rs. 238.17 (previous year Rs. 261.70) capitalized under capital work-in-progress). Refer to Note 25.

Certain lease liabilities amounting to Rs. 16,153.80 (previous year Rs. 17,486.65) are secured against the respective aircraft. Remaining lease liabilities are secured to the extent of letter of credits issued / deposits given to lessors.

The Group has recognized an expense of Rs 2,804.57 (previous year Rs. 4,966.57) on account of short term leases which represents leased aircraft and engines having a remaining lease term of less than 12 months as on transition date 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.

The Group has several lease contracts that include extension and termination options. The management has included termination options in determination of lease term for contracts having such option. Extension options have not been included in determination of lease term since the management is reasonably certain not to exercise these options. 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 disclosed under "Supplementary rentals and aircraft repair and maintenance(net)".

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

16. Financial liabilities (contd...)

During the current year the Group has entered into sale and leaseback arrangements, for certain aircraft and engines owned and controlled by the Company, to increase its liquidity. The Group has recorded proceeds of Rs. 18,833.68 (net) from the sale and leaseback arrangements as disclosed in the Consolidated Cash Flow Statement. The profit (net of loss) on sale and leaseback agreements is Rs. 12.81 disclosed in Note 22.

Future cash outflows for leases not yet commenced amounts to Rs 62,343.06 (previous year Rs. 73,848.41).

The maturity analysis of lease liabilities are disclosed in Note 28. Further, information about the Group's exposure to market risks is disclosed in Note 28.

*Includes lease liabilities with related parties amounting to Rs. 5,429.29 (previous year Rs. 6,080.73). Refer to Note 34.

The impact of transition to Ind AS 116 on retained earnings (cumulative effect of applying the standard) as on 1 April 2019 is Rs. 6,180.47 (net of deferred tax amounting to Rs. 3,319.76). It represents:

1. Recognition of lease liabilities of Rs 146,320.72, being the present value of the remaining lease payments.
2. Recognition of right of use assets of Rs. 93,942.04 (including deferred rentals amounting to Rs. 3,500.81). The deferred incentive as at transition date amounting to Rs. 48,724.34 has been netted off from right of use assets.

16.c Other financial liabilities

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Current maturities of foreign currency term loan	-	-	-	3,390.53
Interest accrued but not due on borrowings	-	32.53	-	79.86
Supplementary rentals	17,203.63	44,038.84	26,052.24	39,914.40
Aircraft maintenance	8,845.66	3,162.25	4,336.62	2,512.52
Unclaimed dividend	-	0.98	-	0.08
Total	26,049.29	47,234.60	30,388.86	45,897.39

Information about the Group's exposure to market and liquidity risks is included in Note 28.

17. Provisions

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Provision for employee benefits				
- Provision for defined benefit plans (Refer to Note 32)	1,399.57	162.97	1,053.83	140.11
- Provision for other long term employee benefits	1,162.30	1,030.89	1,278.26	506.86
Others				
- Provision for maintenance, redelivery and overhaul cost (Refer to Note below)	2,961.07	14,889.72	3,302.89	13,315.57
Total	5,522.94	16,083.58	5,634.98	13,962.54

Notes forming part of the consolidated financial statements

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(Rupees in millions, except for share data and if otherwise stated)

17. Provisions (contd...)

Provision for maintenance, redelivery and overhaul cost

The schedule of provision as required to be disclosed in compliance with Ind AS 37 on 'Provisions, Contingent Liabilities and Contingent Assets' is as under:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Balance as at beginning of the year	16,618.46	2,202.49
Provisions created during the year*	12,215.44	17,150.11
Interest accretion on provisions during the year	154.84	85.48
Amounts utilised/adjusted during the year	(10,422.14)	(3,728.69)
Impact of exchange loss on restatement of opening provision	(1,025.82)	(116.75)
Impact of exchange loss on restatement of closing provision	310.01	1,025.82
Balance as at end of the year	17,850.79	16,618.46
Balance as at end of the year - Non-current	2,961.07	3,302.89
Balance as at end of the year - Current	14,889.72	13,315.57

*It includes:

a. Provision for redelivery obligation: The Group has in its fleet, aircraft on lease. As contractually agreed under certain lease contracts, the aircraft have to be redelivered to the lessors at the end of the lease term under stipulated contractual return conditions. The redelivery obligations are determined by management based on historical trends and data, and are capitalised at the present value of expected outflow, where effect of the time value of money is material.

b. Provision for overhaul expenses for certain aircraft held under lease are recorded at discounted value, where effect of the time value of money is material.

c. Provision for engine maintenance which represents 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.

The measurement of the provision for redelivery and overhaul cost includes assumptions primarily relating to expected costs and discount rates commensurate with the expected obligation maturity schedules. An estimate is therefore made to ensure that the provision corresponds to the present value of the expected costs to be borne by the Group. Judgement is exercised by management given the long-term nature of assumptions that go into the determination of the provision. The assumption made in relation to the current year are consistent with those in the previous year.

Expected timing of resulting outflow of economic benefit is financial year 2021-22 to 2030-31 (previous year 2020-21 to 2027-28) and the Group calculates the provision using Discounted Cash Flow (DCF) method.

Sensitivity analysis for key assumptions used:

If expected cost differ by 10% from management's estimate, while holding all other assumptions constant, the provision for maintenance, redelivery and overhaul cost may increase/ decrease by Rs. 1,371.22 (previous year by Rs. 1,575.19).

If expected discount rate differ by 1%, while holding all other assumptions constant, the provision for maintenance, redelivery and overhaul cost may increase by Rs 22.29 (previous year Rs. 19.81) or decrease by Rs. 20.02 (previous year by Rs. 18.72).

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18. Trade payables

Particulars	As at 31 March 2021	As at 31 March 2020
Micro enterprises and small enterprises (Refer to Note below)	280.98	61.15
	280.98	61.15
Other than micro enterprises and small enterprises		
- Related parties (Refer to Note 34)	23.15	157.63
- Other trade payables	15,209.16	15,457.04
	15,232.31	15,614.67
Total	15,513.29	15,675.82

Information about the Group's exposure to market and liquidity risks is included in Note 28.

Dues to micro and small enterprises

Particulars	As at 31 March 2021	As at 31 March 2020
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	280.98	61.15
- Interest	0.19	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	17.44	-
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 MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.19	-
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 the MSMED Act, 2006	-	-

19. Other liabilities

Particulars	As at 31 March 2021		As at 31 March 2020	
	Non-current	Current	Non-current	Current
Advances from sales agents	-	3,038.38	-	4,701.86
Forward sales	-	11,554.11	-	14,332.64
Employee related liabilities	142.95	1,395.29	284.64	1,535.88
Statutory dues	-	1,599.00	-	2,752.60
Others - amount received in advance	98.95	336.96	85.13	464.77
Total	241.90	17,923.74	369.77	23,787.75

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19. Other liabilities (contd...)

Contract balances

Contract assets represents trade receivables which are generally unsecured and are derived from revenue earned from customers, primarily located in India and certain parts of Middle East and South Asia. 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 consideration from sale of tickets not yet flown, reported as Forward Sales disclosed under other current liabilities.

Particulars	As at 31 March 2021	As at 31 March 2020
Trade receivables (Refer to Note 11)	2,189.78	2,594.16
Forward sales (Refer to Note 19)	11,554.11	14,332.64

Revenue recognised from amount included in contract liabilities (forward sales) at the beginning of the year amounts to Rs. 162.95 (previous year Rs. 18,432.08) (excludes amount collected on behalf of third parties).

20. Tax expense

a. Amounts recognised in the Consolidated Statement of Profit and Loss comprises :

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Current tax:		
- Current year	-	83.09
- Previous years	(78.68)	8.21
	(78.68)	91.30
Deferred tax expense:		
Attributable to-		
Deferred tax charge / (credit) for current year	(29.99)	(4,163.54)
Deferred tax charge / (credit) pertaining to prior years [including MAT credit entitlement written off of Rs. Nil (previous year Rs. 4,314.46)]	(7.76)	3,852.33
	(37.75)	(311.21)
Total tax expense	(116.43)	(219.91)

Income tax recognised in other comprehensive income

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Remeasurements of defined benefit plans	(2.17)	14.68
Income tax relating to above mentioned item	(3.64)	(3.69)

b. Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Loss before tax	(58,180.70)	(2,556.69)
Tax using the Company's domestic tax rate - 25.168% (previous year - 25.168%)	(14,642.92)	(643.47)
Tax effect of:		
Income not liable to tax	(4,912.55)	(3,475.26)
Additional deduction on employee stock option scheme expense	(8.92)	(24.35)
Adjustments in current tax of prior years	(78.68)	12.62
Adjustments in deferred tax charge / (credit) pertaining to prior years [including MAT credit entitlement written off of Rs. Nil (previous year Rs. 4,314.46)]	30.34	3,852.33

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20. Tax expense (contd...)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Unabsorbed depreciation and carry forward of losses*	19,526.72	-
Deduction u/s 80JJAA	(59.85)	-
Others	29.43	58.21
Income tax expense	(116.43)	(219.91)

* Represents tax effect of unabsorbed depreciation and carry forward of losses on which deferred tax asset is not recognised.

c. Income tax assets and income tax liabilities:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Income tax assets [net of current income tax liabilities Rs. 26,477.94 (previous year: Rs. 26,556.62)]*	5,139.53	4,296.71
Less: Current income tax liabilities [net of current income tax assets of Rs. 23.48 (previous year Rs. 23.48)]	30.76	30.76
Net income tax assets at the year end	5,108.77	4,265.95

* Includes Rs. 1,150.00 (previous year Rs. 1,150.00) paid under protest to Income Tax Authorities.

d. The tax effect of deferred tax assets and liabilities comprises of :

Particulars	As at 31 March 2021	As at 31 March 2020
Property, plant and equipment and intangible assets	(3,559.61)	(5,305.03)
Other non-current assets	20.71	21.64
Investments at FVTPL	(1,920.91)	(1,615.56)
Financial liabilities at amortised cost	(1,219.51)	(1,915.93)
Financial assets at amortised cost	1,865.40	1,931.75
Employee related provisions and liabilities	816.59	673.57
Other liabilities and provisions	38.73	56.86
Unabsorbed depreciation and carry forward of losses	3,773.66	3,882.40
Deferred incentives	639.08	825.46
Right of use assets and lease liabilities	2,603.16	4,467.76
Others	(30.37)	(30.10)
Deferred tax assets (net)	3,026.93	2,992.82

e. Movement in deferred tax assets / (liabilities) balances

Particulars	Net balance 1 April 2020	Recognised in profit or loss	Recognised in OCI	Net balance 31 March 2021
Property, plant and equipment and intangible assets	(5,305.03)	1,745.42	-	(3,559.61)
Other non-current assets	21.64	(0.93)	-	20.71
Investments at FVTPL	(1,615.56)	(305.35)	-	(1,920.91)
Financial liabilities at amortised cost	(1,915.93)	696.42	-	(1,219.51)
Financial assets at amortised cost	1,931.75	(66.35)	-	1,865.40
Employee related provisions and liabilities	673.57	146.66	(3.64)	816.59
Other liabilities and provisions	56.86	(18.13)	-	38.73
Unabsorbed depreciation and carry forward of losses	3,882.40	(108.74)	-	3,773.66
Deferred incentives	825.46	(186.38)	-	639.08
Right of use assets and lease liabilities	4,467.76	(1,864.60)	-	2,603.16
Others	(30.10)	(0.27)	-	(30.37)
Deferred tax assets (net)	2,992.82	37.75	(3.64)	3,026.93

The Company foresees future taxable profits in the subsequent years against which deferred tax asset as at 31 March 2021 will be utilised.

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

21. Revenue from operations

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Sale of services		
- Passenger services	129,619.69	338,408.67
- Cargo services	11,451.02	10,444.18
- Tours and packages	-	7.34
Sale of products		
- In-flight sales (traded goods)	1,028.25	4,828.40
Other operating revenue		
- Incentives	476.04	476.04
- Subsidies received under various schemes	514.50	1,337.06
- Others*	3,316.81	2,058.32
Total	146,406.31	357,560.01

* Others includes claims received from original equipment manufacturer and income from advertisement.

22. Other income

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income from bank deposits	1,269.28	2,571.70
Net gain on sale of current investments	1,154.35	1,930.57
Marked to market gain on current investments	3,213.31	4,595.12
Interest income from financial assets at amortised cost	1,174.57	986.56
Other non-operating income:		
- Profit on sale and leaseback of owned assets [net of loss on sale and leaseback of owned assets Rs. 269.41 (previous year Rs. Nil)]	12.81	-
- Profit on sale of property, plant and equipment [net of loss on sale of property, plant and equipment Rs. 2.70 (previous year Rs. Nil)]	9.98	-
- Liabilities no longer required written back	78.31	76.67
- Miscellaneous income*	3,457.03	5,194.47
Total	10,369.64	15,355.09

* Miscellaneous income includes claims received from original equipment manufacturer and one-time registration fee from sales agents.

