



August 13, 2020

IGAU/SECT/08-20/06

To
National Stock Exchange of India Limited
Exchange Plaza, C - 1, Block G
Bandra Kurla Complex
Bandra - (E)
Mumbai - 400 051

To
Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001

Symbol: INDIGO

Scrip Code: 539448

Dear Sir / Ma'am,

Sub : Disclosure under Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Notice of the Annual General Meeting and Annual Report for the financial year 2019-20

This is further to our letter dated August 6, 2020, wherein we had informed that the Seventeenth Annual General Meeting ("AGM") of the Members of the Company is scheduled to be held on Friday, September 04, 2020 through Video Conferencing / Other Audio-Visual Means in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India ("SEBI").

In compliance with Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are attaching herewith a copy of the Annual Report of the Company for the financial year 2019-20 ("Annual Report") including the Notice of the AGM ("Notice").

The Annual Report including the Notice are being sent through electronic mode only to those members whose email addresses are registered with the Company/ Depositories. The Annual Report and the Notice are also uploaded on the website of the Company at www.goindigo.in.



You are requested to take the above on record.

Thanking you,

For InterGlobe Aviation Limited


Sanjay Gupta
Company Secretary and Chief Compliance Officer



IndiGo™

InterGlobe Aviation Limited



Annual Report 2019-20

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.

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Message from the CEO

Dear Shareholders,

I write this at a time when we are in the midst of the COVID-19 pandemic. My sympathies are with anyone who is directly or indirectly affected by the virus and I sincerely wish for the good health and safety of all. Apart from the health crisis, the pandemic has also presented us with an economic crisis. Across countries, we have witnessed a sharp deceleration in growth, with airlines being one of the worst hit sectors. FY 2020 has therefore been a challenging year for us, primarily due to this outbreak. Both internationally and domestically, we have faced unprecedented demand slowdown and revenue challenges due to travel bans, lockdowns and general anxiety towards travel.

During the crisis, the level of resilience and determination that our organisation has demonstrated is really commendable. As an example, during the pandemic, our entire operations and sales teams worked together to rapidly convert some of our aircraft from passenger aircraft to all-cargo aircraft. Consequently, we have been carrying up to twenty tons of cargo on passenger airplanes to destinations in Asia and the Middle East. We deeply appreciate the support we are receiving from our stakeholders during this time. Given the uncertainty, it is difficult to predict the timing of return to normalcy, but we are determined to come out of this crisis in a stronger position than when we entered. In that context, we are paying particular attention to four critical aspects of our company including measures to ensure the safety of our customers and employees, reduce our costs, strengthen our brand and further enhance our employee culture.

Priority to customer safety and well-being

At this time, our priority is to ensure safety of our customers. We have introduced a number of measures as a part of our new standard operating procedures, which will enable us to minimise the impact of the virus. Some of these procedures include:

- Disinfecting aircraft before every departure;
- Spray cleaning the aircraft at every arrival;
- Increased frequency of deep cleaning of the aircraft including wiping of all touch points;
- Providing safety kits to our passengers;
- Mandatory masks on board for both crew and passengers;
- Placing hand sanitisers at various places;
- Discontinuance of meal services; and
- Ensuring social distancing norms at check in, boarding.



“ Given the uncertainty, it is difficult to predict the timing of return to normalcy, but we are determined to come out of this crisis in a stronger position than when we entered. ”

Ronojoy Dutta
Whole Time Director and
Chief Executive Officer

Rs. **204** billion

Total Cash Balance

as on March 31, 2020

Further, Airbus aircraft cabin is equipped with HEPA filters, which ensures that the virus cannot recirculate. The surfaces are cleaned thoroughly and passengers are wearing face masks. So the risk of transmission by air or through droplets is minimal. Therefore, I would like to stress that airlines are clearly the safest mode of transportation and we want our customers to fly our airline with full confidence that we are safeguarding their health and well-being.

Low costs remain fundamental to the way we do business

IndiGo is a pioneer in bringing low-cost aviation to India. With our structural cost advantages coupled with operational efficiencies, we have been able to build one of the lowest cost structures globally. During the current period of crisis, when revenue has nearly dried up, airlines across the globe are emphasising cost control and reduction of cash burn. We have also undertaken several cost reduction and cash flow initiatives that have helped us to rationalise our costs further and utilise our cash reserves judiciously. Specifically, we have taken the following actions:

- We have announced a salary cut in the range of 5 to 25% across the organisation excluding certain employees at the lower pay grades.
- We have announced leave without pay for the months of May, June and July. This action will result in employees foregoing an additional 3% to 17% of their pay.
- We have put on hold all discretionary expenses and have deferred certain capital expenditure projects.
- We are looking at every element of cost and working hard with the partners for negotiating better prices and terms.
- We will be rightsizing our capacity to the demand in the market. We value the efficiency and structural low costs associated with NEO aircraft and thus we will continue to substitute them for the older CEO aircraft. We are taking deliveries of all our new NEO aircraft and balancing them by returning the CEO aircraft that we had committed to earlier.

Our focus has shifted from profitability and growth to cash management and liquidity

This crisis has once again highlighted the importance of a strong balance sheet, particularly, our cash reserves. In times of distress, a strong cash balance built up prudently over the years has provided IndiGo with a cushion to navigate through these difficult times. As a result, we ended the FY 2020 with a healthy total cash balance of 204 billion rupees of which 89 billion rupees was free cash. Along with this, we have taken and will continue to take a number of actions to shore up our liquidity.

In terms of liquidity measures, we are working on a number of initiatives such as:

- **Returning older CEOs and getting deliveries of NEOs:** The CEOs that we are operating have a higher ownership cost driven by higher maintenance cost and higher fuel burn. As part of our fleet plan we are working on naturally retiring a number of these CEO aircraft. We will be taking the deliveries of new planes in quarter 1 and 2 of FY 2021 which are more cost effective and we are in discussions with manufacturers regarding deliveries beyond this period. Further, we have already financed majority of the deliveries through operating lessors, which will help in improving our liquidity.
- **Freezing of supplementary rentals:** We have been talking to our lessors to freeze our supplementary rentals and better align these with our utilisation for a period of 9 months. Since a large number of aircraft are currently grounded and will be operated at much lower utilisation levels going forward, there is no immediate need for us to provide for these.
- We have reached out to our various suppliers to provide us more favourable credit terms.
- Moreover, while we have paid dividends in the past, we will not pay dividends this year to conserve liquidity.

All these measures will help us generate additional liquidity of approximately 30-40 billion rupees. We are also looking to raise finance against the various unencumbered assets of IndiGo, which could be a source of additional liquidity for us.

Phased capacity ramp-up and network expansion to eventually reach pre-pandemic levels

IndiGo has been instrumental in providing the much needed aviation infrastructure in the country leading to growth in trade and tourism and spurring overall economic growth. Although the pandemic has led to a deferment of our near term growth

“ IndiGo has been instrumental in providing the much needed aviation infrastructure in the country leading to growth in trade and tourism and spurring overall economic growth. ”

plans, we are hopeful that this will not last for very long and we will bounce back soon. We see our vast domestic network as the key to successful international operations, which I believe is extremely difficult for any other airlines to replicate. While we are likely to face revenue pressures in the short-term, the sharp decrease in fuel costs nevertheless allows us to fly a large part of our network profitably.

Delivering a hassle-free experience, particularly during tough times

Our endeavour has always been to deliver a hassle-free experience from the initiation of ticket booking till the completion of journey. Exemplary customer service is at the core of everything we do, and each year we actively work towards enhancing the same.

Our Net Promoter Score is comparable with low-cost carriers around the world. We find customer feedback to be the most valuable source of information and thus we place a significant amount of Management's time and attention towards the analyses of such information in order to identify root cause of issues reported, evaluate areas of improvement and align ourselves to best practices.

For the third time in a row, IndiGo was awarded 'Asia's Best Low-Cost Airline' by TripAdvisor's 2019 Travellers' Choice Airline Awards. This award is based on direct customer feedback and holds a great value to us. Further, our contribution towards building a world-class airline infrastructure in the country has been recognised on several forums. For this, IndiGo was awarded the 'Best Domestic Airline' at FICCI's first edition of Travel and Tourism Excellence Award.

IndiGo has become a strong global brand

During the year, we further strengthened our international partnerships and enhanced our brand presence. A codeshare agreement with Qatar Airways enabled us to extend the IndiGo experience to passengers across the world. IATA membership has expanded our global presence in terms of enhanced partnership portfolio and alignment to the best global practices. Furthermore, we added 12 global online travel agencies ("OTAs") to our network and organised GSA meetings across the globe as a part of our brand outreach.

IndiGo has been recognised among the most valuable and strongest airline brands, as per the Brand Finance Airlines 50 report for 2020. This is very encouraging news for us during these unprecedented times and is a testament to all the hard work put in to scale-up our operations during the last year.

18

New destinations

added during the year

“ We are on a mission to build the best air transportation system in the world, and I am optimistic about the prospects the future holds for us. ”

Working with a highly dedicated and talented pool of professionals

At IndiGo, we are proud to be an equal opportunity employer for people with diverse backgrounds and cultures. We remain the employer of choice and this is reflected by the fact that we have almost doubled our employee count in the last three years with a total headcount of 27,812 as of March 31, 2020. Our Human Resources function focuses on training and skill development through state-of-the-art academy, called “ifly”.

I am proud to state that our employees have once again proved to be our pillars of strength by demonstrating true dedication and courage in the selfless service of our customers and our nation, ferrying emergency relief supplies during the pandemic.

Fulfilling our responsibilities towards the community and the environment

We, as an organisation, recognise our role towards sustainable growth and have undertaken several initiatives to help the community. We have impacted the lives of over 64,500 women through financial inclusion and other income generating activities. Education is another key area of work and we have enhanced the lives of over 47,500 children through various education interventions. We have also installed several biogas units in our pursuit to reduce greenhouse gas emissions.

IndiGo continues to support the Government during natural disasters. More than 13 tonnes of relief materials were provided during Assam, Karnataka, Maharashtra and Patna floods.

During the lockdown, we operated over 30 relief flights in the country transporting medical equipment and other requisite resources across the country at our own cost.

“In the midst of every crisis, lies great opportunity”

The pandemic has presented several challenges to the aviation industry in terms of liquidity and change in consumer expectations. Even with these challenges, I am very bullish on the future of Indian aviation, as India possesses all the underlying drivers required for rapid growth in this industry.

Furthermore, I believe that IndiGo is best placed to lead this growth in Indian aviation given its financial strength, efficient fleet and strong market position across India and neighbouring countries.

I would like to sum up by saying that IndiGo is likely to soon resume its path of rapid growth. It is imperative for us to remain focused on liquidity and profitability with no compromise on the operational excellence for which we are well known. I am thankful to our customers and our shareholders for their continued support and confidence. We are on a mission to build the best air transportation system in the world, and I am optimistic about the prospects the future holds for us.

Sincerely,

Ronojoy Dutta

Whole Time Director and Chief Executive Officer

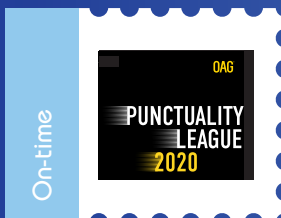
The IndiGo Way

On-time

Low fares

Courteous & hassle-free

Only Indian airline to be ranked amongst the top 20 mega airlines globally for best on-time performance, 3 years in a row



Best Low Cost Airline, Central Asia and India, 10 years in a row



Best Domestic Airline, FICCI's Travel and Tourism Excellence Award





Customers

1650+ daily departures and 75,025,960 passengers served during the year.

Launched a co-branded credit card called "Ka-Ching" which offers flight discounts and other benefits to its members.

Launched Chatbot, user friendly Mobile Apps and exclusive features like Flexi Fare, Flexi Pay and Plan B on direct channels keeping in mind the customer needs.

Best Low Cost Airline - Central Asia and India: At the Skytrax World Airline Awards 2019 - for the tenth consecutive time.

Best Domestic Airline: Awarded by FICCI's first edition of Travel and Tourism Excellence Award.

10 new domestic and 8 new international destinations added during the year

Rs. 204 billion: Total cash balance at March 31, 2020 including free cash of Rs. 89 billion

Rs. 69.7 billion: Cash flow from operations generated during the year

Ordered 300 additional A320 NEO family aircraft including A321 XLRs. At March 31, 2020 NEOs formed 44% of total fleet.

CFM engines ordered to power 280 A320 NEO and A321 NEO aircraft

Increased global brand presence by becoming member of IATA



Shareholders



Employees

4,200+ net employees added during the year

464 pilots, 1,384 cabin crew, 657 engineers and 3,007 airport, customer service and security staff graduated from ifly this year.

Awarded Companies with Great Managers - by People Business in partnership with The Economic Times.

Our learning academy - 'ifly' won awards for best practices in Learning and Development under six different categories at the TISS LEAPVAULT Chief Learning Officer (CLO) awards by the Tata Institute of Social Sciences.

Operated over 170 cargo flights during the 2 months of non-operation carrying 1,110 tonnes of cargo including essentials and medical supplies.

Operated more than 290 repatriation flights serving around 45,000 passengers till June 2020.

Fleet size increased to 262 aircraft - added 45 net aircraft during the year

Flying to over 55 Tier 2 and Tier 3 cities with 15 new routes added under the UDAN scheme during the year.



Country



Community

64,500+ Women empowered through income generating activities

47,500+ Children impacted through our academic and holistic development programmes

13.27 tonnes of cargo transported to flood affected region during the Assam, Karnataka, Maharashtra and Patna floods.

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

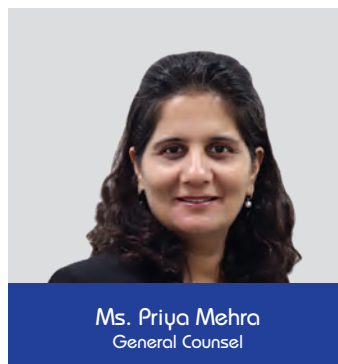


Mr. Anil Parashar
Director



Mr. Ronojoy Dutta
Whole Time Director and
Chief Executive Officer

Management Executive Committee



Management Discussion and Analysis



Economic Overview

In the past few months, the world economy has undergone a severe crisis due to the outbreak of COVID-19. As a response to the pandemic, Governments across the globe instituted strict containment measures such as restrictions on businesses, public gatherings, labour mobility, lockdowns and travel bans. All the major economies including India are suffering the economic consequences of these restrictions. As per the International Monetary Fund's ("IMF") World Economic Outlook (April 2020 edition), the global economy is projected to contract sharply by negative 3% in 2020, much worse than during the 2008–09 financial crisis. Furthermore, the IMF estimates that in a baseline scenario, which assumes that the pandemic fades in the second half of 2020 and containment efforts can be gradually unwound, the global economy is projected to rebound and to grow by 5.8% in 2021 as economic activity normalises, helped by policy support. The advanced economy group is forecasted to grow at 4.5%, while growth for the emerging market and developing economy group is forecasted at 6.6%.

Serving 86 destinations including 24 international destinations, we provide passengers with a simple, unbundled product, fulfilling our singular brand promise of providing “low fares, on-time flights, and a courteous and hassle-free service” to our customers.

Countries across the world are currently highly focused on addressing public health care requirements by allocating additional resources. Beyond strengthening health care systems, policies are also needed to limit the impact of the pandemic on economic activity. Several central banks have also eased monetary policies to boost the economy. Broad-based stimulus and liquidity facilities to reduce systemic stress in the financial system can lift the confidence of investors and prevent an even deeper contraction in consumer demand.

The global growth forecast remains uncertain due to factors that are difficult to predict, including the pathway of the pandemic, the intensity and efficacy of containment efforts, supply disruptions, the repercussions of the dramatic tightening in global financial market conditions and shift in spending patterns.

The Indian economy has also been disrupted by the COVID-19 pandemic. Initially, the World Bank in its Global Economic Prospects (January 2020 edition) projected

growth rate of the Indian economy to be in the range of 4.8-5% for FY 2020, which would improve to 5.8% in FY 2021 and 6.1% in FY 2022. However, the shutdown of many economic activities to control COVID-19 has resulted in reduced GDP growth prospects, to a modest 1.9% for FY 2021. The medium to long-term growth prospects of Indian economy remains robust, with growth in FY 2022 projected to be 7.4%.

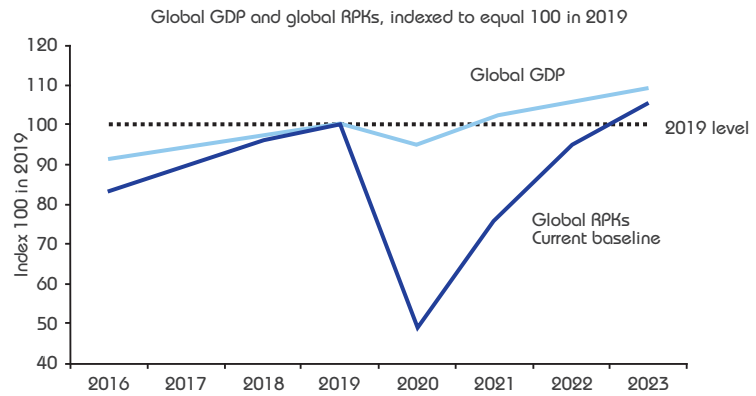
Industry Overview

A. Current Scenario

As the COVID-19 pandemic continues to affect the economy and human health, the extent of its impact on the future development of global commercial aviation remains uncertain. Airlines around the world are confronting the challenge of a sharp decline in demand, complicated by uncertainty as to when the virus will be under control and travel can return to normal. The collapse in demand has led major global airlines to announce severe cost-cutting measures, urgent requests for government assistance, and in some cases, grounding of fleet.

Given the global nature of the COVID-19 pandemic that threatens to throw many economies into recession, it could take passenger air travel demand anywhere from several months to several years to recover to 2019 levels. This return to normalcy in airline travel will depend on multiple factors including the speed of virus containment, lifting of country border closures, restoration of confidence in air travel, and a return to normal economic and social activity.

In the medium to long term, once the crisis is over, the demand outlook for aviation remains very strong in India largely driven by under-penetration, rise in working population and expansion of middle class.



Source: IATA/Tourism Economics, Air Passenger Forecasts, April 2020

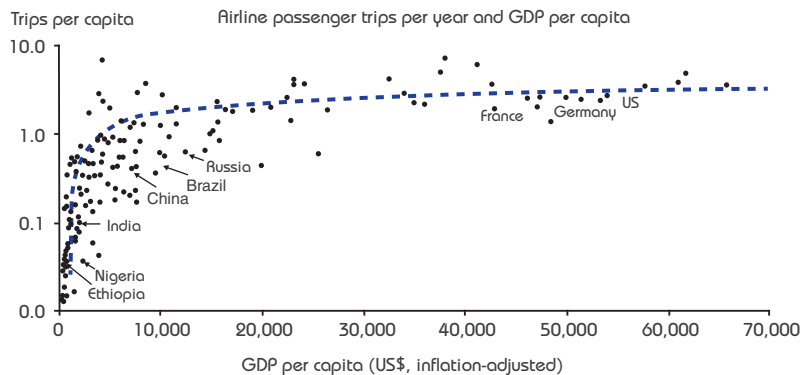
After rapid expansion over the last decade when Indian aviation registered a Compound Annual Growth Rate ("CAGR") of around 13.6% in domestic demand measured in terms of Revenue Passenger Kilometers ("RPKs"), it slowed down to 5% in 2019. The deceleration in growth was primarily driven by supply-side constraints due to industry consolidation subsequent to the cessation of operations of Jet Airways. Adding significantly to industry headwinds, COVID-19 hit the aviation industry in Q4 FY 2020. In response to the virus, the Government banned international flights with effect from March 22, 2020 and domestic flights with effect from March 25, 2020. Even before these extraordinary measures were taken, the travel demand started to slow down significantly. This had a major impact on the financial performance of the Indian carriers.

In the medium to long term, once the crisis is over, the demand outlook for aviation remains very strong in India largely driven by under-penetration, rise in working population and expansion of middle class. (Refer to the section below for key growth highlights in the Indian aviation during the pre-pandemic period.) Furthermore, the rise in trade and tourism is also likely to boost the industry. Based on the recent data published by the Civil Aviation Administration of China ("CAAC"), daily flights in China have recovered by 43% as of April 21, 2020 as compared to March 2020. Thus, although the COVID-19 outbreak will have a near-term negative impact, aviation in India should gradually recover and get back on track for rapid growth.

CAGR
13.6%

Domestic Demand

in terms of Revenue Passenger Kilometers ("RPKs") from FY 2009 to FY 2019

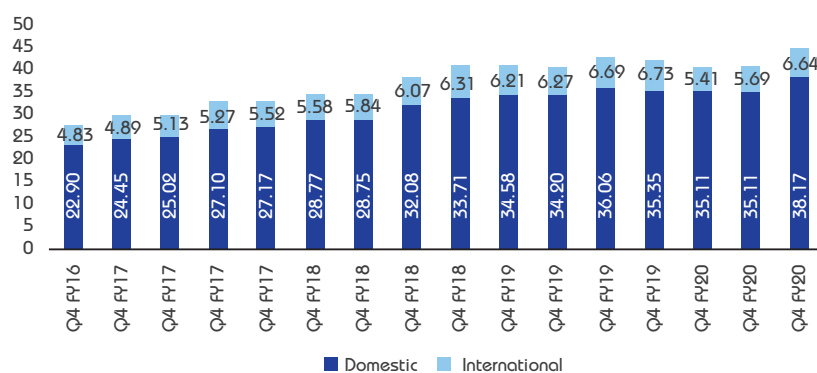


Source: IATA/Tourism Economics, Air Passenger Forecasts, April 2020

B Growth prospects – Long term overview

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. The Indian aviation industry has seen an expansion in the total number of passengers from 27.73 million in Q4 FY 2016 to 44.63 million in Q3 FY 2020, growing at a CAGR of 12.6% during the period. As per IBEF report by 2036, India is projected to have 480 million passengers, which will be more than that of Japan (just under 225 million) and Germany (just over 200 million) combined.

Airline Operators (India) and Passenger Count (Millions)



Source: DGCA, Telesurvey research

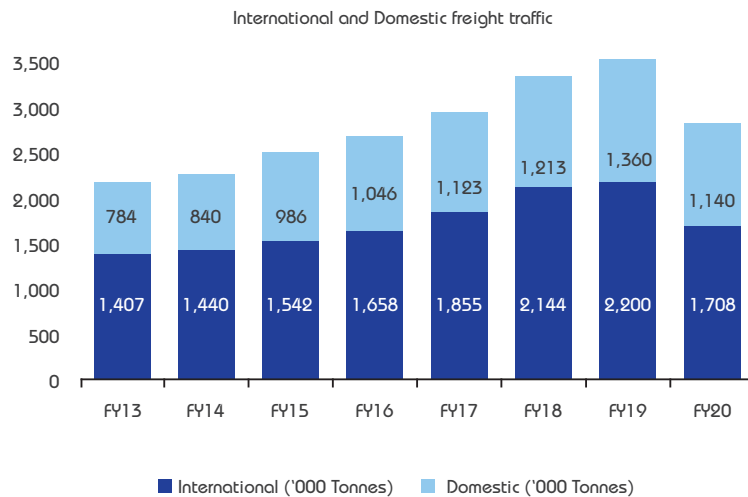
To cater to the rising air traffic, the Government of India has been working towards increasing the number of airports. Airport Authority of India ("AAI") has planned to invest Rs. 25,000 crores (USD 3.58 billion) in the next five years to augment facilities and infrastructure at the airports. As of March 2019, India had 103 operational airports. Government has envisaged increasing the number of operational airports to 190-200 by FY 2040. 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.



As per the present FDI policy, 100% FDI is allowed in scheduled air transport services/domestic scheduled passenger airlines and regional air transport services. However, FDI over 49% requires prior government approval (other than where such investment is by NRIs). In respect of Indian companies operating scheduled or non-scheduled air transport services, foreign airlines are only permitted to invest up to 49% of the share capital of such companies, with prior government approval. Furthermore, FDI is subject to the condition that Substantial Ownership & Effective Control ("SOEC") shall be vested in Indian Nationals as per the Aircraft Rules, 1937.

Indian economy and the aviation industry have a symbiotic relationship and each benefit immensely with the growth of other.

Moreover, India's exports and imports have been growing strongly over the past decade. Growth in trade augurs well for the aviation industry as they handle about 30% of India's total trade by value. Cargo has also seen a rising demand over the last few years. For example, during FY 2006-2019, domestic freight traffic increased at a CAGR of 8.3%, while international freight traffic grew at a CAGR of 6.9% during the same period. As per IBEF, by 2023, total freight traffic is expected to touch 4.14 million tonnes exhibiting growth at a CAGR of 7.3% between FY 2016 and FY 2023. International freight traffic is expected to grow at a CAGR of 7.1% while domestic freight traffic is expected to grow at a CAGR 7.5% between FY 2016 and FY 2023.



Source: IBEF, AAI, ^Till January 2020

The share of travel and tourism in India's GDP was 10.4% in 2018. Indian economy and the aviation industry have a symbiotic relationship and each benefit immensely with the growth of other. While the fast-paced growth of the aviation industry over the past decade can be largely attributed to the robust economic growth, economic growth has also been greatly benefitted by the growth in aviation industry. According to International Civil Aviation Organization ("ICAO"), for every \$100 of output produced and every 100 jobs generated by air transport, an additional demand of around \$325 and 610 jobs are triggered in other industries, globally. The aviation industry is further expected to increase its share in the Gross Domestic Product and help the economy by creating jobs and an increase in production through trade and tourism.

10.4%

Share of travel & tourism
in India's GDP in 2018

In addition to the economic benefits, aviation also provides significant social benefits. It often serves as the only possible means of transportation to provide health care and food supplies to many communities which are inaccessible. It is a fast and reliable way to deliver urgent humanitarian aid during natural disasters. In challenging topographies like North East, air transport functions as an essential service to provide lifeline connections that otherwise would not be available. In this context, various Indian airlines have been instrumental in helping the country in the times of COVID-19 outbreak.



262

Aircraft in our fleet

as on March 31, 2020

Company Overview

IndiGo ("your Company" or "we") is India's largest passenger airline operating as a low-cost carrier. Serving 86 destinations including 24 international destinations, we provide passengers with a simple, unbundled product, fulfilling our singular brand promise of providing "low fares, on-time flights, and a courteous and hassle-free service" to our customers. In addition to passenger transportation, our 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 262 aircraft as of March 31, 2020. Your Company had placed an order of 430 fuel-efficient A320 NEO family aircraft in 2011 and 2015, of which 114 have been delivered as of March 31, 2020. In addition to this, in October 2019, your Company placed an additional firm order for the 300 A320 NEO family aircraft, which includes A321 XLRs in addition to A320 NEOs and A321 NEOs.

At the end of March 2020, we had 100 fuel-efficient A320 NEOs giving us 15% lower fuel burn compared to the current generation of A320 CEOs without sharklets. We also have 14 A321 NEOs in our fleet with higher seating capacity, lower unit costs and longer range compared to A320 NEOs. We had placed an order with Pratt & Whitney to power 150 of our A320 NEO family aircraft. All the A320 NEO family aircraft that we have today use the Pratt & Whitney GTF engine. In addition to this, in June 2019, we placed an order with CFM to provide engines for 280 of our NEO aircraft. With this order, we have identified our engine partner for the initial 430 A320 NEO family order.

We 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, once again, redefine air travel in cities that were devoid of reliable air service so far, or were subject to exorbitant airfares. As of March 31, 2020, we had 25 ATR aircraft in our fleet.

In FY 2020, your Company was awarded the 'Best Low-Cost Airline in Central Asia and India' for the tenth consecutive time at the Skytrax World Airline Awards 2019. Your Company is ranked as one of the best airlines in terms of on-time performance for the third consecutive year amongst the top 20 global mega-airlines based on data compiled by the OAG. IndiGo is the only Indian carrier to have made it to this list, three years in a row.

IndiGo has been recognised among the most valuable and strongest airline brands, as per the Brand Finance Airlines 50 report for 2020. Further, your Company was also awarded the 'Safety Partner - Best Aircraft Turn Around Activity' by DIAL; the 'Best Domestic Airline' at FICCI's first edition of Travel and Tourism Excellence Awards; and the 'Companies with Great Managers Award' by People Business in partnership with The Economic Times. These awards are a testimony to our best-in-class service quality. Your Company's learning academy 'ifly' also won awards for best practices in Learning and Development under six different categories at the TISS LEAPVAULT Chief Learning Officer ("CLO") awards by the Tata Institute of Social Sciences.

IndiGo has been recognised among the most valuable and strongest airline brands, as per the Brand Finance Airlines 50 report for 2020.

Operational Highlights

Particulars	For the year ended March 31 st		
	2020	2019	Change
ASK (in millions)	96,240	81,028	18.8%
RPK (in millions)	82,540	69,811	18.2%
Passenger Load Factor (%)	85.8%	86.2%	-0.4 pts
Number of Scheduled Passengers Carried (in thousands)	75,026	64,743	15.9%
Block Hours	1,022,515	853,553	19.8%
Number of Scheduled Destinations Served as of the period end	86	68	26.4%
Total Number of Flights	522,853	448,904	16.5%
Number of Aircraft at period end	262	217	20.7%

Financial Highlights

The following table sets forth key financial data for the periods indicated:

Particulars	For the year ended March 31 st		
	2020	2019	Change
EBITDAR Margin	14.2%	18.3%	-4.1 pts
Net Profit Margin	-0.7%	0.6%	-1.2 pts
RASK (Rs.)	3.77	3.57	5.6%
CASK (Rs.)	3.80	3.59	5.8%
CASK Ex-Fuel (Rs.)	2.50	2.11	18.4%

Financial Performance

Income

Passenger ticket revenue:

Passenger ticket revenue increased by 25.0% from Rs. 251,576.91 million in FY 2019 to Rs. 314,470.59 million in FY 2020.

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 increased by 30.2% from Rs. 30,309.56 million in FY 2019 to Rs. 39,458.47 million in FY 2020.

Other Income:

Other Income primarily comprises of financial income on the cash and other non-operating income. Other Income increased by 15.9% from Rs. 13,245.98 million in FY 2019 to Rs. 15,355.09 million in FY 2020.

Revenue per Available Seat Kilometre ("RASK"):

RASK increased by 5.6% from Rs. 3.57 in FY 2019 to Rs. 3.77 in FY 2020, driven by an increase in passenger yield and increase in unit ancillary revenue.

Expenses

Total expenses increased by 25.3% from Rs. 299,687.48 million in FY 2019 to Rs. 375,471.79 million in FY 2020.

20.7%

increase in number of
aircraft at period end

Aircraft fuel expenses:

Aircraft fuel expenses increased by 4.3% from Rs. 119,427.93 million in FY 2019 to Rs. 124,537.94 million in FY 2020, against 18.8% increase 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 increased by 41.5% from Rs. 79,171.24 million in FY 2019 to Rs. 112,052.99 million in FY 2020.

Employee costs:

Employee costs increased by 46.7% from Rs. 32,105.57 million in FY 2019 to Rs. 47,099.59 million in FY 2020.

Foreign exchange (gain)/ loss:

Foreign exchange losses increased from Rs. 4,674.87 million in FY 2019 to Rs. 15,461.89 million in FY 2020, primarily driven by mark to market losses on the capitalised operating lease liability, as a result of IndAS 116.

Other expenses:

Other expenses increased by 19.9% from Rs. 29,482.57 million in FY 2019 to Rs. 35,340.04 million in FY 2020.

Cost per Available Seat Kilometre ("CASK"):

CASK increased by 5.8% from Rs. 3.59 in FY 2019 to Rs. 3.80 in FY 2020, primarily driven by increase in unit employee cost, unit supplementary rental and aircraft maintenance cost, and higher mark to market losses as a result of rupee depreciation.

Your Company reported a net loss of Rs. 2,336.78 million in FY 2020 against a net profit of Rs. 1,572.47 million in FY 2019. This resulted in an increase/decrease in the Return on Equity from 2.3% in FY 2019 to -4.0% in FY 2020.

Balance Sheet

The total cash increased by 33.1% to Rs. 203,769.40 million as of March 31, 2020, comprising of free cash of Rs. 89,280.97 million and restricted cash of Rs. 114,488.43 million. Total debt for your Company was Rs. 227,191.68 million, including capitalised operating lease liability of Rs. 202,848.64 million, as of March 31, 2020.



33.1%

increase in Total Cash

Impact of COVID-19 and Company Outlook

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. While, the domestic business largely remained as expected during January to February 2020, we began reducing international operations from January 2020. January and February 2020 results were not materially impacted by this, however, March numbers were particularly impacted. Consequently, the overall Q4 FY 2020 results were impacted as well.

We have taken a number of actions to mitigate the impact and risks of COVID-19 to our business. These actions include cost reduction initiatives, liquidity enhancement, capacity reduction, and improvement in fleet mix. We are extremely focused on ensuring the health and safety of the customers and employees, and have designed and implemented a new set of standard operating procedures to combat the virus.

We have planned a phased ramp-up of capacity in line with demand expectations going forward. Basis this, we aim to deploy around 60-70% capacity in the third quarter of FY 2021, on a year over year basis. Given the uncertainty of the environment we will continue to monitor these plans and make adjustments on the basis of demand, as required.

The A320 NEO aircraft that we operate have structurally lower costs than our A320 CEOs. Hence, we plan to increase the mix of NEO aircraft to our fleet to leverage these cost advantages. We will continue to take deliveries of new NEO aircraft and balance this with gradual retirement of our CEO aircraft. Most of the new aircraft will be financed through an operating lessor model, generating significant liquidity for us in FY 2021.

We have a strong balance sheet and healthy cash balance. As of March 31, 2020, we ended with a total cash balance of 204 billion rupees, of which 89 billion rupees was free cash.

We are confident that we will emerge from the crisis much stronger and nimbler 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 growth will be further fuelled by strong growth in tourism, increased aircraft penetration from current levels, and the expansion of aviation infrastructure.

The air travel infrastructure of India has significantly grown over the last decade and we, at IndiGo, take pride in taking a leading role in building this critical infrastructure in India. We believe there is still a significant growth opportunity in the air travel market in India, and we are ready 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.

a. Pandemic Risk:

Whenever there is an outbreak of a communicable disease on an international level, air travel inevitably becomes the focus of much attention due to the potential for air travel to increase infection rates. COVID-19 cases amongst IndiGo staff or customers may result in disrupted operations. This could also result in a potential damage to our reputation and a decreased demand for travel. COVID-19 has presented itself as a significant challenge for airlines globally. Any outbreak of a pandemic in the future can also significantly affect our operations and result in financial losses.

b. Operational issues with certain A320 NEO engines:

We have experienced operational issues with certain A320 NEO engines, which has impacted our operations. These operational challenges have required the engine supplier to deliver upgraded engines and provide spare engines in the interim to reduce operational disruptions.

c. 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.

d. 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.

e. 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. Replacing A320 aircraft with A321 NEOs in slot constraint airports is expected to further help in slot maximisation.

f. Competition in the airline industry:

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

g. 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.

h. Inadequate market supply of pilots and inability to recruit and retain key talent:

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

i. 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 consequently also damage to your Company's reputation.

j. 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 a loss in our reputation.

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 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 action are taken.

Human Resources

At IndiGo, we endeavor to continuously improve the work environment, thereby leading to better customer experience. In order to achieve this, we

- Invest in the learning and development of our employees
- Seek regular feedback and devise action plans on the basis of inputs
- Provide ample opportunities to showcase their skills

- Recognise superior performance and
- Keep the workforce updated on the latest developments in your Company and industry through leadership interactions.

Your Company has significantly invested in the training and development of our employees on a regular basis through our state-of-the-art learning academy, 'ifly'. We also launched our second training centre of the academy in Bengaluru, thereby extending our commitment to this cause. As of March 2020, we have a dynamic set of 27,812 employees on your Company's rolls including 4,017 pilots and 6,573 cabin crew.

The health of our employees is of paramount importance. 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-liners with PPE kits, conducting regular sanitisation drives across our offices and regular communication with employees to ensure their physical and mental well-being. These are challenging times, and we have taken several steps to stay connected with our workforce and to support them during these uncertain times.

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 3, 2020
Place: Gurgaon

Report of the Board of Directors

Dear Members,

Your Directors ("Board of Directors" or the "Board") are pleased to present the seventeenth Annual Report of InterGlobe Aviation Limited ("your Company" or "we") along with the financial statements for the year ended March 31, 2020 ("FY 2020"). 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)

Particulars	Consolidated		Standalone	
	FY 2020	FY 2019	FY 2020	FY 2019
Revenue from operations	357,560.01	284,967.72	357,560.01	284,967.72
Other Income	15,355.09	13,245.98	15,362.42	13,249.36
Total Income	372,915.10	298,213.70	372,922.43	298,217.08
Profit / (Loss) before tax	(2,556.69)	(1,473.78)	(2,750.89)	(1,490.47)
Current Tax	(91.30)	(15.24)	(8.21)	-
Deferred tax credit/ (charge)	311.21	3,061.49	277.51	3,051.82
Profit / (Loss) after tax (PAT)	(2,336.78)	1,572.47	(2,481.59)	1,561.35
Other Comprehensive Income net of tax	10.99	1.34	11.00	1.34
Total Comprehensive Income	(2,325.79)	1,573.81	(2,470.59)	1,562.69
Earnings per equity shares of the face value of Rs.10 each				
Basic (Rs.)	(6.07)	4.09	(6.45)	4.06
Diluted (Rs.)	(6.07)	4.09	(6.45)	4.06

2. Company's Performance

On a consolidated basis, the total income for FY 2020 was Rs. 372,915.10 million, higher by 25.05% over previous year's income of Rs. 298,213.70 million. Your Company reported a net loss of Rs. 2,336.78 million for FY 2020 against a PAT of Rs. 1,572.47 million for the previous year.