23. Changes in inventories of stock-in-trade

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
In-flight purchases		
- Opening stock	102.03	71.50
- Closing stock	(90.42)	(102.03)
Net decrease / (increase) in stock-in-trade	11.61	(30.53)

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

24. Employee costs

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, wages and bonus (Refer to Note 37)	31,736.24	45,652.63
Contribution to provident and other funds (Refer to Note 32)	1,136.42	1,252.44
Staff welfare expenses	82.26	194.52
Total	32,954.92	47,099.59

25. Finance costs

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest expenses:		
- Interest on lease liabilities	16,196.87	13,644.50
- Interest on borrowings measured at amortised cost	244.71	336.48
- Interest accretion on provisions and other financial liabilities measured at amortised cost	4,416.75	4,564.57
- Interest others	560.81	-
Net loss on foreign currency transactions and translation to the extent regarded as borrowing cost*	0.69	213.16
Total	21,419.83	18,758.71

* Schedule III to the Companies Act, 2013 requires disclosure of exchange differences arising from foreign currency term loan to the extent that they are regarded as an adjustment to interest cost. The amount of Rs. 0.69 (previous year Rs. 213.16) representing this adjustment has been disclosed in the above note.

The remaining foreign exchange gain of Rs. 5,230.26 (previous year foreign exchange loss of Rs. 15,461.89) has been disclosed under "Foreign exchange (gain)/ loss (net)".

26. Depreciation and amortisation expense

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation:		
- Property, plant and equipment (Refer to Note 3.a.)	3,174.42	4,121.96
- Right of use assets (Refer to Note 4)	43,617.03	35,337.21
Amortisation on intangible assets (Refer to Note 5)	203.01	280.12
Total	46,994.46	39,739.29

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

27. Other expenses

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Repairs and maintenance	806.02	1,130.04
Insurance		
- aircraft	496.26	434.08
- others	359.09	325.52
Tours and packages	-	3.68
Ground handling charges	2,338.52	4,690.76
Reservation cost	1,286.52	2,026.07
Commission	1,059.58	5,981.26
Sales promotion and advertisement	296.31	838.30
In-flight and passenger cost	2,584.11	1,800.33
Crew accommodation and transportation	1,401.10	5,098.94
Operating cost of software	1,367.81	1,717.02
Training	489.87	2,391.55
Legal and professional	1,414.41	1,724.69
Auditor's remuneration:		
- Audit fees	10.88	13.50
- Limited reviews	7.88	7.45
- Other matters	0.45	2.05
- Reimbursement of expenses	0.27	1.12
Recruitment cost	11.21	126.41
Rent	1,032.28	1,060.33
Rates and taxes	1,006.64	694.29
Bank charges	278.57	259.93
Property, plant and equipment written off	540.72	104.04
Loss on sale of property, plant and equipment [net of profit on sale of property, plant and equipment Rs. Nil (previous year Rs. 4.39)]	-	49.26
Travelling and conveyance	372.36	1,542.55
Printing and stationery	116.23	343.88
Communication and information technology	87.02	132.11
Other operating cost	1,086.26	2,091.52
Advances written off	13.81	0.60
Bad debts written off	193.81	13.45
Impairment loss on deposits	-	8.37
Impairment loss on trade receivables	2.92	3.70
Corporate social responsibility expenses (Refer to Note 36)	84.51	227.37
Sitting fees and commission	19.96	14.69
Miscellaneous expenses	338.72	481.18
Total	19,104.10	35,340.04

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

28. Fair value measurement and financial instruments

a. Financial instruments – by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

(i) As at 31 March 2021

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial assets								
Non-current								
Investments	6	0.83	-	-	0.83	-	-	0.83
Loans	7	-	-	15,806.57	15,806.57	-	-	17,239.71
Other financial assets*	8	-	-	16.34	16.34	-	-	16.34
Current								
Investments	6							
Mutual funds		73,154.06	-	-	73,154.06	-	73,154.06	-
Fixed rate non-convertible debentures*		-	-	240.00	240.00	-	-	240.00
Trade receivables*	11	-	-	2,189.78	2,189.78	-	-	2,189.78
Cash and cash equivalents*	12	-	-	5,088.85	5,088.85	-	-	5,088.85
Bank balances other than cash and cash equivalents*	13	-	-	107,187.80	107,187.80	-	-	107,187.80
Loans	7	-	-	1,286.04	1,286.04	-	-	1,286.18
Other financial assets*	8	-	-	6,192.86	6,192.86	-	-	6,192.86
TOTAL		73,154.89	-	138,008.24	211,163.13			
Financial liabilities								
Non-current								
Borrowings#	16.a	-	-	3,816.28	3,816.28	-	-	3,816.28
Other financial liabilities								
Supplementary rentals	16.c	-	-	17,203.63	17,203.63	-	-	17,459.67
Aircraft maintenance	16.c	-	-	8,845.66	8,845.66	-	-	9,131.49
Current								
Borrowings*	16.a	-	-	21,239.95	21,239.95	-	-	21,239.95
Trade payables*	18	-	-	15,513.29	15,513.29	-	-	15,513.29
Other current financial liabilities								
Interest accrued but not due on borrowings#	16.c	-	-	32.53	32.53	-	-	32.53
Supplementary rentals	16.c	-	-	44,038.84	44,038.84	-	-	44,248.53
Aircraft maintenance	16.c	-	-	3,162.25	3,162.25	-	-	3,168.79
Unclaimed dividend*	16.c	-	-	0.98	0.98	-	-	0.98
TOTAL		-	-	113,853.41	113,853.41			

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

28. Fair value measurement and financial instruments (contd...)

(ii) As at 31 March 2020

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial assets								
Non-current								
Investments	6	0.75	-	-	0.75	-	-	0.75
Loans	7	-	-	12,759.54	12,759.54	-	-	14,811.84
Other financial assets*	8	-	-	58.30	58.30	-	-	58.30
Current								
Investments	6							
Mutual funds		94,991.67	-	-	94,991.67	-	94,991.67	-
Trade receivables*	11	-	-	2,594.16	2,594.16	-	-	2,594.16
Cash and cash equivalents*	12	-	-	7,190.66	7,190.66	-	-	7,190.66
Bank balances other than cash and cash equivalents*	13	-	-	101,533.64	101,533.64	-	-	101,533.64
Loans	7	-	-	4,551.23	4,551.23	-	-	4,559.81
Other financial assets*	8	-	-	6,231.27	6,231.27	-	-	6,231.27
TOTAL		94,992.42	-	134,918.80	229,911.22			
Financial liabilities								
Non-current								
Borrowings#	16.a	-	-	3,465.87	3,465.87	-	-	3,465.87
Other financial liabilities								
Supplementary rentals	16.c	-	-	26,052.24	26,052.24	-	-	27,142.89
Aircraft maintenance	16.c	-	-	4,336.62	4,336.62	-	-	4,565.66
Current								
Trade payables*	18	-	-	15,675.82	15,675.82	-	-	15,675.82
Other current financial liabilities								
Current maturities of foreign currency term loan#	16.c	-	-	3,390.53	3,390.53	-	-	3,390.53
Interest accrued but not due on borrowings#	16.c	-	-	79.86	79.86	-	-	79.86
Supplementary rentals	16.c	-	-	39,914.40	39,914.40	-	-	40,552.52
Aircraft maintenance	16.c	-	-	2,512.52	2,512.52	-	-	2,556.43
Unclaimed dividend*	16.c	-	-	0.08	0.08	-	-	0.08
TOTAL		-	-	95,427.94	95,427.94			

Borrowings (including current maturities) have been contracted at floating rates of interest, which resets at short intervals. Accordingly, the carrying value of such borrowings (including interest accrued but not due) approximates fair value.

* The carrying amounts of trade receivables, trade payables, borrowings, cash and cash equivalents, bank balances other than cash and cash equivalents, fixed rate non-convertible debentures, unclaimed dividend and other current financial assets, approximates the fair values, due to their short-term nature. The other non-current financial assets represents bank deposits (due for maturity after twelve months from the reporting date) and interest accrued but not due on financial instruments, the carrying value of which approximates the fair values as on the reporting date.

The fair values for loans were calculated based on discounted cash flows using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

Notes forming part of the consolidated financial statements
for the year ended 31 March 2021
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28. Fair value measurement and financial instruments (contd...)

The fair values of supplementary rentals and aircraft maintenance are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

There has been no transfers between Level 1, Level 2 and Level 3 for the year ended 31 March 2021 and 31 March 2020.

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of NAV for mutual funds
- the fair value of the remaining financial instruments is determined using discounted cash flow method.

Valuation processes

The finance department of the Group includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Senior Management. Discussions on valuation and results are held between the Senior Management and valuation team atleast once every quarter in line with the Group's quarterly reporting periods.

b. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ;
- Market Risk - Foreign currency ; and
- Market Risk - Interest rate

Risk management framework

The Board of Directors of the Group has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Group. The committee is responsible for reviewing the risk management policies and ensuring its effectiveness.

The Group's risk management policies are established to identify and analyse the risks faced by the Group to set appropriate risks limits and controls and to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Risk Management Committee oversees how management monitors compliance with Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risk faced by the Group.

(i) Credit risk

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the Consolidated Balance Sheet

Particulars	As at 31 March 2021	As at 31 March 2020
Investments		
Fixed rate non-convertible debentures	240.00	-
Trade receivables	2,189.78	2,594.16
Loans	17,092.61	17,310.77
Cash and cash equivalents	5,088.85	7,190.66
Bank balances other than cash and cash equivalents	107,187.80	101,533.64
Other financial assets	6,209.20	6,289.57

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28. Fair value measurement and financial instruments (contd...)

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk on cash and cash equivalents and other bank balances is limited as the Group generally invests in deposits with financial institutions with high credit ratings assigned by credit rating agencies. Investments primarily include investment in debt based mutual fund units with low risk. Further, investments in fixed rate non-convertible debentures are secured by way of first pari passu charge over moveable financial assets identified by the issuer and simple mortgage over the immoveable assets of the issuer. The loans primarily represents security deposits given as pre delivery payments to aircraft manufacturer. Such deposit will be returned to the Group on deliveries of the aircraft by the aircraft manufacturer as per the contract. The credit risk associated with such security deposits is relatively low.

Trade receivables are generally unsecured and are derived from revenue earned from customers primarily located in India and certain parts of Middle East and South Asia. Trade receivables also includes receivables from credit card companies which are realisable within a period 1 to 7 working days.

The Group monitors the economic environment in which it operates to manage its credit risk. The Group manages its credit risk through various measures including establishing credit limits and continuously monitoring credit worthiness of customers to whom it extends credit in the normal course of business.

The Group sells majority of its air transportation services against advances made by agents/ customers and through online channels.

The Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available internal credit risk factors such as the Group's historical experience for customers. Based on the business environment in which the Group operates, management considers that the trade receivables (other than receivables from government departments) are in default (credit impaired) if the payments are more than 90 days past due, however, the Group based upon past trends determine an impairment allowance for loss on receivables outstanding for more than 180 days past due.

Majority of trade receivables are from domestic customers, which are fragmented and are not concentrated to individual customers. Trade receivables as at year end primarily includes Rs. 1,158.52 (previous year Rs. 877.87) relating to revenue generated from passenger services and Rs. 1,110.52 (previous year Rs. 1,792.57) relating to revenue generated from cargo services.

The Group's exposure to credit risk for trade receivables is as follows:

Particulars	Gross carrying amount	
	As at 31 March 2021	As at 31 March 2020
1-90 days past due *	1,931.29	2,173.49
91 to 180 days past due	104.92	211.24
More than 180 days past due #	232.83	285.71
	2,269.04	2,670.44

* The Group believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour.

The Group based upon past trends determine an impairment allowance for loss on receivables outstanding for more than 180 days past due. Receivables more than 180 days past due primarily comprises receivables from government departments, which are fully realisable based on historical payment behaviour and hence, no loss allowance has been recognised and from agents for which the impairment allowance has already been recognised on specific credit risk factor.

The allowance for lifetime expected credit loss on customer balances for the year ended 31 March 2021 and 31 March 2020 is insignificant and hence the same has not been recognised. The reversal for lifetime expected credit loss on customer balances for the current year is Rs. Nil (previous year Rs. Nil.)

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

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28. Fair value measurement and financial instruments (contd...)

Movement in the allowance for impairment in respect of trade receivables

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Balance at the beginning of the year	76.28	78.36
Add: Impairment loss recognised	13.93	-
Less: Bad debts written off	10.95	2.08
Balance at the end of the year	79.26	76.28

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Group's approach to manage liquidity is to have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group believes that its liquidity position, comprising of total cash, bank deposits and investments (including amounts under lien) of Rs. 185,684.65 as at 31 March 2021 (previous year Rs. 203,769.40), anticipated future internally generated funds from operations, and its fully available, revolving undrawn fund and non fund based credit facilities will enable it to meet its future known obligations in the ordinary course of business. As of 31 March 2021, the Group had received revolving fund based credit line sanctions amounting to Rs. 28,742.04 (previous year Rs. Nil.), of which the Group has drawn Rs. 21,239.95 (previous year Rs. Nil.) and has undrawn revolving fund based credit facilities of Rs. 7,502.09 (previous year Rs. Nil.). Additionally, the Group also has undrawn non fund based credit facilities amounting to Rs. 104,769.75 (previous year Rs. 77,033.25). The Group does not believes a significant liquidity risk with regard to its lease liabilities as the assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. In addition to this, the Group has unencumbered assets (including owned aircraft and engines) as well as access to adequate financing arrangements. Hence, in case a liquidity need were to arise, the Group believes it has sufficient means to meet its ongoing capital, operating, and other liquidity requirements. The Group will continue to consider various borrowing or leasing options to maximize liquidity and supplement cash requirements as necessary.

The Group's liquidity management process as monitored by management, includes the following:

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Group's liquidity position on the basis of expected cash flows.
- Maintaining diversified credit lines.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The contractual cash flow amounts are gross and undiscounted, and includes interest accrued but not due on borrowings.

As at 31 March 2021	Carrying amount	Contractual cash flows				
		Less than six months	Between six months and one year	Between one and five years	More than five years	Total
Borrowings	25,056.23	21,239.95	-	3,816.28	-	25,056.23
Lease liabilities	273,540.31	37,261.53	35,823.80	196,716.62	60,745.76	330,547.71
Interest accrued but not due on borrowings	32.53	32.53	-	-	-	32.53
Supplementary rentals*	61,242.47	33,962.55	10,758.41	19,473.29	631.89	64,826.14
Aircraft maintenance	12,007.91	1,806.95	1,433.25	8,851.34	1,149.08	13,240.62
Trade payables	15,513.29	15,513.29	-	-	-	15,513.29
Unclaimed dividend	0.98	0.98	-	-	-	0.98
Total	387,393.72	109,817.78	48,015.46	228,857.53	62,526.73	449,217.50

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28. Fair value measurement and financial instruments (contd...)

As at 31 March 2020	Carrying amount	Contractual cash flows				
		Less than six months	Between six months and one year	Between one and five years	More than five years	Total
Borrowings (including current maturities)	6,856.40	1,017.16	2,373.37	3,465.87	-	6,856.40
Lease liabilities	220,335.28	33,027.73	30,805.20	158,138.37	17,149.34	239,120.64
Interest accrued but not due on borrowings	79.86	79.86	-	-	-	79.86
Supplementary rentals*	65,966.64	28,094.75	13,491.84	30,208.76	813.29	72,608.64
Aircraft maintenance	6,849.14	605.92	2,065.95	4,885.85	369.37	7,927.09
Trade payables	15,675.82	15,675.82	-	-	-	15,675.82
Unclaimed dividend	0.08	0.08	-	-	-	0.08
Total	315,763.22	78,501.32	48,736.36	196,698.85	18,332.00	342,268.53

* Against payments for supplementary rentals amounting to Rs. 59,321.80 (previous year Rs. 65,714.51), the Group has issued letter of credit/ standby letter of credit which are backed by deposits/mutual funds/NCDs liened to financial institutions.

(iii) Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

A. Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates primarily relates to certain bank deposits, foreign currency term loan and certain lease liabilities carrying floating rate of interest.

Exposure to interest rate risk

The Group's interest rate risk arises from certain bank deposits, foreign currency term loan and certain lease liabilities carrying floating rate of interest. These deposits and obligations expose the Group to cash flow interest rate risk. The exposure of the Group to interest rate changes as reported to the management at the end of the reporting period are as follows:

Variable-rate instruments	As at 31 March 2021	As at 31 March 2020
Financial Liabilities		
Foreign currency term loan- from others (including current maturities)	3,816.28	6,856.40
Lease liabilities (previously classified as finance leases under erstwhile Ind AS)	16,153.80	17,486.65
Total	19,970.08	24,343.05
Financial Assets		
Cash and cash equivalents		
- Balance with banks - On deposit account (with original maturity of three months or less)	3,199.27	3,129.66
Bank balances other than cash and cash equivalents - On deposit account	39,241.58	80,222.58
Total	42,440.85	83,352.24

Interest rate sensitivity analysis

A reasonably possible change of 0.50 % in interest rates at the reporting date would have affected the profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Consolidated Statement of Profit and Loss	
	Increase by 0.50%	Decrease by 0.50%
Impact on profit / (loss) for the year ended 31 March 2021		
Change in interest on financial liabilities	(99.85)	99.85
Change in interest on financial assets	212.20	(212.20)
Impact on profit / (loss) for the year ended 31 March 2020		
Change in interest on financial liabilities	(121.72)	121.72
Change in interest on financial assets	416.76	(416.76)

Notes forming part of the standalone financial statements
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28. Fair value measurement and financial instruments (contd...)

B. Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Group's operating, investing and financing activities.

Exposure to foreign currency risk

The summary of quantitative data about the Group's exposure to currency risk, as expressed in Indian Rupees, as at 31 March 2021 and 31 March 2020 are as below:

As at 31 March 2021

Particulars	USD	EUR	GBP	AED	NPR	OMR	SGD	THB	QAR	BDT	LKR	CHF	HKD	KWD	MYR	SAR	TRY	CNY	MVR
Financial assets																			
Trade receivables	78.28	2.69	0.54	324.40	9.56	-	14.41	8.01	184.89	46.95	2.79	-	0.26	53.21	0.08	40.52	0.20	-	-
Cash and cash equivalents	3,712.27	-	0.04	224.89	37.08	12.90	84.17	121.47	0.12	0.07	0.02	-	4.39	0.13	2.68	0.25	0.95	22.26	-
Bank balances other than cash and cash equivalents	82,393.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans	15,794.11	-	-	0.43	15.80	-	0.57	2.28	0.61	8.31	-	-	12.18	-	-	-	0.07	-	-
Other financial assets	5,800.59	-	-	-	-	-	4.87	-	-	-	-	-	-	-	-	-	-	-	-
Total financial assets	107,778.35	2.69	0.58	549.72	62.44	12.90	104.02	131.76	185.62	55.33	2.81	-	16.83	53.34	2.76	40.77	1.22	22.26	-
Financial liabilities																			
Borrowings	5,056.23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lease liabilities	268,186.07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other financial liabilities	73,279.07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade payables	5,750.31	236.39	42.42	395.99	1.53	11.02	6.69	12.85	114.99	66.25	0.11	27.57	9.79	30.85	2.13	58.90	0.38	18.34	0.01
Total financial liabilities	352,271.68	236.39	42.42	395.99	1.53	11.02	6.69	12.85	114.99	66.25	0.11	27.57	9.79	30.85	2.13	58.90	0.38	18.34	0.01

As at 31 March 2020

Particulars	USD	EUR	GBP	AED	NPR	OMR	SGD	THB	QAR	BDT	LKR	CHF	HKD	KWD	MYR	SAR	TRY	CNY	MVR	PLN	VND
Financial assets																					
Trade receivables	32.54	2.60	-	47.58	19.76	0.15	10.53	6.42	5.76	54.75	8.07	-	0.35	0.77	1.16	6.46	0.64	-	-	-	-
Cash and cash equivalents	3,405.63	-	-	138.23	0.38	28.55	23.20	0.23	93.11	0.04	0.02	-	3.85	0.16	0.85	0.16	2.14	271.75	-	-	-
Bank balances other than cash and cash equivalents	94,036.49	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans	16,124.78	-	-	0.44	15.80	-	0.57	3.32	0.42	8.52	-	-	12.54	-	-	-	0.08	-	-	-	-
Other financial assets	5,550.72	-	-	34.18	-	-	4.79	4.16	-	-	-	-	-	-	-	-	-	-	-	-	-
Total financial assets	119,150.16	2.60	-	220.43	35.94	28.70	39.09	14.13	99.28	63.30	8.08	-	16.73	0.93	2.01	6.62	2.86	271.75	-	-	-
Financial liabilities																					
Borrowings	6,856.40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lease liabilities	215,025.64	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other financial liabilities	72,895.63	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade payables	7,883.07	259.19	13.13	669.58	21.68	54.95	137.55	52.37	135.55	78.44	28.63	12.67	8.92	80.96	33.43	202.39	0.25	23.82	0.01	0.00	0.07
Total financial liabilities	302,660.74	259.19	13.13	669.58	21.68	54.95	137.55	52.37	135.55	78.44	28.63	12.67	8.92	80.96	33.43	202.39	0.25	23.82	0.01	0.00	0.07

Amounts which are less than ten thousand are appearing as '0.00'.

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

28. Fair value measurement and financial instruments (contd...)

Sensitivity analysis

A reasonably possible strengthening/ (weakening) of the Indian Rupee against below currencies as at 31 March 2021 and 31 March 2020 would have affected the measurement of financial instruments denominated in foreign currency and affected Consolidated Statement of Profit and Loss by the amounts shown below. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Consolidated Statement of Profit and Loss for the year ended 31 March 2021		Consolidated Statement of Profit and Loss for the year ended 31 March 2020	
	Gain/ (loss) on appreciation	Gain/ (loss) on depreciation	Gain/ (loss) on appreciation	Gain/ (loss) on depreciation
1% depreciation / appreciation in Indian Rupees against following foreign currencies:				
AED	(1.54)	1.54	4.49	(4.49)
CHF	0.28	(0.28)	0.13	(0.13)
EUR	2.34	(2.34)	2.57	(2.57)
GBP	0.42	(0.42)	0.13	(0.13)
NPR	(0.61)	0.61	(0.14)	0.14
OMR	(0.02)	0.02	0.26	(0.26)
SGD	(0.97)	0.97	0.98	(0.98)
THB	(1.19)	1.19	0.38	(0.38)
QAR	(0.71)	0.71	0.36	(0.36)
LKR	(0.03)	0.03	0.21	(0.21)
BDT	0.11	(0.11)	0.15	(0.15)
USD*	2,444.93	(2,444.93)	1,835.11	(1,835.11)
HKD	(0.07)	0.07	(0.08)	0.08
KWD	(0.22)	0.22	0.80	(0.80)
MYR	(0.01)	0.01	0.31	(0.31)
SAR	0.18	(0.18)	1.96	(1.96)
TRY	(0.01)	0.01	(0.03)	0.03
CNY	(0.04)	0.04	(2.48)	2.48
MVR	0.00	(0.00)	0.00	(0.00)
PLN	-	-	0.00	(0.00)
VND	-	-	0.00	(0.00)
Total	2,442.84	(2,442.84)	1,845.11	(1,845.11)

USD: United States Dollar, GBP: Great British Pound, AED: Arab Emirates Dirhams, NPR: Nepalese Rupees, OMR: Omani Rials, THB: Thai Baht, CHF: Swiss Franc, SGD: Singapore Dollar, EUR: Euro, QAR: Qatari Riyal, BDT: Bangladeshi Taka, LKR: Sri Lankan Rupee, HKD: Hong Kong Dollars, KWD: Kuwaiti Dinar, MYR: Malaysian Ringgit, SAR: Saudi Riyal, TRY: Turkish Lira, CNY: Chinese Yuan, MVR: Maldivian Rufiyaa, PLN: Polish Zloty, VND: Vietnamese Dong.

Amounts which are less than ten thousand are appearing as '0.00'.

*The sensitivity analysis to foreign currency risk includes an exposure to foreign exchange fluctuations on long term foreign currency loans that have been capitalised in the cost of the related right of use assets. 1% depreciation / appreciation in Indian Rupees against USD, affects the adjustment to right of use assets by Rs. 161.54 (previous year Rs. 174.87). It is expected to impact the Consolidated Statement of Profit and Loss over the remaining life of the right of use assets as an adjustment to depreciation charge.

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

29. Capital management

The primary objective of the management of the Group's capital structure is to maintain an efficient mix of debt and equity in order to achieve a low cost of capital, while taking into account the desirability of retaining financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows. Management also monitors the return on equity.

The Board of directors regularly review the Group's capital structure in light of the economic conditions, business strategies and future commitments.

For the purpose of the Group's capital management, capital includes issued share capital, securities premium and all other equity reserves and debt includes term loan and working capital loans.

Debt equity ratio:

Particulars	As at 31 March 2021	As at 31 March 2020
Foreign currency term loan - from others (including current maturities)	3,816.28	6,856.40
Working capital loan from banks - Indian Rupee loan	20,000.00	-
Working capital loan from banks - Foreign currency loan	1,239.95	-
Total Debt (A)	25,056.23	6,856.40
Equity share capital	3,849.10	3,847.96
Other equity	(2,740.51)	54,931.44
Total Equity (B)	1,108.59	58,779.40
Debt equity ratio (C = A/B)	22.60	0.12

Return on equity:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Loss for the year	(58,064.27)	(2,336.78)
Equity share capital	3,849.10	3,847.96
Other equity	(2,740.51)	54,931.44
Equity attributable to owners of the Company	1,108.59	58,779.40
Return on equity Ratio (%)	-5237.67%	-3.98%

30. Contingent liabilities (to the extent not provided for)

The Group is a party to various taxation disputes and legal claims, which are not acknowledged as debts. Significant management judgement is required to ascertain that it is not probable that an outflow of resources embodying economic benefits will be required to settle the taxation disputes and legal claims.

(i) Income tax

The income tax authority has assessed and revised the taxable income of the Group up to Assessment Year ("AY") 2018-19 on account of disallowance of certain expenses and in respect of the tax treatment of certain incentives received from the manufacturer with the acquisition of aircraft and engines. The Group has not yet received assessment orders for subsequent years.

The Group has received favourable orders from the final fact-finding authority, the Income Tax Appellate Tribunal ("ITAT") for AY 2007-08, 2008-09 and 2009-10 against certain such disallowances and/or adjustments made by the tax authority. However, the tax authority's appeal against the order of the ITAT is pending before the Hon'ble High Court and for

Notes forming part of the consolidated financial statements
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30. Contingent liabilities (to the extent not provided for) (contd...)

AY 2012-13, the matter has been referred to Special Bench of ITAT. However, the Group believes, based on legal advice from counsels, that the view taken by ITAT is sustainable in higher courts and accordingly, no provision is required to be recorded in the books of account.