On a standalone basis, the income for FY 2020 was Rs. 372,922.43 million, higher by 25.05% over the previous year's income of Rs. 298,217.08 million. Your Company reported a net loss of Rs. 2,481.59 million for FY 2020 as against a PAT of Rs. 1,561.35 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 at various airports in India. Agile commenced operations in September, 2018. The total income of Agile for FY 2020 was Rs. 3,516.69 million, higher by 335.34% over the previous period's income of Rs. 807.80 million. The PAT was Rs. 144.81 million, indicating a growth of 1,202.25% over PAT of Rs. 11.12 million for FY 2019. Pursuant to Section 129(3) of the Companies Act, 2013, as amended ("the Act") read with Rule 5 of the Companies (Accounts) Rules, 2014, as amended, a statement containing the salient features of the financial statement of the Subsidiary Company in form AOC-1 is annexed to the consolidated financial statements and is given at page number 256 of the Annual Report.

In compliance with the provisions of Section 136 of the Act, the audited financial statements of the Subsidiary Company is uploaded on the Investor Relations section of the website of your Company at www.goindigo.in.

4. Operational Performance

Your Company operated 1,674 peak daily flights and carried over 75 million passengers during FY 2020.

In March 2020, the COVID-19 pandemic developed rapidly into a global crisis forcing the Government of India to enforce a lockdown of all economic activities (discussed in detail separately below - [Impact of COVID-19](#)). Prior to the lockdown, your Company operated scheduled services to 86 destinations, including 24 international destinations, with a fleet of 262 aircraft, consisting of 123 A320 CEOs, 100 A320 NEOs, 14 A321 NEOs and 25 ATRs. During FY 2020, your Company inducted 45 net aircraft to the fleet, of which 42 were fuel efficient A320 / A321NEO family aircraft powered by Pratt and Whitney ("P&W") GTF engines.

Based on data published by the Directorate General of Civil Aviation ("DGCA" or "the regulator") for On-Time Performance ("OTP") at key metro cities, your Company was ranked number 1 in the month of March, 2020 with an OTP of 86.78%. Your Company continued to be the leading airline in terms of OTP, with an average OTP of 79.81% at the key metro cities in FY 2020. In addition, based on data compiled by OAG for OTP, your Company was ranked as one of the best airlines for the third consecutive year amongst the top 20 mega airlines globally. Your Company was the only Indian airline to have made it to this prestigious list.

Your Company achieved a technical dispatch reliability of 99.85% and a flight cancellation rate of 1.10% in FY 2020.

Your Company's A320 / A321NEO aircraft are fitted with P&W GTF engines. During FY 2020, the DGCA issued directives to all airline operators using P&W engines to replace unmodified P&W engines with modified engines. To meet this directive, your Company has been working closely with P&W to ramp up spare engine supply and expect to replace them within the timelines provided.

In FY 2020, your Company has also executed support agreements with CFM International S.A. ("CFM"), for an efficient and hassle-free entry into service, for the additional NEO aircraft fitted with the LEAP engine provided by CFM.

Your Company presently performs maintenance activities of its A320 fleet at a hangar at Terminal 1D, Delhi, which is a one-bay hangar. As per the new master plan of DIAL, your Company needs to vacate this hangar. In light of this, your Company is constructing two new hangars, one in Delhi (DEL) and one in Bengaluru (BLR). These hangars shall enable us to meet the growing maintenance requirements for our fleet in an effective manner.

Your Company constantly reviews all internal processes to make the customer experience friendly, hassle-free and more efficient. To achieve operational excellence, your Company has launched cost-saving initiatives such as awareness campaigns on fuel-efficient techniques, and working with the regulatory authorities on airspace optimization, with a clear focus on safety and standards.

Further, in FY 2020, your Company went through another successful IATA (International Air Transport Association) Operational Safety Audit without any significant comments. Senior leaders of your Company continue to be engaged in formation of new regulations for the aviation industry.

Impact of COVID-19

In the last quarter of FY 2020, the outbreak of COVID-19 created a pandemic which impacted the whole world. As the pandemic developed into a global crisis, economies across the world witnessed a sharp decline in growth. The airline industry was significantly impacted as countries started going into a lockdown, placing an embargo on international flights, all of which resulted in a slowdown in demand.

The Government of India declared a national lockdown with effect from March 25, 2020, which continued till May 31, 2020. However, the Government of India permitted a phased resumption of domestic operations from May 25, 2020. As a consequence of the lockdown, your Company's entire fleet was grounded resulting in a passenger revenue loss for 61 days. Consequently, your Company's performance in the first 2 months of Q4 of FY 2020 was nullified by a sharp reduction in air travel from the beginning of March, 2020, which ultimately came to a complete halt on March 25, 2020.

We also sought early approvals by the Ministry of Civil Aviation ("MCA") and Director General of Civil Aviation ("DGCA") to operate flights for medical relief, passenger relief and cargo. We are working towards more aircraft to be approved for cargo operations, not limited to medical supplies and essential supplies. We ferried a total of 18,239 kgs of cargo for the period March 25, 2020 to March 31, 2020 and a total of 839,600 kgs of cargo during the period starting April 01, 2020 to May 19, 2020.

It is difficult to estimate the length and severity of the reduction in demand due to COVID-19. However, your Company expects that Q1 of FY 2021 is likely to be severely depressed on revenues given that for most of the period till May 24, 2020, the country was under a lockdown, and there was almost no air travel within the country. Given that there are uncertainties involved in reviving customer confidence domestically, State Governments coming out with their own restrictions on flying, no clarity on commencement and demand for international travel, your Company expects that the results for FY 2021 are likely to be severely impacted.

At this time, your Company's priority is to ensure safety of its customers and employees. To gain confidence of its customers, your Company has introduced a number of measures as part of our new standard operating procedures which will enable us to minimise the impact of the virus and also help build customer confidence. Some of these procedures include, spray cleaning of the aircraft on every arrival, increased frequency of deep cleaning of the aircraft, including wiping of all touch points such as tray tables, arm rests, seat belts, lavatory doors and overhead nozzles, mandatory masks onboard, placing hand sanitizers at various places in the aircraft and discontinuance of meal services.

All our aircraft are preserved in "Flight Ready Conditions" which calls for periodic maintenance checks (weekly, bi-weekly, and monthly) for quick return to service. All ground support equipments, i.e. buses, ramps, ladders, etc. are also being sanitised and maintained regularly. Your Company has also put in place a detailed check mechanism to use virus resistant sanitisers. To secure the health of the staff working at the front line, your Company has provided them with personal protective equipments such as masks, suits, caps, etc.

Your Company is continuously conducting e-learning and virtual trainings, which have been approved by the regulator, to its front-line personnel, to ensure that their licenses remain valid. Your Company is preparing its staff for the "New Normal".

In short, your Company's endeavour is to reinforce customer confidence to fly with it by safeguarding their health and safety.

Your Company has taken actions to mitigate the effect of COVID-19 on its business, including cost reduction and steps to preserve cash and improve its overall liquidity position. Some of the steps include replacing older CEO aircraft with more cost-efficient NEOs, putting on hold all discretionary expenses, deferring certain capital expenditure and various employee related cost measures such as salary cuts, leave without pay etc.

Although, there are uncertainties due to the pandemic, your Company had a strong cash position as of March 31, 2020 and expects to meet its ongoing cash obligations as relates to its lease rentals, debt repayments and other financial obligations.

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

Considering the cash flow position and the loss your Company posted for FY 2020, the Board has not recommended any dividend on the equity shares of your Company.

Your Company had adopted 'InterGlobe Aviation Limited - Dividend Distribution Policy' in compliance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"). This 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 uploaded on the Investor Relations section of the website of your Company at www.goindigo.in.

6. Amount to be carried to reserves

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

7. Complaint filed by the Promoter of your Company with the Securities and Exchange Board of India ("SEBI") and the MCA

During FY 2020, your Company has received communications from the SEBI, the MCA and the stock exchanges requesting your Company to provide 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"), commencing with a letter dated July 08, 2019 sent to such authorities. 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 "IGÉ 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 applicable to Related Party Transactions with the IGÉ Group, and the appointment of an independent woman director to your Company's Board of Directors. Your Company has responded to all the communication sent by concerned authorities within the prescribed timelines and there are no pending information requests.

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

During FY 2020, the IGE Group 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) (the "Shareholders Agreement") executed between, inter-alia, the IGE Group, the AG Group and your Company. In the arbitration proceedings, the IGE Group has sought certain reliefs against the AG Group, including in relation to compliance with the Shareholders Agreement and your Company's Articles of Association ("Articles") as well as damages. Your Company has been named as a respondent in the arbitration proceedings on the basis that it is a necessary and proper party. However, currently, no monetary claim has been made or any compensation sought from your Company. The arbitral tribunal has been constituted.

9. Utilisation of Institutional Placement Programme Proceeds

During FY 2018, your Company had successfully completed an Institutional Placement Programme ("IPP") under Chapter VIII – A of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, pursuant to which 33,578,421 equity shares, having a face value of Rs. 10 each, were allotted/ allocated, at an issue price of Rs. 1,130 per equity share, consisting of fresh issue of 22,385,614 equity shares and an offer for sale of 11,192,807 equity shares by the selling shareholders.

The proceeds from the IPP amounted to Rs. 24,796.69 million (net of Company's share of fresh issue related expenses, which has been adjusted against the Securities Premium Reserve). As on March 31, 2020, the entire IPP proceeds were utilised by your Company for the purpose set out in the prospectus on "Use of Proceeds" viz., acquisition of aircraft, purchase of ground support equipments, repayment / prepayment of debt including finance leases for aircraft and general corporate purposes.

10. Employee Stock Option Scheme

Pursuant to the approval of the shareholders 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 with a view to attract and retain the best talent and encouraging employees to align their individual performances with Company's objectives and promoting increased participation towards growth of your Company. Your Company confirms that the Scheme is in compliance with the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014, as amended.

During FY 2020, the Nomination and Remuneration Committee allotted 389,441 equity shares upon exercise of 389,441 stock options by the employees under the Scheme. Further, 53,000 stock options were granted to an eligible employee in accordance with the terms specified in the Scheme. No employee has been granted stock options equal to or exceeding one percent of the issued capital of your Company at the time of grant.

The disclosure, in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014, as amended, is uploaded on the Investor Relations section of the website of your Company at www.goindigo.in.

11. Increase in Share Capital

Pursuant to the allotment of 389,441 equity shares of Rs. 10 each upon exercise of stock options by the eligible employees under the Scheme, the issued, subscribed and paid up share capital of your Company increased from 384,406,838 equity shares to 384,796,279 equity shares of Rs. 10 each aggregating to Rs. 3,847.96 million during the year.

12. Related Party Transactions

All transactions entered into by your Company with its related parties during FY 2020, were in the ordinary course of business and on an arms' length basis.

In FY 2020, your Company had not entered into any arrangement / transaction with related parties which could be considered material and required the approval of the Board. Accordingly, the disclosure of related party transactions in form AOC -2 as required under Section 134(3)(h) of the Act is not applicable.

During FY 2020, the Board approved and adopted a modified 'InterGlobe Aviation Limited – Policy on dealing with Related Party Transactions' in compliance with Regulation 23 of the SEBI LODR Regulations, which lays down procedures to be followed by your Company in relation to transactions to be entered into by your Company with its related parties. The transactions entered by your Company with its related parties were in compliance with the above stated policy and are in the best interest of your Company. This Policy has been uploaded on the Investor Relations section of the website of your Company at www.goindigo.in.

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

13. Amendment in the Articles

In compliance with the provisions of Section 14 and other applicable provisions of the Act, read with the Rules made thereunder, Article 17.1 of the Articles of your Company was amended to increase the maximum number of Directors of your Company from six (6) to ten (10) with the approval of the shareholders of your Company in the Annual General Meeting ("AGM") on August 27, 2019.

An extraordinary general meeting of the shareholders of your Company was held on January 29, 2020, on the requisition dated December 24, 2019 made by the RG Group, collectively holding 36.64% of the paid up capital of your Company, to consider and approve amendments in the Articles by deleting Articles 1.6 to 1.15 (Transfer of Equity shares), 1.16 to 1.20 (Acquisition of shares) and 2A (Other provisions on equity shares) by way of a special resolution. However, the special resolution to approve amendment in the Articles could not be passed in the absence of requisite support.

14. Details of Directors and Key Managerial Personnel

Pursuant to the provisions of Section 149, 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 Ms. Pallavi Shardul Shroff as an Additional Director on the Board as an Independent Director with effect from September 19, 2019, to hold office for a term of five consecutive years, i.e., up to September 18, 2024, subject to the approval of the shareholders. As per Section 161 of the Act, Ms. Shroff will hold office till the ensuing AGM and is eligible for appointment as a Director of your Company. Ms. Shroff is the Managing Partner of Shardul Amarchand Mangaldas & Co., with over 38 years of extensive experience. Ms. Shroff is a member of the Competition Law Review Committee, constituted by the Government of India. She appears regularly in the Supreme Court and High Courts of India, and in arbitrations, mediations and international legal disputes. She is also a Director on the Boards of several prestigious companies. For a detailed profile of Ms. Shroff, please refer to the Notice of AGM.

The Board also appointed Dr. Venkataramani Sumantran as an Additional Director on the Board as an Independent Director with effect from May 28, 2020, to hold office for a term of five consecutive years, i.e., up to May 27, 2025 on the recommendation of the Nomination and Remuneration Committee, subject to the approval of the shareholders in accordance with the provisions of Section 149, 161 and other applicable provisions of the Act and the SEBI LODR Regulations. As per Section 161 of the Act, Dr. Sumantran will hold office till the ensuing AGM and is eligible for appointment as a Director of your Company. Dr. Sumantran has been an industry leader, technocrat, academic and author, having lived and worked in the USA, Europe and Asia through a career spanning over 35 years. He is the Chairman of Celeris Technologies since 2014, a strategic advisory engaged in the domain of autos, mobility, digital transformation, aerospace, and technologies. For detailed profile of Dr. Sumantran, please refer to the Notice of AGM.

The Board is of the opinion that Ms. Shroff and Dr. Sumantran have relevant attributes, vast and varied experience and expertise and are persons of integrity for holding the position of Independent Directors on the Board. Your Company has received requisite notice under Section 160 of the Act proposing the appointment of Ms. Pallavi Shardul Shroff and Dr. Venkataramani Sumantran as Non- Executive Independent Directors.

The Board had approved the appointment of Mr. Ronojoy Dutta as Whole Time Director (Additional Director) (who was earlier appointed as the Chief Executive Officer ("CEO") with effect from January 24, 2019), and re-designated him as Whole Time Director and CEO of your Company for a period effective from January 27, 2020 till January 23, 2024 or till the date of his employment as the CEO, whichever is earlier, subject to the approval of the shareholders. Pursuant to Sections 161, 197 and other applicable provisions of the Act, the Board has recommended appointment of Mr. Ronojoy Dutta as Whole Time Director and designating him as Whole Time Director and CEO of your Company for the approval of the shareholders by special resolution, at the ensuing AGM. Your Company has received notice under Section 160 of the Act proposing the appointment of Mr. Ronojoy Dutta as Whole Time Director of your Company.

Your Company had obtained requisite prior security clearance approval from the Ministry of Civil Aviation for the appointment of Ms. Pallavi Shardul Shroff, Dr. Venkataramani Sumantran and Mr. Ronojoy Dutta.

Ms. Rohini Bhatia, Non-Independent Non-Executive Director, retires by rotation and being eligible, offered herself for reappointment at the ensuing AGM.

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

Mr. Aditya Pande joined as the Chief Financial Officer of your Company with effect from September 16, 2019 in place of Mr. Rohit Philip (erstwhile Chief Financial Officer) who resigned with effect from September 15, 2019.

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. The Independent Directors have registered themselves with the data bank maintained by Indian Institute of Corporate Affairs (IICA). In terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors are required to undertake online proficiency self-assessment test conducted by the IICA within a period of one (1) year from the date of inclusion of their names in the data bank, unless exempted. The said online proficiency self-assessment test will be undertaken by the Independent Directors of the Company, as applicable, within the prescribed timelines.

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

15. Number of meetings of the Board

The Board met eleven times during the year under review. The details of meetings of the Board and attendance of the Directors at each meeting are given in the Corporate Governance Report which forms a part of the Report.

16. Committees of the Board

As on March 31, 2020, 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 the year under review and the attendance of the committee members at each meeting are given in the Corporate Governance Report which forms a part of the Annual Report.

17. Board Evaluation

The Board evaluated its own performance, and the performance of the Board Committees, the Chairman 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. This evaluation was carried out based on discussions among the Directors. Separately, the Board has engaged the services of an expert consultant to undertake a detailed evaluation exercise. This is expected to provide additional insights that will lead to increased Board effectiveness.

18. Remuneration Policy

The Board had adopted '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 and Senior Management of your Company. The policy lays down the process and parameters for the appointment and remuneration including recommendation on remuneration of the key managerial personnel and other senior management and the criteria for determining qualifications, positive attributes and independence of a director. This Policy is uploaded on the Investor Relations section of the website of your Company at www.goindigo.in.

19. Risk Management

The Board has constituted a Risk Management Committee to frame, implement and monitor the risk management plans for your Company. The Committee is responsible for monitoring and reviewing the risk management plans and ensuring their effectiveness. The Audit Committee has an additional oversight in the areas of financial risks and controls. Your Company has implemented an Enterprise Risk Management framework ("ERM framework") based on the guiding principles of risk management. It is an integral part of decision-making for the organisation 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 and action plan and monitoring of leading indicators and planning gaps.

The Committee is responsible for systematically reviewing and updating the risk management calendar, based on certain risks becoming more important during the year. The Committee meets once a quarter to discuss identified relevant risks like unfavorable fuel price, unfavorable forex movement, infrastructure shortfall, reputation damage, inadequate pilot supply in market, cyber threat and IT system continuity, adverse regulatory changes and litigation, labour relations and talent flight, major aviation incident and grounding of fleet and any other new risk as identified by the Management since the previous Committee meeting. 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

The Board has constituted a Corporate Social Responsibility Committee ("CSR Committee") in compliance with Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended. The CSR Committee comprised Ms. Rohini Bhatia (Chairperson), Dr. Anupam Khanna and Mr. Anil Parashar. Your Company has adopted a policy on Corporate Social Responsibility ("CSR Policy") to undertake the activities as set out in Schedule VII of the Act. The CSR Policy is uploaded on the Investor Relations section of the website of your Company at www.goindigo.in.

A brief note regarding your Company's initiatives with respect to Corporate Social Responsibility is given in Annexure – A of this Report in the prescribed format. As a part of your Company's Policy, the CSR funds are released to the partner organisations in tranches and every tranche is released only after 90% of the previous tranche has been spent and programme milestones have been achieved. However, in FY 2020, a few of our partner organisations could not spend the money and therefore, your Company did not pay the planned amount. Further, as a part of our CSR governance and control systems, the implementing organisations and projects are identified after a thorough due diligence process. The fund transfer to few planned implementing organisations could not be initiated due to their inability to complete final agreements, prevented by the pandemic. These factors affected our overall spend.

The details pertaining to the composition, terms of reference, and number of meetings held during the year and the attendance of the CSR Committee members at each meeting are given in the Report on Corporate Governance which forms a part of the Annual Report.

21. Statutory Auditors

The erstwhile Statutory Auditors of your Company, B S R & Co. LLP, Chartered Accountants (Firm Registration no. 101248W/W-100022), were appointed at the AGM held on September 08, 2014 for a term of five consecutive years from the conclusion of the 11th AGM till the conclusion of the 16th AGM of your Company. Accordingly, they held office till the conclusion of the 16th AGM of your Company held on August 27, 2019.

S.R. Batliboi & Co. LLP (Firm Registration no. 301003E/€300005), were 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 Statutory Auditors have submitted a certificate, as required under Section 139(1) of the Act confirming that they meet the criteria provided in Section 141 of the Act.

The Report given by the Statutory Auditors on the standalone financial statements and the consolidated financial statements of your Company for FY 2020 forms a part of the Annual Report. The Reports do not contain any qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors, except an observation that the remuneration paid to the Whole Time Director and Chief Executive Officer of your Company for FY 2020, is in excess of the limits prescribed within provisions of Section 197 read with Schedule V to the Act by Rs. 155.82 million. This is subject to the approval of the shareholders.

22. Secretarial Auditors

Sanjay Grover & Associates, a firm of practicing Company Secretaries (Firm Registration no. P2001DE052900) ("Secretarial Auditors"), carried out the secretarial audit in compliance with the Act and the Rules made thereunder, the SEBI LODR Regulations and other applicable regulations as prescribed by 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 the financial year under review is attached to this Report as Annexure-B. The Report does not contain any qualification, reservation or adverse remark or disclaimer made by the Secretarial Auditors, except that (i) your Company was required to appoint one independent woman director on the Board, w.e.f. April 01, 2019, in accordance with Regulation 17(1)(a) of the SEBI LODR Regulations. However, an independent woman director was appointed w.e.f. September 19, 2019, and

(ii) the remuneration paid to the Whole Time Director and Chief Executive Officer, due to the inadequacy of the profits in FY 2020, is subject to the approval of the shareholders.

The previous Articles of your Company capped the number of Directors on the Board at six. In order to ensure compliance of Regulation 17 of the SEBI LODR Regulations relating to the appointment of an independent woman director, alteration of Articles was necessary. The shareholders at their AGM held on August 27, 2019 approved the alteration in the Articles to increase the maximum number of Directors from its strength of six (6) to ten (10), on the recommendation of the Board. After obtaining the approval of the shareholders, the Board appointed Ms. Pallavi Shardul Shroff as an Independent Non-Executive Director (Additional Director) w.e.f. September 19, 2019. With the appointment of Ms. Shroff, the composition of the Board of Directors of your Company is in compliance with Regulation 17 of the SEBI LODR Regulations.

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 2020.

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 your Company's nature of business.

24. Whistleblower Policy / Vigil Mechanism

Your Company has adopted a Whistleblower Policy and has a vigil mechanism in place for directors, senior management and employees of the Company and its subsidiary, 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 is extended to suppliers, contractors and other stakeholders to enable them to report their concerns about 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). The Policy provides for adequate safeguards against victimization of whistleblowers and provides for direct access to the Chairperson of the Audit Committee, in exceptional circumstances. The Audit Committee oversees the implementation of the Policy. The Audit Committee, on a quarterly basis, reviews the status of complaints, summary of findings and action taken in accordance with the Policy.

During FY 2020, your Company has updated its Policy to comply with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended ("SEBI PIT Regulations"), to include UPSI as a subject matter that can be reported by whistleblowers. Any instance of leak or suspected leak of UPSI can now also be reported through your Company's vigil mechanism, which is uploaded on the Investor Relations section of the website of your Company at www.goindigo.in.

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 reported by or against its employees as well as consultants, trainees, apprentices, temporary and contractual staff. Your Company has adopted a robust policy on 'Prevention of Sexual Harassment at Workplace' to deal with such matters. All employees are sensitized about the Policy from time to time. Your Company has constituted an Internal Complaints Committee, with the Chairperson being a female member from our senior management team. Your Company also conducts awareness programs for employees on the Policy, and has awareness posters with details of how to report a complaint, along with the details of the Internal Complaints Committee members, which are displayed across all our working locations. The Internal Complaints Committee ensures that all cases reported are resolved in a timely manner, in accordance with the POSH Act.

During FY 2020, 36 complaints were received by your Company. As on March 31, 2020, 31 complaints out of the total complaints reported were resolved after complying with due process and 5 complaints were under investigation. Your Company has also submitted the annual return to the local authority in compliance with the POSH Act.

26. Internal Financial Control and their adequacy

Your Company has an adequate Internal Financial Control (IFC) system which ensures that the transactions are authorised, recorded and reported correctly. The Board has adopted policies and procedures for ensuring:

- orderly and efficient conduct of its business including adherence to Company's policies;
- safeguarding of its assets;
- prevention and detection of frauds and errors;
- accuracy and completeness of the accounting records;
- timely preparation of reliable financial information.

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, 2020 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 note numbers 6 and 7 of 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 Company's operational performance, industry trends and other required details prepared in compliance with Regulation 34 of the SEBI LODR Regulations forms a part of the Annual Report.

31. Report on Corporate Governance

In compliance with the provisions of Regulation 34 of the SEBI LODR Regulations read with Schedule V of these Regulations, the Report on Corporate Governance 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 & Chief Executive Officer and Chief Financial Officer of your Company in terms 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 the provisions of 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 2020 describing the various initiatives undertaken from an environment, social and governance perspective forms a part of the Annual Report.

33. Extract of Annual Return

In compliance with Section 92(3) and Section 134 (3)(a) of the Act and Rules made thereunder, the extract of Annual Return in Form MGT 9 is attached as Annexure - C to this Report and is also uploaded on the Investor Relations Section of the website of your Company at www.goindigo.in.

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 2020, your Company received multiple awards and recognition. Some of the significant awards are listed below:

- Awarded for 'Customer Service, Domestic & International Operations and Business growth' for the second year in the row and maiden award for 'Cargo Airline of the Year (Domestic)' by Bangalore International Airport Limited (BIAL)
- Awarded 'Best Low-Cost Airline in Central Asia and India' at the SKYTRAX World Airline Awards for the tenth time in a row
- Ranked as one of the best airlines in terms of OTP for the third consecutive year amongst the top 20 mega airlines globally
- Awarded 'Best Domestic Airline' by the Federation of Indian Chambers of Commerce and Industry
- Awarded 'Best Conversational Brand – Online' at Sammie Awards 2019
- Awarded 'Companies with Great Managers Award' by People Business in partnership with The Economic Times
- Awarded 'Best Safety Partner' by Delhi International Airport Limited (DIAL)
- Awarded 'Safety Champion' in Hazard Reporting for the Year 2019 by Delhi International Airport Limited (DIAL)
- Our Learning academy - 'ifly', has won six accolades for best practices in Learning and Development at the TISS LEAPVAULT Chief Learning Officer (CLO) Awards by the Tata Institute of Social Sciences
- Awarded 'Best Customer Services' Award and the 'Fastest Baggage Delivery' Award by Kannur International Airport Limited (KIAL)

36. Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, the Board, to the best of its knowledge and ability, confirms that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit and loss of your Company for that period;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a going concern basis;
- v. they have laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and were operating effectively;
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

37. Particulars of employees

The statement of 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 - D 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 Report and the financial statements are being sent to the shareholders, excluding the aforesaid annexure. Any shareholder interested in obtaining a copy of the same, may write to the Company Secretary at the Registered Office of your Company.

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

There was no unpaid / unclaimed dividend for the past years. The provisions of Section 125 of the Act do not apply to your Company.

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 thus emissions. This endeavor entails your Company's continuous commitment towards conservation of energy and motivates it to embrace newer technological advances.

Your Company has incorporated policies for conservation of fuel and imparted training procedures to flight crew and aircraft maintenance engineers, including flight and ground procedures, for fuel conservation. Your company ensures an adequate fuel for sectors, after evaluating various traffic trends, thus avoiding any additional/ unnecessary fuel upliftment, has installed software for accurate flight planning which provides accurate maps and most efficient flight path, restricting use of auxiliary power units, employing continuous descent approaches and economy cruise speeds, minimising aircraft weight by removing unnecessary equipment and optimising engine settings for take-off and climb. Your Company has sought to reduce the weight of the aircraft by selecting lighter seats and by choosing not to have in-flight entertainment system. 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 our engines, the use of ground equipment in place of aircraft auxiliary power units which consumes more fuel, use of single engine for taxiing on ground and other engineering/operations protocols. These policies are all designed to optimise fuel consumption, reduce carbon footprint and thereby finally reducing costs.

Your Company continues to explore feasibility to use ground vehicles on cleaner alternative fuels like CNG/ electricity to reduce carbon emissions at airports, wherever feasible. Further, in its endeavor to promote various fuel conservation measures, your Company is evaluating innovative statistical data driven solutions for climb and descent fuel optimization.

Majority of the A320 aircraft delivered to us since September 2008 use International Aero Engines SelectOne engines. These engines use various technological advancements to reduce aircraft fuel consumption as compared to previous IAE engines. Your Company's fleet of aircraft includes A320 NEO aircraft which are up to 15% more fuel efficient than the current A320 without sharklet aircraft. In the last one year, 100 in service A320 NEO aircraft have operated 185,460 flights, thereby reducing carbon emissions by 298 Kilotons. During FY 2020, your Company has operated 25 ATR 72-600 turboprop aircraft which are more fuel efficient than jet aircraft to operate on regional routes.

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 the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and notified by the MCA.

42. Foreign exchange earnings and outgo

The details of foreign exchange earnings and outgo for FY 2020 are set out below:

Particulars	Amount (Rs. in million)
Foreign exchange earnings	45,447.11
Foreign exchange outgo	151,734.16

43. Acknowledgement

The Board is grateful for the continuous patronage of our valued customers and remains committed to being on-time and delivering a courteous and hassle-free experience at every step. The Board acknowledges and appreciates the relentless efforts of the employees who have worked together as a team in achieving commendable business performance year on year.

Your Company also takes this opportunity to express its appreciation for the support and co-operation extended by the Governments, both Central and State, Regulatory Authorities, Investors, Bankers and other stakeholders.

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 3, 2020
Place: Gurgaon

Annexure – A

Annual Report on Corporate Social Responsibility Activities

1. A brief outline of your Company's Corporate Social Responsibility (CSR) policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

As a responsible corporate citizen, your Company is mindful of the needs of the community and works to make a positive difference and create maximum value for society. We recognise that your Company grows stronger by facilitating the advancement of local communities and improving the lives of individuals in all parts of our country. As an airline company, providing service to our customers is at the core of our business. However, we believe that what drives us as a people's airline is our socio-economic responsibilities towards the less privileged communities and the environment.

IndiGoReach, the CSR programme of your Company is an expression of your Company's 'Power to Make a Change' which is well integrated in the business and is synonymous with your Company's values. The CSR approach adopted by us, envisages that your Company evolves and executes strategies to support communities in partnership with Government, civil society and relevant stakeholders. Key to this approach is your Company's employees who generously give their time, experience and talent to serve the community.

Our initiatives are rooted in our core priorities of Education of Children, Women Empowerment, Environment and Heritage. Furthermore, through our 6E responsibility initiative, we strive to make a difference in our community.

Children and Education

Education is one of our core pillars of CSR interventions. Our initiatives aim to educate underprivileged children across the country and are concentrated in rural India though we have a few interventions in urban locations too. Today our education programme reaches out to more than 47,500 children. In all our interventions, teachers employ a joyful methodology to impart lessons in the classroom, thus facilitating the child's interest in school and in learning.

An important education intervention of IndiGoReach is to cover 5,000 students from Class 6 to 10, and 250 teachers from 25 Government schools across rural 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.

Another similar programme is our intervention with 6,000 students in 35 Government schools of rural Bhopal (25 schools) and Betul (10 schools) districts of Madhya Pradesh. The programme aims at ensuring quality education of children from classes 3 to 10. Capacity building of teachers and creating constructive community engagement also form a part of this programme.

The IndiGo School Adoption Programme is a programme aimed at holistic development of Government schools, by facilitating academic and physical transformation. Through this initiative, we have adopted 75 Government schools across the cities of Indore (Madhya Pradesh), Dehradun (Uttarakhand), Vadodara (Gujarat), Dibrugarh (Assam) and Noida/Greater Noida (Uttar Pradesh) and having an impact on the lives of 24,000 children.

An important component of the School Adoption Programme is the introduction of the 5 GetSmart Buses. These have been introduced with the objective of promoting digital literacy and improving quality of teaching and learning in these selected schools.

In these identified Government schools, we also work on the physical transformation of the school buildings through the provisions of wall repair and painting, drinking water, toilets, libraries and learning materials.

We have also supported a programme towards quality learning opportunities for the marginalised children in pre-primary and primary age groups. As part of this 4-year old programme (2015-19), 12,507 children attended learning centers across 4 States in India. These learning centers were facilitated by local community teachers who were trained to teach children as per a contextualised syllabus.

In the urban areas, IndiGoReach is supporting the running of two schools which work as a bridge education programme for school drop-outs or those who have never enrolled. 265 children are being imparted education through innovative teaching learning processes. These children are being mainstreamed into the Government schools or other educational

institutions once they complete education in the existing schools. Since last six years we have been supporting education and training of 50 autistic children. Individual attention provided to each child help them develop their skills as per their learning capabilities and milestones. Special counselling sessions imparted to their parents help them to support their children in their growth and development.

Women Empowerment

IndiGo Shakti, our women empowerment intervention, aims at increasing the income generation opportunities for women through on-farm and off-farm initiatives. As a part of these interventions, women are trained to undertake different occupations for increasing their income. These interventions are helping us reach to 64,500 rural, peri-urban and urban women in multiple locations of India. The programme identifies those beneficiaries, who otherwise had no adequate means of livelihood or opportunity for economic upliftment.

The women are organised into SHGs (Self Help Groups) and Producer Groups for training and capacity building. These programmes are also aimed at creating micro-entrepreneurs while improving the income of the beneficiaries and linking them to the Government schemes, thereby enabling them to avail their entitlements.

As part of our IndiGo Shakti Programme we have undertaken the following:

The "Water" (Women collectives led Action Towards Environment Rejuvenation) project reaches out to benefit approximately 37,500 rural women across 430 project villages in the state of Jharkhand over a span of five years (2017-2022). This project is to enhance the capabilities of women through institution building by strengthening Community Based Organisations (CBOs). Moreover, the project works on accelerating environmental sustainability by investing in integrated natural resource management for increasing the productivity of land.

Another initiative under the IndiGo Shakti programme for enhancing livelihood security for 20,000 rural women in 100 villages of 4 districts of Maharashtra namely, Pune, Ahmednagar, Nashik and Thane is being implemented in a phased manner. Identified women have been trained on several agricultural and non-agricultural interventions in these districts resulting in increased incomes for them.

We have also reached out to 3,000 women, from the rural areas in Udaipur (Rajasthan), Raipur (Chhattisgarh) and Gautam Buddh Nagar (Uttar Pradesh) by building the capacities of women and helping them to emerge as micro-entrepreneurs. Women under this programme are confidently running their small businesses such as grocery shops, tailoring units, small eateries etc.

In the district of West Tripura we are reaching out to 3,000 rural women in increasing their incomes. Under this programme, women farmers from two identified blocks of the district are being collectivized into four producer organisations and each producer organisation are engaged in livelihood activities for enhanced production and income.

In Assam and Meghalaya, as part of our programme, we are supporting 1,500 rural women in 24 villages. Through these interventions women are supported by promoting cultivation of ginger, turmeric and spices. Strengthening of village level institutions, providing training, and inputs to the identified women and linkages with the market has helped the women increase their income.

Hence all our Women Empowerment programme focus on increasing income through agricultural or non-agricultural interventions. Institutional building at the grass root level and capacity building and training of the women constitute the chief characteristics of our work in our areas of intervention.

Environment

Every flight that your Company operates is a reminder of the effects the aviation sector has on the environment. Your Company recognises this and is concerned about the environmental and climate change problems.

One of our environmental initiatives is focused on eco-restoration of spaces lost due to growing pollution and urbanisation. The "Bundh" rejuvenation project is one such initiative with the aim of transforming a few of Gurgaon's garbage dumps into an urban mobility forest corridor. The revamped corridor will replenish groundwater in these and surrounding intervention areas. In this project, your Company focused on rebuilding a 2.7 km stretch of the Chakkarpur-Wazirabad bundh in Gurgaon which had turned into a sewage dumping belt. Through the project, we were able to undertake the plantation of native Aravalli trees, the construction of designated tracks for walking and jogging, provision of tactile paths for visually impaired pedestrians and to install separate gates for cyclists and wheelchair users.

Your Company has also undertaken a project towards eco restoration and conservation of a watershed and a waterbody at Sikandarapur, Gurgaon. Under this initiative, we are supporting the initial cleaning of the waterbody and the watershed area. The revival of the Sikandarapur Pond and its surrounding areas will enhance the quality of life of the people using and living around it.

In addition to this, we have also launched a project towards sustainable practice of waste management through capacity building of waste pickers (including local communities) and cleaning of an identified public space in New Delhi.

As part of environment initiatives, your Company has recently launched two new programmes for:

- Supporting agriculture and rural household livelihoods for 12,200 families through rehabilitation of water tanks and ponds in selected parts of Tamil Nadu;
- Restoration of approximately two hundred (200) hectares of degraded forest land by providing alternative livelihood to forest-dependent communities, capacity building of frontline forest department personnel and undertaking ecological research in Karnataka.

Recycle, Reuse and Reduce

Your Company is hygienically recycling all the old employee's uniform, shoes, bags, aircraft carpets and seat covers. All these used and old articles from across our network are being recycled and up scaled by our partner organisation into bags, pouches, folders or items that are sold in the local market. The sale proceeds form an income generating opportunity for these women residing in the slums or in the villages.

Heritage

Your Company is dedicated towards the promotion, development and conservation of India's cultural heritage.

We have started a programme for carrying out the restoration of historic interiors of Lal Bagh Palace in Indore. The restoration of interiors work will be done in conjunction with Government of Madhya Pradesh.

In another heritage programme we are carrying out the maintenance and upkeep of Mausoleum of Abdul Rahim Khan-i-Khana in New Delhi by providing the maintenance of basic amenities in the gardens, toilets, pathways and visitor parking areas.

In addition to these, we have also undertaken the project towards the conservation and restoration of the Mausoleum of Muhammad Qutb Shah in Hyderabad.

6E Responsibility

As a responsible corporate citizen, we believe that your Company has a responsibility to reach out to communities who are affected in the event of a natural disaster. It is with this belief that we reached out to flood affected victims during Assam, Karnataka, Maharashtra and Patna floods. Your Company transported 13.27 tonnes of cargo to the flood affected regions and supported different stations and the State Government to distribute the relief material to the affected people. Your Company also supported the Ministry of Health and Family Welfare, the Government of India by transporting the required medicines free of cost. In addition, your Company also distributed relief material items to the flood affected people in Patna.

Daan Utsav

Daan Utsav is an International festival that signifies the act of giving. The festival is celebrated in the first week of October by your Company's employees based at corporate office and airport stations.