During the current year, under Direct Tax Vivad se Vishwas scheme ("DTVSVS"), the Group has accepted the order passed by tax authorities to conclude the matters for AY 2008-09 and 2009-10. However, the final administrative order is awaited from tax authorities for AY 2008-09 and 2009-10.

The tax exposure (excluding interest and penalty) for various matters arising up to AY 2018-19 i.e. the last year assessed, amounts to Rs. 4,907.19 (previous year Rs. 5,753.87) in case the incentives are held to be taxable on an amortized basis over the initial lease period. The above amounts are net of Rs. 5,331.67 (previous year Rs. 4,887.28), which represents minimum alternate tax recoverable written off in the earlier years. However, the exposure could increase to Rs. 14,029.94 (previous year Rs. 13,478.55) in case the incentives are held to be taxable on a receipt basis.

(ii) The Group is in legal proceedings for various disputed legal matters related to Customs, Octroi, Service Tax, Integrated Goods and Services Tax ('IGST') and Value Added Tax ('VAT'). The amounts involved in these proceedings, not acknowledged as debt, are:

(1) Service Tax- Rs. 144.71 (previous year Rs. 151.11),

(2) Value Added Tax - Rs. 28.46 (previous year Rs. 16.51),

(3) Octroi - Rs. 74.39 (previous year Rs. 74.39) and

(4) IGST on re-imports* - Rs. 8,539.11 (previous year Rs. 5,955.36).

The Group believes, based on advice from counsels/experts, that the views taken by authorities are not sustainable and accordingly, no provision is required to be recorded in the books of account.

*During the year, the Group has paid Integrated Goods and Services Tax ("IGST") amounting to Rs. 2,583.75 (previous year Rs. 1,820.00) under protest, on re-import of repaired aircraft, aircraft engines and other certain aircraft parts, to custom authorities and therefore as at 31 March 2021, cumulative amount paid under protest is Rs. 8,539.11 (previous year Rs. 5,955.36). In this regard, the Group has also filed the appeals before the Appellate authorities. The Group, based on legal advice from counsels, believes that no IGST is payable on such re-import of repaired aircraft, aircraft engines and other certain aircraft parts and accordingly, such amounts have been shown as recoverable. During the current year, the Group has received favourable order from the Customs Excise and Service Tax Appellate Tribunal ("CESTAT"), New Delhi.

(iii) The Competition Commission of India ("CCI") passed an order dated 17 November, 2015 against, inter alia, the Group, imposing a penalty of Rs. 637.40 on the Group on account of cartelization for determination of fuel surcharge included in the component of Cargo services. The Group filed an appeal against this order before the Competition Appellate Tribunal and it referred the matter back to the CCI for fresh adjudication. CCI passed a final order dated 07 March 2018 reducing the penalty amount on the Group to Rs. 94.50. The Group has filed an appeal before the National Group Law Appellate Tribunal ("NCLAT") against the order imposing penalty which is currently pending. The penalty imposed by CCI on the Group was stayed by NCLAT upon deposit of 10% of the penalty amount.

The Group based on legal advice from counsel, believes that the views taken by authorities are not sustainable and accordingly, no provision is required to be recorded in the books of account.

(iv) In February 2019, Hon'ble Supreme Court of India in its judgement clarified the applicability of allowances that should be considered to measure obligations under Employees Provident Fund Act, 1952. There are interpretative challenges on the application of judgement retrospectively and as such the Group does not consider that there is any probable obligations for past periods. Accordingly, based on evaluation the Group has made a provision for provident fund contribution on prospective basis.

(v) Legal cases

As per the notification dated 1 January 2016, The Payment of Bonus (Amendment) Act, 2015 is applicable retrospectively w.e.f 1 April 2014. In view of the partial stay granted by Karnataka and Kerala High Court, the impact of this amendment for the period 1 April 2014 till 31 March 2015 amounting to Rs. 19.47 has not been acknowledged as debt.

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

30. Contingent liabilities (to the extent not provided for) (contd...)

(vi) During the current year, the Group has renegotiated its existing agreements with an Original Equipment Manufacturer ("OEM") for spare engines support and provision of maintenance services which settles claims pursuant to these agreements that the Group and OEM had raised against each other. The net financial impact arising from this settlement has been recorded in the Consolidated Financial Statements.

(vii) Other legal proceedings for which the Group is contingently liable

The Group is party to various legal proceedings in the normal course of business and does not expect the outcome of these proceedings to have any adverse effect on the Consolidated financial statements and hence, no provision has been set-up against the same.

Notes:

Pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements or decisions pending with various forums or authorities. Accordingly, the above mentioned contingent liabilities are disclosed at undiscounted amount.

31. Commitments

Particulars	As at 31 March 2021	As at 31 March 2020
Estimated amount of contracts remaining to be executed on capital account and other commitments, and not provided for in the books of account [net of advances Rs. 449.03 (previous year Rs. 660.31)]	2,925,642.05	3,193,720.06

As on the reporting date, the Group expects that the estimated realizable value of these assets will exceed the commitment value net of discounts, benefits and incentives which will accrue to the Group consequential to buying these assets.

32. Employee benefits

The Group contributes to the following post-employment benefit plans.

Defined contribution plan

The Group pays provident fund contributions to the appropriate government authorities at rate specified as per regulations.

An amount of Rs. 1,028.21 (previous year Rs. 1,106.08) has been recognised as an expense in respect of the Group's contribution to Provident Fund and the same has been deposited with the relevant authorities. It has been shown under Employee costs in the Consolidated Statement of Profit and Loss.

Defined benefit plan

The Group operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days of total basic salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the Group on retirement, separation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972.

The following table sets out the status of the defined benefit plan as required under Ind-AS 19 - Employee Benefits, bifurcated under passenger services (including corporate employees) and cargo services:

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

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32. Employee benefits (contd...)

a. Passenger services

(i) Changes in present value of defined benefit obligation:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Present value of obligation at the beginning of the year	1,170.05	878.07
Interest cost	84.85	70.35
Current service cost	345.00	283.67
Benefits paid	(67.33)	(49.08)
Remeasurements - actuarial loss/ (gain) from changes in demographic assumptions	(14.56)	20.92
Remeasurements - actuarial loss/ (gain) from changes in financial assumptions	13.70	(108.66)
Remeasurements - actuarial loss/ (gain) from experience adjustments	3.68	74.78
Present value of obligation at the end of the year	1,535.39	1,170.05

(ii) Assumptions:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Economic assumptions		
Discount rate	6.48% - 7.02%	6.68% - 6.73%
Rate of increase in compensation levels	All Employees : 0.1% for first year. Thereafter : Non Crew : 8%- 10.75% Crew : 5.75%	All Employees : 0.1% - 8% for first two years. Thereafter: Non Crew : 8% - 10.75% Crew : 5.75%
Demographic assumptions:		
Retirement age	Pilot : 65 years Cabin Crew : 40 years Non Crew : 60 years	Pilot : 65 years Cabin Crew : 40 years Non Crew : 60 years
Mortality table	IALM (2012-14)	IALM (2012-14)
Withdrawal	Crew : 11% Non Crew : 11% - 16%	11% - 12% for first two years 11% - 18% thereafter

Assumptions regarding future mortality have been based on published statistics and mortality tables.

(iii) Sensitivity analysis

Defined benefit obligation

Change in assumptions	As at 31 March 2021		As at 31 March 2020	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
(Increase)/ decrease in obligation with 1% movement in discount rate	(83.79)	91.76	(63.63)	69.45
Increase/ (decrease) in obligation with 1% movement in future rate in compensation levels	132.92	(125.11)	101.19	(95.32)
(Increase)/ decrease in obligation with 1% movement in withdrawal rate	(42.52)	45.84	(32.35)	34.72

The sensitivity analysis is based on a change in above assumption while holding all other assumptions constant. The changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied, as has been applied when calculating the provision for defined benefit plan recognised in the Consolidated Balance Sheet.

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for the year ended 31 March 2021

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32. Employee benefits (contd...)

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous years.

Risk exposure:

The defined benefit plan is exposed to a number of risks, the most significant of which are detailed below:

Change in discount rates: A decrease in discount yield will increase plan liabilities.

Mortality table: The gratuity plan obligations are to provide benefits for the life of the member, so increase in life expectancy will result in an increase in plan liabilities.

(iv) Defined benefit liability and employer contribution

The expected maturity analysis of undiscounted defined benefit liability is as follows:

Particulars	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
As at 31 March 2021	165.08	174.12	524.14	776.11	1,639.45
As at 31 March 2020	141.93	109.32	450.96	651.43	1,353.64

b. Cargo services

(i) Changes in present value of defined benefit obligation:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Present value of obligation at the beginning of the year	23.89	20.76
Interest cost	1.66	1.56
Current service cost	4.74	3.92
Benefits paid	(2.52)	(0.63)
Remeasurements - actuarial loss/ (gain) from changes in demographic assumptions	(0.08)	0.82
Remeasurements - actuarial loss/ (gain) from changes in financial assumptions	0.39	(3.79)
Remeasurements - actuarial loss/ (gain) from experience adjustments	(0.93)	1.25
Present value of obligation at the end of the year	27.15	23.89

(ii) Assumptions:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Economic assumptions:		
Discount rate	6.40%	6.68%
Rate of increase in compensation levels	0.1% for one year 10.75% thereafter	0.1% for first two year 10.75% thereafter
Demographic assumptions:		
- Retirement age	60 years	60 years
- Mortality table	IALM (2012-14)	IALM (2012-14)
- Withdrawal	16%	12% for first two years 18% thereafter

Assumptions regarding future mortality have been based on published statistics and mortality tables.

Notes forming part of the consolidated financial statements

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(Rupees in millions, except for share data and if otherwise stated)

32. Employee benefits (contd...)

(iii) Sensitivity analysis

Defined benefit obligation

Change in assumptions	As at 31 March 2021		As at 31 March 2020	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Increase/ (decrease) in obligation with 1% movement in discount rate	(1.53)	1.71	(1.35)	1.51
Increase/ (decrease) in obligation with 1% movement in future rate in compensation levels	1.99	(1.78)	1.75	(1.56)
(Increase)/ decrease in obligation with 1% movement in withdrawal rate	(0.49)	0.58	(0.50)	0.59

The sensitivity analysis are based on a change in above assumption while holding all other assumptions constant. The changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied, as has been applied when calculating the provision for defined benefit plan recognised in the Consolidated Balance Sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous years.

Risk exposure:

The defined benefit plan is exposed to a number of risks, the most significant of which are detailed below:

Change in discount rates: A decrease in discount yield will increase plan liabilities.

Mortality table: The gratuity plan obligations are to provide benefits for the life of the member, so increase in life expectancy will result in an increase in plan liabilities.

(iv) Defined benefit liability and employer contribution

The expected maturity analysis of undiscounted defined benefit liability is as follows:

Particulars	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
As at 31 March 2021	3.08	2.82	8.29	13.95	28.14
As at 31 March 2020	2.79	2.05	8.32	14.50	27.66

c. Bifurcation of provision for defined benefit plan at the end of year:

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for defined benefit plans		
Passenger services		
- Current	159.98	137.41
- Non-current	1,375.41	1,032.64
Cargo services		
- Current	2.99	2.70
- Non-current	24.16	21.19
Total	1,562.54	1,193.94

Notes forming part of the consolidated financial statements

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33. Segment reporting

Based on the "management approach" as defined in Ind AS 108 – Operating Segments, the Chief Operating Decision Maker ('CODM') evaluates the Group's performance at an overall Group level as one segment i.e. 'air transportation services' based on the nature of operations, the risks and rewards and the nature of the regulatory environment across the Group's network and the interchangeability of use of assets across the network routes of the Group.

Segment wise information for the year ended 31 March 2021 and 31 March 2020 are as follows:

Information about geographical areas - Income

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
a. Air transportation services	146,406.31	357,560.01
b. Other income	10,369.64	15,355.09
Total	156,775.95	372,915.10

Information about geographical areas - Income

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
a. Air transportation services		
I. Domestic	127,712.39	288,861.30
II. International	18,693.92	68,698.71
b. Other income	10,369.64	15,355.09
Total	156,775.95	372,915.10

Revenue from air transportation services is directly attributed to domestic and international operations or are attributed on a reasonable basis. Other income is not allocated as the underlying assets/ liabilities/services are used interchangeably.

Non-current assets, other than financial instruments, deferred tax assets (net) and income tax assets (net), primarily comprises of right of use assets, property, plant and equipment and other non-current assets which cannot be bifurcated between domestic and international locations, as such assets are used interchangeably. Accordingly, the same has not been bifurcated between domestic and international locations.

No single external customer amounts to 10% or more of the Group's revenue. Accordingly, information about major customer is not provided.

34. Related party disclosures

a. List of related parties and nature of relationship where control exists:

Agile Airport Services Private Limited (wholly owned subsidiary)

b. List of related parties and nature of relationship with whom transactions have taken place during the current/ previous year

(i) Entity/ person with direct or indirect significant influence over the Group

InterGlobe Enterprises Private Limited

Ms. Shobha Gangwal - Wife of Mr. Rakesh Gangwal

(ii) Key managerial personnel of the Group and their close family members

Mr. Rahul Bhatia – Director

Ms. Rohini Bhatia – Director

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34. Related party disclosures (contd...)

Mr. Rakesh Gangwal - Director

Dr. Anupam Khanna - Independent Director

Ms. Pallavi Shardul Shroff– Independent Woman Director (with effect from 19 September 2019)

Mr. Anil Parashar - Non-executive director (with effect from 16 October 2018)

Ms. Ritu Parashar - Wife of Mr. Anil Parashar

Mr. Meleveetil Damodaran - Independent Director and Chairman of the Board

Mr. Ronojoy Dutta - Whole Time Director & Chief Executive Officer (Chief Executive Officer till 26 January 2020)

Dr. Asha Mukherjee - Sister of Mr. Rakesh Gangwal

Mr. Kapil Bhatia - Father of Mr. Rahul Bhatia

Mr. Alok Mehta - Brother of Ms. Rohini Bhatia

Mr. Rohit Philip - Chief Financial Officer (till 15 September 2019)

Mr. Aditya Pande - Chief Financial Officer (with effect from 16 September 2019 till 21 February 2021)

Mr. Jiten Chopra - Chief Financial Officer (with effect from 22 February 2021)

Dr. Venkataramani Sumantran - Independent Director (with effect from 28 May 2020)

Mr. Gregg Albert Saretsky - (Non-Independent Non-Executive Director) Additional Director (with effect from 01 October 2020)

Mr. Sanjay Gupta - Company Secretary and Chief Compliance Officer

(iii) Other related parties - Entities which are joint ventures or subsidiaries or where control/ significant influence exists of parties as given in (a) or (b)(i), (b)(ii) and (b)(iii) above

InterGlobe Air Transport Limited

InterGlobe Hotels Private Limited

CAE Simulation Training Private Limited

The Chinkerpoo Family Trust (Trustee: Ms. Shobha Gangwal & J.P.Morgan Trust Company of Delaware)

Caddie Hotels Private Limited

InterGlobe Real Estate Ventures Private Limited

InterGlobe Business Solutions Private Limited

InterGlobe Air Transport Limited W.L.L.

InterGlobe Education Services Limited

Shardul Amarchand Mangaldas & Co. (with effect from 19 September 2019)

InterGlobe Technology Quotient Private Limited

Notes forming part of the consolidated financial statements
for the year ended 31 March 2021
(Rupees in millions, except for share data and if otherwise stated)

34. Related party disclosures (contd...)

c. Transactions with related parties during the current / previous year:

S. No.	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
(i)	Rent		
	InterGlobe Air Transport Limited	0.12	1.38
(ii)	Commission		
	InterGlobe Air Transport Limited	0.01	203.87
	InterGlobe Air Transport Limited W.L.L.*	46.48	133.56
	*The Group has received or due to receive remittances of Rs. 2,174.60 (previous year Rs. 5,257.20) for the sale of passenger tickets through the agent for which the above commission was paid or payable.		
(iii)	Crew accommodation and transportation		
	InterGlobe Hotels Private Limited	10.60	104.05
	Caddie Hotels Private Limited	13.18	88.36
(iv)	Training		
	CAE Simulation Training Private Limited	211.01	1,002.71
(v)	Operating cost of software		
	InterGlobe Business Solutions Private Limited	-	28.05
(vi)	Repairs and maintenance		
	InterGlobe Air Transport Limited	-	0.27
	InterGlobe Real Estate Ventures Private Limited	15.86	15.95
(vii)	Miscellaneous income		
	InterGlobe Air Transport Limited	-	0.55
	CAE Simulation Training Private Limited	0.15	1.12
	InterGlobe Education Services Limited	1.80	7.84
(viii)	Reimbursement for expenses paid		
	InterGlobe Air Transport Limited W.L.L.	10.89	13.03
(ix)	Miscellaneous expenses		
	InterGlobe Air Transport Limited	0.01	0.06
	InterGlobe Real Estate Ventures Private Limited	10.59	11.65
(x)	Purchase of property, plant and equipment, capital work-in-progress, intangible assets and other assets		
	InterGlobe Business Solutions Private Limited	-	58.56
(xi)	Compensation to key managerial personnel		
	Short-term employee benefits	199.71	633.00
	Post-employment benefits	4.20	5.90
	Share-based payment (Refer Note 37) **	34.89	21.78
	Other long-term benefits	0.60	8.14
	** Excludes a reversal of employee stock option scheme expense of Rs. 10.79 (previous year Rs. 160.53) during the year towards forfeiture of employee stock options granted.		

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

34. Related party disclosures (contd...)

S. No.	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
(xii)	Sitting fees and commission***		
	Mr. Rahul Bhatia	1.20	1.10
	Ms. Rohini Bhatia	1.80	1.90
	Mr. Rakesh Gangwal	1.20	1.10
	Dr. Anupam Khanna	3.10	3.50
	Mr. Anil Parashar	3.80	3.50
	Mr. Meleveetil Damodaran	3.10	2.30
	Ms. Pallavi Shardul Shroff	1.80	0.30
	Mr. Gregg Albert Saretsky	0.70	-
	Mr. Venkataramani Sumantran	2.50	-
	*** Excludes applicable taxes		
(xiii)	Final dividend paid (Refer to Note 15.b.(iv))		
	Mr. Kapil Bhatia	-	0.25
	Mr. Rahul Bhatia	-	0.20
	Ms. Rohini Bhatia	-	0.05
	Mr. Rakesh Gangwal	-	282.11
	Ms. Shobha Gangwal	-	161.55
	Dr. Asha Mukherjee	-	6.25
	The Chinkerpoo Family Trust (Trustee: Ms. Shobha Gangwal & J.P.Morgan Trust Company of Delaware)	-	261.32
	Mr. Alok Mehta****	-	0.00
	Ms. Ritu Parashar	-	0.01
	InterGlobe Enterprises Private Limited	-	728.53
	**** Amount in absolute terms is Rs. Nil (previous year Rs. 1,275).		
(xiv)	Security deposit paid		
	InterGlobe Real Estate Ventures Private Limited	0.02	24.75
	InterGlobe Enterprises Private Limited	-	26.06
(xv)	Legal expenses		
	Shardul Amarchand Mangaldas & Co.	1.16	4.82
(xvi)	Depreciation under Ind AS 116*****		
	CAE Simulation Training Private Limited	636.38	213.17
	InterGlobe Enterprises Private Limited	40.63	37.92
	InterGlobe Real Estate Ventures Private Limited	25.60	25.67
	InterGlobe Air Transport Limited	0.12	0.07
(xvii)	Interest under Ind AS 116*****		
	CAE Simulation Training Private Limited	328.69	114.56
	InterGlobe Enterprises Private Limited	29.69	29.43
	InterGlobe Real Estate Ventures Private Limited	18.25	19.54
	InterGlobe Air Transport Limited	0.03	0.02
	*****Lease payments in respect of above parties for the year is amounting to Rs. 876.20 (previous year Rs. 330.39).		

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

34. Related party disclosures (contd...)

d. Outstanding balances

S. No.	Particulars	As at 31 March 2021	As at 31 March 2020
(i)	Payables		
	InterGlobe Air Transport Limited	0.01	0.03
	InterGlobe Hotels Private Limited	3.67	16.93
	Caddie Hotels Private Limited	3.47	11.15
	CAE Simulation Training Private Limited	14.37	43.53
	InterGlobe Real Estate Ventures Private Limited	1.11	0.79
	Shardul Amarchand Mangaldas & Co.	0.52	1.07
	InterGlobe Air Transport Limited W.L.L	-	84.13
	Key managerial personnel	19.49	62.60
(ii)	Receivables - (Including general sales agent (GSA))		
	InterGlobe Education services Limited	0.07	0.35
	InterGlobe Air Transport Limited W.L.L	103.99	-
(iii)	Security deposits - Receivable		
	InterGlobe Real Estate Ventures Private Limited	25.19	25.17
	InterGlobe Enterprises Private Limited	26.06	26.06
(iv)	Lease liabilities		
	CAE Simulation Training Private Limited	4,910.02	5,523.52
	InterGlobe Enterprises Private Limited	321.82	344.26
	InterGlobe Real Estate Ventures Private Limited	197.45	212.01
	InterGlobe Air Transport Limited	-	0.94

During the current year, an unrelated party has assigned its right to receive Rs. 48.83 (towards commission as an agent) to InterGlobe Technology Quotient Private Limited. Accordingly, the Group has discharged its obligation towards unrelated party by making payment of Rs. 48.83 to InterGlobe Technology Quotient Private Limited.

e. Terms and Conditions

All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business. Outstanding balances at the year end are unsecured and settlement occurs in cash. Transactions relating to dividend, subscriptions for new equity shares are on the same terms and conditions that are offered to other shareholders.

35. Earnings per share (EPS)

a. Profit attributable to equity share holders

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit / (loss) attributable to equity share holders:		
Profit / (loss) attributable to equity share holders for basic earnings	(58,064.27)	(2,336.78)
Profit / (loss) attributable to equity share holders adjusted for the effect of dilution	(58,064.27)	(2,336.78)

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

35. Earnings per share (EPS) (contd...)

b. Weighted average number of equity shares

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Weighted average number of equity shares		
- For basic earnings per share	384,821,055	384,658,050
Dilutive effect of stock options*	-	-
	384,821,055	384,658,050
Basic earnings per share (Rs.)	(150.89)	(6.07)
Diluted earnings per share (Rs.)	(150.89)	(6.07)
Nominal value per share (Rs.)	10	10

1,766,414 (previous year 360,759) of the stock options granted to employees under the existing employee share option schemes have not been included in the calculation of diluted earnings per share because they are anti-dilutive.

36. Corporate social responsibility

Under Section 135 of the Companies Act, 2013, the Group is required to spend, in every financial year, atleast 2% of the average net profits of the Group made during the three immediately preceding financial years on Corporate Social Responsibility (CSR), pursuant to its policy in this regard.

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
a) Gross amount required to be spent by the Group during the year	84.46	315.32
b) Amount spent and paid during the year	84.51	227.37
Particulars of amount spent and paid during the year:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	84.51	227.37
	84.51	227.37

37. Share-based payment arrangements

a. Description of share-based payment arrangements

InterGlobe Aviation Limited Employees Stock Option Scheme - 2015 (ESOS 2015 - II)

On 23 June 2015, the Board of Directors approved the InterGlobe Aviation Limited Employees Stock Option Scheme - 2015 (the "ESOS 2015 - II"), which was subsequently approved in the Extraordinary General Meeting held on 25 June 2015. ESOS 2015 - II, comprises 3,107,674 options, which are granted to eligible employees of the Company determined by Compensation 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 options were granted on the dates as mentioned in table below.

S No.	Grant Date	Number of Options	Exercise Price (Rs.)	Vesting Conditions	Vesting Period	Contractual period
(i)	30-Oct-15	420,530	10.00	Graded vesting to President and Whole Time Director of the Company, can be exercised within 1 year from the respective vesting dates.	4 years	2 years to 5 years
(ii)	30-Oct-15	1,514,587	765.00	Graded vesting to other employees of the Company, can be exercised within 4 years from the respective vesting dates.	4 years	5 years to 8 years

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

37. Share-based payment arrangements (contd...)

S No.	Grant Date	Number of Options	Exercise Price (Rs.)	Vesting Conditions	Vesting Period	Contractual period
(iii)	30-Oct-15	332,026	765.00	Subject to market condition being met, the options granted to President and Whole Time Director of the Company, can be exercised within 4 years of vesting.	After 4.5 years	8.5 years
(iv)	16-Sep-16	353,299	10.00	Graded vesting to other employees of the Company, can be exercised within 15 March of the calendar year following the calendar year in which the applicable vesting occurs, but in any event no Option will be Exercised later than 7 (seven) years after the Date of Grant or 3 (three) months after termination of employment of the Optionee.*	4 years	1.5 years to 7 years
(v)	23-Aug-18	100,000	1049.95	Graded vesting to other employees of the Company, can be exercised within 4 years from the respective vesting dates.	4 years	5 years to 8 years
(vi)	14-Feb-20	53,000	765.00	Graded vesting to other employees of the Company, can be exercised within 4 years from the respective vesting dates.	2 years	5 years to 6 years
(vii)	29-Jun-20	1,474,894	765.00	Graded vesting to other employees of the Company, can be exercised within 4 years from the respective vesting dates.*	4 years	5 years to 8 years
(viii)	29-Jan-21	185,000	765.00	Graded vesting to Whole Time Director and CEO of the Company, can be exercised within 4 years from the respective vesting dates.#	2.9 years	5 years to 6.9 years

b. Measurement of fair values

The weighted average fair value of stock options as on grant date

Particulars	Method of Valuation	Weighted average fair value as on the grant date (Rs.)
ESOS 2015 - II		
- President and whole time director covered in a.(i) above	Black Scholes option pricing model	756-758
- Employees other than President and whole time director covered in a.(ii) above	Black Scholes option pricing model	360-488
- President and whole time director covered in a.(iii) above	Black Scholes option pricing model and Monte Carlo Stimulation	448
- Employees other than President and whole time director covered in a.(iv) above*	Black Scholes option pricing model	737-820
- Employees other than President and whole time director covered in a.(v) above	Black Scholes option pricing model	347-485
- Employees other than President and whole time director covered in a.(vi) above	Black Scholes option pricing model	848-885
- Employees other than President and whole time director covered in a.(vii) above*	Black Scholes option pricing model	519-627
- Whole Time Director and CEO covered in a.(viii) above#	Black Scholes option pricing model	1,053-1,131

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

37. Share-based payment arrangements (contd...)

The inputs used in the measurement of grant date fair value are as follows:

Particulars	Share Price (Rs.)	Exercise Price (Rs.)	Expected Volatility	Expected Life (in years)	Expected Dividend	Risk free Interest Rate
ESOS 2015 - II						
- President and whole time director covered in a.(i) above	765.00	10.00	60.5% - 66.7%	1.5 - 4.5	0.0%	7.5%
- Employees other than President and whole time director covered in a.(ii) above	765.00	765.00	60.0% - 61.1%	3 - 6	0.0%	7.5%
- President and whole time director covered in a.(iii) above	765.00	765.00	62.4%	2	0.0%	7.5%
- Employees other than President and whole time director covered in a.(iv) above*	868.00	10.00	52.7%	1.25 - 4.25	3.62%	7.5%
- Employees other than President and whole time director covered in a.(v) above	1,049.95	1,049.95	15.0%	3-6	0.54%	7.5%
- Employees other than President and whole time director covered in a.(vi) above	1,446.54	765.00	19.4%	3-4	0.45%	5.95% - 6.24%
- Employees other than President and whole time director covered in a.(vii) above*	1,013.05	765.00	40.3%	3-6	0.29%	5.07% - 5.96%
- Whole Time Director and CEO covered in a.(viii) above#	1,592.80	765.00	43.4%	3-5.45	0.29%	5.30% - 5.86%

* During the year ended 31 March 2021, the Board of Directors had accepted resignation of Mr. Aditya Pande from the post of Chief Financial Officer of the Company effective 21 February 2021. During the year ended 31 March 2020, the Board of Directors had accepted resignation of Mr. Rohit Philip from the post of Chief Financial Officer of the Company effective 15 September 2019.