Nature of activities undertaken by your Company's employees during the week were:

- Food collection drive, Blood donation camp, donation of Stationary or food to underprivileged children;
- Visit to Schools, orphanage homes, old age homes; and
- Conducting cleanliness drives

Employee volunteering is a central part of IndiGoReach. Our CSR initiatives have always provided a platform to the employees to volunteer. All the new hires- our cabin crew, pilots, engineers and ground staff employees have half day of volunteering activity as part of their training modules. As part of the volunteering opportunity our employees prepare sandwiches, undertake activities during visits to orphanages, old age homes or schools for the underprivileged. Staff from all our departments and airport locations are aligned to a cause and volunteer every quarter as a part of their CSR initiative. This helps us keep the IndiGoReach culture alive across the network and live up to our CSR philosophy.

We have been directly supporting the Delhi NCR Food Bank, an arm of an organisation called ResponseNet since 2014, by contributing food packages to the children.

Your Company also allows flexible volunteering opportunities for all our employees and their family or friends by associating with IndiGoReach initiatives.

Payroll giving initiatives allow employees to make monetary contribution to support children at SOS Children's Village, or sponsor midday meals for children by contribution to Akshay Patra programme of "Each One Feed One" or sponsor a wheelchair to the individuals in need through Nipman Foundation.

Weblink

The Corporate Social Responsibility Policy of your Company is available on the Investor Relations section of the website of your Company at www.goindigo.in

2. The composition of the CSR Committee

As on date, the CSR Committee comprises the following members:

- i. Ms. Rohini Bhatia, Chairperson - Non-Independent Non-Executive Director
- ii. Dr. Anupam Khanna, Member - Independent Non - Executive Director
- iii. Mr. Anil Parashar, Member - Non - Independent Non-Executive Director

3. Average net profit of your Company for last three financial years for the purpose of computation of CSR Rs. 15,766.16 million

4. Prescribed CSR expenditure (two percent of the amount in item 3 above) Rs. 315.32 million

5. Details of CSR spent during the financial year

- (i) Amount spent: Rs. 227.37 million
- (ii) Amount unspent: Rs. 87.95 million

iii) Details and manner in which the amount of CSR has been spent during the financial year are given below:

S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or Programmes (1) Local area or other (2) Specify the state and district where projects or programmes are undertaken	Amount outlay (budget) project or programme wise	Amount spent on the projects or programmes during the year Sub heads: (1) Direct expenditure (2) Overheads	Cumulative expenditure during the FY 2020	Amount Spent: Direct or through implementation agency
1	Facilitating Education	Promotion of Education	Greater Noida (Uttar Pradesh), Dehradun (Uttarakhand), Indore (Madhya Pradesh), Vadodara (Gujarat), Dibrugarh (Assam), Bhopal, Betul (Madhya Pradesh), Lucknow (Uttar Pradesh), Udaipur (Rajasthan), Gurgaon, Faridabad (Haryana), Vishakhapatnam (Andhra Pradesh), Guwahati (Assam)	113.18	(1) 105.28	105.28	All India Human Development Council, SRF Foundation, Eklavya Foundation, Kiddy Kingdom Academy Samiti, Vidya Bhawan Society, SOS Children's Village of India
2	Facilitating education for children with Autism	Promotion of Education	New Delhi (Delhi)	3.58	(1) 3.55	3.55	Tamana
3	Capacity Building	Women Empowerment	Pune, Ahmednagar, Nasik, Thane (Maharashtra), Agartala (Tripura), Greater Noida, (Uttar Pradesh), Udaipur (Rajasthan), Raipur (Chhattisgarh), Kamrup (Assam), Ri-Bhoi (Meghalaya)	58.69	(1) 41.27	41.27	Action for Agricultural Renewal in Maharashtra (AFARM), Seven Sisters Development Assistance, Bandhan Konnagar, Grameen Sahara

S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or Programmes (1) Local area or other (2) Specify the state and district where projects or programmes are undertaken	Amount outlay (budget) project or programme wise	Amount spent on the projects or programmes during the year Sub heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure during the FY 2020	Amount Spent: Direct or through implementation agency
4	Recycle and reuse	Environment	New Delhi (Delhi), Patna (Bihar)	1.40	(1) 1.05	1.05	Nidan
5	Maintenance of 2km Green Patch - Road 99B	Protection of Flora & Environmental sustainability	Gurgaon (Haryana)	0.31	(1) 0.31	0.31	Direct
6	Tree Plantation	Protection of Flora & Environmental sustainability	Greater Noida (Uttar Pradesh)	0.88	(1) 0.88	0.88	Direct
7	Sikanderpur Pond	Protection of Flora & Environmental sustainability	Gurgaon (Haryana)	5.94	(1) 5.94	5.94	I am Gurgaon and Society for Urban Regeneration of Gurgaon (SURGE)
8	Rehabilitation of Water Tanks	Environmental sustainability	Ramanathapuram/ Sivoganga, Madurai and Virudhunagar (Tamil Nadu)	10.03	(1) 10.03	10.03	Professional Assistance for Development Action
9	Restoration of degraded forest	Environmental sustainability	Dandeli-Anshi-Bhimgad Landscape (DABL), Karnataka	10.35	(1) 10.35	10.35	The Corbett Foundation
10	Waste Management	Environmental sustainability	New Delhi	2.94	(1) 2.94	2.94	Chintan Environmental Research and Action Group

S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or Programmes (1) Local area or other (2) Specify the state and district where projects or programmes are undertaken	Amount outlay (budget) project or programme wise	Amount spent on the projects or programmes during the year Sub heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure during the FY 2020	Amount Spent: Direct or through implementation agency
11	Restoration and upkeep of monuments	Protection of National Heritage	Indore (Madhya Pradesh), New Delhi, Hyderabad	35.82	(1) 35.82	35.82	World Monuments Fund India Association, Aga Khan Foundation Direct
12	Flood Relief Operations	Relief and Rehabilitation	Bihar, Assam, Karnataka, Maharashtra	4.65	(1) 1.79	1.79	Direct
13	Administrative overheads for CSR	Salary, Travel tickets, Education Workshop	-	7.75	(2) 7.67	7.67	Direct
14	Food distribution, stationary and volunteering initiatives by our employees across the network	Eradication of hunger, Promoting Education	Raipur (Chhattisgarh), Jorhat(Assam), Bagdogra (West Bengal), Lucknow (Uttar Pradesh), Tuticorin (Tamil Nadu), Mangalore (Karnataka), Port Blair (Andaman and Nicobar Islands), Dimapur (Nagaland), Dehradun (Uttarakhand), Jabalpur (Madhya Pradesh), Visakhapatnam (Andhra Pradesh), Chennai (Tamil Nadu), Jaipur (Rajasthan), Kozhikode (Kerala), Dibrugarh (Assam), Mangalore (Karnataka)	7.75	(2) 0.49	0.49	Direct
	Total			963.97	927.37	927.37	

6. Reason for not spending the prescribed amount:

- As part of Company's internal policy, the CSR funds are released in tranches to partner organisations based on the spends. Unless the partner organisation has spent 90% of the previous tranche, we do not release the next tranche. Since few of the partner organisations could not spend the money, we did not disburse the planned amount to them.
- As a part of our CSR governance and control systems, the implementing organisations and projects are identified after a thorough due diligence process. The fund transfer to few planned implementing organisations could not be initiated due to the inability to complete final formalities prevented by the pandemic. These affected our overall spends.

7. Responsibility statement of the CSR Committee

We hereby confirm that the implementation and monitoring of Corporate Social Responsibility Policy is in compliance with CSR objectives and CSR Policy followed within your Company in compliance with the provisions of the Act.

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 3, 2020
Place: Gurgaon

Annexure – B

Secretarial Audit Report for the financial year ended March 31, 2020

[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)
Central Wing, Ground Floor,
Thapar House, 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.

Based on our verification of the Company's books, papers, minutes 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, 2020 ("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, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 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, 1998 and Securities and Exchange Board of India (Buy-back 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 with which the Company has generally complied with.

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, to the extent except the following:

- *the company was required to appoint one independent woman director on the Board w.e.f. April 01, 2019 in accordance with regulation 17(1)(a) of SEBI LODR, however, independent woman director was appointed w.e.f. September 19, 2019.*
 - *the remuneration paid to the whole time director, due to the inadequacy of the profits in the financial year ended March 31, 2020 is subject to approval of the shareholders of the company.*
- (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 a slight delay for one Board meeting which was condoned by the Board. 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.

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 shareholders of the Company have approved the alteration in Articles of Association of the Company to increase the maximum number of Directors of the Company from its present strength of six (6) to ten (10) in its Annual General Meeting held on August 27, 2019.
- the Company proposed a special Resolution in its Extra-Ordinary General Meeting held on January 29, 2020 for amendments in the Articles of Association of the Company which has not been passed by the Shareholders as the votes cast in favour of the resolution are less than three times the number of votes cast against the resolution.

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

Kapil Dev Taneja
Partner
CP No.: 22944
FCS No.: F4019
UDIN: F004019B000309291

New Delhi
June 02, 2020

Annexure – C

Form No. MGT 9

Extract of Annual Return as on the Financial Year ended on March 31, 2020

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014

I. Registration & Other Details:

i)	CIN	L62100DL2004PLC129768
ii)	Registration Date	January 13, 2004
iii)	Name of the Company	InterGlobe Aviation Limited
iv)	Category/Sub-category of the Company	Public Listed Company / Limited by shares
v)	Address of the Registered office & contact details	Central Wing, Ground Floor, Thapar House, 124 Janpath, New Delhi-110001 Tel: +91 11 6500 0428 Fax: +91 11 4351 3200 Email: investors@goindigo.in
vi)	Whether listed company	Yes
vii)	Name, Address & contact details of the Registrar and Transfer Agent, if any.	KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited) Corporate Registry Selenium, Tower- B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad-500032, India. Toll Free No: 1800345400, Fax No.: +91 40 2300 1153

II. Principal Business Activities of the Company:

All the business activities contributing 10% or more of the total turnover of the Company shall be stated.

S. No	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover* of the Company
1	Passenger Services – Air transport	51101, 51201, 52243 and 52291	94.64%

* Total Turnover is Revenue from operations

III. Particulars of Holding, Subsidiary and Associate Companies

S. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Agile Airport Services Private Limited Regd office: Grd Floor, Thapar House, 124, Janpath Connaught Place, New Delhi - 110001.	U74999DL2017PTC312881	Subsidiary	100%	2 (87)(ii) of the Companies Act, 2013

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	As on 01.04.2019				As on 31.03.2020				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	1,350,943	-	1,350,943	0.35	1,350,943	-	1,350,943	0.35	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	145,706,774	-	145,706,774	37.90	145,706,774	-	145,706,774	37.87	(0.03)
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	147,057,717	-	147,057,717	38.25	147,057,717	-	147,057,717	38.22	(0.03)
(2) Foreign									
a) NRIs- Individuals	88,731,593	-	88,731,593	23.08	88,731,593	-	88,731,593	23.06	(0.02)
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other – Foreign Trust	52,263,313	-	52,263,313	13.60	52,263,313	-	52,263,313	13.58	(0.02)
Sub-Total (A) (2)	140,994,906	-	140,994,906	36.68	140,994,906	-	140,994,906	36.64	(0.04)
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	288,052,623	-	288,052,623	74.93	288,052,623	-	288,052,623	74.86	(0.07)
B. Public Shareholding									
I. Institutions									
a) Mutual Funds	19,343,955	-	19,343,955	5.03	30,455,254	-	30,455,254	7.91	2.88
b) Banks / FI	372,590	-	372,590	0.10	10,243	-	10,243	0.01	(0.09)
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	57,575,148	-	57,575,148	14.98	52,299,687	-	52,299,687	13.59	(1.39)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others - Alternate Investment Funds	40,767	-	40,767	0.01	2,000	-	2,000	-	(0.01)
ii) Qualified Institutional buyers	-	-	-	-	4,798,474	-	4,798,474	1.25	1.25
Sub-total (B) (1)	77,332,460	-	77,332,460	20.12	87,565,658	-	87,565,658	22.76	2.64

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	8,364,422	-	8,364,422	2.18	1,397,622	-	1,397,622	0.36	(1.82)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	4,720,053	56	4,720,109	1.23	2,973,101	55	2,973,156	0.77	(0.46)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2,357,318	-	2,357,318	0.61	1,970,533	-	1,970,533	0.51	(0.10)
c) Others – NBFC	136	-	136	-	18,295	-	18,295	0.01	0.01
Trust	958,694	-	958,694	0.25	524,403	-	524,403	0.14	(0.11)
Non – Indian Residents	1,053,440	1,277,500	2,330,940	0.60	985,200	1,022,000	2,007,200	0.52	(0.08)
Clearing Members	289,716	-	289,716	0.08	286,789	-	286,789	0.07	(0.01)
Foreign Nationals	420	-	420	-	-	-	-	-	-
Sub-total (B)(2) :	17,744,199	1,277,556	19,021,755	4.95	8,155,943	1,022,055	9,177,998	2.38	(2.57)
Total Public Shareholding (B)= (B) (1) + (B) (2)	95,076,659	1,277,556	96,354,215	25.07	95,721,601	1,022,055	96,743,656	25.14	0.07
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	383,129,282	1,277,556	384,406,838	100.00	383,774,224	1,022,055	384,796,279	100.00	0.00

Note: All percentages are rounded off to two decimal places

ii) Shareholding of Promoters

S. No.	Promoter Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Rahul Bhatia	40,000	0.01	-	40,000	0.01	-	-
2	Kapil Bhatia	50,000	0.01	-	50,000	0.01	-	-
3	Rohini Bhatia	10,000	0.00	-	10,000	0.00	-	-
4	Asha Mukherjee	1,250,688	0.33	-	1,250,688	0.33	-	-
5	Shobha Gangwal	32,310,461	8.40	-	32,310,461	8.40	-	-
6	InterGlobe Enterprises Private Limited (formerly known as Acquire Services Private Limited)	145,706,774	37.90	-	145,706,774	37.87	-	(0.03)
7	Rakesh Gangwal	56,421,132	14.68	-	56,421,132	14.66	-	(0.02)

S. No.	Promoter Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
8	The Chinkerpoo Family Trust (Trustee: Shobha Gangwal & J. P. Morgan Trust Company of Delaware)	52,263,313	13.60	-	52,263,313	13.58	-	(0.02)
9	Alok Mehta	255	0.00	-	255	0.00	-	-
	Total	288,052,623	74.93	-	288,052,623	74.86	-	(0.07)

Note: All percentages are rounded off to two decimal places

*There is no change in the total shareholding of promoters between April 01, 2019 and March 31, 2020. The decrease in % of total shareholding of Promoters of the Company from 74.93% to 74.86% is due to increase in total share capital of the Company resulting from ESOS allotment of 389,441 shares.

iii) Change in Promoters' Shareholding (please specify, if there is no change)

S. No.	Particulars	Date	Shareholding		Cumulative Shareholding at the end of the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	01.04.2019	288,052,623	74.93	-	-
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. Allotment / transfer / bonus/ sweat equity etc.)		NIL			
3	At the end of the year*	31.03.2020	288,052,623	74.86	288,052,623	74.86

Note:

*There is no change in the total shareholding of promoters between April 01, 2019 and March 31, 2020. The decrease in % of total shareholding of Promoters of the Company from 74.93% to 74.86% is due to increase in total share capital of the Company resulting from ESOS allotment of 389,441 shares.

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

S. No.	Particulars	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	SBI Equity Hybrid Fund #					
	At the beginning of the year	01.04.2019	5,500,000	1.43	-	-
	Increase / Decrease in shareholding during the year					
	Transfer (Market Purchase)	-	-	-	-	-
	Transfer (Market Sale)	-	(5,500,000)	(1.43)	0	0.00
	At the end of the year	31.03.2020	0	0.00	0	0.00

S. No.	Particulars	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
2	ICICI Prudential Life Insurance Company Limited					
	At the beginning of the year	01.04.2019	4,703,135	1.22	-	-
	Increase / Decrease in shareholding during the year					
	Transfer (Market Purchase)	-	2,690,466	0.70	7,393,601	1.92
	Transfer (Market Sale)	-	(3,198,243)	(0.83)	4,195,358	1.09
	At the end of the year	31.03.2020	4,195,358	1.09	4,195,358	1.09
3	Kotak Mahindra (International) Limited					
	At the beginning of the year	01.04.2019	4,553,518	1.18	-	-
	Increase / Decrease in shareholding during the year					
	Transfer (Market Purchase)	-	925,966	0.24	5,479,484	1.42
	Transfer (Market Sale)	-	(44,957)	(0.01)	5,434,527	1.41
	At the end of the year	31.03.2020	5,434,527	1.41	5,434,527	1.41
4	Jwalamukhi Investment Holdings					
	At the beginning of the year	01.04.2019	3,721,498	0.97	-	-
	Increase / Decrease in shareholding during the year					
	Transfer (Market Purchase)	-	-	-	-	-
	Transfer (Market Sale)	-	-	-	-	-
	At the end of the year	31.03.2020	3,721,498	0.97	3,721,498	0.97
5	Kotak Standard Multicap Fund*					
	At the beginning of the year	01.04.2019	1,700,000	0.44	-	-
	Increase / Decrease in shareholding during the year					
	Transfer (Market Purchase)	-	3,174,900	0.83	4,874,900	1.27
	Transfer (Market Sale)	-	(1,158,000)	(0.30)	3,716,900	0.97
	At the end of the year	31.03.2020	3,716,900	0.97	3,716,900	0.97
6	HDFC Trustee Company Limited-HDFC Equity Fund*					
	At the beginning of the year	01.04.2019	0	0	-	-
	Increase / Decrease in shareholding during the year					
	Transfer (Market Purchase)	-	3,234,889	0.84	3,234,889	0.84
	Transfer (Market Sale)	-	-	-	-	-
	At the end of the year	31.03.2020	3,234,889	0.84	3,234,889	0.84
7	ICICI Prudential Bluechip Fund					
	At the beginning of the year	01.04.2019	1,299,528	0.34	-	-
	Increase / Decrease in shareholding during the year					
	Transfer (Market Purchase)	-	1,908,596	0.50	3,208,124	0.83
	Transfer (Market Sale)	-	(132,900)	(0.03)	3,075,224	0.80
	At the end of the year	31.03.2020	3,075,224	0.80	3,075,224	0.80

S. No.	Particulars	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
8	Wishbone Fund LTD					
	At the beginning of the year	01.04.2019	3,000,000	0.78	-	-
	Increase / Decrease in shareholding during the year					
	Transfer (Market Purchase)	-	442,018	0.11	3,442,018	0.89
	Transfer (Market Sale)	-	(710,799)	(0.18)	2,731,219	0.71
	At the end of the year	31.03.2020	2,731,219	0.71	2,731,219	0.71
9	ICICI Prudential Balanced Advantage Fund					
	At the beginning of the year	01.04.2019	1,499,058	0.39	-	-
	Increase / Decrease in shareholding during the year					
	Transfer (Market Purchase)	-	2,450,713	0.64	3,949,771	1.03
	Transfer (Market Sale)	-	(1,029,612)	(0.27)	2,920,159	0.76
	At the end of the year	31.03.2020	2,920,159	0.76	2,920,159	0.76
10	Matthews India Fund [#]					
	At the beginning of the year	01.04.2019	2,909,931	0.76	-	-
	Increase / Decrease in shareholding during the year					
	Transfer (Market Purchase)	-	-	-	-	-
	Transfer (Market Sale)	-	(2,613,124)	(0.68)	296,807	0.08
	At the end of the year	31.03.2020	296,807	0.08	296,807	0.08
11	Acacia Banyan Partners					
	At the beginning of the year	01.04.2019	2,890,150	0.75	-	-
	Increase / Decrease in shareholding during the year					
	Transfer (Market Purchase)	-	-	-	-	-
	Transfer (Market Sale)	-	(480,000)	(0.12)	2,410,150	0.63
	At the end of the year	31.03.2020	2,410,150	0.63	2,410,150	0.63
12	Franklin India Focused Equity Fund*					
	At the beginning of the year	01.04.2019	-	-	-	-
	Increase / Decrease in shareholding during the year					
	Transfer (Market Purchase)	-	2,828,043	0.73	2,828,043	0.73
	Transfer (Market Sale)	-	-	-	-	-
	At the end of the year	31.03.2020	2,828,043	0.73	2,828,043	0.73
13	National Westminster Bank PLC as Trustee of the Jupiter India Fund [#]					
	At the beginning of the year	01.04.2019	2,125,721	0.55	-	-
	Increase / Decrease in shareholding during the year					
	Transfer (Market Purchase)	-	-	-	-	-
	Transfer (Market Sale)	-	(763,126)	(0.20)	1,362,595	0.35
	At the end of the year	31.03.2020	1,362,595	0.35	1,362,595	0.35

S. No.	Particulars	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
14	SBI Blue Chip Fund#					
	At the beginning of the year	01.04.2019	2,000,000	0.52	-	-
	Increase / Decrease in shareholding during the year					
	Transfer (Market Purchase)	-	1,003,746	0.26	3,003,746	0.78
	Transfer (Market Sale)	-	(3,003,746)	(0.78)	(3,003,746)	(0.78)
	At the end of the year	31.03.2020	0	0.00	0	0.00
15	Acacia Partners, LP#					
	At the beginning of the year	01.04.2019	1,877,444	0.49	-	-
	Increase / Decrease in shareholding during the year					
	Transfer (Market Purchase)	-	-	-	-	-
	Transfer (Market Sale)	-	(880,000)	(0.23)	997,444	0.26
	At the end of the year	31.03.2020	997,444	0.26	997,444	0.26

Notes:

- The full details of date-wise increase / decrease in shareholding of top 10 shareholding are available on the Investor Relations section of your Company's website at www.goindigo.in
- # Ceased to be in the list of top 10 shareholders as on 31.03.2020. The same is reflected above since the shareholder was one of the top 10 shareholders as on 01.04.2019.
- * Not in the list of top 10 shareholders as on 01.04.2019. The same has been reflected above since the shareholder was one of the top 10 shareholders as on 31.03.2020.

v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Particulars	Date	Shareholding		Cumulative Shareholding at the end of the year	
			No. of shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
	Directors					
1	Rahul Bhatia, Director					
	At the beginning of the year	01.04.2019	40,000	0.01	-	-
	Increase / Decrease in shareholding during the year					
	Purchase during the year	-	-	-	-	-
	Sale during the year	-	-	-	-	-
	At the end of the year	31.03.2020	40,000	0.01	40,000	0.01
2	Rakesh Gangwal, Director					
	At the beginning of the year	01.04.2019	56,421,132	14.68	-	-
	Increase / Decrease in shareholding during the year					
	Purchase during the year	-	-	-	-	-
	Sale during the year	-	-	-	-	-
	At the end of the year	31.03.2020	56,421,132	14.66	56,421,132	14.66

S. No.	Particulars	Date	Shareholding		Cumulative Shareholding at the end of the year	
			No. of shares	% of total Shares of the company	No. of shares	% of total Shares of the company
3	Rohini Bhatia, Director					
	At the beginning of the year	01.04.2019	10,000	0.00	-	-
	Increase / Decrease in shareholding during the year					
	Purchase during the year	-	-	-	-	-
	Sale during the year	-	-	-	-	-
	At the end of the year	31.03.2020	10,000	0.00	10,000	0.00
	Key Managerial Personnel					
4	Rohit Philip, Chief Financial Officer*					
	At the beginning of the year	01.04.2019	0	0.00	-	-
	Increase / Decrease in shareholding during the year					
	Purchase during the year	27.05.2019	70,660	0.02	70,660	0.00
	Market Sale	-	-	-	-	-
	At the end of the year	15.09.2019	70,660	0.02	70,660	0.02

Notes:

*Mr. Rohit Philip had resigned from the position of Chief Financial Officer w.e.f September 15, 2019.

Percentage change in shareholding (purchase/ sale) during the year is calculated on the total paid up share capital of the Company

No Directors and Key Managerial Personnel other than listed above hold any shares in the Company.

V. Indebtedness: Indebtedness of the Company including interest outstanding/ accrued but not due for payment.

	(Rs. in million)			
	Secured loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year*				
i) Principal Amount	5,882.51	-	-	5,882.51
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	83.48	-	-	83.48
Total (i+ii+iii)	5,965.99	-	-	5,965.99
Change in Indebtedness during the financial year				
Addition	973.89	-	-	973.89
Reduction	-	-	-	-
Net Change	973.89	-	-	973.89
Indebtedness at the end of the financial year				
i) Principal Amount	6,856.40	-	-	6,856.40
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	79.86	-	-	79.86
Total (i+ii+iii)	6,936.26	-	-	6,936.26

*Exclude amount of lease liabilities (previously classified as finance lease obligation). Refer note no. 16.a. of the notes in the standalone financial statements, which forms a part of the Annual Report.

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole Time Directors and/or Manager:

(Rs. in million)

S. No.	Particulars of Remuneration	Name of Whole Time Director
		Mr. Ronojoy Dutta, Whole time Director & Chief Executive Officer* w.e.f. January 27, 2020
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18.88
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (excluding stock option)	0.01
2	Stock Option	-
3	Sweat Equity	-
4	Commission	-
	- as % of profit	-
	- others, specify	-
5	Others, please specify	-
	Total	18.89
	Ceiling as per the Act	Not Applicable

B. Remuneration to other Directors:

(Rs. in million)

S. No.	Particulars of Remuneration	Fee for attending board & committee meetings	Commission	Others, please specify	Total Amount
1	Independent Directors				
	Mr. Meleveetil Damodaran	2.30	0.00	0.00	2.30
	Dr. Anupam Khanna	3.50	0.00	0.00	3.50
	Ms. Pallavi Shardul Shroff	0.30	0.00	0.00	0.30
	Total A	6.10	0.00	0.00	6.10
2	Non-Executive Directors other than Independent Directors				
	Mr. Rahul Bhatia	1.10	0.00	0.00	1.10
	Mr. Rakesh Gangwal	1.10	0.00	0.00	1.10
	Ms. Rohini Bhatia	1.90	0.00	0.00	1.90
	Mr. Anil Parashar	3.50	0.00	0.00	3.50
	Total B	7.60	0.00	0.00	7.60
	Total Managerial Remuneration (A+B)	13.70	0.00	0.00	13.70
	Overall Ceiling as per the Act	Not Applicable			

C. Remuneration to Key Managerial Personnel other than MD / Manager / Whole Time Director:

(Rs. in million)

S. No.	Particulars of Remuneration	Key Managerial Personnel				Total
		Chief Financial Officer		Chief Executive Officer	Company Secretary and Chief Compliance Officer	
		Rohit Philip [§]	Aditya Pande [%]	Ronojoy Dutta [@]	Sanjay Gupta	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	477.60	31.42	95.22	10.15	614.39
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (excluding stock option)	0.00	0.02	0.12	0.03	0.18
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	90.50	-	-	-	90.50
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	- Others specify...	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total	568.11	31.44	95.34	10.19	705.07

Notes:

*Mr. Ronojoy Dutta who was appointed as Chief Executive Officer (CEO) on January 24, 2019, has been appointed as Whole Time Director w.e.f. January 27, 2020 and redesignated as Whole Time Director and CEO. Besides the remuneration paid to Mr. Ronojoy Dutta during the financial year, an amount of Rs. 56.18 million has also been provided towards committed bonus as per the terms of the contract, being amount accrued till March 31, 2020. The total remuneration paid/ payable to him is subject to approval of shareholders through a special resolution at the ensuing Annual General meeting of the Company since it exceeds the ceiling as mentioned in section 197 read with Schedule V to the Act, due to absence or inadequacy of profits during FY 2020.

§The remuneration paid to Mr. Rohit Philip includes exit amount paid to him at the time of his resignation as per his contract.

%Mr. Aditya Pande joined the Company as Chief Financial Officer (CFO) w.e.f. September 16, 2019 in place of Mr. Rohit Philip who resigned from the post of CFO w.e.f. September 15, 2019.

**Due to inadequate profits, the Company had not paid any remuneration to the Non-Executive Directors except sitting fees for attending meetings of the Board or Committee in accordance with the provisions of Section 197(3) of the Act, during FY 2020.

VII. Penalties / Punishment/ Compounding of Offences: Nil

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/COURT]	Appeal made, if any (give Details)
A. Company					
Penalties			None		
Punishment					
Compounding					
B. Directors					
Penalties			None		
Punishment					
Compounding					
C. Other officers in default					
Penalties			None		
Punishment					
Compounding					

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 3, 2020
Place: Gurgaon

Annexure – D

Statement of Disclosure of Remuneration under Section 197 of 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 2020, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and Company Secretary during FY 2020

S. No.	Name of Director/ Key Managerial Personnel	Designation	Ratio of remuneration of each director to the median remuneration of employees	Percentage increase in remuneration
1.	Mr. Meleveetil Damodaran	Chairman & Independent Non-Executive Director	5.41	Refer to note below#
2.	Dr. Anupam Khanna	Independent Non - Executive Director	8.24	Refer to note below#
3.	Ms. Pallavi Shardul Shroff*	Independent Non-Executive Director	0.71	Refer to note below#
4.	Mr. Rahul Bhatia	Non-Independent Non-Executive Director	2.59	Refer to note below#
5.	Mr. Rakesh Gangwal	Non-Independent Non-Executive Director	2.59	Refer to note below#
6.	Ms. Rohini Bhatia	Non-Independent Non-Executive Director	4.47	Refer to note below#
7.	Mr. Anil Parashar	Non-Independent Non-Executive Director	8.24	Refer to note below#
8.	Mr. Ronojoy Dutta**	Whole Time Director and Chief Executive Officer	44.45	Not Applicable
9.	Mr. Aditya Pande***	Chief Financial Officer	Not Applicable	Not Applicable
10.	Mr. Rohit Philip****	Chief Financial Officer	Not Applicable	Nil
11.	Mr. Sanjay Gupta	Company Secretary & Chief Compliance Officer	Not Applicable	5.00%

#All the Non-Executive Directors of the Company are entitled for sitting fees as per the statutory provisions and within the limits approved by the Board of Directors. The sitting fee as paid for the FY 2020 is included in aforementioned remuneration paid to Directors.

*Ms. Pallavi Shardul Shroff was appointed as an Independent Non-Executive Director with effect from September 19, 2019.

**Mr. Ronojoy Dutta was appointed as Whole Time Director with effect from January 27, 2020 and re-designated as 'Whole Time Director and Chief Executive Officer'. He was earlier appointed as Chief Executive Officer by the Board with effect from January 24, 2019. The Company had not paid/ provided for any remuneration to Mr. Ronojoy Dutta for FY 2019 in accordance with the provisions of Section 197 read with Schedule V to the Act. The ratio of remuneration of Mr. Ronojoy Dutta to the median remuneration of employees has been calculated on the remuneration paid to him in his capacity as Whole Time Director and Chief Executive Officer.

*** Mr. Aditya Pande was appointed as the Chief Financial Officer of the Company with effect from September 16, 2019.

**** Mr. Rohit Philip, erstwhile Chief Financial Officer of the Company resigned with effect from September 15, 2019.

2. The percentage increase in the median remuneration of employees for FY 2020 was 5.60%.
3. The Company had 27,812 permanent employees on the rolls of the Company as on March 31, 2020.
4. Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year was 9.20 %.
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 Directors of
InterGlobe Aviation Limited

Meleveetil Damodaran
Chairman
DIN: 02106990

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

Date: June 3, 2020
Place: Gurgaon

Report on Corporate Governance

Corporate Governance is the philosophy that contemplates and ensures that the affairs of the Company are conducted in a manner consistent with the interest of all stakeholders.

I. Company’s Philosophy on Corporate Governance:

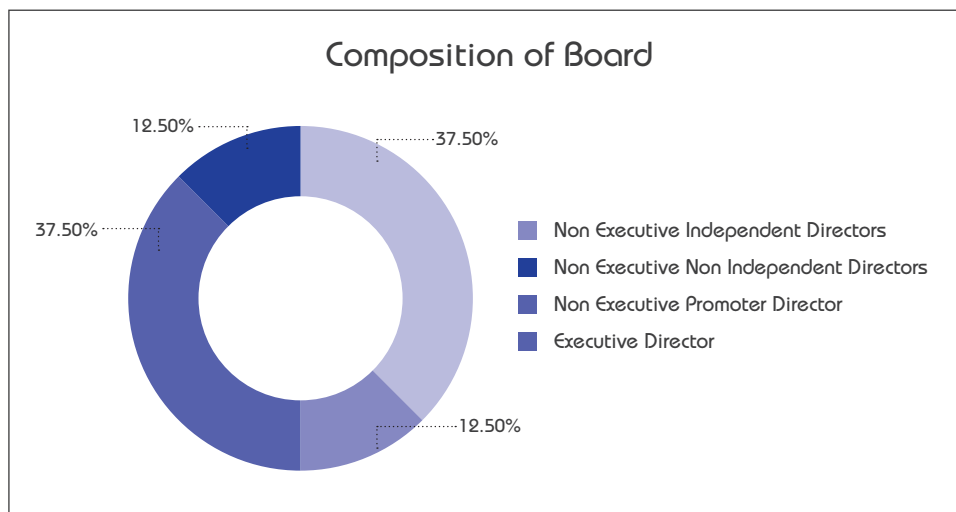
At InterGlobe Aviation Limited (“your Company” or “we”), we focus on three pillars for achieving good corporate governance i.e. integrity, customer orientation and future mindedness. All three are critical in successfully running your Company and reinforcing rewarding relationships amongst all our stakeholders. Responsible corporate conduct is integral to the way your Company does its business. Your Company’s actions are governed by its values and principles, which are reinforced at all levels within your Company. Your Company is committed to do the right things in the right way, which means that we take all business decisions honestly and within the legal framework.

Your Company is conscious of the fact that the success of a corporation is a reflection of the professionalism, conduct and ethical values of its management and employees. Your Company has a strong legacy of fair, transparent and ethical governance practices. The policies and practices of corporate governance followed by your Company reflect its commitment to disclose timely and accurate information regarding our financial and operational performance. We acknowledge our responsibility to manage our business activities with integrity and in an ethical manner. Behind success is our belief that it requires the highest standards of corporate conduct in respect of everyone we work with, including the communities we touch and the environment in which we have an impact. In addition to compliance with regulatory requirements, your Company endeavours to ensure that the highest standards of ethical and responsible conduct are met throughout the organisation. Your Company’s Code of Conduct for Directors and Senior Management and for all employees reflects its commitment to ensure a good corporate governance framework.

Your Company has complied with the requirements of corporate governance as laid down under the Act and 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

The corporate governance structure of your Company comprises the Board as the apex decision making body and Senior Management which comprises experts in running and managing your Company. The Board provides leadership and guidance to your Company’s management and directs, supervises and controls the performance of your Company. The Board exercises independent judgment in overseeing management performance of your Company on behalf of the shareholders and other stakeholders. Detailed profile of each of the Directors is available on the Investor Relations section on your Company’s website at www.goindigo.in.



Your Company's Board has an optimum combination of Executive, Non-Executive and Independent Directors including one Independent Woman Director, as per the requirements of Regulation 17 of the SEBI LODR Regulations. The composition of the Board is as per the requirements of the Act and the SEBI LODR Regulations. As confirmed to the Board, the Independent Directors of your Company meet all the criteria and conditions specified by the Act and the SEBI LODR Regulations and are independent of the management of your Company.

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 for consideration at the Board Meetings.

Your Company's Board represents a confluence of experience and expertise across diverse areas such as management, finance, law and industry.

The Board, which acts as the backbone of your Company, is committed to continuing to comply with the following:

- Transparent procedures and practices and decisions based on adequate information.
- Compliance with all relevant laws in letter and in true spirit.
- Code of Conduct for Directors and Senior Management.
- Constitution of various Committees for Audit, Nomination and Remuneration, Corporate Social Responsibility, Stakeholders' Relationship and Risk Management.
- Complete and timely disclosure of relevant financial and operational information to enable the Board to play an effective role in monitoring management performance.
- Facilitating meetings of Independent Directors without the presence of any Non-Independent / Executive Directors and members from the management.
- Formal induction schedule and conducting a familiarisation program for new Board members.
- Independence of Directors in reviewing and approving corporate strategy, major 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") ("Secretarial Standard-1"). 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 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 to take informed decisions. All necessary information as specified in the SEBI LODR Regulations, is regularly made available to the Board.

During the year, the Board met 11 (eleven) times on the following dates, with necessary quorum being present:

- May 27, 2019;
- May 28, 2019;
- June 12, 2019* (The meeting originally scheduled on June 05, 2020, was adjourned due to lack of quorum);
- July 19, 2019;
- July 20, 2019;
- August 30, 2019;
- October 24, 2019;
- October 25, 2019;
- December 21, 2019;
- January 27, 2020; and
- January 28, 2020.

* Adjourned meeting held as per the provisions of the Articles of Association of the Company

Video conferencing or other audio-visual facilities were made available to facilitate the presence of Directors, who were not able to attend meetings in person. In case of exigencies or urgencies, resolutions were passed by circulation as well.

Meeting of Independent Directors: Independent Directors on the Board of your Company met in March 2020 without other members of the Board or your Company's Management. During this meeting they discussed a wide range of subjects including review of performance of non-independent Directors as also themselves, including the Chairman of the Board and the Board as a whole. At this meeting, they also discussed the quality, quantity and timeliness of the flow of information between the Company's Management and the Board. In addition, they also reviewed the objectives of Board evaluation and appropriate assessment methodology.

Board Membership Criteria and Selection Process: The responsibility for identifying and evaluating a candidate for the Board is discharged by the Nomination and Remuneration Committee ("NRC") under Section 178 of the Act. While selecting a candidate, the NRC reviews and evaluates the Boards' composition and diversity to ensure that the Board and its Committees have the right mix of skill, experience, 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 transparent selection process, guidance on the eligibility criteria and attributes for an individual's appointment to the Board, including of Executive and of 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 and attributes. The Board, on the basis of recommendation of the NRC and the profile of the candidate, recommends appointment of the candidate to the Board for its approval.

During the year Ms. Pallavi Shardul Shroff was appointed as Non-Executive Independent Director w.e.f. September 19, 2019. Mr. Ronojoy Dutta, Chief Executive Officer of the Company, has been appointed as Whole Time Director w.e.f. January 27, 2020 and re-designated as Whole Time Director and Chief Executive Officer of your Company.

Skill matrix of the Board: The Directors on the Board possess professional qualifications, expertise and wide experience including experience that is relevant to the business of your Company. 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 are also in sync with your Company's values, including integrity, honesty and transparency.