During the year ended 31 March 2021, the Company has granted 185,000 stock options to its Whole Time Director and Chief Executive Officer which was approved by the shareholders through postal ballot on 10 April 2021.

The risk-free interest rates are determined based on current yield to maturity of Government Bonds with 10 years residual maturity. Expected volatility calculation is based on historical daily closing stock prices of competitors / Company using standard deviation of daily change in stock price. The minimum life of stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised. The expected life has been considered based on average sum of maximum life and minimum life and may not necessarily indicative of exercise patterns that may occur. Dividend yield has been calculated taking into account expected rate of dividend on equity share price as on grant date basis past trends. For the measurement of grant date fair value certain market conditions were considered in the method of valuation.

c. Effect of employee stock option scheme on the Consolidated Statement of Profit and Loss:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Employee stock option scheme expense (included in salaries, wages and bonus)**	306.58	(99.15)
Total	306.58	(99.15)

** Includes a reversal of employee stock option scheme expense of Rs. 22.55 (previous year Rs. 160.53) towards forfeiture of employee stock options granted to certain employees.

Notes forming part of the consolidated financial statements
for the year ended 31 March 2021
(Rupees in millions, except for share data and if otherwise stated)

37. Share-based payment arrangements (contd...)

d. Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the share option schemes were as follows:

Particulars	As at 31 March 2021		As at 31 March 2020	
	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	360,759	843.99	831,850	574.79
Add: Options granted during the year	1,659,894	765.00	53,000	765.00
Less: Options forfeited and expired during the year	140,518	765.00	247,310	10.00
Less: Options exercised during the year***	113,721	815.11	276,781	765.00
Options outstanding as at the year end	1,766,414	777.91	360,759	843.99

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of options	Range of exercise prices (Rs.)	Number of options	Range of exercise prices (Rs.)
Exercisable at the end of the year	155,538	765-1,049.95	222,759	765-1,049.95

Particulars	As at 31 March 2021	As at 31 March 2020
Weighted average remaining life of options outstanding at the end of the year	5.69	4.08

***The weighted average share price at the date of exercise of options exercised during the year was Rs. 1,667.13 (previous year Rs. 1,396.58). Further, during the current year, certain employees has exercised their rights to exercise employee stock options.

38. (a) Mr. Gregg Albert Saretsky has been appointed as an (Non-Independent Non-Executive Director) Additional Director with effect from 01 October 2020, subject to the approval of shareholders at the forthcoming Annual General Meeting of the Company.

(b) Mr. Aditya Pande, erstwhile Chief Financial Officer resigned with effect from 21 February 2021.

(c) Mr. Jiten Chopra has been appointed as the Chief Financial Officer of the Company with effect from 22 February 2021.

(d) Dr. Venkataramani Sumantran has been appointed as an Independent Director with effect from 28 May 2020.

39. The Group has established a comprehensive system of maintenance of information and documents that are required by the transfer pricing legislation under section 92-92F of the Income Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Group is in the process of updating the documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by due date as required under the law. The management is of the opinion that its international transactions with the associated enterprises are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

40. The Company had filed an application for settlement before the Securities and Exchange Board of India ("SEBI") under the SEBI (Settlement Proceedings) Regulations, 2018 in relation to a show cause notice dated 10 November 2020 (the "Show Cause Notice") issued by the SEBI pursuant to the complaints filed by one of the promoters. The SEBI has accepted the Company's application for settlement of the adjudication proceeding pursuant to the Show Cause Notice and issued the Settlement Order. Accordingly, the Company, while neither admitting or denying the alleged violations, has paid an amount of Rs. 21.03 after which the adjudication proceedings have now concluded.

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

41. InterGlobe Enterprises Private Limited and Mr. Rahul Bhatia, as claimants (the "IGE Group"), submitted a Request for Arbitration dated 1 October 2019 to the London Court of International Arbitration under the shareholders agreement dated 23 April 2015 (as amended on 17 September 2015) (the "Shareholders Agreement") executed between, inter-alia, the IGE Group, Mr. Rakesh Gangwal, The Chinkerpoo Family Trust, Ms. Shobha Gangwal (together with Mr. Gangwal and The Chinkerpoo Family Trust, the "RG Group") and the Company. The IGE Group and the RG Group are promoters of the Company. The Company has been named as a respondent as it is a party to the Shareholders Agreement. The Company has been named as a proper party to the arbitration and no monetary claim, including any compensation, has been sought against the Company by the IGE Group or the RG Group and accordingly the Company believes that the claims filed in the arbitration do not impact the Financial Statements of the Company. The pleadings of the IGE Group, the RG Group and the Company in the arbitration have now been completed.

42. During the year ended 31 March 21, the Group's operations were severely affected due the ongoing Covid-19 Pandemic. We have been ramping up our operations in a phased manner, in accordance with Government directions, post the lockdown imposed by the Central Government in May 2020. Our international operations remained significantly curtailed. We were also witnessing a steady recovery in demand. However, starting March 2021, the second wave of Covid-19 has hit the country leading to a significant drop in demand which has impacted our revenue and profitability for the period.

While there is uncertainty in the revenue environment in the near term which is expected to normalise in the long-run, IndiGo's balance sheet continues to remain strong with sufficient liquidity as of 31 March 2021. We continue to remain focused to reduce our unit costs. Stringent controls have been put in place on all discretionary spends and capital expenditures are being approved on a case-to-case basis. We are closely monitoring the current environment and will continue to take necessary actions that strengthen our cash position.

Health and safety of our passengers and employees has always been of paramount importance for us. This has become even more relevant during the current pandemic. To ensure the well-being of our passengers, we have introduced several measures including contactless boarding, strict enforcement of social distancing norms, regular sanitisation of our aircraft and provision of PPE kit, masks and face shields. To ensure our employees are protected, all employees are being vaccinated and support is being provided to tide over through this crisis.

The Group has assessed the recoverability of the carrying amount of assets while preparing the Group's Financial Statements for the year ended 31 March 2021. We have performed sensitivity analysis on the assumptions used and based on current estimates, expect the carrying amount of these assets will be recovered. We have a strong cash position as of 31 March 2021 and hold our current investments in highly liquid funds and bank fixed deposits. We have met and expect to meet all our ongoing cash obligations pertaining to our lease rentals, debt repayments and any other financial obligations. Through this period of uncertainty, we will continue to monitor, any material changes to future economic conditions impacting our financial position.

43. The managerial remuneration paid by the Company to its Whole Time Director and Chief Executive Officer in accordance with the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013, was approved by the shareholders at the Annual General Meeting held on 4 September 2020. Further, the revision in remuneration and minimum remuneration for the year ended 31 March 2021 on account of grant of the stock options, which amounts to a stock compensation charge of Rs. 19.22, was approved by the shareholders through postal ballot on 10 April 2021.

Notes forming part of the consolidated financial statements

for the year ended 31 March 2021

(Rupees in millions, except for share data and if otherwise stated)

44. Details of bank deposits, current investments, cash and cash equivalents and bank balances other than cash and cash equivalent:

As at 31 March 2021

Particulars	Non lien	Under lien	Total
Bank deposits (due for maturity after twelve months from the reporting date) (Refer to Note 8)	13.84	0.10	13.94
Current investments (Refer to Note 6)	56,429.71	16,964.35	73,394.06
Cash and cash equivalents (Refer to note 12)	5,087.87	0.98	5,088.85
Bank balance other than cash & cash equivalents (Refer to Note 13)	9,465.64	97,722.16	107,187.80
Total	70,997.06	114,687.59	185,684.65

As at 31 March 2020

Particulars	Non lien	Under lien	Total
Bank deposits (due for maturity after twelve months from the reporting date) (Refer to Note 8)	2.11	51.32	53.43
Current investments (Refer to Note 6)	76,818.53	18,173.14	94,991.67
Cash and cash equivalents (Refer to note 12)	7,190.58	0.08	7,190.66
Bank balance other than cash & cash equivalents (Refer to Note 13)	5,269.75	96,263.89	101,533.64
Total	89,280.97	114,488.43	203,769.40

45. Additional information required by Schedule III of the Companies Act, 2013

As at 31 March 2021

Name of the entity in the group	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	
	As % of consolidated net assets	Amount	As % of consolidated profit / (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
InterGlobe Aviation Limited	63.96%	709.09	100.40%	(58,297.92)	286.57%	(16.65)	100.42%	(58,314.57)
Subsidiary								
Indian								
Agile Airport Services Private Limited	36.04%	399.50	-0.40%	233.65	-186.57%	10.84	-0.42%	244.49
Non-controlling interests	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Total	100%	1,108.59	100%	(58,064.27)	100%	(5.81)	100%	(58,070.08)

Notes forming part of the consolidated financial statements
for the year ended 31 March 2021
(Rupees in millions, except for share data and if otherwise stated)

45. Additional information required by Schedule III of the Companies Act, 2013 (contd...)

As at 31 March 2020

Name of the entity in the group	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	
	As % of consolidated net assets	Amount	As % of consolidated profit / (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
InterGlobe Aviation Limited	99.74%	58,624.39	106.20%	(2,481.59)	100.09%	11.00	106.23%	(2,470.59)
Subsidiary								
Indian								
Agile Airport Services Private Limited	0.26%	155.01	-6.20%	144.81	-0.09%	(0.01)	-6.23%	144.80
Non-controlling interests	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Total	100%	58,779.40	100%	(2,336.78)	100%	10.99	100%	(2,325.79)

As per our report of even date attached
For S.R. Batliboi & Co LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

per Sanjay Vij
Partner
Membership No. 95169

Place: Gurgaon
Date: 5 June 2021

For and on behalf of the Board of Directors of
InterGlobe Aviation Limited

Ronojoy Dutta
Whole Time Director and
Chief Executive Officer
DIN: 08676730

Anil Parashar
Director
DIN: 00055377

Jiten Chopra
Chief Financial Officer

Sanjay Gupta
Company Secretary and
Chief Compliance Officer

Place: Gurgaon
Date: 5 June 2021

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part-A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rupees in millions)

S. No.	Particulars	Information
1	Name of the subsidiary	Agile Airport Services Private Limited
2	The date since when subsidiary was acquired	14 February 2017 (incorporated as wholly owned subsidiary of the Company)
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01 April 2020 to 31 March 2021
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not applicable
5	Share capital	Authorised capital : 10.00
		Paid-up capital: 1.10
6	Reserves and surplus	Retained earnings : 399.50
7	Total assets	843.19
8	Total Liabilities	442.59 [excluding share capital & reserves and surplus]
9	Investments	494.30
10	Turnover	2,953.87
11	Profit before taxation	117.22
12	Provision for taxation	116.43
13	Profit after taxation	233.65
14	Proposed Dividend	Nil
15	Extent of shareholding (in percentage)	99.91

Note: 1. The Company do not have any associate companies and joint venture hence PART B is not applicable.

2. Figures in [ ] represents negative balances.

For and on behalf of the Board of Directors of
InterGlobe Aviation Limited

Ronojoy Dutta
Whole Time Director and
Chief Executive Officer
DIN: 08676730

Anil Parashar
Director
DIN: 00055377

Jiten Chopra
Chief Financial Officer

Sanjay Gupta
Company Secretary and
Chief Compliance Officer

Place: Gurgaon
Date: 5 June 2021

Notice

Notice is hereby given that the Eighteenth (18th) Annual General Meeting of the Members of InterGlobe Aviation Limited (the "Company") will be held on Tuesday, August 31, 2021 at 2.30 p.m. (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), to transact the following business:

Ordinary Business:

1. To consider and adopt:

a. the audited standalone financial statements of the Company for the financial year ended March 31, 2021, along with the reports of the Board of Directors and the Auditors thereon; and

b. the audited consolidated financial statements of the Company for the financial year ended March 31, 2021, along with the report of the Auditors thereon.

2. Appointment of a Director retiring by rotation

To re-appoint Mr. Rakesh Gangwal (DIN: 03426679) as Director, who retires by rotation, and being eligible, offers himself for re-appointment.

Special Business

3. Appointment of Mr. Gregg Albert Saretsky as a Non-Executive Director of the Company

To consider and if thought fit, to pass the following resolution as an "Ordinary Resolution":

"RESOLVED THAT pursuant to the provisions of Sections 152 and 160 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Rules made thereunder, as amended from time to time, the approval of the Members of the Company be and is hereby accorded to appoint Mr. Gregg Albert Saretsky (DIN: 08787780) as a Non-Executive Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company ("Board") be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, and to execute all such documents, instruments and writings as may be required, proper or expedient, to give effect to this resolution and the Board may, by a resolution, delegate the aforementioned powers to any committee of directors, director(s) or any other officer(s) of the Company on such conditions as the Board may prescribe."

By order of the Board
For InterGlobe Aviation Limited

Sanjay Gupta
Company Secretary and Chief Compliance Officer

Date: August 05, 2021
Place: Gurugram

InterGlobe Aviation Limited
CIN: L62100DL2004PLC129768
Registered Office: Upper Ground Floor, Thapar House,
Gate no. 2, Western Wing, 124 Janpath, New Delhi-110 001
Tel: +91 96500 98905; Fax: 011 - 4351 3200
Email: investors@goindigo.in;
Website: www.goindigo.in

Notes:

1. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 ("Act") and Secretarial Standards -2 issued by the Institute of Company Secretaries of India on General Meetings ("SS-2"), setting out the material facts and the reasons relating to the Special Business to be transacted at the Annual General Meeting ("AGM") is annexed herewith.

2. In view of the outbreak of the Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") vide its General Circulars No. 14/2020 dated April 08, 2020, No.17/2020 dated April 13, 2020, No. 20/2020 dated May 05, 2020, and No. 02/2021 dated January 13, 2021, (collectively the "MCA Circulars") has allowed conducting AGM through VC or OAVM and dispensed with the requirement of presence of the Members in person at the AGM. Hence, the Members can attend and participate in the AGM through VC/ OAVM only. The venue of the AGM shall be deemed to be the registered office of the Company. A detailed procedure for attending the AGM is annexed herewith (Refer to serial no. 24).

3. As the AGM is being conducted through VC/OAVM, where physical attendance of the Members is dispensed with, the facility of appointment of proxies by the Members will not be available. However, the Corporate Members intending to appoint authorised representatives, pursuant to Section 113 of the Act, are requested to send a certified copy of the relevant Board Resolution together with the respective specimen signature(s) of those representative(s) authorised under the said resolution to attend and vote on their behalf at the AGM.

4. Due to conduct of the AGM through VC/OAVM, the participation of the Members will be restricted up to 1,000 and will be allowed on first come first served basis. However, the participation of the Members holding 2% or more shareholding is not restricted on first come first served basis. This restriction will also be not applicable to Institutional Investors, Promotors, Directors, including Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Key Managerial Personnel, Statutory Auditors and Secretarial Auditors of the Company, and the Scrutinizer for the AGM appointed by the Board. The Members are requested to login and join the AGM at around 2:15 p.m. (IST), i.e., 15 minutes prior to the scheduled time of the AGM. The window for joining the AGM will be closed at 2.45 p.m. (IST), i.e., on expiry of 15 minutes from the scheduled time of the AGM.

5. Members joining through VC/ OAVM shall be reckoned for the purpose of the quorum under Section 103 of the Act.

6. Members who need assistance before or during the AGM, can contact KFin Technologies Private Limited ("Kfintech") on emeetings@kfintech.com or call on toll free numbers 1800-309-4001.

7. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, August 25, 2021 to Tuesday, August 31, 2021 (both days inclusive).

8. The Members are requested to quote their Registered Folio Number or Demat Account Number & Depository Participant (DP) ID number in all correspondence with the Company or its Registrar and Share Transfer Agent ("RTA").

9. The Members holding shares in demat form are advised to send the request for change of address, bank particulars, bank mandate, residential status or requests for transmission of shares etc. to their DP immediately.

10. Details as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") and SS-2 in respect of the Directors seeking appointment/ re-appointment at the AGM is given in the Annexure to this Notice.

11. In view of the Covid-19 pandemic, the MCA and SEBI have allowed Companies to send Annual Reports and other communications through electronic mode only. Hence, the Notice of AGM ("Notice") and Annual Report are being sent in electronic mode to the Members whose email addresses are registered with the Company, the RTA or the Depositories/ DPs.

12. In accordance with the MCA Circulars, the Notice and Annual Report has been uploaded on the website of the Company at www.goindigo.in, websites of the Stock Exchanges i.e. BSE Limited ("BSE") at www.bseindia.com and National Stock Exchange of India Limited ("NSE") at www.nseindia.com and on the website of Kfintech at https://evoting.kfintech.com/.

    The login credentials for casting vote(s) through remote e-voting are being sent to the Members, whose e-mail addresses are registered with the Company/ Kfintech/ Depositories, on their registered e-mail addresses. The same login credentials may also be used for attending the AGM though VC/ OAVM or voting during the AGM.

    Manner of registering/ updating e-mail address: The Members whose e-mail addresses are not registered with the Company/ Depositories, are requested to get the same registered/ updated through the following procedure:

    a) The Members holding shares in demat form can get their e-mail addresses registered by contacting their respective DPs.

    b) The Members holding shares in physical form may register their e-mail addresses and mobile number with Kfintech by sending an e-mail request at the email address einward.ris@kfintech.com along with signed scanned copy of the request letter providing the email address, mobile number, self-attested copy of PAN Card and a copy of the share certificate for registering their email addresses for receiving the Annual Report and Notice along with the e-voting instructions in electronic mode.

       The Company has also provided the facility to the Members for temporary registration of their e-mail addresses for receiving Annual Report in electronic mode by clicking the link https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx for registration.

13. Procedure for inspection of documents:

    a) All the documents referred to in the accompanying Notice and explanatory statement, will be available for inspection through electronic mode, basis the request being sent at investors@goindigo.in.

    b) During the AGM, the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, and the Certificate from Auditors of the Company certifying that the ESOS Scheme of the Company is being implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014, will be available for inspection upon login at https://emeetings.kfintech.com.

14. In terms of Section 72 of the Act and related rules issued thereunder, a Member of the Company may nominate a person on whom the shares held by him / her shall vest in the event of his / her death. The Member(s) desirous of availing this facility may submit nomination in the prescribed Form SH-13 to the Company or Kfintech in case shares are held in physical form, and to their respective DPs, if held in electronic form.

15. The Members who are holding shares in physical form in identical names in more than one folio are requested to write to Kfintech enclosing their Share Certificate(s) to enable the Company to consolidate their holding into one folio.

16. The Members may note that the MCA had notified provisions relating to unpaid/ unclaimed dividend under Sections 124 and 125 of Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"). As per IEPF Rules, dividends which are not encashed/ claimed by the Members for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF). The IEPF Rules mandate the Companies to transfer the shares of the Members whose dividends remain unpaid/ unclaimed for a period of seven consecutive years to the demat account of IEPF. Hence, the Company urges all the Members to encash/ claim their respective dividends during the prescribed period. The details of the unpaid/unclaimed dividend amounts lying with the Company as on September 04, 2020 (previous AGM date) are available on the website of the Company at https://www.goindigo.in/content/dam/goindigo/investor-relations/other-disclosures/2019-20/List-of-shareholders-Unpaid-and-Unclaimed-Dividend-FY19-20.pdf.

17. Pursuant to Section 108 and other applicable provisions of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and in compliance with Regulation 44 of the SEBI LODR Regulations, the Company is pleased to provide the facility to its Members to exercise their right to vote(s) on the resolutions proposed to be passed at the AGM by electronic means. The Members whose names appear on the Register of Members / List of Beneficial Owners as on Tuesday, August 24, 2021 (the "Cut-off Date"), are entitled to vote on the Resolutions set forth in the Notice. The Members may cast their vote(s) on electronic voting system from any place (remote e-voting). A person who is not a Member of the Company as on the Cut-off Date should treat this Notice for information purpose only. The remote e-voting period will commence at 09:00 a.m. on Friday, August 27, 2021, and will end at 05:00 p.m. on Monday, August 30, 2021, and at the end of remote e-voting period, the facility shall forthwith be blocked.

18. Contact details of the official responsible to address the grievances connected with the remote e-voting are set out below:

    Ms. Sheetal Doba, Manager-Corporate Registry
    KFin Technologies Private Limited
    (formerly known as Karvy Fintech Private Limited)
    Corporate Registry
    Selenium Building, Tower- B,
    Plot No. 31 & 32, Financial District,
    Nanakramguda, Serilingampally Mandal,
    Hyderabad – 500 032, Telangana, India
    Tel. No.: +91 40 6716 1509, Toll Free No: 1800-309-4001.
    E-mail: einward.ris@kfintech.com or evoting@kfintech.com

19. In case of joint holders, only such joint holder who is higher in the order of names, will be entitled to vote through remote e-voting.

20. The Members who have not cast their vote(s) through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM (Insta Poll). Vote button will be activated once Insta Poll is announced at the AGM. The Members who have cast their vote(s) by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote(s) again.

21. The Board has appointed Ms. Amrita Nautiyal, Practicing Company Secretary, Partner M/s. Amrita Nautiyal & Associates, as Scrutinizer to ensure that the remote e-voting process and e-voting at the AGM is conducted in a fair and transparent manner.

22. The Members desiring to cast their vote(s) through remote e-voting are requested to refer to the detailed procedure given hereinafter.

    I. Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-voting facility provided by Listed Companies", e-voting process has been enabled for all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs.

II. In order to access the single login e-voting facility, the Members are advised to update their mobile number and e-mail ID with their DPs.

III. The remote e-voting facility will be available from 09:00 a.m. on Friday, August 27, 2021 to 05:00 p.m. on Monday, August 30, 2021.

IV. Procedure for remote e-voting:

i. Voting through Depositories e-Voting system for individual Members holding shares in demat mode.

Type of Members	Steps to Login
Individual Members holding securities in demat mode with NSDL	i. User already registered for IDeAS facility a) Visit URL: https://eservices.nsdl.com b) Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. c) On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-voting". d) Click on Company name or e-voting service provider and you will be re-directed to e-voting service provider website for casting the vote during the remote e-voting period. ii. User not registered for IDeAS e-Services a) To register click on link : https://eservices.nsdl.com b) Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp c) Proceed with completing the required fields. d) Follow steps given in point 1 above. iii. Alternatively, by directly accessing the e-Voting website of NSDL a) Open URL: https://www.evoting.nsdl.com/ b) Click on the icon "Login" which is available under 'Shareholder/Member' section. c) A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a verification code as shown on the screen. iv. Post successful authentication, you will be requested to select the name of the Company and the e-voting Service Provider name, i.e. Kfintech. v. On successful selection, you will be redirected to Kfintech e-voting page for casting your vote during the remote e-voting period.
Individual Members holding shares in demat mode with CDSL	i. Existing user who have opted for Easi / Easiest a) Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com b) Click on New System Myeasi. I. Login with your registered user id and password. c) The user will see the e-Voting Menu. The Menu will have links of ESP, i.e. Kfintech e-Voting portal. d) Click on e-voting service provider name to cast your vote. ii. User not registered for Easi/Easiest a) Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration b) Proceed with completing the required fields. c) Follow the steps given in point 1. iii. Alternatively, by directly accessing the e-Voting website of CDSL a) Visit URL: www.cdslindia.com b) Provide your demat Account Number and PAN No. c) System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat account.

Type of Members	Steps to Login
	iv. After successful authentication, user will be provided links for the respective ESP, i.e. Kfintech where the e- Voting is in progress.
Individual Members login through their demat accounts / Website of Depository Participant	i. The Members can also login using the login credentials of demat account through your DP registered with NSDL /CDSL for e-voting facility. ii. Once logged-in, the Members will be able to see e-voting option. Post clicking on e-voting option, the Members will be redirected to NSDL / CDSL Depository site after successful authentication, wherein the Members can see e-Voting feature. iii. Click on options available against Company name or e-voting service provider – Kfintech and the Member will be redirected to e-Voting website of Kfintech for casting vote during the remote e-voting period without any further authentication.

Note: The Members who are unable to retrieve User ID / Password are advised to use forgot user ID and forgot password option available at respective websites.

Helpdesk for Individual Members holding shares in demat mode for any technical issues related to login through Depository, i.e. NSDL and CDSL.

Login type	Helpdesk details
Shares held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Shares held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

ii. Voting for the Members other than Individual Members holding shares in demat mode and the Members holding shares in physical mode.

The Members other than Individual Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from Kfintech with details of E-Voting Event Number (EVEN), USER ID and password. The Members are requested to follow the following process for casting their votes:

a) Launch internet browser by typing the URL: https://emeetings.kfintech.com/

b) Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Kfintech for e-voting, you can use your existing User ID and password for casting the vote.

c) After entering the above details click on "LOGIN".

d) You will be directed to the password change menu wherein you will be required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.). The system will prompt to change password and update the contact details like mobile number, email ID etc. on first login. The Members may use secret question option to retrieve the password in future. Please do not share your password with anyone.

e) Please login again with the new credentials.

f) On successful login, the system will prompt you to select the "EVEN" and click on "Submit".

g) On the voting page, please enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/ AGAINST". Please note that the total number voted in "FOR/ AGAINST" taken together shall not exceed your total shareholding as on the Cut-off Date. You may also choose the option "ABSTAIN". If the Member does not indicate either "FOR" or "AGAINST" it will be treated as Abstained.

h) The Members holding multiple folios/ demat accounts shall choose the voting process separately for each folio/ demat accounts.

i) Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as Abstained.

j) You may then cast your vote by selecting an appropriate option and click on "Submit".

k) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, the Members can login any number of times till they have voted on the Resolution(s).

l) Corporate/ Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorising its representative(s) to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id scrutinizerindigo@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name Even No."