The table below elucidates core skills/expertise/competencies identified by the Board as required in the context of our business for it to function effectively:

Sr.No	Skill set	Skill parameters	Independent Directors				Non-Executive Directors				Executive Director
			Mr. Meleveetil Damodaran	Dr. Anupam Khanna	Ms. Pallavi Shardul Shroff	Dr. Venkataramani Sumantran*	Mr. Rahul Bhatia	Mr. Rakesh Gangwal	Ms. Rohini Bhatia	Mr. Anil Parashar	Mr. Ronojoy Dutta
1	Industry skill and knowledge	Understanding aviation business, including risks, development of policies and strategic plans aligned with the vision and mission of your Company and other stakeholders		Yes			Yes	Yes	Yes	Yes	Yes
2	Ethics, integrity and Compliance	Maintaining confidentiality, credibility, trustworthiness, active participation, ability to handle conflict constructively, strong and interpersonal skills	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Corporate Governance practice	Acting within the ambit of law, regulations and guidelines and assessment of policies, procedures	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Financial Reporting Process	Internal controls, risk management, and reviewing the financial affairs	Yes		Yes					Yes	

Sr. No	Skill set	Skill parameters	Independent Directors				Non-Executive Promoter Directors				Executive Director
			Mr. Meleveetil Damodaran	Dr. Anupam Khanna	Ms. Pallavi Shardul Shroff	Dr. Venkataramani Sumantran*	Mr. Rahul Bhatia	Mr. Rakesh Gangwal	Ms. Rohini Bhatia	Mr. Anil Parashar	Mr. Ronojoy Dutta
5	Strategic Planning and Performance	Managing relationships with the management team, regulators, bankers, industry representatives and other stakeholders	Yes	Yes	Yes	Yes	Yes	Yes			Yes
6	Leadership qualities and skills		Yes		Yes	Yes	Yes	Yes			Yes
7	Developing, managing and executing plans	Correctly anticipating business trends, opportunities, and priorities affecting the Company's profitability and operations			Yes	Yes				Yes	
8	Marketing strategies	Business experience in different geographies/markets around the world			Yes				Yes		
9	Technical and professional skills and knowledge	Information /Digital Technology, cyber security, legal and regulatory aspects, social responsibility		Yes					Yes		

Note: * Dr. Venkataramani Sumantran was appointed to the Board as an Independent Director w.e.f. May 28, 2020.

Familiarisation Programme: Your Company conducted a Familiarisation Programme for its Independent Directors to enable them to understand your Company's business, their roles, rights and responsibilities, nature of the industry in which the Company operates, its strategic and operating plans etc. Presentations by various departmental heads were made to make the Independent Directors aware of the business plan and execution processes of your Company.

The details of the familiarisation programme for the Independent Directors is available on the Investor Relations section of the website of your Company at www.goindigo.in.

Board Meetings and Procedure: The Board and Committee meetings are pre-scheduled and an annual calendar of such meetings is circulated to all the Directors well in advance, in order to enable them to plan their schedule and to ensure effective participation in such meetings. However, in case of urgent matters, the Board's approval is taken by passing resolution(s) through circulation. The Company Secretary of your Company finalises the agenda for the meetings in consultation with the Chairman and the Whole Time Director and Chief Executive Officer, and it is circulated to the Board/ Committee members in advance. The agenda for Committee meetings is circulated after consultation with the Chairpersons of the respective Committees. The management team is 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.

Post-Meeting Follow-up System: Your Company has an effective post-meeting follow-up system. As a part of this, your Company tracks important decisions and discussions taken at Board/Committee meetings till the closure of action points. Action taken reports are subsequently placed before the Board/Committees providing details on the action completed or in process.

The names and category of the Directors, their attendance at Board Meetings and the previous AGM, names of other listed entities in which the Director is a director and number of Directorship(s) and Committee Chairmanship(s)/ Membership(s), held by them as on March 31, 2020 are given below:

S. No	Names	Designation	No. of Board Meetings Attended	Attendance at previous AGM held on August 27, 2019 (Y-Yes, N-No)	Directorships in Public Companies as on March 31, 2020	Committee Chairmanship(s)/ Membership(s) in Public Companies as on March 31, 2020		Names of Listed entities where the person is director with category of directorship including this Company
						Chairmanships	Memberships (including Chairmanships)	
1	Mr. Meleveetil Damodaran (Chairman) DIN 02106990	I-NED	11	Y	6	4	8	<ul style="list-style-type: none"> • InterGlobe Aviation Limited - I-NED; • Hero Motocorp Limited - I-NED • CRISIL Limited - I-NED ; • Tech Mahindra Limited - I-NED; • Larsen and Toubro Limited - I-NED ; • Biocon Limited -I-NED
2	Dr. Anupam Khanna DIN 03421015	I-NED	11*	N	1	0	2	<ul style="list-style-type: none"> • InterGlobe Aviation Limited - I-NED
3	Ms. Pallavi Shardul Shroff DIN 00013580	I-NED	3	NA	5	0	3	<ul style="list-style-type: none"> • InterGlobe Aviation Limited -I-NED ; • Apollo Tyres Limited -I-NED ; • Trident Limited - I-NED ; • Asian Paints Limited -I-NED ; • PVR Limited - I-NED
4	Mr. Rahul Bhatia DIN 00090860	NI-NEPD	11	Y	1	0	0	<ul style="list-style-type: none"> • InterGlobe Aviation Limited -NI-NEPD
5	Mr. Rakesh Gangwal DIN 03426679	NI-NEPD	11*	N	1	0	0	<ul style="list-style-type: none"> • InterGlobe Aviation Limited - NI-NEPD
6	Ms. Rohini Bhatia DIN 01583219	NI-NEPD	11	Y	1	1	1	<ul style="list-style-type: none"> • InterGlobe Aviation Limited -NI-NEPD
7	Mr. Anil Parashar DIN 00055377	NI-NED	11	Y	1	0	2	<ul style="list-style-type: none"> • InterGlobe Aviation Limited -NI-NED
8	Mr. Ronojoy Dutta DIN 08676730	ED	2	Y [#]	1 [#]	0	1	<ul style="list-style-type: none"> • InterGlobe Aviation Limited - ED

Legends: I-NED: Independent Non- Executive Director, NI-NEPD: Non Independent – Non Executive Promoter Director, ED: Executive Director, NI-NED: Non-Independent Non-Executive Director

*Including meetings attended through video conferencing during the year.

Notes:

- The committee positions held by the Directors, as mentioned above do not include the committee positions held by them in 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 companies.
- Necessary disclosures regarding directorships held in other companies as on March 31, 2020 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, 2020 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.
- Ms. Pallavi Shardul Shroff has been inducted as Independent Non-Executive Director w.e.f. September 19, 2019.
- Mr. Ronojoy Dutta, CEO of your Company, has been appointed as Whole Time Director w.e.f. January 27, 2020 and re-designated as Whole Time Director and CEO.
- 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 of your Company are disclosed on the website of your Company.
- None of the Directors of your Company is a Director in more than 8 (eight) listed companies, including as independent director in more than 7 (seven) listed companies (as specified in Regulation 17A of SEBI LODR Regulations). In addition to SEBI LODR Regulations, the directorship of the Directors is also in compliance with Section 165 of the Act.
- During the year no Independent Director has resigned from your Company.
- Dr. Venkataramani Sumantran was appointed by the Board as an Independent Director w.e.f. May 28, 2020.

Shareholding of Non-Executive Directors

The shareholding of Non-Executive Directors in your Company as on March 31, 2020 is as follows:

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

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

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:-

- Audit Committee;
- Nomination and Remuneration Committee;
- Stakeholders' Relationship Committee;
- Corporate Social Responsibility Committee;
- 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 the financial year and attendance there at, are provided below:

I. Audit Committee:

The Audit Committee's role and terms of reference are in compliance with the provisions of Section 177 of the Act and Regulation 18 read with Part C of the Schedule II of the SEBI LODR Regulations.

- An indicative list of the terms of reference of the Committee is as under:
 - To oversee the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
 - To recommend the appointment, remuneration and terms of appointment of auditors of the Company;

3. To approve the payment to the statutory auditors for any other services rendered by them;
4. To review with the management, the annual financial statements and auditor's report thereon, before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Boards' report in terms of clause (c) of sub-section 3 of section 134 of the Act;
 - b. Changes, if any, in accounting policies and practices and reasons for such changes;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report;
5. To review with the management, the quarterly, half yearly and annual financial results/statements before submission to the Board for approval;
6. To review with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take steps in such matter. This also includes monitoring the use/ application of funds raised through any proposed offer by the Company;
7. To review and monitor the auditors' independence and performance, and effectiveness of audit process;
8. To approve or to make any subsequent modification of transactions of the Company with related parties;
9. To scrutinise inter-corporate loans and investments;
10. To value undertakings or assets of the Company, wherever it is necessary;
11. To evaluate internal financial controls and risk management systems;
12. To review with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. To review the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audits;
14. To discuss with internal auditors any significant findings and follow up thereon;
15. To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. To discuss with statutory auditors before the audit commences, about the nature and scope of the audit as well as to undertake a post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review / oversee the functioning of the whistle blower / vigil mechanism;
19. To approve the appointment of the Chief Financial Officer (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing qualifications, experience and background, etc. of the candidate;
20. To formulate the scope, functioning, periodicity and methodology for conducting the internal audit, in consultation with the internal auditor;
21. To review the utilisation of loans and/ or advances from or investment by the Company in its subsidiary exceeding rupees 100 crore or 10% of the asset size of its subsidiary, whichever is lower including existing loans / advances / investments;
22. To review compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("SEBI PIT Regulations") and to verify that the systems for internal controls are adequate and are operating effectively, at least once in a financial year;
23. To investigate any activity within its role / terms of reference or as may be referred to it by the Board and for this purpose the Audit Committee shall have full access to information contained in the records of the Company;
24. To review management discussion and analysis of financial condition and results of operations;
25. To review management letters/letters of internal control weaknesses issued by the statutory auditors;

- 26. To review internal audit reports relating to internal control weaknesses;
- 27. To review the appointment, removal and terms of remuneration of the Chief internal auditor.

b) Composition, meetings and attendance:

The composition of the Committee is in line with Section 177 of the Act and Regulation 18 of the SEBI LODR Regulations. All the members of the 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 have the ability to read and understand the financial statements. The Company Secretary acts as the Secretary to the Committee. The Chief Executive Officer, Chief Financial Officer, Vice President - Finance and Chief Accounting Officer of your Company and the concerned partners/ authorised representatives of the Statutory Auditors and Internal Auditors are also invited to the meetings of the Committee.

During the year, the Committee met seven (07) times on the following dates and the time gap between any two meetings was not more than 120 days.

- April 11, 2019;
- May 27, 2019;
- July 19, 2019;
- August 30, 2019;
- October 24, 2019;
- November 11, 2019; and
- January 27, 2020.

The composition of the Audit Committee together with attendance of the members at the Audit Committee meetings held during the year, are as under:

Sr. No.	Name of Committee Member	Position in Committee	Category of Director	No. of meetings attended
1	Mr. Meleveetil Damodaran	Chairman	I-NED	7
2	Dr. Anupam Khanna	Member	I-NED	7*
3	Mr. Anil Parashar	Member	NI-NED	7

*Including 5 meetings attended through video conferencing

During the year, there was no change in the composition of the Committee.

II. Nomination and Remuneration Committee:

The terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Section 178 of the Act and Regulation 19 read with Part D of the Schedule II of the SEBI LODR Regulations, as amended, besides other terms as referred by the Board from time to time.

- a) An indicative list of the terms of reference of the Committee is as under:
1. To identify persons who are qualified to become Directors and who may be appointed to Senior Management in accordance with the criteria / policy laid down by the Committee and recommend to the Board their appointment and removal;
 2. To formulate criteria for evaluation of performance of Independent Directors and the Board;
 3. To formulate the criteria for determining qualifications, positive attributes and independence of Directors;
 4. To recommend/ approve remuneration of the Executive Directors, and any increase therein from time to time, within the limit approved by the shareholders of the Company;
 5. To recommend/ approve remuneration of Non-Executive Directors in the form of sitting fees for attending meetings of Board and its Committees, remuneration for other services, commission on profits, grant of stock options or payment of any other amount;
 6. To decide the overall compensation structure/ policy for the employees, Senior Management and Directors of the Company;
 7. To recommend to the Board, all remuneration in whatever form, payable to Senior Management;
 8. To recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
 9. To recommend amendment to Employees Stock Option Scheme of the Company or to recommend any such new scheme for approval of shareholders of the Company;

10. To exercise all the powers to be exercised by the Compensation Committee as mentioned in the Employees Stock Option Scheme of the Company;
11. To formulate the detailed terms and conditions of the schemes which shall include the provisions as specified under the SEBI (Share Based Employee Benefits) Regulations, 2014 and ensure due implementation of the same;
12. To approve grant of stock options to Directors and employees of the Company and to approve the allotment of shares, arising upon exercise of stock options to the eligible employees/ ex-employees/ Directors of the Company, from time to time;
13. To devise a policy on diversity of Board of Directors.

b) Composition, meetings and attendance:

The Committee's composition is in line 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 of your Company acts as the Secretary of the Committee. During the year, the Committee met five (05) times on the following dates:

- May 27, 2019;
- July 19, 2019;
- August 30, 2019;
- October 24, 2019; and
- January 27, 2020.

The composition of the Committee together with attendance of the members at the Committee meetings held during the year, are as under:

S. No.	Name of the Committee Member	Position in Committee	Category of Director	No. of meetings attended
1	Dr. Anupam Khanna	Chairman	I-NED	5*
2	Mr. Meleveetil Damodaran	Member	I-NED	5
3	Mr. Anil Parashar	Member	NI-NED	5

*Including 3 meetings attended through video conferencing

There was no change in the composition of the Committee during the year.

- c) During the year, the Board evaluated its own performance, and the performance of the Board Committees, the Chairman and all Directors, including Independent Directors, in terms of the requirement of the Act and the SEBI LODR Regulations. The evaluation was aimed at improving the effectiveness of all these constituents and enhancing their contribution to the functioning of the Board. This evaluation was carried out based on discussions among the Directors. Separately, the Board has engaged the services of an expert consultant to undertake a detailed evaluation exercise. This is expected to provide additional insights that will lead to increased Board effectiveness.

d) Remuneration Policy

The Nomination and Remuneration Policy ("Policy") of your Company is aimed at rewarding performance, based on review of achievements on a regular basis and is in consonance with existing industry practices. 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, skillset, seniority, experience and prevailing remuneration levels for equivalent jobs.

The Policy represents the approach of the Company to the remuneration of Directors, KMPs, Senior Management and other employees. Through its compensation programme, your Company endeavors to attract, retain, develop and motivate a high performing workforce. Your Company follows a compensation mix of fixed pay, benefits and performance based variable pay. As per the requirements of the Act and the SEBI LODR Regulations, the Policy is available on the Investor Relations section of the website of your Company at www.goindigo.in.

1) Remuneration to Non-Executive Directors

The Non - Executive Directors of your Company are paid sitting fees of Rs. 100,000 (Rupees One lakh only) for attending each meeting of the Board and its Committees. Further, as approved by the shareholders of the Company at the 16th Annual General Meeting of the Company held on August 27, 2019, the Non-Executive Directors of your Company are entitled to receive remuneration in the form of profit related commission, 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, not exceeding an amount and in such manner as approved by the Board, for each financial year, to each such Independent Director, with effect from financial year 2019-20. Further the shareholders have also accorded their approval for extending certain travel benefits to Non-Executive Directors (other than Independent Directors) including any person who may be appointed as Non-Executive Director (other than Independent Director) on the Board, from time to time, during their term as Non- Executive Directors of your Company.

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

(Amount in Rs.)

S. No.	Name of Director	Sitting fees		Total
		Board meetings	Committee meetings	
1	Mr. Meleveetil Damodaran	1,100,000	1,200,000	2,300,000
2	Dr. Anupam Khanna	1,100,000	2,400,000	3,500,000
3	Mr. Anil Parashar	1,100,000	2,400,000	3,500,000
4	Ms. Pallavi Shardul Shroff (w.e.f. September 19, 2019)	300,000	-	300,000
5	Mr. Rahul Bhatia	1,100,000	-	1,100,000
6	Mr. Rakesh Gangwal	1,100,000	-	1,100,000
7	Ms. Rohini Bhatia	1,100,000	800,000	1,900,000
	Total	6,900,000	6,800,000	13,700,000

2) Remuneration of the Whole Time Director and Chief Executive Officer

Mr. Ronojoy Dutta was appointed as the Chief Executive Officer ("CEO") by the Board on January 24, 2019. Subsequently, on January 27, 2020, the Board appointed him as Whole Time Director and re-designated him as Whole Time Director and CEO.

The details of remuneration paid to Mr. Ronojoy Dutta is as under:

(Rs. in million)

Position	Salary & Allowances	Performance Linked Incentive	Perquisites	Total#
CEO*	77.72	17.50	0.12	95.34
Whole Time Director and CEO**	18.88	-	0.01	18.89
Total	96.60	17.50	0.13	114.23

* upto January 26, 2020

** from January 27, 2020

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

No bonus was paid to Mr. Ronojoy Dutta during the year. However, an amount of Rs. 56.18 million has been provided towards committed bonus as per the terms of his contract, being amount accrued till March 31, 2020.

The total remuneration paid/ payable to Mr. Ronojoy Dutta is subject to approval of shareholders through a special resolution at the ensuing Annual General Meeting of your Company since it exceeds the ceiling as mentioned in section 197 read with Schedule V of the Act, due to absence or inadequacy of profits during the financial year.

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.

Mr. Ronojoy Dutta was not granted any stock options during the year.

The details regarding remuneration paid/payable to Mr. Ronojoy Dutta is part of the notice of ensuing Annual General Meeting.

III. Corporate Social Responsibility Committee:

The Board has constituted Corporate Social Responsibility ("CSR") Committee in accordance with the provisions of Section 135 of the Act to oversee the Corporate Social Responsibility Policy and recommend and monitor the amount of expenditure to be incurred on the activities mentioned in the Schedule VII of the Act.

- a) An indicative list of the terms of reference of the Committee is as under:

The Committee oversees, inter-alia, corporate social responsibility and other related matters as may be referred to it by the Board and discharges the roles as prescribed under Section 135 of the Act. This includes laying down scope of activities that can be undertaken by your Company and recommending the amount to be incurred on such activities as per Schedule VII to the Act and instituting a transparent monitoring mechanism for implementation of corporate social responsibility activities.

The Corporate Social Responsibility Policy adopted by your Company is uploaded on the Investor Relations section of the website of your Company at www.goindigo.in.

- b) Composition, meetings and attendance:

The composition of the Committee is in compliance with Section 135 of the Act. The Company Secretary of your Company acts as the Secretary of the Committee.

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

- May 27, 2019;
- July 19, 2019;
- October 24, 2019; and
- January 27, 2020.

The composition of the Committee together with attendance of the members at the Committee meetings held during the year, are as under:

S. No.	Name of the Committee Member	Position in Committee	Category of Director	No of meetings attended
1	Ms. Rohini Bhatia	Chairperson	NI-NEDP	4
2	Dr. Anupam Khanna	Member	I-NED	4*
3	Mr. Anil Parashar	Member	NI-NED	4

*including two (2) meetings attended through video conferencing.

There was no change in the composition of the Committee during the year.

IV. Stakeholders' Relationship Committee:

The Committee has been constituted in accordance with provisions of Section 178(5) of the Act and Regulation 20 read with Part D of Schedule II of the SEBI LODR Regulations for redressal of shareholder and investor complaints and other stakeholders' related issues. The terms of reference of the Committee have been modified and updated to align with the amendments in the SEBI LODR Regulations.

- a) An indicative list of the terms of reference of the Committee is as under:

1. To look into the various aspects of interest of shareholders, debenture holders and other security holders including the resolution of their grievances relating to transfer/ transmission of securities, non-receipt of annual report, non-receipt of declared dividends, dematerialisation/ rematerialisation of securities and other matters relating to security holders / investors including issues related to general meeting;
2. To approve rematerialisation of securities and issue of new/ duplicate security certificates;
3. To review the measures taken for effective exercise of voting rights by shareholders;
4. To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Company's Registrar and Share Transfer Agent;
5. To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports and statutory notices by the shareholders of the Company;

b) Composition, meetings and attendance:

Ms. Rohini Bhatia, Non-Executive Director, is the Chairperson of the Committee. She had attended the Annual General Meeting held on August 27, 2019 to answer the shareholders' queries as required under Section 178(7) of the Act. The Company Secretary acts as the Secretary of the Committee.

During the year, the Committee met four (4) times on the following dates with necessary quorum being present at all the meetings.

- May 27, 2019;
- July 19, 2019;
- October 24, 2019; and
- January 27, 2020.

Details of the composition, meetings and attendance of the members at the meetings of the Stakeholders' Relationship Committee held during the year and changes in composition, are as under:

S. No.	Name of the Committee Member	Position in Committee	Category of Director	No. of meetings attended
1	Ms. Rohini Bhatia	Chairperson	NI-NEPD	4
2	Dr. Anupam Khanna	Member	I-NED	4*
3	Mr. Anil Parashar	Member	NI-NED	4
4	Mr. Ronojoy Dutta (w.e.f. January 27, 2020)	Member	ED	—

*Including 2 meetings attended through video conferencing.

During the year, Mr. Ronojoy Dutta has been inducted as member of the Committee. However, post his appointment as member of the Committee, no Committee meeting was held during the year.

The total number of complaints received during the year were seven (7), all of which were resolved to the satisfaction of the shareholders and there was no pending complaint as on March 31, 2020.

Your Company had received one demat request during the year which had been completed within the stipulated timelines.

V. Risk Management Committee

The Board has constituted a Risk Management Committee to frame, implement and monitor the risk management plan for your Company. The Committee reviews the enterprise risk management framework of your Company and ensures the effectiveness of the mitigants and the action plan. The Committee is responsible for systematically reviewing and updating the Risk management calendar based on some risks becoming more significant during the year. The Audit Committee has an additional oversight in the areas of financial risks and controls. The Committee meets once a quarter to inter-alia discuss identified relevant risks such as unfavorable fuel price, unfavorable forex movement, infrastructure shortfall, reputation damage, inadequate pilot supply in the market, cyber threat and IT system continuity, adverse regulatory changes and litigation, labor relations and talent flight, major aviation incidents and grounding of fleet.

The terms of reference of the Committee have been modified and updated to align with the amendments in the SEBI LODR Regulations. These were approved by the Board at its meeting held on July 20, 2019.

a) An indicative list of the terms of reference of the Committee is as under:

1. To oversee the enterprise risk management process of the Company;
2. To identify, review and discuss key risks for the Company including regulatory and reputational risks;
3. To review the risk mitigation plans for such key risks; and
4. To review cyber security systems in the Company, the risk related to those and risk mitigation plans.

b) Composition, meetings and attendance:

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.

During the year, the Committee met four (4) times on the following dates with necessary quorum being present at all the meetings.

- May 28, 2019;
- July 20, 2019;
- October 25, 2019; and
- January 27, 2020.

Details of the composition, meetings and attendance of the members at the meetings of the Committee held during the year and changes in composition, are as under:

S. No.	Name of the Committee Member	Position in Committee	Category of Director	No. of meetings attended
1	Mr. Ronojoy Dutta [#]	Chairman	ED	4
2	Dr. Anupam Khanna [#]	Member	I-NED	4*
3	Mr. Anil Parashar	Member	NI-NED	4

* including 2 meetings attended through video conferencing.

[#]During the year, Mr. Ronojoy Dutta who was earlier inducted as member of the Committee was re-designated as Chairman of the Committee upon his appointment as Whole Time Director and CEO by the Board w.e.f. January 27, 2020 and Dr. Anupam Khanna who was Chairman of the Committee, was re-designated as member of the Committee w.e.f. January 27, 2020.

IV. General Body Meetings

i. Details regarding the Annual General Meetings ("AGMs"): Venue, day, date and time of AGMs held during the last three financial years-

S. No.	Financial Year	Venue	Date, day and time
1	2018-19	PHD Chamber of Commerce and Industry, PHD House, 4/2, Sri Institutional Area, August Kranti Marg, New Delhi - 110016, India	August 27, 2019 Tuesday, 10: 00 a.m.
2	2017-18	Zoravar Auditorium, Manekshaw Centre, Khyber Lines, Delhi Cantonment, New Delhi - 110010, India	August 10, 2018, Friday, 10:30 a.m.
3	2016-17	Zoravar Auditorium, Manekshaw Centre, Khyber Lines, Delhi Cantonment, New Delhi - 110010, India	August 28, 2017, Monday, 10:30 a.m.

ii. Details of Special Resolutions passed in the previous three AGMs:

a) 16th AGM held on August 27, 2019 -

- i. Alteration in the Articles of Association of the Company

b) 15th AGM held on August 10, 2018 -

- i. Approval for payment of profit related commission to the Independent Directors of the Company
ii. Approval for increase in the borrowing powers of the Company
iii. Approval for increase in creation of charges against borrowings of the Company

c) 14th AGM held on August 28, 2017-

- i. Further issue of securities by the Company

During the year, no resolution had been proposed and passed through postal ballot.

As on the date of this Report, there is no special resolution proposed by the management to be passed through postal ballot on or before the ensuing AGM .

V. Means of communication:

Effective communication of information is an essential component of corporate governance. It is a process of sharing information, ideas, thoughts, opinions and plans with all stakeholders. To achieve this goal, your Company maintains a functional website with a separate section on 'Investor Relations' and disseminates all information required to be uploaded on its website as per the SEBI LODR Regulations. 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 www.goindigo.in

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 www.goindigo.in. The quarterly results, shareholding pattern and all other corporate communications to the Stock Exchanges are filed through the NSE Electronic Application Processing System and the BSE Listing Centre, for dissemination on their respective websites. 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).

Official news and media releases are sent to Stock Exchanges on which the shares of your Company are listed and are also uploaded on your Company's website.

Presentations on the performance of your Company are placed on the website for the benefit of institutional investors, analysts and other shareholders immediately after communicating to the Stock Exchanges. Your Company has been sending annual report through email to those shareholders, who have registered their e-mail ids with their depository participants / your Company's Registrar and Share Transfer Agent and physical reports to those who have not registered their email ids.

VI. General shareholder information:

i. Annual General Meeting

Date, Day and Time	Friday, September 04, 2020 at 10:00 a.m.
Venue	Through Video-conferencing or Other Audio Visual Means

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, 2019 to March 31, 2020.

The financial calendar of the financial Year 2020-21 is set forth below. Please note that this is tentative and subject to change).

Particulars	Tentative Schedule
Financial reporting for the first quarter ending June 30, 2020	On or before August 14, 2020
Financial reporting for the second quarter and half-year ending September 30, 2020	On or before November 14, 2020
Financial reporting for the third quarter and nine months ending December 31, 2020	On or before February 14, 2021
Financial reporting for the year ending March 31, 2021	On or before May 30, 2021
Annual General Meeting for the financial year 2020-21	On or before August 31, 2021

iii. Date of Book closure / Record date

The Register of Members and Transfer books will remain closed from Saturday, August 29, 2020 to Friday, September 04, 2020 (both days inclusive).

iv. Custodian Fees to Depositories

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

v. 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 2019-20
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

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

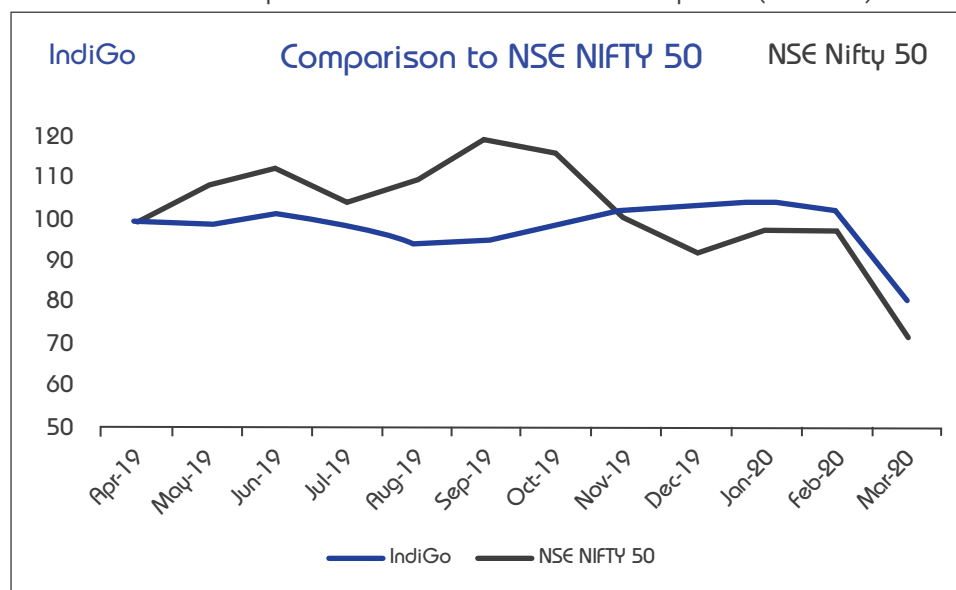
vii. The International Securities Identification Number allotted to the Company's shares for NSDL and CDSL is INE646L01027

viii. Market Price Data:

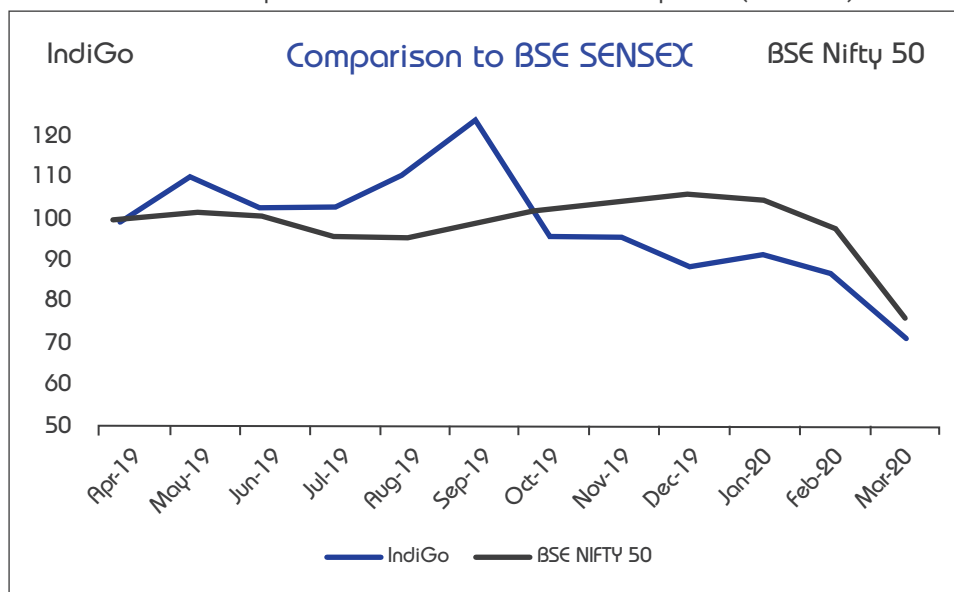
The High, Low (based on monthly closing prices) and number of equity shares traded during each month during the year on NSE and BSE are given below:

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-19	1,650.00	1,361.35	46,197,841	1,650.00	1,361.25	2,300,739
May-19	1,716.00	1,413.70	60,858,004	1,716.00	1,415.60	2,955,894
Jun-19	1,711.00	1,531.05	21,595,566	1,711.80	1,531.55	955,338
Jul-19	1,661.00	1,264.85	83,277,995	1,660.60	1,272.90	5,136,899
Aug-19	1,696.10	1,411.65	27,331,393	1,696.45	1,412.50	1,502,724
Sep-19	1,898.85	1,597.95	21,385,925	1,911.00	1,598.50	1,085,236
Oct-19	1,888.85	1,377.95	38,077,181	1,887.20	1,378.75	1,637,447
Nov-19	1,541.75	1,357.25	36,743,702	1,541.00	1,357.40	1,678,863
Dec-19	1,461.90	1,277.10	25,403,319	1,462.00	1,280.00	1,168,808
Jan-20	1,541.00	1,301.40	36,793,623	1,541.20	1,302.00	1,237,731
Feb-20	1,493.40	1,220.50	26,227,906	1,493.00	1,229.75	805,981
Mar-20	1,347.95	771.30	55,220,140	1,346.25	765.05	2,349,414

a. Stock Performance in comparison to NSE NIFTY 50 for the relevant period: (Base 100)



- b. Stock Performance in comparison to BSE Sensex for the relevant period: (Base 100)



- ix. The securities of your Company were never suspended from trading on Stock Exchanges during the year.

- x. Registrar and Share Transfer Agent (RTA)

Kfin Technologies Private Limited

(formerly known as Karvy Fintech Private Limited)

Selenium Tower – B, Plot No. 31 & 32,

Financial District, Nanakramguda, Serilingampally Mandal,

Hyderabad – 500032, India.

Phone: 040 – 67162222

Fax: 040 - 23431551

Email : einward.ris@kfintech.com

- xi. Share transfer system:

Your Company's shares are traded on the Stock Exchanges compulsorily in dematerialised mode. Physical shares which are lodged with the RTA and/ or the Company for transfer are processed and returned to the members duly transferred within the time stipulated under the SEBI LODR Regulations subject to documents being found valid and complete in all respects. 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 for the members in respect of the shares held by them. Members holding shares in physical form may obtain nomination forms, from the Corporate Secretarial Department or RTA of your Company. Members holding shares in dematerialised form should contact their depository participants ("DP") in this regard.

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(9) of the SEBI LODR Regulations and files a copy of the certificate simultaneously with the Stock Exchanges under Regulation 40(10) of the SEBI LODR Regulations.

- xii. Dematerialisation of shares and liquidity;

Your Company's shares are compulsorily traded in dematerialised form and are available for trading with both the depositories i.e. NSDL and CDSL. The member can hold the shares with any of the DPs, registered with these depositories.

Your Company's equity shares are frequently traded on the BSE and the NSE. As on March 31, 2020, 99.73% of the paid-up share capital constituting over 99.99% of the number of shareholders is in dematerialised form.

Details of shares held in dematerialised and physical form as on March 31, 2020 are given below:

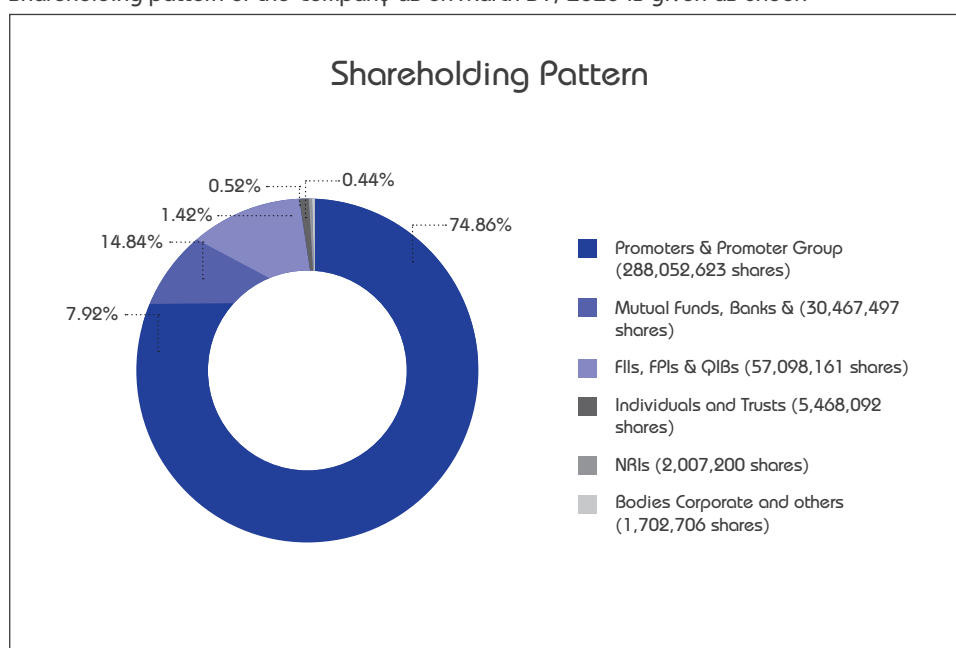
Dematerialised Form	Shareholders		Share Capital	
	No. of Shareholders	% to Total Shareholders	No. of Shares	% to Total Share Capital
NSDL	34,787	55.45	379,633,304	98.66
CDSL	27,948	44.55	4,140,920	1.07
Total in dematerialised form	62,735	100.00	383,774,224	99.73
Physical Form	3	negligible	1,022,055	0.27
Total	62,738	100.00	384,796,279	100.00

xiii. Shareholding of the Company as on March 31, 2020

a. Distribution of shareholding as on March 31, 2020:

Category Equity shares From-To	Shareholders		Share Capital	
	No. of Shareholders	% of total	No. of shares	% of total equity
1 – 5,000	62,262	99.24	3,537,706	0.92
5,001 – 10,000	115	0.18	832,424	0.22
10,001 – 20,000	87	0.14	1,192,458	0.31
20,001 – 30,000	37	0.06	935,806	0.24
30,001 – 40,000	31	0.05	1,091,216	0.28
40,001 – 50,000	22	0.04	983,802	0.26
50,001 – 100,000	59	0.09	4,379,673	1.14
100,001 and above	125	0.20	371,843,194	96.63
Total	62,738	100.00	384,796,279	100.00

b. Shareholding pattern of the Company as on March 31, 2020 is given as under:



Legends: FIs – 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, 2020:

S. No.	Name of the Shareholders	Category of Shareholders	No. of shares held	% of shares held
1	Kotak Mahindra (International) Limited	FPI	5,434,527	1.41
2	ICICI Prudential Life Insurance Company Limited	QIB	4,195,358	1.09
3	Jwalamukhi Investment Holdings	FPI	3,721,498	0.97
4	Kotak Standard Multicap Fund	MF	3,716,900	0.97
5	HDFC Trustee Company Limited-HDFC Equity Fund	MF	3,234,889	0.84
6	ICICI Prudential Bluechip Fund	MF	3,075,224	0.80
7	ICICI Prudential Balanced Advantage Fund	MF	2,920,159	0.76
8	Franklin India Focused Equity Fund	MF	2,828,043	0.73
9	Wishbone Fund Limited	FPI	2,731,219	0.71
10	Acacia Banyan Partners	FPI	2,410,150	0.63
	Total		34,267,967	8.91

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

xiv. Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity:

Your Company has no outstanding global depository receipts or American depository receipts or warrants or any convertible instruments as on March 31, 2020.

xv. 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.

xvi. Plant locations:

Your Company presently performs maintenance activities of its A320 fleet at a hangar in Terminal 1D, Delhi which is a one bay hangar. As per the new master plan of DIAL, your Company needs to vacate this hangar. In light of this, we are constructing two new hangars one in Delhi (DEL) and other in Bangalore (BLR) which are likely to be completed within FY 2021. These hangars at DEL and BLR should enable us to meet the growing maintenance requirements for our fleet in an effective manner.

As per the latest ground handling guidelines, Agile Airport Services Private Limited, the wholly owned subsidiary of your Company provides ground support services at various airports.

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

xvii. Address for correspondence:

Sanjay Gupta, Company Secretary and Chief Compliance Officer
InterGlobe Aviation Limited
Level - 9, Tower - A, Global Business Park,
M G Road, Gurgaon, 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

xviii. Credit Ratings

Credit rating agency ICRA limited (ICRA) has rated your Company's long term credit facilities at [ICRA] A+ (with negative outlook) and short-term credit facilities at [ICRA] A1+ during the year. While maintaining the same credit rating, ICRA has factored in your Company's strong position in the industry with almost 50% market share of the domestic passenger traffic, a strong competitive position in terms of cost structure, comfortable leverage (on lease adjusted

basis) and strong liquidity profile relative to its peers. ICRA expects that the international and domestic operations of domestic airlines are likely to witness significant reduction in passenger traffic if the COVID-19 pandemic is not contained in a timely manner thereby exerting pressure on yields. Notwithstanding the possibility of moderation in passenger demand, the decline in fuel prices could cushion the impact on profitability margins.

ICRA reaffirmed the rating of your Company's long-term credit facilities at [ICRA] A+ (with negative outlook) and short-term credit facilities at [ICRA] A1+ on October 9, 2019. These ratings remained outstanding in March 2020, following an update on the COVID-19 pandemic, as disseminated through ICRA's press release dated March 13, 2020.

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, except as mentioned below:

Pursuant to Regulation 17(1a) of SEBI LODR Regulations, your Company was required to appoint one independent woman director by April 01, 2019. However your Company was not in a position to comply with the requirements of Regulation 17(1a) of the SEBI LODR Regulations since the maximum number of Directors of your Company as per the Articles of Association of your Company ("Articles") was capped at 6 and your Company already had 6 Directors on the Board. In order to ensure compliance with Regulation 17 of the SEBI LODR Regulations relating to appointment of an independent woman director, alteration in Articles was necessary. The shareholders of your Company approved the alteration in the Articles to expand the Board size from 6 Directors to 10 Directors, by way of a special resolution, at the AGM held on August 27, 2019. Subsequently the Board had approved the appointment of Ms. Pallavi Shardul Shroff as an Independent Woman Director of the Company on September 19, 2019. Thus there was non-compliance of SEBI LODR Regulations from the period from April 1, 2019 till September 18, 2019.

Further, penalties were imposed by the Stock Exchanges for the delay in reconstitution of the Audit Committee and Nomination and Remuneration Committee during the FY 2019, which were paid by your Company. This penalty was subsequently waived off by the National Stock Exchange of India Limited (NSE) as the reasons provided for non-compliance falls within the purview of carveouts policy of the NSE. Your Company had also requested BSE Limited to waive the penalty imposed.

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

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.

v. Compliance with mandatory corporate governance requirements and adoption of the non-mandatory requirements

Your Company is in compliance with all mandatory requirements of SEBI LODR Regulations except as stated above for the period April 1, 2019 to September 18, 2019. In addition, your Company has also adopted the following non-mandatory requirements of Regulation 27(1) of the SEBI LODR Regulations to the extent mentioned below:

a) Audit qualifications

During the year, there was no audit qualification on the Company's financial statements. Please also refer to relevant section of the Board's Report.

b) Reporting of Internal Auditor

The Internal Auditors of your Company, PricewaterhouseCoopers Services LLP (LLP Identification Number AAI – 8885) report to the Audit Committee.

c) Shareholders' Rights

Soft 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.

- d) **Separate position of the Chairman and the CEO**
Your Company has appointed separate persons to the post of the Chairman and the Chief Executive Officer. Mr. Meleveetil Damodaran, Independent Director is the Chairman of the Board of Directors and Mr. Ronojoy Dutta is the CEO of your Company.
- vi. **Dividend Distribution Policy**
As per Regulation 43A of the SEBI LODR Regulations, top 500 listed companies are required to formulate a dividend distribution policy. Accordingly, your Company has adopted a dividend distribution policy which sets out the parameters and circumstances to be considered by the Board in determining the distribution of dividend to its shareholders and / or retaining profits earned by your Company. The Policy is also available on the Investor Relations section of the website of your Company at www.goindigo.in.
- vii. **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 Directors and Senior Management. The code is available on the Investor Relations section of the website of your Company at www.goindigo.in. The code is applicable to all Board members and Senior Management. All the Directors and the Senior Management of the Company have affirmed compliance with this Code as on March 31, 2020. A declaration to this effect duly signed by the Whole Time Director and CEO, is annexed at the end of this Report.
- viii. **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. All employees are expected to confirm compliance to the code.
- ix. **Policy for determining 'material' subsidiary**
Your Company has a wholly owned subsidiary Company 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 www.goindigo.in.
- x. **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, as amended ("POSH Act")' under Board's Report, which forms a part of the Annual Report.
- xi. **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.
- xii. **Prohibition of Insider Trading**
In compliance with the SEBI PIT Regulations, your Company has established systems and procedures to prohibit insider trading activities and has formulated and adopted a 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 Designated Persons ("Prohibition of Insider Trading Code"). The Fair Disclosure Code and Prohibition of Insider Trading Code were amended by the Board pursuant to recent amendments in SEBI PIT Regulations. 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.
- 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 have been provided in the relevant portion of Board Report.
- xvi. Your Company has obtained a certificate from Surya Gupta & Associates, Practicing Company Secretaries, 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 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. During the year, B S R & Co. LLP, Chartered Accountants were associated with your Company as Statutory Auditors until the conclusion of the 16th AGM of your Company held on August 27, 2019 and were paid a remuneration of Rs.4.43. million on a consolidated basis, for their services. At the 16th AGM the members have approved the appointment of S R Batliboi & Co., Chartered Accountants as statutory auditors of your Company. A sum of Rs. 19.73 million had been paid to them by your Company as total fees for all services rendered by them, on a consolidated basis. This amount includes the sums paid to the statutory auditors and all entities in the network firm/network entity of which statutory auditors are a part, for FY 2020.

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 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 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 INR: For the year, your Company had fuel expenses of INR 124,538.22 million.
 - ii. Exposure of the Company to various commodities:

Commodity Name	Exposure towards the particular commodity (in INR million)	% of such exposure hedged through commodity derivatives				Total
		Domestic market		International market		
		OTC	Exchange	OTC	Exchange	
Jet fuel	124,538.22	Not hedged through any commodity derivatives				

- c. Commodity risks faced by the 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 do not use financial instruments for hedging the exposure. However, we have taken a number of steps to reduce our fuel consumption which ultimately leads to lower unit fuel costs.
Your Company has different types of aircraft as A320CEO, A320NEO, A321NEO and ATR. The A320NEO aircraft have 6 additional seats as compared to the A320CEO aircraft. In addition to this, we have A321NEO aircraft which currently have 222 seats. As these A320NEO and A321NEO aircraft become a larger percentage of our fleet, we expect our fuel efficiency to continue to improve further. The A320NEO aircraft are 15% more fuel efficient as compared to A320CEO aircraft (without sharklets). We have also ramped up our international operations at a steady rate. While international operations represented 16.5% of capacity in fiscal 2019, it represented 22% of our capacity in the year. This has further helped us reduce our unit fuel costs as fuel is cheaper to procure overseas due to lower taxes and our aircraft utilisation is also higher when we fly internationally. As a result of all these steps, while the average fuel price in India (as declared by Indian Oil Corporation Limited) at four key metros decreased by 5.3% during the year, our unit fuel costs decreased at a much higher pace of around 12.2%.

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) of the SEBI LODR Regulations has been obtained from the Whole Time Director and CEO and the Chief Financial Officer of your Company. An extract of the same is annexed to this Report.

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 3, 2020
Place: Gurgaon

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 Aditya Pande, 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, 2020 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, 2020 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, 2020;
 2. significant changes in accounting policies during the year ended March 31, 2020 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

Aditya Pande
Chief Financial Officer

Date : June 2, 2020
Place : Gurgaon

Declaration on Compliance of Code of Conduct

I, Ronojoy Dutta, Whole Time Director & 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 year ended March 31, 2020.

Ronojoy Dutta

Whole Time Director and Chief Executive Officer

Date : May 25, 2020

Place : Gurgaon

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, 2020, 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 except that the company was required to appoint one independent woman director on the Board w.e.f. April 01, 2019 in accordance with regulation 17(1)(a) of Listing Regulations, however, independent woman director was appointed w.e.f. September 19, 2019.

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

Date : June 02, 2020

Place : New Delhi

Business Responsibility Report

At InterGlobe Aviation Limited ("your Company" or "we"), we continuously strive to deliver on our promise of being on time and courteous, by providing affordable and quality services to our customers. We are committed to fulfill economic, environmental and social responsibilities, while carrying our operations. Being low cost and customer satisfaction continue to remain our fundamental principles.

We continue connecting people, by adding new destinations each year. We have added 18 new destinations (8 international and 10 domestic) during the year taking the total number to 86 destinations (62 domestic and 24 international) from 68 destinations (52 domestic and 16 international). We added net 45 aircraft to our fleet, during the year, taking our total fleet to 262 aircraft comprising 123 A320CEO, 100 A320NEO, 14 A321NEO and 25 ATR.

Your Company is conscious of the environment it operates in and our initiative "IndiGoReach" focuses on fulfilling Corporate Social Responsibilities (CSR) especially in areas of Women Empowerment, Children and Education, Environment and Heritage.

We won various awards and recognitions, both international and national. Some of the significant awards are:

- Awarded for 'Customer Service, Domestic and International Operations and Business growth' for the second year in the row and maiden award for 'Cargo Airline of the Year (Domestic)' by Bangalore International Airport Limited (BIAL);
- Awarded 'Best Low-Cost Airline in Central Asia and India' at the SKYTRAX World Airline Awards for the tenth time in a row;
- Ranked as one of the best airlines in terms of OTP for the third consecutive year amongst the top 20 mega airlines globally;
- Awarded 'Best Domestic Airline' by the Federation of Indian Chambers of Commerce and Industry;
- Awarded 'Best Conversational Brand – Online' at Sammie Awards 2019;
- Awarded 'Companies with Great Managers Award' by People Business in partnership with The Economic Times;
- Awarded 'Best Safety Partner' by Delhi International Airport Limited (DIAL);
- Awarded 'Safety Champion' in Hazard Reporting for the Year 2019 by DIAL;
- Our Learning academy - 'ifly', has won six accolades for best practices in Learning and Development at the TISS LEAPVAULT Chief Learning Officer (CLO) Awards by the Tata Institute of Social Sciences;
- Awarded 'Best Customer Services' Award and the 'Fastest Baggage Delivery' Award by Kannur International Airport Limited (KIAL).

The outbreak of COVID-19 is arguably the worst crisis which the world has faced. Across economies, we have witnessed a sharp deceleration in growth, with airlines being the worst affected. Both internationally and domestically, we faced unprecedented demand slowdown and revenue challenges due to travel bans, lockdown and fear of travel.

The Government of India declared a national lockdown with effect from March 25, 2020, and this continued till May 31, 2020. However, the Government of India permitted a phased resumption of domestic operations from May 25, 2020. As a result, our entire fleet was grounded for 61 days, resulting in passenger revenue loss. It is difficult to estimate the length and severity of the reduction in demand due to COVID-19. At this time, our priority is to ensure safety of our customers and our employees. We have introduced a number of measures as part of our new standard operating procedures which will enable us to minimise the impact of the virus. Some of these procedures include spray cleaning of aircraft on every arrival, increased frequency of deep cleaning of the aircraft including wiping of all touch points such as tray tables, arm rests, seat belts, lavatory door and overhead nozzles, mandatory masks on board, placing hand sanitizers at various places and discontinuance of meal services. Our endeavour is to reinforce customer confidence to fly with us by safeguarding their health and safety.

We have taken action to mitigate the effect of COVID-19 on our business, including cost reduction, steps to preserve cash and improve our overall liquidity position. Some of the steps include replacing older CEO aircraft with the more cost efficient NEOs, putting on hold all discretionary expenses and deferring certain capital expenditure and various employee related cost measures such as salary cuts, leave without pay, etc.

This Business Responsibility Report (BRR) is prepared in accordance with National Voluntary Guidelines ("NVG") on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs, Government of India.

The BRR complies with the Regulation 34(2)(f) of the SEBI LODR Regulations. These principles are created to make companies aware and conscious of their social, environmental and economic responsibilities and balance different considerations in an ethical manner. This Report covers initiatives undertaken by your Company during the year to do its part towards achieving sustainable growth and cover its efforts beyond those enunciated under these NVG principles.



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	: Central Wing, Ground Floor, Thapar House, 124, Janpath, New Delhi - 110 001, India
4.	Website	: www.goindigo.in
5.	E-mail id	: investors@goindigo.in
6.	Financial Year reported	: April 01, 2019 – March 31, 2020
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 and 52291)
8.	List three key products / services that the Company manufactures / provides	: Air Transportation which includes passenger and cargo services
9.	Total number of locations where business activity is undertaken by the Company	:
	a) Number of International Locations (Provide details of major 5)	24 International locations including Dubai, Doha, Sharjah Singapore, Kuwait
	b) Number of National Locations	62 domestic locations
10.	Markets served by the Company	: National (domestic) / International

Section B: Financial Details of the Company

1	Paid up Capital (INR)	: Rs. 3,847.96 million
2	Total Turnover (INR)	: Rs. 372,922.43 million
3	Total profit/(loss) after taxes (INR)	: Rs. (2,481.59) million
4	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax* (%)	: 1.44% (CSR spending as percentage of average net profit*)
5	List of activities in which expenditure in 4 above has been incurred	: For details regarding the CSR initiatives, please refer to Annexure A of 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?	: Yes, Agile Airport Services Private Limited is the only wholly owned subsidiary of your Company.
	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)	: Yes, your Company encourages its subsidiary to adopt its policies and practices to work in the areas of social, economic and environmental concerns and contribute 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 business responsibility initiatives.

Section D: BR Information

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

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

The Corporate Social Responsibility Committee ("CSR Committee") is responsible for the implementation of the BR policies of the Company. The members of the CSR Committee are as follows:

DIN Number	Name of Director	Category	Designation
01583219	Ms. Rohini Bhatia	Non-Executive Promoter 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	:	01583219
2.	Name	:	Ms. Rohini Bhatia
3.	Designation	:	Chairperson of CSR Committee
4.	Telephone number	:	0124-4352500
5.	E-mail id	:	investors@goindigo.in

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

(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.... ^a	Y	Y	Y	Y	Y	Y	N	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders? ^a	Y	Y	Y	Y	Y	Y	-	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words) ^a	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? ^b	Y	Y	Y	Y	Y	Y	-	Y	Y
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy? ^b	Y	Y	Y	Y	Y	Y	-	Y	Y
6	Indicate the link for the policy to be viewed online? ^c	Y	Y	Y	Y	Y	Y	-	Y	Y
7	Has the policy been formally communicated to all relevant internal and external stakeholders? ^c	Y	Y	Y	Y	Y	Y	-	Y	Y
8	Does the Company have in-house structure to implement the policy/ policies ^c	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
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

Notes:

^aThe policies related to all principles are formulated after detailed consultation with relevant stakeholders as per industry framework and market standards, as per management guidelines within the applicable legal and regulatory framework requirements, at national and international level.

^bThe relevant policies are administered by the Departmental Heads who report to the Senior Management of your Company who in turn are responsible for monitoring and overseeing all policy implementation. The Code of Conduct for Directors and Senior Management and the Corporate Social Responsibility Policy have been approved by the Board.

^c The policies mentioned above can be viewed at the Investor Relations section on the website of your Company at www.goindigo.in. Rest of the policies are internal documents of your Company and/or available on intranet for all employees of your Company.

^dThe policies and their implementation have been reviewed periodically by the management.

(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)	-	-	-	-	-	-	^a	-	-

^aThe Company does not take part in any lobbying in the aviation sector.

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 Board directly or through its various Committees, assesses performance of your Company's initiatives forming part of socio- economic and environmental efforts. The CSR Committee of the Board reviews the implementation of various projects / initiatives / programmes undertaken by your Company on quarterly 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?	: The BRR is published annually as a part of the Annual Report and is available at the Investor Relations section on the website of your Company at www.goindigo.in . Your Company has also published the Annual Report on CSR activities which forms a part of the Annual Report.

Section E: Principle-wise Performance

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

The Code of Conduct (Code) adopted by your Company is based on the moralities of honesty, integrity, principles of ethics, transparency, accountability and fairness, which are followed by its Directors, Senior Management and employees while steering their actions.

The Code is the statement of values and represents the standard of conduct which everyone associated with your Company is expected to observe on a day to day basis.

Your Company creates awareness among its employees to understand the true spirit of Code.

Your Company has adopted a Whistleblower Policy and has put in place a vigil mechanism for its Directors, Senior Management and employees, to report concerns about unethical behaviour, actual or suspected fraud, instances of leak of Unpublished Price Sensitive Information ("UPSI") or violations of the Code.

The Whistleblower Policy is extended to suppliers, contractors and other stakeholders as well to enable 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). The Whistleblower 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 Audit Committee of your Company oversees the implementation of the Whistleblower Policy. The Audit Committee, on a quarterly basis, reviews the status of complaints, summary of findings and action taken in accordance with the policy.

During FY 2020, we have further strengthened our Whistleblower Policy to comply with SEBI PIT Regulations by including UPSI as a subject matter that can be reported by whistleblowers. Any instance of leak or suspected leak of UPSI can now also be reported through the Company's vigil mechanism.

Your Company has various mechanisms in place for receiving complaints pertaining to the violation of the Code through dedicated web portal, email or phone number i.e., 'speak'/portal and email.

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

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

The three-pillar concept of social, economic and environmental sustainability, commonly represented by three intersecting circles with overall sustainability at the center, has become ubiquitous.

Further, for us, aviation safety and sustainability are critical because there are lives involved in every operational sphere.

The four pillars of safe aviation are broken down into:

- Safety Policy;
- Safety Risk Management;
- Safety Assurance; and
- Safety Promotion

Safety is one of our core business functions. Your Company is committed to develop, implement and constantly improve its strategies and processes to ensure that its growing operations conforms to the highest level of safety performance and meet safety standards set by national and international regulators.

Your Company strictly adheres to all regulations, various parameters of airworthiness which are as enumerated by Directorate General of Civil Aviation (DGCA), Bureau of Civil Aviation Security (BCAS) and other regulatory bodies of aviation industry through notifications and directives, at national and international level. DGCA issues a Safety Oversight Programme as a Surveillance and Regulatory Audit Plan on an annual basis to ensure compliance with various standards and recommended practices as laid down by International Civil Aviation Organisation (ICAO) for all airlines.

At periodic safety committee meetings, the management reviews and monitors all important safety issues and formulates plans to minimise any hazard.

At your Company, every incident is critically analysed and investigated and based on which recommendations are made to preclude such incidents in future. Such incidents are included in the 'IndSafe Magazine', a monthly safety magazine to make the employees aware about such incidents as case studies. The IndSafe Magazine also contains interesting aspects from aviation industry all over the world.

There is a robust and comprehensive Safety Management System in place that is designed to identify and report hazards before an incident occurs, and ensure that employees understand their responsibility in reporting any hazard as perceived by them. All such safety hazard reports are diligently analysed to identify risks, and necessary actions are taken to mitigate the same.

There is an effective and proactive Flight Data Monitoring System that is designed to trigger safety alerts related to operations of flight 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 program. Various safety training programs are also conducted regularly at all stations.

Your Company constantly endeavors and has taken many proactive measures and has creditably complied with stringent Safety Assessment of Foreign Aircraft (SAFA) inspections as carried out by SAFA Auditors in foreign countries.

The IATA Operational Safety Audit (IOSA) program is an internationally recognised and accepted evaluation system designed to assess the operational management and control systems of an airline. IOSA certification determines the commitment to meeting safety standards at international level. Your Company had 'Nil' findings in two successive IOSA renewal Audits conducted in 2015 and 2017, and only one finding in 2019 IOSA Audit which bears testimony to the fact that the safety standards are at par with the International Industry Standards of your Company.

The management reviews and monitors various risks at safety committee meetings and formulates plans to minimise hazards at regular intervals. The Internal Safety Audit is conducted across all stations to check the implementation of safety processes.

Principle 3: Businesses should promote the wellbeing of all employees

Our employees are the most valuable asset of your Company. We believe in growing together with our employees by mentoring and training them. Training and employment engagement are the pillars which support our employees' growth, nurture their professional skills as a part of their career progression. Well-trained employees are key to our success. These employees have continuously made your Company a better place to work in.

Details of number of employees, grouped under different heads, as on March 31, 2020 are as follows:



Our only wholly owned subsidiary, Agile Airport Services Private Limited, provides ground handling services at various domestic airports where your Company operates, with 16,234 employees on its roll and 2 employees on contract as on March 31, 2020.

Your Company continues to shoulder its responsibility of creating a working environment to uphold employees' personal lives while meeting its goals. Your Company emphasises on dignity and wellness of all its employees by providing innocuous, aseptic and humane environment at workplace. Your Company also offers facilities such as flexible working hours, night shift allowance, transport facilities and allowance, compensatory off, and maternity and paternity leave benefits.

We have an open-door policy wherein management can be approached by any employee to discuss any concern. Such a policy creates a family-like environment, and thereby makes it unnecessary for our employees to form any union / association to address their problems.

Details relating to complaints received during FY 2020:

S. No.	Category	No of complaints received during FY 2020	
		Filed during the year	Pending as at end of the year
1	Child labour/ forced labour / involuntary labour	-	-
2	Sexual harassment	36	5*
3	Discriminatory employment	-	-

*complaints were under investigation as on March 31, 2020.

During FY 2020, no instances related to child labour/ forced labour/ involuntary labour and discriminatory employment have been reported.

Supervisors of your Company adopt safety guidelines keeping in mind the safety of female staff as of crucial importance. Not just in words, but our actions have been stringent enough to preserve the safety of female staff. All incidences of harassment are treated delicately and steps are taken to resolve them on an immediate basis.

Your Company has an internal reward system termed as '6€ claps'. Assiduous employees are crowned with titles like 'Employee of the Month', 'Employee of the Quarter', 'Employee of the Year' and 'Yes I can' which not only gives them recognition, but also motivates them. Encouraging and recognising the efforts of our employees motivate them to go an extra mile for the Company and their co-workers.

Training implies helping people learn; what to do, what not to do, and how to do as also giving them information. Training isn't just about formal 'classroom' courses and obtaining 'tickets' (certificates) to work.

During training at the workplace, we always strive to inculcate the basic principles of your Company – being On Time, Courteous and Hassle free service environment, and affordable fares with highest safety standards in our employees.

Training at your Company, addressees both regulatory and non-regulatory requirements. These include creating the ability to handle emergencies and dangerous goods, while maintaining the service standards benchmarked by us.

The core objective of our training programs is to empower our staff in ensuring safety and meeting customer service standards while handling flight operations with the confidence that they can handle emergencies of any kind. The criticality of these programs for any aviation company is high, and at your Company, we have always set the benchmark higher than regulatory requirements. While the regulatory requirement is at 70%. we drive a pass percentage of 90% for every assessment we conduct.

We design training programs that keep the employees challenged, occupied and engaged over the course of their training. Concepts are designed to hold learners' interest, and they are taught using a range of learning methodologies. Training sessions are customised for the audience. Learning tools, examples and case studies cited and environment creation are some of the examples of this customisation.

We also ensure that the skills of our competent staff are developed and augmented with various skill upgradation workshops. We have various training modules such as classroom training, coaching, multi-channel learning including e-learning and on the job learning. We also conduct application based learning such as first-aid, safety and customer services. With an aim of developing leadership capability across various levels of the organisation, an entirely new course catalogue of program offerings was announced, which focuses on developing crucial leadership competencies across various bands in the organisation.

Our crew have displayed tremendous skills while handling difficult situations such as intoxicated passengers or wilful violators like smokers on board.

Our consummately trained crew are prepared 24/7, 365 days a year to ensure the safety of passengers who choose to fly with us.

At your Company, we give a significant importance to diversity and inclusion at the workplace. Active steps have been taken over the years to ensure that we become a gender balanced organisation. Your Company is working to maintain gender balance and inclusion of persons with disability in the workforce. To ensure such culture throughout the organisation, your Company conducts an app based learning module on diversity and inclusion. This is mandatory for all employees.

A testament to our effective training has been the successful handling of an unplanned evacuation in Kathmandu. Our crew successfully evacuated all passengers well within the universally followed norm of evacuating passengers in 90 seconds.

We all had and continue to have, a tough time while facing COVID-19 this year. Your Company stood strong against the possible onslaught of COVID-19 on the health of its employees. To combat the impact, and keeping in mind the health and hygiene of our employees, your Company disseminates circulars containing guidelines issued by World Health Organisation ("WHO"), Ministry of Health and Family Welfare and Ministry of Civil Aviation. The circulars instruct different stakeholders including cockpit crew, cabin crew, ground staff handling passengers or cargo/baggage to take appropriate preventive measures based on their roles and responsibilities. Our top priority is to focus on the health, safety and well-being of our customers and employees. Our cabin crew started to wear masks and gloves on all flights. We have simultaneously commenced a higher degree of intensive cleaning of all our aircraft as well as all our offices and facilities.

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

Please refer to 'Annual Report on Corporate Social Responsibility Activities' (Annexure 'A' to the Board's Report), which forms a part of the Annual Report, for details on initiatives taken by your Company towards this Principle i.e. respecting the interest of stakeholders especially who are disadvantaged, vulnerable and marginalised.

Principle 5: Promoting and carrying respect towards Human Rights

The Code of Conduct adopted by your Company (Code) upholds the highest levels of ethical business and professional practices thereby promoting and creating an environment towards respect for human rights. The Code is applicable to all employees, associates and business partners of your Company. Your Company goes a long way in upholding human rights and promotes the diversity which each employee brings to the organisation. Your Company has a strong commitment not only towards its employees but also towards third parties. All are treated fairly and respectfully, irrespective of their sex, race, colour, marital, economic or social status, nationality, ethnic origin, language, religion, age, disability, family status, veteran status, maternity status etc.

Our Internal Complaints Committee comprises leaders, from the management team, who are approachable for raising complaints against sexual harassment. Placards have been sited at workplaces to alert employees that your Company has zero tolerance for sexual harassment. Employees who witness or undergo any type of sexual harassment, may reach out through the designated mechanism by writing e-mail, or reaching out to members of the Internal Complaints Committee. All employees are sensitised on these topics through structured training programs.

The management organises refresher workshops for employees to discuss the principles enshrined in the Code. Case studies were based on their regular areas of work. The Code also applies to the employees of its subsidiary company.

No incidence of discrimination or human rights violation was reported during FY 2020.

Principle 6: Protecting and making efforts to restore the Environment

Air transport connects the world, bringing people and goods together. But the benefits of aviation also have an environmental downside. Emissions, noise, industrial processes and waste must be managed by the Company, reduced and wherever possible, eliminated.

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.

Tackling carbon (CO₂) emissions is at the top of the agenda and the industry has a well-established strategy and globally agreed target to that end. Noise is addressed through the International Civil Aviation Organisation (ICAO) Balanced Approach. To deal with more general environmental issues, airlines are working together to establish and share best practices, including the use of environment systems and environmental assessments.

Industry recognises the need to address the global challenge of climate change and has adopted a set of ambitious targets to mitigate CO₂ emissions from air transport.

As one of the four pillars to mitigate emissions and reach environmental targets, improved technology - which includes the development of sustainable aviation fuels—is expected to have the largest impact. In the Technology Roadmap Report, we examine some of the technological advancements on the horizon. This includes radical new concepts in the areas of propulsion and design.

Recycle, Reuse and Reduce – Your Company is recycling all used employees’ uniforms, shoes, bags, aircraft carpets and seat covers. All the used and old articles from across our network are being recycled hygienically and upscaled by our partner organisation into bags, pouches, folders or items that are sold in the local market. The sale proceeds form an income generating opportunity for those women residing in the slums or in the villages.

Eco Power wash of Aircraft: During normal operations, the internal parts of the aircraft engines become dirty due to contamination from the incoming air like dust, moisture, oil, smoke, bird remains etc. Due to this, the engine performance gets deteriorated, resulting in higher fuel consumption and thereby increasing the engine carbon emissions. In order to restore the performance of engine, the airline is required to carry out ‘water wash’ of the engine at certain intervals and at times, after bird ingestion. This water wash removes dirt and contamination and cleans the internal parts of the engine. This results in decreasing fuel consumption and thus decreasing the emission of carbon dioxide into the atmosphere and reducing air pollution. In this traditional method of ‘water wash’ of the engine, the water is sprayed from the front engine and post-cleaning is discharged from tail of the engine onto the tarmac. The residual grime and dirt exiting the engine with wash fluids affects the environment and the surface of the tarmac.

We use the latest technology, i.e. Eco power wash, which re-circulates water in a closed loop (with special AMJF type of spray nozzles), thus avoiding dumping of dirty water in the open. This Eco power wash is performed on IAE V2500, CFM 56 and PW1100G engines on regular basis.

During FY 2020 this Eco power wash carried out in the fleet resulted in savings / improvements as under:

- Reduction in fuel consumption of 1,211,202 gallons per year resulting in a saving of approx. USD 3.8 million;
- Reduction in CO₂ emission by 14,505 tons resulting in a cleaner atmosphere.
- Increase in Exhaust Gas Temperature (EGT) margin of the engine by about 4° C after water wash of the engine; as a result engine runs cooler for same thrust and thus has longer on-wing life.

Your Company has inducted a mix of A320NEO and A321NEO aircraft which are inherently fuel efficient and also reduce carbon footprints.

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 Chamber of Commerce and Industry of India (ASSOCHAM), PHD Chamber of Commerce and other business associations in India and abroad.

Your Company is an active member of the Federation of Indian Airlines (FIA), the voice of India’s airline industry, which works to identify and take up issues on behalf of the industry, with various regulatory authorities, Government departments and other key stakeholders and provides a platform for consensus building amongst the member carriers. The focus of FIA and its activities is safety, passenger amenities, ground services, aviation protocols among others with an overall objective of safety and growth in the Indian aviation sector. FIA will also build a repository of data and its analysis, in order to meaningfully contribute to debates focusing on key issues in the aviation sector. The members of FIA are low cost carriers such as your Company, SpiceJet and GoAir. Furthermore, your Company actively participates in multi-stakeholder debates and when relevant, responds to public consultations.

During FY 2020, your Company has become a member of International Air Transport Association (IATA), an organisation whose mission is to represent, lead and serve the airline industry to shape the future growth of a safe, secure and sustainable air transport industry.

Additionally, we have a membership of the International Civil Aviation Organisation, Air Cargo Forum India, Flight Safety Foundation, Singapore Business Federation and a few other global forums.

Principle 8: Supporting Growth and Equitable Development

The CSR Program of your Company is a step forward towards its commitment of improving the different segments of society equitably. We consider community engagement to be an integral part of our corporate culture. As a responsible organisation, community care remains consistently embedded in our value-creation system. IndiGoReach is an expansion of our desire to make an equitable society, which is well integrated in your Company’s business practices, values and principles.

The CSR approach adopted by your Company, envisages that your Company develops and executes strategies to support communities in partnership with Governments, civil society and relevant stakeholders. We focus on projects that support the sustainable growth of societies, where the progress supports the creation of healthy communities, which in turn create a healthy economy.

The details of the CSR projects undertaken by your Company and amount spent towards CSR projects and initiatives taken by your Company, during the year under review are set out in Annexure ‘A’ to the Board’s Report, forms a part of the Annual Report.

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

Customer satisfaction is our foremost priority.

At your Company, all our policies and processes eventually transform into services for our customers, making them our key stakeholders. We have devised a robust Customer Relationship Management (CRM) system that ensures that tracking of communication, is not only for our customers, but is also for our employees. We have created an eco-system wherein customer feedback is a key element to re-engineer our processes and to improve our services. Improving customer service at the airports and better Inflight services are an integral part of a customer's journey and a key priority for us to continuously invest in making on-ground experience smoother and more hassle-free.

As part of our customer engagement, we have opened various channels of communications, including call centres, information boards at check-in counters at the airports, feedback emails, and feedback through mobile and social media platforms.

We have invested in "customer facing" technologies to further optimise our operations and expand our services. These measures are helping us to improve the ways in which we personalise customer experiences, operate our business and interact with customers. We also send intimations through emails and SMSes to our customers before their flights, to inform them of their flight's status and making their travel hassle free.

Details of customer feedback are also collected every week and a briefing is conducted in the presence of the members of our leadership team. Regular internal employee counselling and corrective training is also embedded into the system to facilitate the improvement process. Our ticket contains all the information required by regulatory bodies, prevailing laws and market trends. It is our constant endeavor to maintain transparency. Your Company has multiple channels for grievance redressal including our website, call centres, email etc. Consumer surveys are carried out by your Company post passenger travel to accurately capture their experience. The endeavour is to continuously improve the overall service experience, across the travel lifecycle, through customer feedback. Additionally, a real time chat service helps customers with answers to all their queries.

As on March 31, 2020, your Company had 482 pending consumer cases in various District Consumer Forums, State Consumer Commission and National Consumer Commission across India. These cases relate to various subject matters and disputes such as flight delay / cancellation, refund of fare, baggage loss/cargo, customer service, no-show, cancellation of tickets etc.

However, as reported to DGCA, we received other complaints relating to flight problems, baggage, customer service, disability, staff behavior, disputes in relation to loss of baggage/cargo, no-show, cancellation of tickets, incorrect bookings, refund of fares, flight delays, death/ injury on board, baggage mishandling and flight cancellation. We have resolved 3,168 customer complaints to their satisfaction. In line with DGCA's view on accessing complaint data of other airline partners, we have received 0.408 complaints per ten thousand flown passengers during FY 2020.

Due to COVID-19 pandemic, your Company has conveyed to its passengers that the entire amount which was paid by them, would be secured in a "credit-shell" which can be used to re-book travel for the next 12 months.

Your Company has committed to build trust through responsible practices and transparent communication – both directly to consumers and indirectly through other key stakeholders.

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 3, 2020
Place: Gurgaon

Independent Auditor's Report

To the Members of InterGlobe Aviation Limited
Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of InterGlobe Aviation Limited ("the Company"), which comprise the Balance sheet as at March 31 2020, 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 Ind AS 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, 2020, its loss including other comprehensive income 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

Emphasis of Matter

We draw attention to Note 44 in the financial statements, which describes the possible effects of uncertainties relating to COVID-19 on 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 Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the standalone Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 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 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)) which govern revenue recognition, and key manual internal controls over passenger revenue recognition, including 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.
- performed data analytics to analyse the flow of transactions from ticket sales to passenger revenue to identify unusual patterns and events
- 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;

First time adoption of Ind AS 116 for leases - 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 both finance and operating lease arrangements. The Company has applied Ind AS 116 from the application date (April 1, 2019) using the modified retrospective approach, thereby recognising the cumulative effect as an adjustment to the opening balance of retained earnings as at April 1, 2019, with no restatement of comparative information.

Further, for determination of the appropriate lease accounting under Ind AS 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.

The first-time adoption of the standard resulted in the recognition, as at April 1, 2019, of right of use of INR 93,942.04mn, a lease liability amounting to INR 146,320.72mn and decrease in retained earnings of INR.6,180.47mn (net of deferred taxes of INR.3,319.76mn).

We considered the first-time application of the standard as a key audit matter, on aircraft and other leases (including the corresponding tax treatment), 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 from ROU, componentisation of the ROU asset, practical expedients used) 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 Ind AS 116, including consideration of exemptions and practical expedients exercised;
- 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 scope of the aircraft and other leases and assessed management judgements used in determining the classification of leases, re-validating operating leases identified under the previously applicable standard, exemptions and practical expedients exercised;
- 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 and opinions given by third party tax advisors;
- assessed the adequacy of the disclosures in respect of the adoption in Note 16.b and in respect of the tax position in Note 30 to the standalone financial statements.

Aircraft Maintenance Obligations (refer note 41 to the standalone financial statements)

The company operates aircraft which are owned or 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.

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;

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.

- 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;
- assessed the adequacy of the related disclosures in respect of the change in estimate in Note 41 to the standalone financial statements.