V. The voting rights shall be as per the number of equity shares held by the Member(s) as on the Cut-off Date. The Members are eligible to cast vote(s) electronically only if they are holding shares as on the Cut-off Date.

VI. The Scrutinizer will submit her report to the Chairman of the AGM after the completion of scrutiny and the results will be announced by the Chairman or any Director or the Company Secretary and will be displayed at the website of the Company and shall also be immediately forwarded to the BSE and NSE.

In case you have become a Member of the Company after dispatch of Notice but on or before the Cut-off Date for remote e-voting or you have not registered your e-mail address (including Members holding shares in physical form), you may follow the steps for registration of e-mail address and obtaining User ID and Password for remote e-voting as mentioned in para 12 of the "Notes" and you may obtain the User ID and Password in the manner as mentioned below:

i. If mobile number of the Member is registered against Folio No. / DP ID, Client ID, the Member may send SMS: MYEPWD e-voting EVENT Number + Folio No. or DP ID Client ID to +91 9212993399

Example for NSDL:

MYEPWD IN12345612345678

Example for CDSL:

MYEPWD 1402345612345678

Example for Physical:

MYEPWD XXXX1234567890

ii. If e-mail address or mobile number of the Member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.kfintech.com , the Member may click "Forgot Password" and enter Folio No. or DP ID Client ID to generate a password.

iii. Please follow all steps from Sl. No. 22 (I) as mentioned above, to cast your vote.

iv. The Members who may require any technical assistance or support before or during the AGM are requested to contact Kfintech at toll free number 1-800-309-4001 or write at evoting@kfintech.com.

23. The Members may utilise the facility extended by Kfintech for redressal of queries. The Members may visit https://karisma.kfintech.com and click on Members option for query registration through free identity registration process.

24. Process and manner for participating in AGM through VC/ OAVM:

(i) The Members will be provided with a facility to attend the AGM through VC/OAVM platform provided by Kfintech. The Members will be able to attend the AGM or view the live webcast at https://emeetings.kfintech.com by using their e-voting login credentials. The Members are requested to follow the procedure given below:

a) Launch internet browser (chrome/firefox/safari) by typing the URL: https://emeetings.kfintech.com.

b) Enter the login credentials (i.e., User ID and password for e-voting).

c) After logging in, click on "Video Conference" option.

d) Click on camera icon appearing against AGM event of InterGlobe Aviation Limited, to attend the AGM.

(ii) Please note that the Members who do not have the User ID and password for remote e-voting or have forgotten the User ID and password may retrieve the same by following the remote e-voting instructions mentioned in the Notes to Notice.

(iii) For better experience and connectivity, the Members are encouraged to join the AGM through Laptops from Google Chrome browser. The Members will be required to allow Camera access on their device and use stable wi-fi or LAN connection to avoid any disturbance during the AGM.

(iv) The Members are requested to login and join 15 minutes prior to the scheduled time of the AGM.

(v) The Members who would like to express their views or ask questions during the AGM may register themselves by logging on to https://emeetings.kfintech.com and clicking on the 'Speaker Registration' option available on the screen after log in. The Speaker Registration will be open during the remote e-voting period, i.e. from 09:00 a.m. on Friday, August 27, 2021 to 05:00 p.m. on Monday, August 30, 2021. Only those Members who are registered will be allowed to express their views or ask questions. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.

The Members may login to https://emeetings.kfintech.com and post their queries prior to the AGM or send their queries via email at investors@goindigo.in. The Members may also raise their queries during the AGM in the window provided below the video streaming box by mentioning the name, demat account number/ folio number, email id, mobile number, but will not be able to speak at the AGM. Further, any query raised at the AGM but not replied to, will be responded subsequent to the AGM by an email.

25. As the AGM is being held through VC/OAVM, the route map is not annexed to this Notice.

By order of the Board
For InterGlobe Aviation Limited

Sanjay Gupta
Company Secretary and Chief Compliance Officer

Date: August 05, 2021
Place: Gurugram

InterGlobe Aviation Limited
CIN: L62100DL2004PLC129768
Registered Office: Upper Ground Floor, Thapar House,
Gate no. 2, Western Wing, 124 Janpath, New Delhi-110 001
Tel: +91 96500 98905; Fax: 011 - 4351 3200
Email: investors@goindigo.in;
Website: www.goindigo.in

Explanatory Statement

(Pursuant to Section 102 of the Companies Act, 2013)

Item No. 3

Section 152(1) of the Companies Act, 2013 (the "Act") provides that save as otherwise expressly provided in the Act, every Director shall be appointed by the Company in general meeting and as per Article 18.1 of the Articles of Association of the Company (the "Articles"), the Company may in a general meeting, subject to the provisions of the Articles and the Act, at any time elect any person to be a Director.

The Board of Directors (the "Board") appointed Mr. Gregg Albert Saretsky as a Non-Independent Non-Executive Additional Director w.e.f. October 1, 2020. Pursuant to Section 161(1) of the Act, he shall hold office up to the date of the ensuing AGM.

The Company has received a notice in writing from a Member of the Company, pursuant to Section 160(1) of the Act, signifying its intention to propose Mr. Saretsky, as a Director of the Company, at the ensuing AGM.

The Board has received a declaration from Mr. Saretsky under Section 164 of the Act stating that he is eligible to be appointed as a Director of the Company. He has also given his consent to act as a Director.

A detailed profile of Mr. Saretsky as required under the SEBI LODR Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India (the "ICSI") ("SS-2") is attached as Annexure to this Notice.

Save and except Mr. Saretsky and his relatives, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the resolution as set out at Item No. 3 of the Notice.

The Board recommends this resolution for approval by the Members of the Company as an Ordinary Resolution.

By order of the Board
For InterGlobe Aviation Limited

Sanjay Gupta
Company Secretary and Chief Compliance Officer

Date: August 05, 2021
Place: Gurugram

InterGlobe Aviation Limited
CIN: L62100DL2004PLC129768
Registered Office: Upper Ground Floor, Thapar House,
Gate no. 2, Western Wing, 124 Janpath, New Delhi-110 001
Tel: +91 96500 98905; Fax: 011 - 4351 3200
Email: investors@goindigo.in;
Website: www.goindigo.in

Annexure to Notice

Details of Directors seeking appointment/ re-appointment as required under the SEBI LODR Regulations and SS-2

Name of the Director	Mr. Rakesh Gangwal	Mr. Gregg Albert Saretsky
DIN	03426679	08787780
Age	68 years	61 years
Date of first appointment on the Board	June 25, 2015	October 1, 2020
Qualification	Mr. Rakesh Gangwal holds a Bachelor's degree in Mechanical Engineering from the Indian Institute of Technology, Kanpur and a Master's degree in Business Administration from the Wharton School, University of Pennsylvania, with a major in Finance.	Mr. Saretsky holds a degree in Advanced International Management from the University of Alberta, Banff, Alberta. He also has an MBA - Finance & Marketing and B.Sc.- Microbiology & Biochemistry from the University of British Columbia, Vancouver.
Experience in specific functional area	Mr. Gangwal is a co-promoter and Non-Executive Director on our Board. He has more than 32 years of experience in the aviation industry. After graduating from the Wharton School, Mr. Gangwal worked at Ford Motor Company from July 1979 to September 1980. He then worked as a management consultant with Booz, Allen & Hamilton, Inc. from September 1980 till January 1984. Mr. Gangwal joined United Airlines in February 1984 where he held various positions of responsibilities before leaving as Senior Vice President - Planning in November 1994. Mr. Gangwal then joined Air France as an Executive Vice President - Planning and Development in November 1994. He left Air France in February 1996 to join the US Airways Group, Inc. and US Airways Inc. as the President and Chief Operating Officer. In November 2001, he left the US Airways Group as the President and Chief Executive Officer and was engaged in private equity and consulting related activities. Mr. Gangwal worked with Worldspan Technologies, Inc. from June 2003 to August 2007 as the Chairman, President and Chief Executive Officer.	An aviation industry veteran, with an illustrious career spanning over 36 years, Mr. Saretsky is presently associated with the Fort McMurray/ Wood Buffalo Economic Development Corporation, Fort McMurray, AB as Director and Chairman of the Board (since June 2018); RECARO Holding GmbH, Stuttgart, Germany as Director, Advisory Board (since October 2018) and SABRE Corporation, Dallas, 'Texas, USA' (since July 2020). Mr. Saretsky has been the President and CEO of WestJet, Calgary, Alberta (Canada) for 8 years, from March 2010 to March 2018. In this role, he was responsible for providing strategic direction to the organisation, as well as for financial management of the company. He has been instrumental in playing a pivotal role in management of shareholder and board relations, public relations, internal & external communications, labour relations, and employee engagement. During his term, the size of the airline was doubled, and revenues were diversified from a regional base in Western Canada to a network of more than 100 cities in 17 countries. WestJet was recognised as Canada's on-time airline and multi-year winner of Waterstone Capital's "Most Admired Corporate Culture" award. Under his leadership, WestJet was awarded Trip Advisor's Traveller's Choice Award for "Best Airline in Canada," "Canada's Most Trusted Airline" from The Gustavson School of Business, and one of Canada's "Top 3 Brands" by Canadian Business Magazine. Prior to WestJet, Mr. Saretsky was associated with Alaska Airlines, Seattle, Washington (USA) from March 1998 till December 2008. From February 2007 to December 2008, he was the Executive Vice-President, Operations and assumed the position of COO with added responsibilities for in-flight, flight operations, dispatch and system operations control personnel and the airline's relationship with the Federal Aviation Administration (FAA).

Name of the Director	Mr. Rakesh Gangwal	Mr. Gregg Albert Saretsky
Directorships in other Public Companies (excluding Foreign, Private and Section 8 Companies)	Mr. Gangwal does not hold Directorship in any other company.	Mr. Saretsky does not hold Directorship in any other company.
Memberships / Chairmanships of Committees of the Board	Mr. Gangwal does not hold Membership / Chairmanship of any Committee of the Board.	Mr. Saretsky is member of the Risk management Committee of the Board since November 20, 2020.
Memberships/ Chairmanships of Committees of Boards of other Public companies (includes only Audit Committee and Stakeholders Relationship Committee)	Mr. Gangwal does not hold Membership / Chairmanship of Committees of Boards of any other public company.	Mr. Saretsky does not hold Membership / Chairmanship of Committees of Boards of any other public company.
Number of shares held in the Company (equity shares of Rs. 10 each held as on March 31, 2021)	Mr. Gangwal holds 56,421,132 equity shares in the Company.	Nil
Number of meetings of the Board attended during the year	During FY 2021, Mr. Gangwal attended all 12 Board meetings.	Post his appointment during FY 2021, Mr. Saretsky attended all 5 Board meetings.
Relationship with other Director(s), Manager and other KMPs of the Company	Mr. Gangwal is not related to any other Director, Manager or KMP of the Company.	Mr. Saretsky is not related to any other Director, Manager or KMP of the Company.
Remuneration last drawn	Rs. 1,200,000 (sitting fees received for attending Board meetings held during FY 2021).	Rs. 700,000 (sitting fees received for attending Board and Committee meetings held during FY 2021).

Corporate Information

Board of Directors

Mr. Meleveetil Damodaran
Chairman and Independent Director

Dr. Anupam Khanna
Independent Director

Ms. Pallavi Shardul Shroff
Independent Director

Dr. Venkataramani Sumantran
Independent Director

Mr. Rahul Bhatia
Director

Mr. Rakesh Gangwal
Director

Ms. Rohini Bhatia
Director

Mr. Anil Parashar
Director

Mr. Gregg Albert Saretsky
Director

Mr. Ronojoy Dutta
Whole Time Director and Chief Executive Officer

Company Secretary and Chief Compliance Officer

Mr. Sanjay Gupta

Statutory Auditors

S.R. Batliboi & Co LLP
Chartered Accountants

Internal Auditors

PricewaterhouseCoopers Services LLP

Registered Office

Upper Ground Floor,
Thapar House, Gate No. 2,
Western Wing, 124 Janpath,
New Delhi – 110 001, India

Tel: +91 96500 98905;
Fax: +91 11 4351 3200

Corporate Office

Levels 1-5, Tower–C,
Global Business Park, M.G. Road,
Gurugram – 122 002,
Haryana, India

Tel: +91 124 435 2500;
Fax: +91 124 406 8536

Registrar & Share Transfer Agent

KFin Technologies Private Limited
(formerly known as Karvy Fintech Private Limited)

Corporate Registry
Selenium Building, Tower- B,
Plot No. 31 & 32, Financial District,
Nanakramguda, Serilingampally Mandal,
Hyderabad – 500 032, Telangana, India

Tel. No.: +91 40 6716 1509;
Toll Free No.: 1800-309-4001
Email: einward.ris@kfintech.com

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