Impact of COVID-19 on impairment of non-financial assets (refer note 44 to the standalone financial statements)

During the current year, due to impact of COVID-19, 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 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 Ind AS financial statements and our auditor's report thereon. Our opinion on the standalone Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with 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 Ind AS 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 Ind AS 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 Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS 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 Ind AS 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 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 Ind AS financial statements, including the disclosures, and whether the standalone Ind AS 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 Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The Ind AS financial statements of the Company for the year ended March 31, 2019, included in these standalone Ind AS financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 27, 2019

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 Ind AS 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) The remuneration paid to Chief Executive Officer and Wholetime Director for the year ended March 31, 2020, being in excess of the limits prescribed within provisions of section 197 read with Schedule V to the Act by INR 155.82 million, is subject to the approval by a special resolution by the shareholders;
 - (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 Ind AS financial statements – Refer Note 30 to the standalone Ind AS 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 has been no delay in transferring amounts, 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/€300005

per Sanjay Vij
Partner

Membership Number: 95169
UDIN: 20095169AAAABH9500

Place of Signature: Gurugram
Date: June 2, 2020

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 over the period of three years basis the changes in its physical verification programme of rotables during the current year, and accordingly physical verification of rotables would be covered during the next year. 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 except for goods in transit amounting to Rs. 63.44mn, 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.)	Amount paid under protest	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)	-	-	AY 2008-09 and AY 2009-10	High Court of Delhi and 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)	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)	7,980.44	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	Tax deducted at source	1.02	-	AY 2007-08	AO
Income Tax Act	Tax deducted at source	162.59	12.91	AY 2010-11 and AY 2011-12	ITAT
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	37.60	2.13	AY 2008-09, AY 2009-10, AY 2010-11, AY 2013-14, AY 2014-15, 2019-20	AO, ITAT

Name of the statute	Nature of dues	Amount (Rs.)	Amount paid under protest	Period to which the amount relates	Forum at which the dispute is pending
Income Tax Act	Tax deducted at source	115.74	-	FY 2013-14	DCIT
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
The Customs Act	Customs duty and penalty on import of aircraft engines	531.20	-	FY 2011-12 to FY 2012-13	CESTAT
Finance Act, 1994 (Service Tax)	Service tax on passenger ticket cancellation and refund processing charges	2,086.19	47.52	FY 2012-13 to FY 2016-17	CESTAT
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	204.55	7.67	FY 2008-09 to FY 2011-12	CESTAT
The Customs Act	Customs duty and penalty on relinquishment of warehoused liquor	0.16	0.15	FY 2019-20	Commissioner of Customs (Appeals)
The Customs Act	IGST (under customs) on engine stand imported	25.37	-	FY 2017-18 to FY 2018-19	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)
Kerala Value Added Tax, 2003	VAT on sale of goods in International Flights	0.66	0.92	FY 2012-13 to FY 2013-14	Kerala VAT Appellate Tribunal Ernakulam
Maharashtra Value Added Tax, 2003	CST on sale of goods on international flights in state of Maharashtra	7.38	0.48	FY 2012-13	Joint Commissioner
Maharashtra Value Added Tax, 2003	Denial of Input Tax Credit	0.17	-	FY 2012-13	Joint Commissioner
Maharashtra Value Added Tax, 2003	Tax on sale of goods on international flights in state of Maharashtra and Denial of Input Tax Credit	4.67	0.26	FY 2013-14	Joint Commissioner
Mumbai Municipal Corporations Act, 1888	Octroi on import/inward movement of aircraft and engines stand into city of Mumbai for installation	74.39	74.39	FY 2016-17	High Court
Central Sales Tax Act, 1956 & APCST Rules	Central Sales Tax on sale of goods in international flights in state of Andhra Pradesh	0.35	0.04	FY 2012-13	Deputy Commissioner of Commercial Taxes, Telangana
Rajasthan Value Added Tax, 2003	Demand raised by AC of Commercial Taxes on account of mismatch in turnover and denial of Input Tax Credit	4.83	-	FY 2015-16 and FY 2016-17	Assistant Commissioner of Commercial Taxes, Jaipur
Rajasthan Value Added Tax, 2003	Demand raised by AC of Commercial Taxes on account of mismatch in turnover and denial of Input Tax Credit	0.01	-	FY 2017-18	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	-	FY 2015-16	Deputy Commissioner (Appeals)

Name of the statute	Nature of dues	Amount (Rs.)	Amount paid under protest	Period to which the amount relates	Forum at which the dispute is pending
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	-	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	-	FY 2016-17	Deputy Commissioner (Appeals)
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	5,916.00	5,916.00	FY 2017-18 to FY 2019-20	CESTAT Delhi and Commissioner of Customs (Appeals), ND/Bengaluru /Hyderabad

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 2020.
- (ix) In our opinion and according to information and explanations given by the management, monies raised by the Company by way of Institutional Placement Programme during the year 2017-18, were applied for the purpose for which they were raised. 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, we report that remuneration of the Chief Executive Officer and Wholetime Director for the year ended March 31, 2020 is in excess of the limits applicable under section 197 of the Act, read with Schedule V thereto, by Rs 155.82 million. We are informed by the management that it proposes to obtain approval of the shareholders in a general meeting by way of a special resolution.
- (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/€300005

per Sanjay Vij
Partner

Place of Signature: Gurugram
Date: June 2, 2020

Membership Number: 95169
UDIN: 20095169AFAABH9500

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 Limited

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, 2020 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, 2020, 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/€300005

per Sanjay Vij

Partner

Membership Number: 95169

UDIN: 20095169AAAABH9500

Place of Signature: Gurugram

Date: June 2, 2020

Standalone Balance Sheet

as at 31 March 2020

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

	Note	As at 31 March 2020	As at 31 March 2019
I. ASSETS			
Non-current assets			
a. Property, plant and equipment	3	24,984.69	56,315.54
b. Right of use assets	4	142,461.38	-
c. Capital work-in-progress		1,292.70	220.15
d. Intangible assets	5	335.91	304.88
e. Intangible assets under development		109.69	16.14
Financial assets			
(i) Investments	6	1.85	1.25
(ii) Loans	7	12,741.54	5,839.08
(iii) Other financial assets	8	58.30	1,988.21
g. Deferred tax assets (net)	20.d	2,949.44	-
h. Income tax assets (net)	20.c	4,291.79	1,240.35
i. Other non-current assets	9	7,142.69	3,158.76
Total non-current assets		196,369.98	69,084.36
Current assets			
a. Inventories	10	2,861.28	2,114.41
Financial assets			
(i) Investments	6	94,991.67	65,165.70
(ii) Trade receivables	11	2,596.11	3,624.67
(iii) Cash and cash equivalents	12	6,760.42	7,127.83
(iv) Bank balances other than cash and cash equivalents, above	13	101,533.64	78,935.80
(v) Loans	7	4,551.23	4,669.61
(vi) Other financial assets	8	6,231.06	7,925.20
c. Other current assets	9	4,589.17	11,469.76
Total current assets		224,114.58	181,032.98
Total Assets		420,484.56	250,117.34
II. EQUITY AND LIABILITIES			
EQUITY			
a. Equity share capital	14	3,847.96	3,844.07
b. Other equity	15	54,776.43	65,603.82
Total equity		58,624.39	69,447.89
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	16.a	3,465.87	21,936.69
(ii) Lease liabilities	16.b	155,791.01	-
(iii) Other financial liabilities	16.c	30,388.86	33,878.94
b. Provisions	17	5,533.23	2,736.46
c. Deferred tax liabilities (net)	20.d	-	644.16
d. Other non-current liabilities	19	369.77	345.18
e. Deferred incentives		2,206.31	41,143.59
Total non-current liabilities		197,755.05	100,685.02
Current liabilities			
Financial liabilities			
(i) Trade payables	18	-	47.79
- total outstanding dues of micro enterprises and small enterprises		59.25	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		15,595.41	14,504.63
(ii) Lease liabilities	16.b	64,544.27	-
(iii) Other financial liabilities	16.c	45,897.39	21,230.48
b. Provisions	17	13,950.90	1,635.43
c. Current tax liabilities (net)	20.c	30.76	33.51
d. Other current liabilities	19	23,551.09	31,793.44
e. Deferred incentives		476.05	10,739.15
Total current liabilities		164,105.12	79,984.43
TOTAL EQUITY AND LIABILITIES		420,484.56	250,117.34

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 Number: 301003E/300005

per Sanjay Vij
Partner
Membership Number: 95169

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

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

Aditya Pande
Chief Financial Officer

Anil Parashar
Director
DIN: 00055377

Sanjay Gupta
Company Secretary and
Chief Compliance Officer

Place: Gurgaon
Date : 2 June 2020

Place: Gurgaon
Date : 2 June 2020

Standalone Statement of Profit and Loss

for the year ended 31 March 2020

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

	Note	For the year ended 31 March 2020	For the year ended 31 March 2019
Income			
Revenue from operations	21	357,560.01	284,967.72
Other income	22	15,362.42	13,249.36
Total income		372,922.43	298,217.08
Expenses			
Aircraft fuel expenses		124,537.94	119,427.93
Aircraft and engine rentals (net) (Refer to Note 27 and Note 40)		4,966.57	38,610.32
Supplementary rentals and aircraft repair and maintenance (net) (Refer to Note 40)		58,672.37	36,820.05
Airport fees and charges (Refer to Note 40)		29,116.84	24,489.34
Purchase of stock-in-trade (In-flight)		1,809.08	1,397.95
Changes in inventories of stock-in-trade	23	(30.53)	(6.55)
Employee costs	24	43,953.61	31,377.91
Finance costs	25	18,758.71	5,089.63
Depreciation and amortisation expense	26	39,736.13	7,595.80
Foreign exchange loss (net)		15,461.89	4,674.87
Other expenses (Refer to Note 40)	27	38,690.71	30,230.30
Total expenses		375,673.32	299,707.55
Loss before tax		(2,750.89)	(1,490.47)
Tax expense			
Current tax	20	8.21	-
Deferred tax charge / (credit)		(277.51)	(3,051.82)
Total tax expense/ (credit)		(269.30)	(3,051.82)
Profit / (loss) for the year		(2,481.59)	1,561.35
Other comprehensive income			
Items that will not be reclassified to profit or loss	15.b.		
- Remeasurements of defined benefit plans		14.70	2.06
- Income tax relating to above mentioned item		(3.70)	(0.72)
Other comprehensive income for the year, net of tax		11.00	1.34
Total comprehensive income for the year		(2,470.59)	1,562.69
Earnings per equity share of face value of Rs. 10 each (previous year Rs. 10 each)			
Basic (Rs.)	35	(6.45)	4.06
Diluted (Rs.)		(6.45)	4.06

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 Number: 301003E/€300005

per Sanjay Vij

Partner

Membership Number: 95169

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

Ronojoy Dutta

Whole Time Director and

Chief Executive Officer

DIN: 08676730

Aditya Pande

Chief Financial Officer

Anil Parashar

Director

DIN: 00055377

Sanjay Gupta

Company Secretary and
Chief Compliance Officer

Place: Gurgaon
Date : 2 June 2020

Place: Gurgaon
Date : 2 June 2020

Standalone Cash flow Statement

for the year ended 31 March 2020

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

	For the year ended 31 March 2020	For the year ended 31 March 2019
A. Cash flows from operating activities		
Loss before tax	(2,750.89)	(1,490.47)
Adjustments for:		
Depreciation and amortisation expense	39,736.13	7,595.80
Finance cost on lease liabilities	13,644.50	-
Unrealised foreign exchange loss (net)	13,122.27	3,546.06
Interest accretion on provisions and other financial liabilities measured at amortised cost	4,564.57	3,496.52
Marked to market gain on current investments	(4,595.12)	(2,229.07)
Interest income from bank deposits	(2,571.70)	(4,344.11)
Non cash incentives, claims and credits (net)	(2,164.89)	(2,594.56)
Net gain on sale of current investments	(1,930.57)	(1,615.92)
Interest income from financial assets at amortised cost	(986.56)	(755.46)
Employee stock option scheme expense (included in salaries, wages and bonus)	(99.15)	(133.28)
Liabilities no longer required written back	(76.67)	(263.81)
Interest on borrowings measured at amortised cost	336.48	317.11
Redelivery and overhaul cost	160.78	307.66
Property, plant and equipment written off	104.04	70.21
Loss on sale of property, plant and equipment (net)	49.26	0.81
Bad debts written off	13.45	8.65
Impairment loss on deposits	8.37	-
Impairment loss on trade receivables	3.70	6.91
Advance write off	0.60	1.16
Deferred rent amortisation (included in aircraft and engine rentals (net))	-	693.48
Finance lease charges on finance lease obligations measured at amortised cost	-	1,119.55
Impact of Ind AS 115 - Revenue from contract with customers (Refer to Note 19)	-	24.55
Operating profit before working capital changes	56,568.61	3,761.79
Adjustments for:		
Increase in loans, other financial assets, and other assets	(5,297.29)	(9,267.73)
Increase in inventories	(746.87)	(282.14)
Increase in trade payables, other financial liabilities, other liabilities and provisions	20,961.83	13,974.98
Decrease/ (increase) in trade receivables	1,009.13	(1,406.80)
Increase in deferred incentives	-	25,767.83
Cash generated from operating activities	72,495.41	32,547.93
Income tax paid	(3,062.40)	(947.96)
Net cash generated from operating activities	69,433.01	31,599.97
B. Cash flows from investing activities		
Purchase of mutual funds / shares / fixed rate non-convertible debentures (Refer to Note 6)	(230,557.46)	(150,080.54)
Proceeds from sale of mutual funds / shares / fixed rate non-convertible debentures (Refer to Note 6)	207,256.58	152,198.98
Investment in deposits (Refer to Note 8, 12 and 13)	(94,209.29)	(110,132.31)
Proceeds from maturity of deposits (Refer to Note 8, 12 and 13)	78,752.90	94,706.15
Interest received	3,692.97	5,008.76
Purchase of property, plant and equipment and intangible assets (including capital advances)	(10,872.15)	(17,115.62)
Proceeds from sale of property, plant and equipment	267.38	54.07
Net cash used in investing activities	(45,669.07)	(25,360.51)
C. Cash flows from financing activities		
Repayment of lease liabilities (net of incentives)	(8,707.56)	-
Finance charges paid on lease liabilities	(13,374.50)	-
Proceeds from secured loans (Refer to Note 3 below)	420.61	483.54
Repayment of secured loans (Refer to Note 3 below)	-	(2,561.93)
Interest paid on secured loans	(340.10)	(292.65)
Finance lease charges paid	-	(770.09)
Final dividend paid	(1,922.53)	(2,306.36)
Corporate dividend tax paid	(395.34)	(474.09)
Securities premium received on account of issue of shares	240.69	-
Proceeds from issue of shares on exercise of stock options scheme	3.89	-
Net cash used in financing activities	(24,074.84)	(5,921.58)

Standalone Cash flow Statement

for the year ended 31 March 2020

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

	For the year ended 31 March 2020	For the year ended 31 March 2019
Net increase / (decrease) in cash and cash equivalents during the year (A+B+C)	(310.90)	317.88
Effect of exchange rate changes on cash and cash equivalents held in foreign currency	(56.51)	103.67
D. Cash and cash equivalents at the beginning of the year		
Cash on hand	48.89	30.31
Balance with banks:		
- On current accounts	5,436.79	5,510.97
- On deposit accounts (with original maturity of three months or less)	1,642.15	1,165.00
	7,127.83	6,706.28
E. Cash and cash equivalents as at the end 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

Notes:

- 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.
- Cash and cash equivalents includes Rs. 3,968.28 (previous year Rs. 2,285.71) held in foreign currency which can be repatriated back by the Company subject to procedural compliances in local jurisdictions.
- Changes in liabilities arising from financing activities*

	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening balance of secured loans		
- Finance lease obligations (including current maturities of finance lease obligations)	-	19,445.12
- Foreign currency term loan - from others	5,882.51	5,082.09
Cash flows		
Repayment of secured loans	-	(2,561.93)
Proceeds from secured loans	420.61	483.54
Non-cash changes		
Foreign currency exchange fluctuations	553.28	1,515.85
Changes in finance lease obligation measured at amortised cost	-	327.04
Closing balance of secured loans		
- Finance lease obligations (including current maturities of finance lease obligations)	-	18,409.20
- Foreign currency term loan - from others (including current maturities)	6,856.40	5,882.51

* Information in respect of the current year ended 31 March 2020 is presented in accordance with Ind AS 116. Information in respect of the comparative year ended 31 March 2019 is presented in accordance with Ind AS 17. Refer Note 16.b.

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 Number: 301003E/€300005

per Sanjay Vij
Partner
Membership Number: 95169

Place: Gurgaon
Date : 2 June 2020

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

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

Aditya Pande
Chief Financial Officer

Place: Gurgaon
Date : 2 June 2020

Anil Parashar
Director
DIN: 00055377

Sanjay Gupta
Company Secretary and
Chief Compliance Officer

Standalone Statement of Changes in Equity

for the year ended 31 March 2020

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

A. Equity share capital

	Note	For the year ended 31 March 2020		For the year ended 31 March 2019	
		Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year		384,406,838	3,844.07	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 scheme	37	389,441	3.89	-	-
Balance at the end of the year		384,796,279	3,847.96	384,406,838	3,844.07

B. Other equity

	Note	Equity component of compound financial instruments*	Reserve and Surplus			Total
			Employee stock options outstanding account	Securities premium	General reserve	
Balance as at 1 April 2019		58.79	406.82	37,740.96	389.07	65,603.82
Impact of Ind AS 116 - Leases (Refer to Note 16.b.)						(6,180.47)
Restated balance as at 1 April 2019		58.79	406.82	37,740.96	389.07	59,423.35
Changes in other equity during the year ended 31 March 2020:						
Loss for the year						(2,481.59)
Other comprehensive income for the year	15.b.(iv)					11.00
Total comprehensive income for the year						(2,470.59)
Final dividend	15.b.(iv)					(1,922.53)
Corporate dividend tax	15.b.(iv)					(395.34)
Premium received during the year on account of issue of shares	15.b.(ii)	-	-	240.69	-	240.69
Amount (utilised) / transfer for issue of shares on exercise of employee stock options scheme	15.b.(ii)	-	(202.56)	202.56	-	-
Employee stock option scheme expense		-	(99.15)	-	-	(99.15)
Balance as at 31 March 2020	37	58.79	105.11	38,184.21	389.07	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.

Standalone Statement of Changes in Equity

for the year ended 31 March 2020

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

B. Other equity (contd...)

Note	Equity component of compound financial instruments*	Reserve and Surplus			Other comprehensive income**	Total
		Employee stock options outstanding account	Securities premium	General reserve		
Balance as at 1 April 2018	58.79	540.10	37,740.96	389.07	(31.89)	66,930.39
Impact of Ind AS 115 - Revenue from contract with customers (Refer to Note 19)						24.55
Restated balance as at 1 April 2018	58.79	540.10	37,740.96	389.07	(31.89)	66,954.94
Changes in other equity during the year ended 31 March 2019:						
Profit for the year						1,561.35
Other comprehensive income for the year					1.34	1.34
Total comprehensive income for the year					1.34	1,562.69
Transferred to retained earnings					30.55	-
Final dividend						(2,306.44)
Corporate dividend tax						(474.09)
Employee stock option scheme expense		(133.28)				-
Balance as at 31 March 2019	58.79	406.82	37,740.96	389.07	-	65,603.82

* 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

For S.R. Batliboi & Co LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/300005

per Sanjay Vij

Partner

Membership Number: 95169

For and on behalf of the Board of Directors of

InterGlobe Aviation Limited

Ronojay Dutta

Whole Time Director and

Chief Executive Officer

DIN: 08676730

Anil Parashar

Director

DIN: 00055377

Aditya Pande

Chief Financial Officer

Place: Gurgaon

Date: 2 June 2020

Sanjay Gupta

Company Secretary and

Chief Compliance Officer

Notes forming part of the standalone financial statements for the year ended 31 March 2020

(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 Central Wing, Ground Floor, Thapar House, 124 Janpath, New Delhi - 110 001. 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 comprise 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 2 June 2020.

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

Note 2.(b) (xiv) 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 aircraft.

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 Ind AS 17), and their associated costs.

Note 2.(b) (xx) and 17. - estimation of provision of maintenance, redelivery and overhaul cost.

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), (v) and 28 - fair value measurement of financial instruments.

Note 2.(b) (xxii) - judgement required to determine probability of recognition of deferred tax assets and MAT credit entitlement.

Note 2.(b) (xvi) - judgement required to determine standalone price for each performance in bundled contracts.

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

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.

Note 2.(b)(xiii) - 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. Refer to Note 44.

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 for the year ended 31 March 2020

(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 at 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 lease liabilities (previously classified as finance lease under Ind AS 17) which represents long-term foreign currency monetary loans taken before 31 March 2016 and used for acquisition of depreciable right of use assets (previously classified as property, plant and equipment), are adjusted in the cost of respective item of right of use assets. The above 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 2020

(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 for the year ended 31 March 2020

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

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 expire.

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 for the year ended 31 March 2020

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

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 Ind AS 17.

The cost of improvements to aircraft taken on lease except leased aircraft previously classified as finance leases under Ind AS 17, 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 for the year ended 31 March 2020

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

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 Ind AS 17 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

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.

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.

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

(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 losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and are 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) Leases

With effect from 1 April 2019, the Company has adopted Ind AS 116, 'Leases' retrospectively with the cumulative effect of initially applying the standard, recognised as an adjustment to the opening balance of retained earnings as on the date of initial application (1 April 2019). Accordingly, the Company is not required to restate the comparative information for the year ended 31 March 2019.

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.

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.

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

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

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 Ind AS 17 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	1-8
- Leased aircraft previously classified as finance lease under Ind AS 17	20
- Major inspection and overhaul costs (Refer to Note 2. (xx))	2-12
Equipment	8
Leasehold land	15-20
Building	1-10

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

Accounting standard effective till 31 March 2019, Ind AS 17 - Leases

Leased assets

Leases of property, plant and equipment that transfer to the Company substantially all of the risks and rewards of ownership are classified as finance lease. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities, as appropriate. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Leases in which significant portion of risks and rewards of ownership are not transferred are classified as operating leases. In determining the appropriate classification, the substance of the transaction rather than the form is considered. In case, the lease arrangement includes other consideration, it is separated at the inception of the lease arrangement or upon a reassessment of the lease arrangement into those for the lease and those for other elements on the basis of their relative fair values.

Lease classification is made at the inception of the lease. Lease classification is changed only if, at any time during the lease, the parties to the lease agreement agree to revise the terms of the lease (without renewing it) in a way that it would have been classified differently, had the changed terms been in effect at inception. The revised agreement involves renegotiation of original terms and conditions and are accounted prospectively over the remaining term of the lease.

Lease payments

Minimum lease payments made under finance lease are apportioned between the finance costs and the reduction of the outstanding liability. The finance costs is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Lease payments in respect of assets taken on operating lease are charged to the Standalone Statement of Profit and Loss on a straight line basis over the initial period for which the asset is expected to be used unless the payments are structured to increase in line with the expected general inflation to compensate the lessor's expected inflationary cost increases.

Sale and lease back transactions

Gains and losses arising on sale and leaseback transactions resulting in an operating lease and where the sale price is at fair value, are recognised immediately in the Standalone Statement of Profit and Loss. Where the sale price is below fair value, any losses are immediately recognised in the Standalone Statement of Profit and Loss, except where the loss is compensated for by future lease payments at below market price, it is deferred and amortised in proportion to the lease payments over the initial period for which the asset is expected to be used. Where the sale price is above fair value, the excess over fair value is amortised over the initial period of the lease which coincides with the period for which the asset is expected to be used.

Any excess of sale proceeds over the carrying amount in case a sale and leaseback transaction results in a finance lease, is deferred and amortised over the expected period of use of leased asset in proportion to the depreciation of the leased asset.

(xi) 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.

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Where the aircraft is held under finance lease as per Ind AS 17, 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.

(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 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.

(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.

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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 comprise 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 benefits expense in the Standalone Statement of Profit and Loss.

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

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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 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 Ind AS 17), the aircraft have to be redelivered to the lessors at the end of the lease term under stipulated contractual return conditions. At inception of the lease, 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 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.

(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.

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

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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.

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 rate 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 pertain. 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.

(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.

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

(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 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 Ind AS 17).

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.

The Company recognises aircraft repair and maintenance cost in the Standalone Statement of Profit and Loss (except heavy maintenance visits, engine overhaul and landing gear overhaul expenses for owned aircraft and leased aircraft previously classified as finance leases under Ind AS 17) on incurred basis, except for aircraft maintenance covered by third party maintenance agreements, wherein a portion of the cost are charged to the Standalone Statement of Profit and Loss at a contractual rate per hour in accordance with the terms of the agreements.

(xxi) Aircraft fuel expense

Aircraft fuel expenses are recognised in the Standalone 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 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 it 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.

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

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.

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 current 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.

(xxiii) 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.

(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.

(xxvi) Changes in accounting policies and disclosures

New and amended Standards

Ind AS 12 Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. These amendments had no impact on the standalone financial statements of the Company.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. These amendments had no impact on the standalone financial statements of the Company.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. These amendments had no impact on the standalone financial statements of the Company.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. These amendments had no impact on the standalone financial statements of the Company.

Ind AS 116 – Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Company has applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (i.e. 1 April 2019). Accordingly, the Company has not restated comparative information; instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on 1 April 2019. Refer to Note 16.b.

Notes forming part of the standalone financial statements

for the year ended 31 March 2020

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

3. Property, plant and equipment

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

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

3. Property, plant and equipment (contd...)

As at 31 March 2019

Particulars	Owne aircraft and spare engines	Lease 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	15,161.55	35,327.98	222.50	698.57	120.17	1,413.14	947.11	700.52	1,521.66	1,351.87	57,465.07
Additions during the year	8,303.99	5,614.80	59.76	236.63	28.43	805.16	774.89	148.50	545.78	680.99	17,198.93
Disposals during the year	226.32	873.81	1.49	13.87	3.97	11.33	36.94	3.21	2.76	108.45	1,282.15
Adjustments during the year *	-	1,215.70	-	-	-	-	-	-	-	-	1,215.70
Balance at the end 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
Accumulated depreciation											
Balance at the beginning of the year	2,650.59	6,502.64	104.36	432.46	70.44	527.68	470.84	482.85	766.54	109.11	12,117.51
Depreciation for the year	2,200.51	3,671.14	47.66	199.20	25.12	228.61	245.04	173.31	446.13	84.84	7,321.56
Depreciation on disposals	226.32	873.82	0.95	9.71	2.52	5.68	20.07	3.21	2.76	12.02	1,157.06
Balance at the end 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
Net carrying value as at 31 March 2019	18,614.44	31,984.71	129.70	299.38	51.59	1,456.36	989.25	192.86	854.77	1,742.48	56,315.54

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.

*The Company has adjusted foreign currency loss amounting to Rs. 1,215.70 during the year ended 31 March 2019, arising on re-statement of long-term foreign currency monetary loans used for acquisition of a depreciable capital asset.

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

4. Right of use assets

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 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. 1,466.49 during the year ended 31 March 2020

** Depreciation for the year includes Rs. 185.63 capitalized as part of Capital work-in-progress.

5. Intangible assets

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

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

5. Intangible assets (contd...)

As at 31 March 2019

Particulars	Computer software	Total
Gross value - at cost		
Balance at the beginning of the year	1,018.85	1,018.85
Additions during the year	138.59	138.59
Balance at the end of the year	1,157.44	1,157.44
Accumulated amortisation		
Balance at the beginning of the year	578.32	578.32
Amortisation for the year	274.24	274.24
Balance at the end of the year	852.56	852.56
Net carrying value as at 31 March 2019	304.88	304.88

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.

6. Investments

Particulars	As at 31 March 2020	As at 31 March 2019
Non-current investments		
Equity investments in subsidiary	1.10	1.10
Equity investments	0.75	0.15
Total	1.85	1.25
Current investments		
Mutual funds	94,991.67	64,215.70
Debentures	-	950.00
Total	94,991.67	65,165.70
Grand Total	94,993.52	65,166.95

Particulars	As at 31 March 2020		As at 31 March 2019	
	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				
3,859 (previous year 1,174) equity shares of Thai Baht (THB) 100 each, fully paid up, of Aeronautical Radio of Thailand, a state enterprise under the Ministry of Transport*	0.75	-	0.15	-
Mutual funds, unquoted**				
Nil (previous year 832,881) units of Nippon India Low Duration Fund-Direct Growth Plan Growth Option (formerly known as Reliance Low Duration Fund-Direct Growth Plan Growth Option)	-	-	-	2,198.14

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

6. Investments (contd...)

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Nil (previous year 99,597,297) units of Nippon India Prime Debt Fund Direct Plan Growth Plan - Growth Option (formerly known as Reliance Prime Debt Fund Direct Plan Growth Plan - Growth Option)	-	-	-	3,993.45
13,063,384 (previous year 9,118,484) units of Aditya Birla Sun Life Savings Fund Growth - Direct Plan	-	5,236.18	-	3,389.87
26,717,512 (previous year 22,729,643) units of Aditya Birla Sun Life Floating Rate Fund - Growth Direct Plan	-	6,740.72	-	5,296.65
22,200,675 (previous year 13,094,747) units of ICICI Prudential Saving Fund - Direct Plan - Growth	-	8,666.48	-	4,729.42
Nil (previous year 5,008,746) units of Aditya Birla Sun Life Liquid Fund - Direct Plan - Growth	-	-	-	1,504.81
Nil (previous year 2,705,310) units of Aditya Birla Sun Life Low Duration - Growth - Direct Plan	-	-	-	1,280.10
2,406,909 (previous year 686,726) units of Axis Treasury Advantage Fund - Direct Growth	-	5,596.43	-	1,473.52
228,575,091 (previous year 173,494,354) units of Kotak Savings Fund - Direct Plan - Growth	-	7,509.54	-	5,300.70
2,290,938 (previous year 887,121) units of SBI Magnum Low Duration Fund - Direct Plan - Growth	-	6,025.11	-	2,156.90
14,288,513 (previous year 8,067,782) units of Aditya Birla Sun Life Money Manager Fund Growth Direct Plan	-	3,871.08	-	2,030.66
Nil (previous year 1,062,834) units of Axis Liquid Fund Direct Growth	-	-	-	2,203.81
Nil (previous year 623,390) units of HDFC Liquid Fund - Direct Plan - Growth Option	-	-	-	2,293.01
1,269,458 (previous year 1,078,518) units of HDFC Money Market Fund - Direct Plan - Growth Option	-	5,356.90	-	4,227.05
649,528 (previous year 4,170,948) units of ICICI Prudential Liquid Fund - Direct Plan - Growth	-	190.82	-	1,152.92
9,196,834 (previous year 18,190,571) units of ICICI Prudential Money Market Fund - Direct Plan - Growth	-	2,568.35	-	4,732.49
875,171 (previous year 1,158,602) units of Kotak Money Market Scheme - Direct Plan - Growth	-	2,899.51	-	3,576.09
95,827,901 (previous year 32,449,032) units of L&T Ultra Short term Fund Direct Plan Growth	-	3,203.51	-	1,010.44
Nil (previous year 446,571) units of Nippon India Liquid Fund - Direct Plan Growth Plan - Growth Option (formerly known as Reliance Liquid Fund - Direct Plan Growth Plan - Growth Option)	-	-	-	2,037.21
775,129 (previous year 714,693) units of Nippon India Money Market Fund - Direct Growth Plan Growth Option (formerly known as Reliance Money Market Fund - Direct Growth Plan Growth Option)	-	2,366.20	-	2,028.46
1,625,875 (previous year 786,390) units of SBI Magnum Ultra Short Duration Fund Direct Growth	-	7,283.35	-	3,277.51
Nil (previous year 1,128,525) units of UTI Liquid Cash Plan - Direct Growth Plan	-	-	-	3,454.12
926,017 (previous year 411,054) units of UTI Money Market Fund - Direct Growth Plan	-	2,099.98	-	868.37

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

6. Investments (contd...)

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
134,667,249 (previous year Nil) units of HDFC Floating Rate Debt Fund- Direct Plan- Growth Option	-	4,764.86	-	-
163,767,161 (previous year Nil) units of IDFC Low Duration Fund Growth Direct Plan	-	4,731.99	-	-
320,295,067 (previous year Nil) units of IDFC Ultra short Term Fund Direct Plan Growth	-	3,653.42	-	-
561,426,322 (previous year Nil) units of HDFC Ultra short Fund Direct Growth	-	6,320.82	-	-
938,229 (previous year Nil) units of Kotak Overnight Fund Direct - Growth	-	1,000.02	-	-
2,673,365 (previous year Nil) units of Aditya Birla Sun Life overnight Fund - Growth Direct Plan	-	2,887.90	-	-
705,256 (previous year Nil) units of Invesco India Treasury Advantage Fund - Direct Plan Growth	-	2,018.50	-	-
Investments at amortized cost				
Fixed rate non- convertible debentures, unquoted Nil (previous year 950) secured, redeemable, 7.95% fixed rate non-convertible debentures (NCD) of Rs. 1,000,000 each, fully paid up, of Citicorp Finance (India) Limited***	-	-	-	950.00
Total	1.85	94,991.67	1.25	65,165.70
Aggregate value of unquoted investments	1.85	94,991.67	1.25	65,165.70

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. 18,173.14 (previous year Rs. 21,545.08) 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. Nil (previous year Rs. 882) are under lien as security for availing various non-fund based lines of credit.

Information about the Company's exposure to credit and market risks, and fair value measurement, is included in Note 28.

7. Loans

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Unsecured, considered good, unless otherwise stated				
Security deposits				
- Considered good*	12,741.54	4,551.23	5,839.08	4,669.61
- Credit impaired	-	8.37	-	-
	12,741.54	4,559.60	5,839.08	4,669.61
Less: Impairment allowances	-	8.37	-	-
Total	12,741.54	4,551.23	5,839.08	4,669.61

* Includes deposits given to related parties amounting to Rs. 51.23 (previous year Rs. 0.43) which represents deposits given to private companies in which any director of the Company is a director or member. Refer to Note 34.

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

8. Other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
<i>Unsecured, considered good, unless otherwise stated</i>				
Bank deposits (due for maturity after twelve months from the reporting date) *	53.43	-	1,851.69	-
Interest accrued but not due on financial instruments	4.87	479.18	136.52	1,433.21
Maintenance recoverable	-	4,131.55	-	4,729.66
Others (including credit recoverable)	-	1,620.33	-	1,762.33
Total	58.30	6,231.06	1,988.21	7,925.20

*Bank deposits include Rs. 51.32 (previous year Rs.1,543.60) as deposits under lien to banks as security for availing various non-fund based lines of credit.

9. Other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
<i>Unsecured, considered good, unless otherwise stated</i>				
Prepaid expenses	-	380.05	-	2,454.91
Balance with tax authorities*	6,326.38	2,170.17	-	5,884.19
Deferred incentives (non-cash)	-	27.58	-	9.49
Capital advances	660.31	-	301.43	-
Advance to employees	156.00	58.76	62.67	211.38
Deferred rent (Refer to Note 16.b.)	-	-	2,794.66	706.14
Other recoverable	-	1,135.17	-	563.49
	7,142.69	3,771.73	3,158.76	9,829.60
Advance to suppliers				
- Considered good**	-	817.44	-	1,640.16
- Considered doubtful	-	3.94	-	3.94
	-	821.38	-	1,644.10
Less: Impairment allowances for doubtful advances	-	3.94	-	3.94
	-	817.44	-	1,640.16
Total	7,142.69	4,589.17	3,158.76	11,469.76

* Balance with tax authorities includes Integrated Goods and Services Tax ('IGST') amounting to Rs. 5,955.36 (previous year Rs. 4,135.36) paid under protest to custom authorities, on re-import of repaired aircraft, aircraft engines and other certain aircraft parts and Rs. 564.19 (previous year Rs. 415.98) paid under protest to various tax authorities.

** Includes advance to related parties amounting to Rs. Nil (previous year Rs. 31.31). Refer to Note 34.

10. Inventories

Particulars	As at 31 March 2020	As at 31 March 2019
<i>Valued at lower of cost or net realisable value</i>		
Stores and spares		
- Engineering stores and spares	2,558.54	1,952.80
- Goods in transit	63.44	60.13
	2,621.98	2,012.93
Loose tools	137.27	29.98
Stock-in-trade		
- In-flight inventory	102.03	71.50
Total	2,861.28	2,114.41

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

11. Trade receivables

Particulars	Rs at 31 March 2020	Rs at 31 March 2019
Unsecured, considered good, unless otherwise stated		
Trade receivables		
- Considered good	2,596.11	3,624.67
- Credit impaired	76.28	78.36
	2,672.39	3,703.03
Less: Impairment allowances	76.28	78.36
Total	2,596.11	3,624.67

Trade receivables includes receivables from related parties amounting Rs. 2.47 (previous year Rs. 237.51). 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	Rs at 31 March 2020	Rs at 31 March 2019
Cash on hand	53.38	48.89
Balance with banks:		
- On current account	1,096.17	5,436.79
- On deposit account (with original maturity of three months or less)	5,610.87	1,642.15
Total	6,760.42	7,127.83

Cash and cash equivalents includes Rs. 3,968.28 (previous year Rs. 2,285.71) 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 2020 amounting to Rs. 0.08 (previous year Rs. 0.08).

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	Rs at 31 March 2020	Rs at 31 March 2019
Bank balances other than cash and cash equivalents*		
- On deposit account	101,533.64	78,935.80
Total	101,533.64	78,935.80

*Bank deposits include deposits under lien to banks as security for availing various non-fund based lines of credit amounting to Rs. 96,263.89 (previous year Rs. 68,304.96) 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. 94,036.49 (previous year Rs. 52,745.73) held in foreign currency.

Information about the Company's exposure to credit and market risks, and fair value measurement, is included in Note 28.

14. Share capital

Particulars	Rs at 31 March 2020	Rs at 31 March 2019
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		
384,796,279 (previous year 384,406,838) equity shares of Rs. 10 each, fully paid up	3,847.96	3,844.07
Total	3,847.96	3,844.07

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

14. Share capital (contd...)

- c. Reconciliation of number of equity shares outstanding at the beginning and end of the year :

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Equity shares issued, subscribed and paid up		
Equity shares at the beginning of the year	384,406,838	384,406,838
Equity shares increased during the year :		
- Issued during the year pursuant to exercise of employee stock options scheme (Refer to Note 37)	389,441	-
Equity shares at the end of the year	384,796,279	384,406,838

- 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 2020		As at 31 March 2019	
	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 2020	As at 31 March 2019
	Number of Shares	Number of Shares
Equity shares allotted pursuant to scheme of merger	1,47,000	1,47,000
	1,47,000	1,47,000

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.

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

14. Share capital (contd...)

g. Shareholders holding more than 5% equity shares in the Company:

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number of Shares	%	Number of Shares	%
InterGlobe Enterprises Private Limited	145,706,774	37.87%	145,706,774	37.90%
Rakesh Gangwal	56,421,132	14.66%	56,421,132	14.68%
The Chinkerpoo Family Trust (Trustee: Shobha Gangwal & J.P.Morgan Trust Company of Delaware)	52,263,313	13.58%	52,263,313	13.60%
Shobha Gangwal	32,310,461	8.40%	32,310,461	8.41%

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 have been utilised by the Company towards the purposes mentioned in the prospectus.

15. Other equity

Particulars	As at 31 March 2020	As at 31 March 2019
Equity component of compound financial instruments	58.79	58.79
Reserves and surplus	54,717.64	65,545.03
Total	54,776.43	65,603.82

a. Equity component of compound financial instruments

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
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.

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

15. Other equity (contd...)

b. Reserves and surplus

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Employee stock option outstanding account (Refer to Note 37)	105.11	406.82
Securities premium	38,184.21	37,740.96
General reserve	389.07	389.07
Retained earnings	16,039.25	27,008.18
Total	54,717.64	65,545.03

(i) Employee stock option outstanding account

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Balance at the beginning of the year	406.82	540.10
Employee stock option scheme expense (Refer to Note 37)*	(99.15)	(133.28)
Amount (utilised) / transfer for issue of shares pursuant to exercise of employee stock options scheme (Refer to Note 37)	(202.56)	-
Balance at the end of the year	105.11	406.82

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. 160.53 (previous year Rs. 276.55) towards forfeiture of employee stock options granted to certain employees

(ii) Securities premium

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Balance at the beginning of the year	37,740.96	37,740.96
Amount transferred for issue of shares pursuant to exercise of employee stock options (Refer to Note 37)	202.56	-
Premium received during the year on account of issue of shares (Refer to Note 37)	240.69	-
Balance at the end of the year	38,184.21	37,740.96

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 2020	For the year ended 31 March 2019
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.

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

15. Other equity (contd...)

(iv) Retained earnings

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Balance at the beginning of the year	27,008.18	28,233.36
Less: Impact of Ind AS 116 - Leases (Refer to Note 16.b.)	(6,180.47)	-
Add: Impact of Ind AS 115 - Revenue from contract with customers (Refer to Note 19)	-	24.55
Add: Profit / (loss) for the year	(2,481.59)	1,561.35
Add: Other comprehensive income - remeasurement of defined benefit plans (net of tax)	11.00	-
Less: Transferred from other comprehensive income - remeasurement of defined benefit plans (net of tax) (Refer to Note 15.c.)	-	(30.55)
Amount available for appropriation	18,357.12	29,788.71
Less: Appropriations		
Final dividend (Refer note below)	(1,922.53)	(2,306.44)
Corporate dividend tax	(395.34)	(474.09)
Balance at the end of the year	16,039.25	27,008.18

Dividends

The following dividends were declared and paid by the Company

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Final dividend of Rs. 5 per share** (previous year Rs. 6 per share*)	1,922.53	2,306.44

After the reporting dates the following dividends were proposed by the Board of Directors subject to the approval of shareholders at Annual General Meeting. Accordingly, the following dividends have not been recognised in the respective financial year. Dividends are subject to applicable taxes.

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Final dividend of Rs. Nil per share (previous year Rs. 5 per share**)	-	1,922.03
Corporate dividend tax	-	395.17

*On 2 May 2018, the Board of Directors has recommended a final dividend of Rs. 6 per share (face value of Rs. 10 per share) for the financial year ended 31 March 2018, and the same was approved by the shareholders at the Annual General Meeting held on 10 August 2018.

**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 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.

c. Other comprehensive income - Remeasurement of defined benefit plans (net of tax)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Other comprehensive income		
Balance at the beginning of the year	-	(31.89)
Actuarial gains on defined benefit plan for the year (net of tax) (Refer to Note 32)	-	1.34
Transferred to retained earnings	-	30.55
Balance at the end of the year	-	-

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

16. Financial liabilities

16.a Borrowings

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Secured		
Term loans:		
Foreign currency term loan		
- From others	3,465.87	5,882.51
Other loans:		
Long-term maturities of finance lease obligations*	-	16,054.18
Total	3,465.87	21,936.69

*Information in respect of the current year ended 31 March 2020 is presented in accordance with Ind AS 116. Information in respect of the comparative year ended 31 March 2019 is presented in accordance with Ind AS 17. Refer to Note 16.b.

Current maturities of foreign currency term loan amounting to Rs. 3,390.53 (previous year Rs. Nil) have been disclosed under 'Other financial liabilities' (Refer to Note 16.c).

Current maturities of finance lease obligations as at 31 March 2020 is included in lease liabilities and as at 31 March 2019 amounting to Rs. 2,355.02 have been disclosed under 'Other financial liabilities' (Refer to Note 16.b and 16.c)

Information about the Company's exposure to market and liquidity risks is included in Note 28.

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 - USD#	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 has been amended during the current year and accordingly it 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.

As at 31 March 2019

Particulars	Disclosed under	As at 31 March 2019	Interest rate*	Period of maturity from the reporting date
Foreign currency term loan - USD#	Financial liabilities - borrowings	5,882.51	USD LIBOR plus markup	57 months

* Markup is 275 basis points over 6 month USD LIBOR. The period of maturity from the date of origination is 137 months.

The above mentioned loan is repayable in twenty unequal installments ranging between USD 4 million to USD 6 million between the period September 2022 - December 2023.

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 2020

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

16.a Borrowings (contd...)

Secured - Other loans

Finance lease obligations

Certain aircraft obtained by the Company were classified as finance lease under Ind AS 17 till 31 March 2019. The obligation for these aircraft will be contractually settled in USD. The legal title to these items vests with the lessors. The lease term for aircraft is 12 years and year of maturity ranges between March 2025 to September 2026 with quarterly payments beginning from the quarter subsequent to the commencement of the lease. The total future minimum lease payments as at the 31 March 2019, element of interest included in such payments and present value of these minimum lease payments are as follows:

Particulars	As at 31 March 2020	
	Non-current	Current
(a) Total future minimum lease payments	18,493.49	3,195.67
(b) Future interest included in (a) above	2,439.31	840.65
(c) Present value of future minimum lease payments [(a-b)]	16,054.18	2,355.02

The rate of interest for aircraft acquired on finance lease is inclusive of transaction costs and margin over 3 months USD LIBOR during previous year.

Interest is paid with margin over 3 months USD LIBOR, margin is less than 250 basis points during previous year.

Finance lease obligation amounting to Rs. 18,409.20 as at 31 March 2019 are secured against the respective aircraft.

There are no defaults as at 31 March 2019 in repayment of principal lease and interest payments.

The future minimum lease payments and their present value as at 31 March 2019 is as follows:

Particulars	Present value of minimum lease payments	Future interest	Minimum lease payments
Not later than one year	2,355.02	840.65	3,195.67
Later than one year and not later than five years	10,640.66	2,154.52	12,795.18
Later than five years	5,413.52	284.79	5,698.31
Total	18,409.20	3,279.96	21,689.16

16.b Lease liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Lease liabilities*	155,791.01	64,544.27	-	-
Total	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. 13,906.20 (including interest amounting to Rs. 261.70 capitalized under capital work-in-progress). Refer to Note 25.

Certain lease liabilities amounting to Rs. 17,486.65 as at 31 March 2020 are secured against the respective aircraft. Remaining lease liabilities are secured to the extent of letter of credits issued / deposits given to lessors.

During the year ended 31 March 2020, the Company has recognized an expense of 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 ended 31 March 2020.

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.

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

16.b Lease liabilities (contd...)

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)"

Future cash outflows for leases not yet commenced amounts to 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. 6,080.73. Refer to Note 34.

Transition to Ind AS 116 - Leases

Ind AS 116 - Leases has replaced the erstwhile leases standard, Ind AS 17 - Leases. It provides a single lessee accounting model, specifying how leases are recognised, measured, presented and disclosed. The lessee recognises right of use (ROU) assets representing its right to use the underlying asset on lease and a lease liabilities representing its obligation to make lease payments.

The standard is applicable from 1 April 2019. The Company has applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (i.e. 1 April 2019). Accordingly, the Company has not restated comparative information; instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on 1 April 2019. On that date, the Company recognised the lease liabilities measured at the present value of the remaining lease payments. The right of use assets are recognised at their carrying amount, net of incentives received from equipment manufacturer, as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at 1 April 2019. In accordance with the standard, the Company has elected not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

The Company has used the following practical expedients:

- Single discount rate to a portfolio of leases with reasonably similar characteristics.
- Contracts where the remaining term was less than 12 months on transition date, the Company did not consider the same for computing its ROU assets and corresponding lease liabilities.
- On initial application, Ind AS 116 has only been applied to contracts that were previously classified as leases.
- The lease term has been determined with the use of hindsight where the contract contains options to extend the lease.
- Relied on its assessment of whether leases are onerous immediately before the date of initial application.

The major impact of adopting Ind AS 116 on the Standalone Balance Sheet as on the transition date is as follows:

Leases previously classified as operating leases under Ind AS 17

Lease liabilities of Rs. 146,320.72 have been recognised, being the present value of the remaining lease payments, using the incremental borrowing rate applicable to the Company at the date of initial application.

Right of use assets of Rs. 93,942.04 (including deferred rentals amounting to Rs. 3,500.81) have been recognised and corresponding lease liabilities of Rs. 146,320.72 with the cumulative effect of applying the standard by adjusting retained earnings amounting to Rs. 6,180.47 (net of deferred tax amounting to Rs. 3,319.76). The deferred incentive as at transition date amounting to Rs. 48,724.34 has been netted off from ROU assets.

Leases previously classified as finance leases under Ind AS 17

The carrying value of aircraft classified as finance lease under Ind AS 17 of Rs 31,984.71, previously disclosed as 'leased aircraft' under property, plant and equipment, has been reclassified as 'aircraft and engines' under, right of use assets on the date of initial application of Ind AS 116. Finance lease obligation of Rs. 18,409.20 for such aircraft has been reclassified from borrowings and interest accrued on finance lease obligation of Rs. 68.30 has been reclassified from interest accrued but not due on borrowings and presented as a part of lease liabilities. Milestone incentives received against such aircraft continued to be amortised over the expected period of use of leased asset in proportion to the depreciation of the right of use assets of the respective aircraft.

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

16.b Lease liabilities (contd...)

The major impact of adopting Ind AS 116 on the Standalone Statement of Profit and Loss for the year ended 31 March 2020 is as follows:

1. Depreciation and amortisation expenses has increased by Rs. 31,182.50.
2. Finance costs has increased due to interest accrued on outstanding lease liabilities amounting to Rs. 12,677.43.
3. Loss of Rs. 15,296.92 has been recognised in 'Foreign exchange (gain)/ loss (net)' on account of revaluation of lease liabilities denominated in foreign currency.
4. Aircraft and engine rentals (net) and other rentals has decreased by Rs. 43,222.68 respectively, due to recognition of operating lease as ROU assets and corresponding lease liabilities.

Net impact on profit / loss before tax amounts to a loss of Rs. 15,934.17 for the year ended 31 March 2020.

Consequent reclassification has been made in operating and financing activities in the statement of cash flows. Refer statement of cash flows for the reclassifications and cash outflows in relation to Ind AS 116 for the year ended 31 March 2020.

The weighted average incremental borrowing rate applied to lease liabilities as at 1 April 2019 is 7.53%.

Reconciliation to prior year operating lease commitment is as follows:

Particulars	As at 31 March 2020
Operating lease commitments as at 31 March 2019	167,156.22
Leases previously classified as finance leases	18,477.50
Impact of discounting (at incremental borrowing rate as at 1 April 2019)	(23,480.56)
Others*	2,645.03
Lease liabilities as at 1 April 2019	164,798.18

* Others represents lease liabilities recognised as at 1 April 2019 primarily on account of management's assessment of termination options reasonably certain to be exercised in determination of lease term and short term leases as on transition date.

16.c Other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Current maturities of finance lease obligation*	-	-	-	2,355.02
Current maturities of foreign currency term loan	-	3,390.53	-	-
Interest accrued but not due on borrowings*	-	79.86	-	176.13
Supplementary rentals	26,052.24	39,914.40	31,436.06	17,958.65
Aircraft maintenance	4,336.62	2,512.52	2,301.32	332.90
Unclaimed dividend	-	0.08	-	0.08
Other liabilities*	-	-	141.56	407.70
Total	30,388.86	45,897.39	33,878.94	21,230.48

* Information in respect of the current year ended 31 March 2020 is presented in accordance with Ind AS 116. Information in respect of the comparative year ended 31 March 2019 is presented in accordance with Ind AS 17. Refer Note 16.b.

Information about the Company's exposure to market and liquidity risks is included in Note 28.

17. Provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Provision for employee benefits				
- Provision for defined benefit plans (Refer to Note 32)	1,019.36	140.04	768.89	123.92
- Provision for other long term employee benefits	1,210.98	495.29	794.52	482.07
Others				
- Provision for maintenance, redelivery and overhaul cost (Refer to Note below)	3,302.89	13,315.57	1,173.05	1,029.44
Total	5,533.23	13,950.90	2,736.46	1,635.43

Notes forming part of the standalone financial statements for the year ended 31 March 2020

(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 2020	For the year ended 31 March 2019
Balance as at beginning of the year	2,202.49	1,366.90
Provisions created during the year*	17,150.11	697.52
Interest accretion on provisions during the year	85.48	98.72
Amounts utilised/adjusted during the year	(3,728.69)	(36.15)
Impact of exchange loss on restatement of opening provision	(116.75)	(41.25)
Impact of exchange loss on restatement of closing provision	1,025.82	116.75
Balance as at end of the year	16,618.46	2,202.49
Balance as at end of the year - Non-current	3,302.89	1,173.05
Balance as at end of the year - Current	13,315.57	1,029.44

*It includes:

- 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. At inception of the lease, 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.
- 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.
- 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 2020-21 to 2027-28 (previous year 2019-20 to 2024-25) 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. 1,575.19 (previous year by Rs. 168.46).

If expected discount rate differ by 1%, while holding all other assumptions constant, the provision for maintenance, redelivery and overhaul cost may increase/ decrease by Rs. 18.72 (previous year by Rs. 11.72).

18. Trade payables

Particulars	As at 31 March 2020	As at 31 March 2019
Micro enterprises and small enterprises (Refer to Note below)	59.25	47.79
	59.25	47.79
Other than micro enterprises and small enterprises		
- Related parties (Refer to Note 34)	167.63	109.64
- Other trade payables	15,427.78	14,394.99
	15,595.41	14,504.63
Total	15,654.66	14,552.42

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 2020

(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 2020	As at 31 March 2019
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	59.25	47.79
- Interest	-	-
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	-	-
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	-	-
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 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Advances from sales agents	-	4,701.86	-	4,467.79
Forward sales	-	14,332.64	-	22,173.81
Employee related liabilities	284.64	1,416.95	345.18	1,739.17
Statutory dues	-	2,634.87	-	1,999.76
Others - amount received in advance	85.13	464.77	-	1,412.91
Total	369.77	23,551.09	345.18	31,793.44

Contract balances

Trade receivables are generally unsecured and are derived from revenue earned from customers which are 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 2020	As at 31 March 2019
Trade receivables (Refer to Note 11)	2,596.11	3,624.67
Forward sales (Refer to Note 19)	14,332.64	22,173.81

Revenue recognised from amount included in contract liabilities (forward sales) at the beginning of the year amounts to Rs. 18,432.08 (previous year Rs. 15,481.52) (excludes amount collected on behalf of third parties).

The impact, net of tax, of transition to Ind AS 115 on retained earnings (cumulative effect of contracts other than completed contracts) as on 1 April 2018 is Rs. 24.55. It represents:

1. Recognition of revenue for ancillary services such as modification charges, convenience charges, etc. relating to air transport services upon flown basis which were earlier recognised as revenue on rendering of the said service under Ind AS 18 on the basis of transaction date, and
2. Recognising the expected breakage amount as revenue in proportion to the pattern of rights exercised by the passengers which were recognised on flown basis under Ind AS 18.

Notes forming part of the standalone financial statements for the year ended 31 March 2020

(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 2020	For the year ended 31 March 2019
Current tax:		
- Current year	-	-
- Previous years	8.21	-
	8.21	-
Deferred tax expense:		
Attributable to-		
Deferred tax expense / (benefit) for current year [including MAT credit entitlement of Rs. Nil (previous year Rs. Nil)]	(4,133.75)	(3,238.12)
Deferred tax expense / (benefit) pertaining to prior years [including MAT credit entitlement written off of Rs. 4,314.46 (previous year Rs. 144.52)]	3,856.24	186.30
	(277.51)	(3,051.82)
Total tax expense	(269.30)	(3,051.82)

Income tax recognised in other comprehensive income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Remeasurements of defined benefit plans	14.70	2.06
Income tax relating to above mentioned item	(3.70)	(0.72)

b. Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Loss before tax	(2,750.89)	(1,490.47)
Tax using the Company's domestic tax rate - 25.168% (previous year 34.944%)	(692.34)	(520.83)
Tax effect of:		
Income not liable to tax	(3,475.26)	(2,811.00)
Additional deduction on employee stock option scheme expense	(24.35)	-
Adjustments in current tax of prior years	8.21	-
Adjustments in deferred tax expense / (benefit) pertaining to prior years [including MAT credit entitlement written off of Rs. 4,314.46 (previous year Rs. 144.52)]	3,856.24	186.30
Others	58.20	93.71
Income tax expense	(269.30)	(3,051.82)

c. Income tax assets and income tax liabilities:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Income tax assets [net of current income tax liabilities Rs. 26,532.19 (previous year: Rs. 20,425.45)]*	4,291.79	1,240.35
Less: Current income tax liabilities [net of current income tax assets of Rs. 23.48 (previous year Rs. 6,065.01)]"	30.76	33.51
Net income tax assets at the year end	4,261.03	1,206.84

*Includes Rs. 1,150.00 (previous year Rs. 377.93) paid under protest to Income Tax Authorities.

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

20. Tax expense (contd...)

d. The tax effect of deferred tax assets and liabilities comprises of :

Particulars	As at 31 March 2020	As at 31 March 2019
Property, plant and equipment and intangible assets	(5,305.63)	(8,100.19)
Other non-current assets	21.64	(1,194.56)
Investments at FVTPL	(1,615.56)	(1,073.48)
Financial liabilities at amortised cost	(1,915.93)	(2,518.28)
Financial assets at amortised cost	1,931.75	1,563.16
MAT credit entitlement	-	4,314.46
Employee related provisions and liabilities	634.71	868.46
Other liabilities and provisions	56.86	82.02
Unabsorbed depreciation and carry forward of losses	3,882.40	5,127.40
Deferred incentives	825.46	264.67
Right of use assets and lease liabilities (Refer to Note 16.b)	4,467.76	-
Others	(34.02)	22.18
Deferred tax assets / (liabilities) (net)	2,949.44	(644.16)

e. Movement in deferred tax assets / (liabilities) balances

Particulars	Net balance 1 April 2019	Recognised in profit or loss	Recognised in OCI	Others**	Net balance 31 March 2020
Property, plant and equipment and intangible assets	(8,100.19)	2,794.56	-	-	(5,305.63)
Other non-current assets*	28.76	(7.12)	-	-	21.64
Investments at FVTPL	(1,073.48)	(542.08)	-	-	(1,615.56)
Financial liabilities at amortised cost	(2,518.28)	602.35	-	-	(1,915.93)
Financial assets at amortised cost	1,563.16	368.59	-	-	1,931.75
MAT credit entitlement	4,314.46	(4,314.46)	-	-	-
Employee related provisions and liabilities	868.46	(230.05)	(3.70)	-	634.71
Other liabilities and provisions	82.02	(25.16)	-	-	56.86
Unabsorbed depreciation and carry forward of losses	5,127.40	(1,245.00)	-	-	3,882.40
Deferred incentives	264.67	560.79	-	-	825.46
Right of use assets and lease liabilities (Refer to Note 16.b)*	(1,223.31)	2,371.31	-	3,319.76	4,467.76
Others	22.17	(56.22)	-	-	(34.02)
Deferred tax assets / (liabilities) (net)	(644.16)	277.51	(3.70)	3,319.76	2,949.44

* Deferred tax liabilities amounting to Rs. 1,223.31 has reclassified from other non-current assets on transition to Ind AS 116 as the underlying asset has now been forming part of right of use assets.

** represents tax impact on adoption of Ind AS 116 on retained earnings as on transition date (Refer to Note 16.b).

f. Expiry of unrecognised MAT credit entitlement:

Particulars	As at 31 March 2020		As at 31 March 2019	
	Amount	Year of expiry upto	Amount	Year of expiry upto
MAT credit entitlement	-	NA	1,071.21	2026

The Company has recognised MAT credit entitlement in the previous years. The utilisation of MAT credit entitlement (unused tax credits) is depended on future taxable profits. The MAT credit entitlement is recognised only to the extent that it is probable that future taxable profits will be available against which such MAT credit entitlement can be utilised. As at 31 March, 2019, the Company has unrecognised MAT credit entitlement of Rs. 1,071.21 (written off in previous years). Further during the current 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 also written off remaining MAT credit entitlement in the Standalone Statement of Profit and Loss.

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

21. Revenue from operations

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Sale of services		
- Passenger services	338,408.67	269,473.60
- Cargo services	10,444.18	8,200.42
- Tours and packages	7.34	24.06
Sale of products		
- In-flight sales (traded goods)	4,828.40	3,954.12
Other operating revenue		
- Incentives	476.04	476.04
- Subsidies received under various schemes	1,337.06	-
- Others*	2,058.32	2,839.48
Total	357,560.01	284,967.72

* Others includes claims received from original equipment manufacturer and income from advertisement.

22. Other income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest income from bank deposits	2,571.70	4,344.11
Net gain on sale of current investments	1,930.57	1,615.92
Marked to market gain on current investments	4,595.12	2,229.07
Interest income from financial assets at amortised cost	986.56	755.46
Other non-operating income:		
- Liabilities no longer required written back	76.67	263.81
- Miscellaneous income*	5,201.80	4,040.99
Total	15,362.42	13,249.36

* 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 2020	For the year ended 31 March 2019
In-flight purchases		
- Opening stock	71.50	64.95
- Closing stock	(102.03)	(71.50)
Net increase in stock-in-trade	(30.53)	(6.55)

24. Employee costs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries, wages and bonus (Refer to Note 37)	42,794.54	30,603.93
Contribution to provident and other funds (Refer to Note 32)	966.30	599.91
Staff welfare expenses	192.77	174.07
Total	43,953.61	31,377.91

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

25. Finance costs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest expenses:		
- Finance lease charges on finance lease obligations measured at amortised cost	-	1,119.55
- Finance cost on lease liabilities	13,644.50	-
- Interest on borrowings measured at amortised cost	336.48	317.11
- Interest accretion on provisions and other financial liabilities measured at amortised cost	4,564.57	3,496.52
Net loss on foreign currency transactions and translation to the extent regarded as borrowing cost*	213.16	156.45
Total	18,758.71	5,089.63

* 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. 213.16 (previous year Rs. 156.45) representing this adjustment has been disclosed in the above note. The remaining exchange loss of Rs. 15,461.89 (previous year Rs. 4,674.87) has been disclosed under "Foreign exchange loss (net)"

26. Depreciation and amortisation expense

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation:		
- Property, plant and equipment (Refer to Note 3)	4,118.80	7,321.56
- Right of use assets (Refer to Note 4)	35,337.21	-
Amortisation on intangible assets (Refer to Note 5)	280.12	274.24
Total	39,736.13	7,595.80

27. Other expenses

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Repairs and maintenance	1,130.04	825.02
Insurance		
- aircraft	434.08	427.36
- others	311.40	229.28
Tours and packages	3.68	11.61
Ground handling charges	8,207.46	5,747.98
Reservation cost	2,026.07	1,840.70
Commission	5,981.26	4,961.16
Sales promotion and advertisement	838.30	588.02
In-flight and passenger cost	1,800.33	1,336.89
Crew accommodation and transportation	5,098.94	3,851.05
Operating cost of software	1,717.02	1,244.72
Training	2,391.55	1,701.32
Legal and professional	1,684.61	1,232.87
Auditor's remuneration:		
- Audit fees	13.00	15.60
- Limited reviews	7.45	6.60
- Other matters	2.05	0.70
- Reimbursement of expenses	0.92	1.41

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

27. Other expenses (contd...)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Recruitment cost	126.41	196.09
Rent (Refer to Note below)	1,044.01	1,163.03
Rates and taxes	692.75	187.21
Bank charges	259.92	544.39
Property, plant and equipment written off	104.04	70.21
Loss on sale of property, plant and equipment [net of profit on sale of property, plant and equipment Rs. 4.39 (previous year Rs. 4.98)]	49.26	0.81
Travelling and conveyance	1,542.55	1,288.68
Printing and stationery	343.88	306.41
Communication and information technology	132.11	84.49
Other operating cost	2,007.53	1,622.19
Advance written off	0.60	1.16
Bad debts written off	13.45	8.65
Impairment loss on deposits	8.37	-
Impairment loss on trade receivables	3.70	6.91
Corporate social responsibility expenses (Refer to Note 36)	227.37	266.81
Sitting fees and commission	14.69	8.76
Miscellaneous expenses	471.91	452.21
Total	38,690.71	30,230.30

Leases previously classified as operating leases under Ind AS 17

As described in Note 16.b, the Company has adopted Ind AS 116 from 1 April 2019. Accordingly, disclosures for operating leases as per Ind AS 17 has been given for the year ended 31 March 2019 which are as follows:

For aircraft and engines

The Company had taken aircraft on operating lease from lessors. Lease arrangements have varying terms, escalation clauses and renewal rights. On renewal, the terms of leases are renegotiated.

Total future minimum lease payments due under non-cancellable operating leases (except supplementary rental which are primarily based on aircraft utilization and calculated on number of hours or cycles operated) are as follows:

Particulars	As at 31 March 2020
Less than one year	47,313.31
Between one and five years	112,950.99
More than five years	6,891.92
Total	167,156.22

Aircraft and engine rentals, recognised in Standalone Statement of Profit and Loss amounting to Rs. 49,994.49 are also net of cash and non-cash incentives and certain other credits exclusive of claims, amounting to Rs. 9,066.98 during the previous year (Refer to Note 40).

For assets other than aircraft and engines

The Company has taken its office premises, various commercial premises and residential premises for its employees under cancellable operating lease arrangements.

The lease payments charged during the year to the Standalone Statement of Profit and Loss amounting to Rs. 1,163.03 during the previous year. The lease has varying terms, escalation clauses and renewal rights. On renewal, the terms of leases are renegotiated.

Notes forming part of the standalone financial statements for the year ended 31 March 2020

(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 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	-	-	12,741.54	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			

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

28. Fair value measurement and financial instruments (contd...)

(ii) As at 31 March 2019

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	0.15	-	-	0.15	-	-	0.15
Loans	7	-	-	5,839.08	5,839.08	-	-	6,308.09
Other financial assets*	8	-	-	1,988.21	1,988.21	-	-	1,988.21
Current								
Investments	6							
Mutual funds		64,215.70	-	-	64,215.70	-	64,215.70	-
Fixed rate non-convertible debentures*		-	-	950.00	950.00	-	-	950.00
Trade receivables*	11	-	-	3,624.67	3,624.67	-	-	3,624.67
Cash and cash equivalents*	12	-	-	7,127.83	7,127.83	-	-	7,127.83
Bank balances other than cash and cash equivalents*	13	-	-	78,935.80	78,935.80	-	-	78,935.80
Loans	7	-	-	4,669.61	4,669.61	-	-	4,701.79
Other financial assets*	8	-	-	7,925.20	7,925.20	-	-	7,925.20
TOTAL		64,215.85	-	111,060.40	175,276.25			
Financial liabilities								
Non-current								
Borrowings#	16.a	-	-	21,936.69	21,936.69	-	-	21,936.69
Other financial liabilities								
Supplementary rentals	16.c	-	-	31,436.06	31,436.06	-	-	31,817.12
Aircraft maintenance	16.c	-	-	2,301.32	2,301.32	-	-	2,294.58
Other liabilities	16.c	-	-	141.56	141.56	-	-	151.03
Current								
Trade payables*	18	-	-	14,552.42	14,552.42	-	-	14,552.42
Other current financial liabilities								
Interest accrued but not due on borrowings#	16.c	-	-	176.13	176.13	-	-	176.13
Current maturities of finance lease obligations#	16.c	-	-	2,355.02	2,355.02	-	-	2,355.02
Supplementary rentals	16.c	-	-	17,958.65	17,958.65	-	-	18,007.72
Aircraft maintenance	16.c	-	-	332.90	332.90	-	-	335.35
Unclaimed dividend*	16.c	-	-	0.08	0.08	-	-	0.08
Other liabilities	16.c	-	-	407.70	407.70	-	-	407.70
TOTAL		-	-	91,598.53	91,598.53			

The Company's 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, 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 2020

(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, aircraft maintenance and other liabilities 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 2020 and 31 March 2019.

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 2020	As at 31 March 2019
Investments		
Fixed rate non-convertible debentures	-	950.00
Trade receivables	2,596.11	3,624.67
Loans	17,292.77	10,508.69
Cash and cash equivalents	6,760.42	7,127.83
Other bank balances other than cash and cash equivalents	101,533.64	78,935.80
Other financial assets	6,289.36	9,913.41

Notes forming part of the standalone financial statements for the year ended 31 March 2020

(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 immovable 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 manage its credit risk through various measures including establishing credit limits and continuously monitoring credit worthiness of customers to whom it's 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. 879.82 (previous year Rs. 1,916.00) relating to revenue generated from passenger services and Rs. 1,792.57 (previous year Rs. 1,787.03) relating to revenue generated from cargo services.

The Company's exposure to credit risk for trade receivables is as follows:

Particulars	Gross carrying amount	
	Rs at 31 March 2020	Rs at 31 March 2019
1-90 days past due *	2,175.44	3,083.52
91 to 180 days past due	211.24	244.99
More than 180 days past due #	285.71	374.52
	2,672.39	3,703.03

* 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 2020 and 31 March 2019 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 2020	For the year ended 31 March 2019
Balance at the beginning of the year	78.36	71.45
Impairment loss recognised	-	6.91
Bad debts written off	2.08	-
Balance at the end of the year	76.28	78.36

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

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. 203,339.16 as at 31 March 2020 (previous year Rs. 153,081.02), anticipated future internally generated funds from operations, and its fully available, revolving undrawn credit facility of Rs. 77,033.25 (previous year Rs. 59,584.41) will enable it to meet its future known obligations in the ordinary course of business. The Company does not believe 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 2020	Carrying amount	Contractual cash flows				Total
		Less than six months	Between six months and one year	Between one and five years	More than five years	
Foreign currency term loans from others (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
As at 31 March 2019	Carrying amount	Contractual cash flows				Total
		Less than six months	Between six months and one year	Between one and five years	More than five years	
Foreign currency term loans from others	5,882.51	-	-	5,882.51	-	5,882.51
Finance lease obligations (including current maturities)	18,409.20	1,314.42	1,332.37	11,408.22	5,515.96	19,570.97
Interest accrued but not due on borrowings	176.13	171.15	-	-	-	171.15
Supplementary rentals*	49,394.71	7,650.97	11,037.20	37,459.26	519.40	56,666.83
Aircraft maintenance	2,634.22	335.33	-	2,107.26	846.84	3,289.43
Trade payables	14,552.42	14,552.42	-	-	-	14,552.42
Unclaimed dividend	0.08	0.08	-	-	-	0.08
Other liabilities	549.26	407.70	-	142.08	89.61	639.39
Total	91,598.53	24,432.07	12,369.57	56,999.33	6,971.81	100,772.78

* Against payments for supplementary rentals amounting to Rs. 65,714.51 (previous year Rs. 49,200.26), 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 2020

(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 2020	As at 31 March 2019
Financial Liabilities		
Foreign currency term loan- from others (including current maturities)	6,856.40	5,882.51
Lease liabilities (previously classified as finance leases under Ind AS 17)	17,486.65	-
Finance lease obligations (including current maturities)	-	18,409.20
Total	24,343.05	24,291.71
Financial Assets		
Cash and cash equivalents		
- Balance with banks - On deposit account (with original maturity of three months or less)	3,129.66	-
Bank balances other than cash and cash equivalents - On deposit account	80,222.58	51,187.17
Total	83,352.24	51,187.17

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 2020		
Change in interest on financial liabilities	(121.72)	121.72
Change in interest on financial assets	416.76	(416.76)
Impact on profit / (loss) for the year ended 31 March 2019		
Change in interest on financial liabilities	(120.25)	120.25
Change in interest on financial assets	255.94	(255.94)

Notes forming part of the standalone financial statements for the year ended 31 March 2020

(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 2020 and 31 March 2019 are as below:

As at 31 March 2020

Particulars	USD	EUR	GBP	INR	OMR	SGD	THB	QAR	BDT	ILR	CHF	HKD	KWD	INR	SAR	TRY	COP	IMR	PVU	IND
Financial assets																				
Trade receivables	32.54	2.60	-	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	-	-	136.23	28.55	83.90	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	-	-	-	-	-	-	-	8.52	-	-	12.54	-	-	-	0.08	-	-	-	-
Loans	16,194.78	-	-	13.80	-	0.57	3.32	0.42	-	-	-	-	-	-	-	-	-	-	-	-
Other financial assets	5,550.79	-	-	34.18	-	4.70	4.16	-	-	-	-	-	-	-	-	-	-	-	-	-
Total financial assets	1,19,150.16	2.60	-	200.43	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	2,15,025.64	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other financial liabilities	72,895.63	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade payables	7,883.07	959.19	13.13	669.58	54.95	137.55	59.37	135.55	78.44	28.63	12.67	8.99	80.96	33.43	892.39	0.95	83.89	0.01	0.00	0.07
Total financial liabilities	3,09,640.74	959.19	13.13	669.58	54.95	137.55	59.37	135.55	78.44	28.63	12.67	8.99	80.96	33.43	892.39	0.95	83.89	0.01	0.00	0.07

As at 31 March 2019

Particulars	USD	EUR	GBP	INR	OMR	SGD	THB	QAR	BDT	ILR	CHF	HKD	KWD	INR	SAR	TRY
Financial assets																
Trade receivables	18.08	2.41	-	510.48	29.35	10.82	6.35	969.50	170.96	99.27	-	3.11	51.32	3.93	-	-
Cash and cash equivalents	1,482.15	-	-	593.45	50.51	27.56	17.15	203.19	0.05	0.02	-	4.71	0.13	12.95	-	-
Other bank balances	52,745.85	-	-	-	-	-	-	-	7.89	-	-	11.37	-	-	-	0.09
Loans	9,577.90	-	-	0.40	-	0.55	3.12	0.38	-	-	-	-	-	-	-	-
Other financial assets	7,076.43	-	-	94.44	-	16.13	2.91	-	-	-	-	-	-	-	-	-
Total financial assets	70,840.41	2.41	-	1,188.77	79.86	55.08	29.53	466.07	178.90	99.29	-	19.19	51.45	15.48	-	0.09
Financial liabilities																
Borrowings	94,991.71	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other financial liabilities	52,754.32	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade payables	4,464.32	268.62	43.92	366.02	44.56	75.17	77.54	142.20	9.60	21.16	3.54	31.35	-	22.79	0.02	
Total financial liabilities	81,510.35	268.62	43.92	366.02	44.56	75.17	77.54	142.20	9.60	21.16	3.54	31.35	-	22.79	0.02	

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

28. Fair value measurement and financial instruments (continued)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies as at 31 March 2020 and 31 March 2019 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 2020		Standalone Statement of Profit and Loss for the year ended 31 March 2019	
	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	4.49	(4.49)	(7.63)	7.63
CHF	0.13	(0.13)	0.04	(0.04)
EUR	2.57	(2.57)	2.66	(2.66)
GBP	0.13	(0.13)	0.44	(0.44)
NPR	(0.14)	0.14	(0.18)	0.18
OMR	0.26	(0.26)	(0.35)	0.35
SGD	0.98	(0.98)	0.20	(0.20)
THB	0.38	(0.38)	0.48	(0.48)
QAR	0.36	(0.36)	(3.24)	3.24
LKR	0.21	(0.21)	(0.08)	0.08
BDT	0.15	(0.15)	(1.69)	1.69
USD*	1,835.11	(1,835.11)	106.70	(106.70)
HKD	(0.08)	0.08	0.12	(0.12)
KWD	0.80	(0.80)	(0.51)	0.51
MYR	0.31	(0.31)	0.07	(0.07)
SAR	1.96	(1.96)	0.00	0.00
TRY	(0.03)	0.03	(0.00)	0.00
CNY	(2.48)	2.48	-	-
MVR	0.00	(0.00)	-	-
PLN	0.00	(0.00)	-	-
VND	0.00	(0.00)	-	-
Total	1,845.11	(1,845.11)	97.03	(97.03)

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 excludes 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 (related property plant and equipment till 31 March 2019). 1% depreciation / appreciation in Indian Rupees against USD, affects the adjustment to right of use assets by Rs. 174.87 (property plant and equipment by Rs. 184.09 during the previous year). It is expected to impact the Standalone Statement of Profit and Loss over the remaining life of the right of use assets (remaining life of property, plant and equipment during the previous year) as an adjustment to depreciation charge.

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

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. Debt includes, foreign currency term loan as at 31 March 2020 and foreign currency term loan and finance lease obligations as at 31 March 2019.

Debt equity ratio:

Particulars	As at 31 March 2020	As at 31 March 2019
Foreign currency term loan- from others	6,856.40	5,882.51
Finance lease obligations*	-	18,409.20
Total Debt (A)	6,856.40	24,291.71
Equity share capital	3,847.96	3,844.07
Other equity	54,776.43	65,603.82
Total Equity (B)	58,624.39	69,447.89
Debt equity ratio (C = A/B)	0.12	0.35

* Pursuant to adoption of Ind AS 116, finance lease obligation has been reclassified from borrowings and presented as a part of lease liabilities which are not considered as debt during the current year.

Return on equity:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Profit / (loss) for the year	(2,481.59)	1,561.35
Equity share capital	3,847.96	3,844.07
Other equity	54,776.43	65,603.82
Total equity	58,624.39	69,447.89
Return on equity Ratio (%)	-4.2%	2.2%

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') 2017-18 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.

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.

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

30. Contingent liabilities (to the extent not provided for) (contd...)

The tax exposure (excluding interest and penalty) for various matters arising up to AY 2017-18 i.e. the last year assessed, amounts to Rs. 5,753.87 (previous year Rs. 6,346.42) 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. 4,887.28 (previous year Rs. 1,017.21), which represents minimum alternate tax recoverable written off in the earlier years. However, the exposure could increase to Rs. 13,478.55 (previous year Rs. 12,174.30) 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. 151.11 (previous year Rs. 145.68),
- (2) Value Added Tax - Rs. 16.51 (previous year Rs. 13.48),
- (3) Octroi - Rs. 74.39 (previous year Rs. 74.39) and
- (4) IGST on re-imports* - Rs. 5,955.36 (previous year Rs. 4,135.36).

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 ended 31 March 2020, the Company has paid Integrated Goods and Services Tax ('IGST') amounting to Rs. 1,820.00 (previous year Rs. 2,305.86) under protest, on re-import of repaired aircraft, aircraft engines and other certain aircraft parts, to custom authorities and therefore as at 31 March 2020, cumulative amount paid under protest is Rs. 5,955.36 (as at 31 March 2019 Rs. 4,135.36). In this regard, the Company has also filed the appeals before the Appellate authorities. The Company, based on legal advice from counsel, 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.

(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.

(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) The Company has certain agreements with an Original Equipment Manufacturer (OEM) for supply of new engines, spare engine support and provision of maintenance services. During the year ended 31 March 2020, the supplier has raised invoices on the Company amounting to Rs. 2,156.00 for spare engine charges, which management, considering its assessment of the contractual terms and conditions and basis advice from legal counsel, believes that it is not entitled to pay and accordingly has not recorded any provision for the same, in the books of account. Further, the Company has also raised certain claims on the OEM due to issues noted with the engines supplied by the OEM. Basis the contractual terms and legal counsel view, the management believes that it is entitled to these claims from OEM. The amount claimed

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

30. Contingent liabilities (to the extent not provided for) (contd...)

by the Company far exceeds the amount being claimed by the supplier from the Company. Given the uncertainty involved in determination and collection of the final amount, the Company has not recognized such claim amount as a contingent asset. The Company is in discussions with the OEM to reach a settlement on the contract.

(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 2020	As at 31 March 2019
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. 660.31 (previous year Rs. 301.43)]	3,193,720.06	1,522,215.57

For non-cancellable operating and finance leases commitments as at 31 March 2019 as required under Ind AS 17, refer to Note 27 and Note 16.a.

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. 909.84 (previous year Rs. 538.67) 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:

a. Passenger services

(i) Changes in present value of defined benefit obligation:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Present value of obligation at the beginning of the year	872.05	663.30
Interest cost	68.61	55.13
Current service cost	256.91	194.72
Benefits paid	(49.07)	(37.44)
Remeasurements - actuarial loss/ (gain) from changes in demographic assumptions	20.92	-
Remeasurements - actuarial loss/ (gain) from changes in financial assumptions	(112.06)	20.70
Remeasurements - actuarial loss/ (gain) from experience adjustments	78.15	(24.36)
Present value of obligation at the end of the year	1,135.51	872.05

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

32. Employee benefits (contd...)

(ii) Assumptions:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Economic assumptions		
Discount rate	6.68%	7.30%
Rate of increase in compensation levels	All Employees :0.1% for first two year. Thereafter:Non Crew : 10.75% Crew : 5.75%"	Non crew 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	12% for first two years 18% thereafter	18%

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 2020		As at 31 March 2019	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
(Increase)/ decrease in obligation with 1% movement in discount rate	(60.48)	65.95	(63.34)	67.70
Increase/ (decrease) in obligation with 1% movement in future rate in compensation levels	98.00	(92.39)	92.66	(88.40)
(Increase)/ decrease in obligation with 1% movement in withdrawal rate	(30.45)	32.94	(23.49)	25.32

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 2020

(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 2020	141.86	109.25	446.49	629.17	1,326.77
As at 31 March 2019	125.51	127.00	353.03	454.76	1,060.30

b. Cargo services

(i) Changes in present value of defined benefit obligation:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Present value of obligation at the beginning of the year	20.76	18.84
Interest cost	1.56	1.47
Current service cost	3.92	2.99
Benefits paid	(0.63)	(4.14)
Remeasurements - actuarial loss/ (gain) from changes in demographic assumptions	0.82	-
Remeasurements - actuarial loss/ (gain) from changes in financial assumptions	(3.79)	0.65
Remeasurements - actuarial loss/ (gain) from experience adjustments	1.25	0.95
Present value of obligation at the end of the year	23.89	20.76

(ii) Assumptions:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Economic assumptions:		
Discount rate	6.68%	7.31%
Rate of increase in compensation levels	0.1% for first two year 10.75% thereafter	10.75%
Demographic assumptions:		
- Retirement age	60 years	60 years
- Mortality table	IALM (2012-14)	IALM (2012-14)
- Withdrawal	12% for first two years 18% thereafter	18%

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 2020		As at 31 March 2019	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Increase/ (decrease) in obligation with 1% movement in discount rate	(1.35)	1.51	(1.28)	1.42
Increase/ (decrease) in obligation with 1% movement in future rate in compensation levels	1.75	(1.56)	1.72	(1.66)
(Increase)/ decrease in obligation with 1% movement in withdrawal rate	(0.50)	0.59	(0.50)	0.56

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

32. Employee benefits (contd...)

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 2020	2.79	2.05	8.32	14.50	27.66
As at 31 March 2019	2.85	2.85	7.67	11.96	25.33

c. Bifurcation of provision for defined benefit plan at the end of year:

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for defined benefit plans		
Passenger services		
- Current	137.35	121.16
- Non-current	998.16	750.89
Cargo services		
- Current	2.70	2.76
- Non-current	21.19	18.00
Total	1,159.40	892.81

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 2020 and 31 March 2019 are as follows:

Information about services - Income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
a. Air transportation services	357,560.01	284,967.72
b. Other income	15,362.42	13,249.36
Total	372,922.43	298,217.08

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

33. Segment reporting (contd...)

Information about geographical areas - Income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
a. Air transportation services		
I. Domestic	288,861.30	244,571.27
II. International	68,698.71	40,396.45
b. Other income	15,362.42	13,249.36
Total	372,922.43	298,217.08

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)

(iii) Key managerial personnel of the Company and their close family members

Mr. Aditya Ghosh – President and Whole Time Director (Whole Time Director till 26 April 2018 and President till 29 July 2018)

Mr. Rahul Bhatia – Director (Interim Chief Executive Officer with effect from 27 April 2018 till 23 January 2019)

Ms. Rohini Bhatia – Director

Mr. Rakesh Gangwal - Director

Mr. Devadas Malliya Mangalore - Independent Director (Deceased on 25 November 2018)

Dr. Anupam Khanna - Independent Director

Ms. Pallavi Shardul Shroff– Additional Director (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 (Independent Director with effect from 23 January 2019 and Chairman of the Board with effect from 24 January 2019).

Mr. Ronojoy Dutta - Chief Executive Officer (from 24 January 2019), Whole Time Director & Chief Executive Officer (with effect from 27 January 2020)

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

34. Related party disclosures (contd...)

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)

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 Technologies Private Limited (related party till 3 January 2019)

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

Pegasus Buildtech Private Limited

Pegasus Utility Maintenance & Services 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)

c. Transactions with related parties during the current / previous year:

S. No.	Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
(i)	Rent		
	InterGlobe Enterprises Private Limited#	-	75.06
	InterGlobe Air Transport Limited#	1.12	3.54
	Pegasus Buildtech Private Limited	-	5.42
	InterGlobe Real Estate Ventures Private Limited#	-	46.75
	# Pursuant to adoption of Ind AS 116, the lease cost has been recognized as per the requirements of Ind AS 116.		
(ii)	Commission		
	InterGlobe Air Transport Limited	203.87	128.62
	InterGlobe Air Transport Limited W.L.L.*	133.56	52.62
	*The Company has received or due to receive remittances of Rs. 5,257.20 (previous year Rs. 2,992.48) for the sale of passenger tickets through the agent for which the above commission was paid or payable.		
(iii)	Reservation cost		
	InterGlobe Technologies Private Limited	-	301.81
(iv)	Crew accommodation and transportation		
	InterGlobe Hotels Private Limited	104.05	94.11
	Caddie Hotels Private Limited	88.36	86.84
(v)	Training		
	CAE Simulation Training Private Limited	1,002.71	973.51

Notes forming part of the standalone financial statements for the year ended 31 March 2020

(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 2020	For the year ended 31 March 2019
(vi)	Operating cost of software		
	InterGlobe Technologies Private Limited	-	16.74
	InterGlobe Business Solutions Private Limited	28.05	202.76
(vii)	Repairs and maintenance		
	InterGlobe Air Transport Limited	0.27	2.10
	Pegasus Utility Maintenance & Services Private Limited	-	1.31
	InterGlobe Real Estate Ventures Private Limited	15.95	20.33
(viii)	Miscellaneous income		
	InterGlobe Air Transport Limited	0.55	3.54
	CAE Simulation Training Private Limited	1.12	1.28
	InterGlobe Education Services Limited	7.84	1.77
	Agile Airport Services Private Limited	7.33	3.38
(ix)	Reimbursement for expenses received		
	Agile Airport Services Private Limited	0.30	5.45
(x)	Reimbursement for expenses paid		
	InterGlobe Air Transport Limited W.L.L.	13.03	21.75
(xi)	Miscellaneous expenses		
	InterGlobe Hotels Private Limited	-	4.52
	Caddie Hotels Private Limited	-	0.12
	InterGlobe Air Transport Limited	0.06	0.53
	Pegasus Utility Maintenance & Services Private Limited	-	0.60
	InterGlobe Real Estate Ventures Private Limited	11.65	13.20
(xii)	Purchase of property, plant and equipment, capital work-in-progress, intangible assets and other assets		
	InterGlobe Business Solutions Private Limited	58.56	-
(xiii)	Compensation to key managerial personnel		
	Short-term employee benefits	633.00	119.80
	Post-employment benefits	5.90	1.38
	Share-based payment (Refer Note 37) **	21.78	67.12
	Other long-term benefits	8.14	9.55
	** Excludes a reversal of employee stock option scheme expense of Rs. 160.53 (previous year Rs. 224.46) during the year towards forfeiture of employee stock options granted.		
(xiv)	Sitting fees and commission***		
	Mr. Rahul Bhatia	1.10	1.20
	Ms. Rohini Bhatia	1.90	1.60
	Mr. Rakesh Gangwal	1.10	0.80
	Mr. Devadas Malliya Mangalore	-	0.90
	Dr. Anupam Khanna	3.50	2.50
	Mr. Anil Parashar	3.50	1.20
	Mr. Meleveetil Damodaran	2.30	0.10
	Ms. Pallavi Shardul Shroff	0.30	-
	*** Excludes applicable taxes		
(xv)	Final dividend paid (Refer to Note 15.b.(iv))		
	Mr. Kapil Bhatia	0.25	0.30
	Mr. Rahul Bhatia	0.20	0.24
	Ms. Rohini Bhatia	0.05	0.06
	Mr. Rakesh Gangwal	282.11	338.53
	Ms. Shobha Gangwal	161.55	193.86
	Dr. Asha Mukherjee	6.25	7.50
	The Chinkerpoo Family Trust (Trustee: Ms. Shobha Gangwal & J.P.Morgan Trust Company of Delaware)	261.32	313.58
	Mr. Alok Mehta****	0.00	0.00
	Ms. Ritu Parashar	0.01	-
	InterGlobe Enterprises Private Limited	728.53	874.24
	**** Amount in absolute terms is Rs. 1,275 (previous year Rs. 1,530).		

Notes forming part of the standalone financial statements for the year ended 31 March 2020

(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 2020	For the year ended 31 March 2019
(xvi)	Ground handling charges Agile Airport Services Private Limited## ## Excluding applicable taxes	3,516.69	807.80
(xvii)	Security deposit paid InterGlobe Real Estate Ventures Private Limited InterGlobe Enterprises Private Limited	24.75 26.06	0.43 -
(xviii)	Advance to suppliers for expenses, net Agile Airport Services Private Limited	-	31.26
(xix)	Legal expenses Shardul Amarchand Mangaldas & Co.	4.82	-
(xx)	Depreciation under Ind AS 116***** CAE Simulation Training Private Limited InterGlobe Enterprises Private Limited InterGlobe Real Estate Ventures Private Limited InterGlobe Air Transport Limited	213.17 37.92 25.67 0.07	- - - -
(xxi)	Interest under Ind AS 116***** CAE Simulation Training Private Limited InterGlobe Enterprises Private Limited InterGlobe Real Estate Ventures Private Limited InterGlobe Air Transport Limited	114.56 29.43 19.54 0.02	- - - -
	***** Represents expense recognised during the year as per Ind AS 116. Lease payments in respect of above parties for the current year is amounting to Rs 330.39.		

d. Outstanding balances

S. No.	Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
(i)	Payables InterGlobe Air Transport Limited InterGlobe Hotels Private Limited Caddie Hotels Private Limited CAE Simulation Training Private Limited Pegasus Utility Maintenance & Services Private Limited InterGlobe Real Estate Ventures Private Limited InterGlobe Business Solutions Private Limited Agile Airport Services Private Limited InterGlobe Enterprises Private Limited Shardul Amarchand Mangaldas & Co. InterGlobe Air Transport Limited W.L.L Key managerial personnel	0.03 16.93 11.15 43.53 - 0.79 - 10.00 - 1.07 84.13 62.60	14.01 14.38 5.46 - 0.03 3.24 32.41 38.61 1.49 - - 153.63
(ii)	Advance to suppliers Agile Airport Services Private Limited CAE Simulation Training Private Limited	- -	31.26 0.05
(iii)	Advance to employees Key managerial personnel	-	16.06
(iv)	Investment in equity shares of subsidiary (Refer to Note 5) Agile Airport Services Private Limited	1.10	1.10

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

34. Related party disclosures (contd...)

	Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
(v)	Receivables - (Including general sales agent (GSA))		
	Agile Airport Services Private Limited	2.12	-
	InterGlobe Education services Limited	0.35	-
	InterGlobe Air Transport Limited W.L.L	-	237.51
(vi)	Security deposit - Receivable		
	InterGlobe Real Estate Ventures Private Limited	25.17	0.43
	InterGlobe Enterprises Private Limited	26.06	-
(vii)	Lease liabilities		
	CAE Simulation Training Private Limited	5,523.52	-
	InterGlobe Enterprises Private Limited	344.26	-
	InterGlobe Real Estate Ventures Private Limited	212.01	-
	InterGlobe Air Transport Limited	0.94	-

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 2020	For the year ended 31 March 2019
Profit / (loss) attributable to equity share holders:		
Profit / (loss) attributable to equity share holders for basic earnings	(2,481.59)	1,561.35
Profit / (loss) attributable to equity share holders adjusted for the effect of dilution	(2,481.59)	1,561.35

b. Weighted average number of equity shares

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Weighted average number of equity shares		
- For basic earnings per share	384,658,050	384,406,838
Dilutive effect of stock options*	-	419,426
	384,658,050	384,826,264
Basic earnings per share (Rs.)	(6.45)	4.06
Diluted earnings per share (Rs.)	(6.45)	4.06
Nominal value per share (Rs.)	10	10

* Includes Nil (previous year 419,426) of stock options granted to employees under the employee stock option schemes are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive.

360,759 (previous year 100,000) 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.

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

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 2020	For the year ended 31 March 2019
a) Gross amount required to be spent by the Company during the year	315.32	497.67
b) Amount spent and paid during the year	227.37	266.81
Particulars of amount spent and paid during the year:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	227.37	266.81
	227.37	266.81

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
(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	1,049.95	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

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

37. Share-based payment arrangements (contd...)

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

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%

* During the year ended 31 March 2019, the Board of Directors had accepted resignation of Mr. Aditya Ghosh, President and Whole Time Director of the Company, from the post of President of the Company effective 29 July 2018 and as a Director of the Company with effect from 26 April 2018.

** During the current 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.

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.

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

37. Share-based payment arrangements (contd...)

c. Effect of employee stock option scheme on the Standalone Statement of Profit and Loss:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Employee stock option scheme expense (included in salaries, wages and bonus)***	(99.15)	(133.28)
Total	(99.15)	(133.28)

*** Includes a reversal of employee stock option scheme expense of Rs. 160.53 (previous year Rs. 276.55) towards forfeiture of employee stock options granted to certain employees.

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 2020		As at 31 March 2019	
	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	831,850	574.79	1,610,457	487.79
Add: Options granted during the year	53,000	765.00	100,000	1,049.95
Less: Options forfeited and expired during the year	247,310	10.00	765,947	495.56
Less: Options exercised during the year****	276,781	765.00	112,660	291.47
Options outstanding as at the year end	360,759	843.99	831,850	574.79

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number of options	Weighted average exercise price (Rs.)	Number of options	Weighted average exercise price (Rs.)
Exercisable at the end of the year	222,759	765- 1049.95	231,215	765.00

Particulars	As at 31 March 2020	As at 31 March 2019
Weighted average remaining life of options outstanding at the end of the year	4.08	3.56

****The weighted average share price at the date of exercise of options exercised during the year was Rs. 1,396.58 (previous year Rs. 1,226.90). Further, during the current year, certain employees has exercised their rights to exercise employee stock options. As on the year-ended 31 March 2019, total number of ESOP exercised but outstanding for allotment is 112,600.

- 38.** (a) Ms. Pallavi Shardul Shroff has been appointed as an Additional Director (Independent Woman Director) with effect from 19 September 2019, subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company.
- (b) Mr. Rohit Philip, erstwhile Chief Financial Officer resigned with effect from 15 September 2019.
- (c) Mr. Aditya Pande has been appointed as the Chief Financial Officer of the Company with effect from 16 September 2019.
- (d) Mr. Ronojoy Dutta, Chief Executive Officer of the Company has been appointed as Whole Time Director with effect from 27 January 2020, subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company.
- (e) Dr. Venkataramani Sumantran has been appointed as an Additional Director (Independent Director) with effect from 28 May 2020, subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company.

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

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. Supplementary rentals which were earlier classified in 'Aircraft and engine rentals (net)' and Aircraft repair and maintenance (net), Consumption of stores and spares and loose tools and Redelivery and overhaul cost which were earlier classified under 'Other expenses', have now been collectively disclosed as a separate line item 'Supplementary rentals and aircraft repair and maintenance (net)' in the standalone financial statements.
The 'Airport fees and charges' have been disclosed as a separate line item, which were earlier classified as a part of Landing fees and en-route charges under 'Other expenses'
41. During the current year, effective 1 July 2019, the management had re-assessed its accrual estimates for heavy maintenance and overhaul cost of engines on certain category of aircraft, basis the trends now available with the Company for costs incurred on such events during the recent past. For the purpose, management has made certain assumptions of expected future costs of maintenance, expected maintenance interval and aircrafts' condition basis the past trends and consequently, an additional accrual of Rs. 8,856.80 has been recorded during the year ended 31 March 2020 under supplementary rentals and aircraft repair and maintenance (net), on prospective basis, recognising the cost over the balance period till the next expected maintenance visit.
42. The Company has received letters from the Securities and Exchange Board of India ("SEBI") and from the Ministry of Corporate Affairs ("MCA") wherein they have requested for the Company's comments in relation to the complaints filed by one of the Promoters of the Company. The Company has responded to concerned authorities within the prescribed timelines and believes that aforesaid matter does not impact the financial statements of the Company.
43. InterGlobe Enterprises Private Limited and Mr. Rahul Bhatia, as claimants (the "IGÉ Group"), have 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 IGÉ 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 IGÉ 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 necessary and proper party to the arbitration. However, no monetary claim, including any compensation or penalty, has been sought against the Company and accordingly the Company believes that the aforesaid matter does not impact the financial statements of the Company. The arbitral tribunal has been constituted, the parties are however yet to make any substantive filings in the arbitral proceedings.
44. Our operations have been severely impacted due to the Covid -19 pandemic. The Government of India declared a national lockdown with effect from 24 March 2020. As a result, no scheduled passenger flights were operated between 24 March 2020 and 24 May 2020. Our revenues were materially impacted by the shutdown of air traffic during this period. During the same period, we continued to incur committed expenditure with respect to our employees, aircraft related expenditures such as lease rentals and other expenditures. This has significantly impacted our profitability.
We have taken several actions to mitigate the effect of COVID-19 on our business. We have taken steps to reduce our unit costs and increase our liquidity by making our fleet more efficient, ensuring our capacity is right sized to the market, putting on hold discretionary expenses, deferring certain capital expenditures, etc. We have commenced our operations with effect from 25 May 2020. We will ramp-up our operations in a phased manner, subject to Government directions, We have a sufficient fleet, crew and other operating staff available to scale-up operations across networks to cater to demand as it scales-up strictly adhering to safety and social distancing norms. We have introduced a number of measures as part of our new standard operating procedures like spray cleaning the aircraft at every arrival, increased frequency of

Notes forming part of the standalone financial statements for the year ended 31 March 2020

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

44. (contd...)

deep cleaning of the aircraft, wiping of all touch points such as tray tables, arm rests, seat belts, lavatory door, etc. to ensure the health and safety of our passengers.

Due care has been exercised to determine recoverability of the carrying amount of the assets while preparing the Company's financial statements as of and for the year ended 31 March 2020. We have performed sensitivity analysis on the assumptions used and based on current estimates, expects the carrying amount of these assets to be recovered. We have a strong cash position as of 31 March 2020 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. The unprecedented nature of the pandemic makes the future business environment uncertain, however, we will continue to carry out the impact assessment on our assets and closely monitor any material changes to future economic conditions.

45. During the current year, the managerial remuneration paid by the Company to its Whole Time Director and Chief Executive Officer, is in excess of limited laid down under Section 197 of the Companies Act, 2013 ('the Act') read with Schedule V to the Act by Rs. 155.82. The Company will seek approval from the shareholders at the ensuing Annual General Meeting.

46. Details of bank deposits, current investments, cash and cash equivalents and bank balances other than cash and cash equivalent:

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 at 31 March 2019

Particulars	Non lien	Under lien	Total
Bank deposits (due for maturity after twelve months from the reporting date) (Refer to Note 8)	308.09	1,543.60	1,851.69
Current investments (Refer to Note 6)	42,738.62	22,427.08	65,165.70
Cash and cash equivalents (Refer to note 12)	7,127.75	0.08	7,127.83
Bank balance other than cash & cash equivalents (Refer to Note 13)	10,630.84	68,304.96	78,935.80
Total	60,805.30	92,275.72	153,081.02

As per our report of even date attached

For S.R. Batliboi & Co LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/€300005

per Sanjay Vij
Partner
Membership Number: 95169

Place: Gurgaon
Date : 2 June 2020

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

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

Aditya Pande
Chief Financial Officer

Place: Gurgaon
Date : 2 June 2020

Anil Parashar
Director
DIN: 00055377

Sanjay Gupta
Company Secretary and
Chief Compliance Officer

Independent Auditors' Report

To the Members of InterGlobe Aviation Limited
Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of InterGlobe Aviation Limited (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2020, 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 Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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, 2020, their consolidated loss including other comprehensive income, 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

Emphasis of Matter

We draw attention to Note 44 in the consolidated financial statements, which describes the possible effects of uncertainties relating to COVID-19 pandemic on 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 consolidated Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the consolidated Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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)) which govern revenue recognition, and key manual internal controls over passenger revenue recognition, including 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.
- performed data analytics to analyse the flow of transactions from ticket sales to passenger revenue to identify unusual patterns and events
- 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;

First time adoption of Ind AS 116 for leases - 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. The Group has applied Ind AS 116 from the application date (April 1, 2019) using the modified retrospective approach, thereby recognising the cumulative effect as an adjustment to the opening balance of retained earnings as at April 1, 2019, with no restatement of comparative information.

Further, 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.

The first-time adoption of the standard resulted in the recognition, as at April 1, 2019, of right of use of INR 93,942.04mn, a lease liability amounting to INR 146,320.72mn and decrease in retained earnings of INR 6,180.47mn (net of deferred taxes of INR 3,319.76mn).

We considered the first-time application of the standard as a key audit matter, on aircraft and other leases (including the corresponding tax treatment), 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 from ROU, componentisation of the ROU asset, practical expedients used) 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 and practical expedients exercised;
- 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 scope of the aircraft and other leases and assessed management judgements used in determining the classification of leases, re-validating operating leases identified under the previously applicable standard, exemptions and practical expedients exercised;
- 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'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 Group and opinions given by third party tax advisors;
- assessed the adequacy of the disclosures in respect of the adoption in Note 16.b and in respect of the tax position in Note 30 to the consolidated financial statements.

Aircraft Maintenance Obligations (refer note 41 to the Consolidated financial statements)

The Group operates aircraft which are owned or 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;
- assessed the adequacy of the related disclosures in respect of the change in estimate in Note 41 to the consolidated financial statements.

Impact of COVID-19 on impairment of non-financial assets (refer note 44 to the Consolidated financial statements)

During the current year, due to impact of COVID-19, 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 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 Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS 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 Ind AS 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 for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS 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 Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS 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 Ind AS Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 SFAs 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS 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 and whose financial information we have audited, to express an opinion on the consolidated Ind AS 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 communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS 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 Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The consolidated Ind AS financial statements of the Company for the year ended March 31, 2019, included in these consolidated Ind AS financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 27, 2019.

Report on Other Legal and Regulatory Requirements

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 of the aforesaid consolidated Ind AS 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 Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS 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, 2020 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group's companies incorporated in India, is disqualified as on March 31, 2020 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 Ind AS 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) In our opinion, the remuneration paid by the Holding Company to its Chief Executive Officer and Wholetime Director for the year ended March 31, 2020, being in excess of the limits prescribed within provisions of section 197 read with Schedule V to the Act by INR 155.82 million, is subject to the approval by a special resolution by the shareholders;
- (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 Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated Ind AS financial statements – Refer Note 30 to the consolidated Ind AS 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, 2020;
 - iii. There has been no delay in transferring amounts, 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, 2020.

For S.R. Batliboi & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/€300005

per Sanjay Vij

Partner

Membership Number: 95169

UDIN: 20095169AAAAABI4475

Place of Signature: Gurugram

Date: June 2, 2020

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 Limited

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

In conjunction with our audit of the consolidated financial statements of InterGlobe Aviation Limited as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of InterGlobe Aviation Limited (hereinafter referred to as the "Holding Company") and its subsidiary company, which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated financial statements 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 with reference to these consolidated financial statements 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 over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to these consolidated financial statements 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 with reference to these consolidated financial statements 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 With Reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements 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 Holding Company and its subsidiary company, which is a company incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Holding 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/€300005

per Sanjay Vij

Partner

Membership Number: 95169

UDIN: 20095169AAAAABI4475

Place of Signature: Gurugram

Date: June 2, 2020

Consolidated Balance Sheet

as at March 31, 2020

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

	Note	As at 31 March 2020	As at 31 March 2019
I. Assets			
Non-current assets			
a. Property, plant and equipment	3	24,995.69	56,315.54
b. Right of use assets	4	142,461.38	-
c. Capital work-in-progress		1,292.70	220.15
d. Intangible assets	5	335.91	304.88
e. Intangible assets under development		109.69	16.14
f. Financial assets			
(i) Investments	6	0.75	0.15
(ii) Loans	7	12,759.54	5,843.97
(iii) Other financial assets	8	58.30	1,988.21
g. Deferred tax assets (net)	20.d	2,992.82	9.67
h. Income tax assets (net)	20.c	4,296.71	1,240.49
i. Other non-current assets	9	7,142.69	3,158.76
Total non-current assets		196,446.18	69,097.96
Current assets			
a. Inventories	10	2,861.28	2,114.41
b. Financial assets			
(i) Investments	6	94,991.67	65,165.70
(ii) Trade receivables	11	2,594.16	3,624.67
(iii) Cash and cash equivalents	12	7,190.66	7,284.17
(iv) Bank balances other than cash and cash equivalents, above	13	101,533.64	78,935.80
(v) Loans	7	4,551.23	4,669.61
(vi) Other financial assets	8	6,231.27	7,925.20
c. Other current assets	9	4,610.69	11,450.90
Total current assets		224,564.60	181,170.46
Total Assets		421,010.78	250,268.42
II. Equity And Liabilities			
Equity			
a. Equity share capital	14	3,847.96	3,844.07
b. Other equity	15	54,931.44	65,614.03
Equity attributable to owners of the Company		58,779.40	69,458.10
c. Non-controlling interest		-	-
Total equity		58,779.40	69,458.10
Liabilities			
Non-current liabilities			
a. Financial liabilities			
(i) Borrowings	16.a	3,465.87	21,936.69
(ii) Lease liabilities	16.b	155,791.01	-
(iii) Other financial liabilities	16.c	30,388.86	33,878.94
b. Provisions	17	5,634.98	2,758.20
c. Deferred tax liabilities (net)	20.d	-	644.16
d. Other non-current liabilities	19	369.77	345.18
e. Deferred incentives		2,206.31	41,143.59
Total non-current liabilities		197,856.80	100,706.76
Current liabilities			
a. Financial liabilities			
(i) Trade payables	18		
- total outstanding dues of micro enterprises and small enterprises		61.15	47.90
- total outstanding dues of creditors other than micro enterprises and small enterprises		15,614.67	14,480.18
(ii) Lease liabilities	16.b	64,544.27	-
(ii) Other financial liabilities	16.c	45,897.39	21,230.48
b. Provisions	17	13,962.54	1,638.32
c. Current tax liabilities (net)	20.c	30.76	33.51
d. Other current liabilities	19	23,787.75	31,934.02
e. Deferred incentives		476.05	10,739.15
Total current liabilities		164,374.58	80,103.56
Total Equity And Liabilities		421,010.78	250,268.42

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 Number: 301003E/€300005

per Sanjay Vij

Partner

Membership Number: 95169

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

Ronojoy Dutta

Whole Time Director and

Chief Executive Officer

DIN : 08676730

Aditya Pande

Chief Financial Officer

Anil Parashar

Director

DIN: 00055377

Sanjay Gupta

Company Secretary and

Chief Compliance Officer

Place: Gurgaon

Date : 2 June 2020

Place: Gurgaon

Date : 2 June 2020

Consolidated Statement of Profit and Loss

for the year ended March 31, 2020

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

	Note	For the year ended 31 March 2020	For the year ended 31 March 2019
Income			
Revenue from operations	21	357,560.01	284,967.72
Other income	22	15,355.09	13,245.98
Total income		372,915.10	298,213.70
Expenses			
Aircraft fuel expenses		124,537.94	119,427.93
Aircraft and engine rentals (net) (Refer to Note 27 and Note 40)		4,966.57	38,610.32
Supplementary rentals and aircraft repair and maintenance (net) (Refer to Note 40)		58,672.37	36,820.05
Airport fees and charges (Refer to Note 40)		29,116.84	24,489.34
Purchase of stock-in-trade (In-flight)		1,809.08	1,397.95
Changes in inventories of stock-in-trade	23	(30.53)	(6.55)
Employee costs	24	47,099.59	32,105.57
Finance costs	25	18,758.71	5,089.63
Depreciation and amortisation expense	26	39,739.29	7,595.80
Foreign exchange loss (net)		15,461.89	4,674.87
Other expenses (Refer to Note 40)	27	35,340.04	29,482.57
Total expenses		375,471.79	299,687.48
Loss before tax		(2,556.69)	(1,473.78)
Tax expense			
Current tax	20	91.30	15.24
Deferred tax charge / (credit)		(311.21)	(3,061.49)
Total tax expense / (credit)		(219.91)	(3,046.25)
Profit / (loss) for the year		(2,336.78)	1,572.47
Other comprehensive income			
Items that will not be reclassified to profit or loss	15.b.		
- Remeasurements of defined benefit plans		14.68	2.06
- Income tax relating to above mentioned item		(3.69)	(0.72)
Other comprehensive income for the year, net of tax		10.99	1.34
Total comprehensive income for the year		(2,325.79)	1,573.81
Profit / (loss) for the year attributable to			
- Owners of the Company	47	(2,336.78)	1,572.47
- Non-controlling interest		-	-
Other comprehensive income for the year attributable to	47		
- Owners of the Company		10.99	1.34
- Non-controlling interest		-	-
Total comprehensive income for the year attributable to	47		
- Owners of the Company		(2,325.79)	1,573.81
- Non-controlling interest		-	-
Earnings per equity share of face value of Rs. 10 each (previous year Rs. 10 each)			
Basic (Rs.)	35	(6.07)	4.09
Diluted (Rs.)		(6.07)	4.09

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 Number: 301003E/E300005

per Sanjay Vij

Partner

Membership Number: 95169

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

Ronojoy Dutta

Whole Time Director and

Chief Executive Officer

DIN : 08676730

Aditya Pande

Chief Financial Officer

Anil Parashar

Director

DIN: 00055377

Sanjay Gupta

Company Secretary and
Chief Compliance Officer

Place: Gurgaon
Date : 2 June 2020

Place: Gurgaon
Date : 2 June 2020

Consolidated Cash Flow Statement

for the year ended March 31, 2020

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

	For the year ended 31 March 2020	For the year ended 31 March 2019
A. Cash flows from operating activities		
Loss before tax	(2,556.69)	(1,473.78)
Adjustments for:		
Depreciation and amortisation expense	39,739.29	7,595.80
Finance cost on lease liabilities	13,644.50	-
Unrealised foreign exchange loss (net)	13,122.27	3,546.06
Interest accretion on provisions and other financial liabilities measured at amortised cost	4,564.57	3,496.52
Marked to market gain on current investments	(4,595.12)	(2,229.07)
Interest income from bank deposits	(2,571.70)	(4,344.11)
Non cash incentives, claims and credits (net)	(2,164.89)	(2,594.56)
Net gain on sale of current investments	(1,930.57)	(1,615.92)
Interest income from financial assets at amortised cost	(986.56)	(755.46)
Employee stock option scheme expense (included in salaries, wages and bonus)	(99.15)	(133.28)
Liabilities no longer required written back	(76.67)	(263.81)
Interest on borrowings measured at amortised cost	336.48	317.11
Redelivery and overhaul cost	160.79	307.66
Property, plant and equipment written off	104.04	70.21
Loss on sale of property, plant and equipment (net)	49.26	0.81
Bad debts written off	13.45	8.65
Impairment loss on trade receivables	3.70	6.91
Advance write off	0.60	1.16
Impairment loss on deposits	8.37	-
Deferred rent amortisation (included in aircraft and engine rentals (net))	-	693.48
Finance lease charges on finance lease obligations measured at amortised cost	-	1,119.55
Impact of Ind AS 115 - Revenue from contract with customers (Refer to Note 19)	-	24.55
Operating profit before working capital changes	56,765.97	3,778.48
Adjustments for:		
Increase in loans, other financial assets, and other assets	(5,350.98)	(9,254.00)
Increase in inventories	(746.87)	(282.14)
Increase in trade payables, other financial liabilities, other liabilities and provisions	21,188.88	14,115.38
Decrease/ (increase) in trade receivables	1,011.08	(1,406.80)
Increase in deferred incentives	-	25,767.83
Cash generated from operating activities	72,868.08	32,718.75
Income tax paid	(3,150.26)	(963.34)
Net cash generated from operating activities	69,717.82	31,755.41
B. Cash flows from investing activities		
Purchase of mutual funds / shares / fixed rate non-convertible debentures (Refer to Note 6)	(230,557.46)	(150,080.54)
Proceeds from sale of mutual funds / shares / fixed rate non-convertible debentures (Refer to Note 6)	207,256.58	152,198.98
Investment in deposits (Refer to Note 8, 12 and 13)	(94,209.29)	(110,132.31)
Proceeds from maturity of deposits (Refer to Note 8, 12 and 13)	78,752.90	94,706.15
Interest received	3,692.97	5,008.76
Purchase of property, plant and equipment and intangible assets (including capital advances)	(10,883.06)	(17,115.62)
Proceeds from sale of property, plant and equipment	267.38	54.07
Net cash used in investing activities	(45,679.98)	(25,360.51)
C. Cash flows from financing activities		
Repayment of lease liabilities (net of incentives)	(8,707.56)	-
Finance charges paid on lease liabilities	(13,374.50)	-
Proceeds from secured loans (Refer to Note 3 below)	420.61	483.54
Repayment of secured loans (Refer to Note 3 below)	-	(2,561.93)
Interest paid on secured loans	(340.10)	(292.65)
Finance lease charges paid	-	(770.09)
Final dividend paid	(1,922.53)	(2,306.36)
Corporate dividend tax paid	(395.34)	(474.09)
Securities premium received on account of issue of shares	240.69	-
Proceeds from issue of shares on exercise of stock options scheme	3.89	-
Net cash used in financing activities	(24,074.84)	(5,921.58)

Consolidated Cash Flow Statement

for the year ended March 31, 2020 (contd...)

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

	For the year ended 31 March 2020	For the year ended 31 March 2019
Net increase/ (decrease) in cash and cash equivalents during the year (A+B+C)	(37.00)	473.32
Effect of exchange rate changes on cash and cash equivalents held in foreign currency	(56.51)	103.67
D. Cash and cash equivalents at the beginning of the year		
Cash on hand	48.89	30.31
Balance with banks:		
- On current accounts	5,593.13	5,511.87
- On deposit accounts (with original maturity of three months or less)	1,642.15	1,165.00
	7,284.17	6,707.18
E. Cash and cash equivalents as at the end 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

Notes:

- 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.
- Cash and cash equivalents includes Rs. 3,968.28 (previous year Rs. 2,285.71) held in foreign currency which can be repatriated back by the Group subject to procedural compliances in local jurisdictions.
- Changes in liabilities arising from financing activities*

	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening balance of secured loans		
- Finance lease obligations (including current maturities of finance lease obligations)	-	19,445.12
- Foreign currency term loan - from others	5,882.5	5,082.09
Cash flows		
Repayment of secured loans	-	(2,561.93)
Proceeds from secured loans	420.6	483.54
Non-cash changes		
Foreign currency exchange fluctuations	553.3	1,515.85
Changes in finance lease obligation measured at amortised cost	-	327.04
Closing balance of secured loans		
- Finance lease obligations (including current maturities of finance lease obligations)	-	18,409.20
- Foreign currency term loan - from others (including current maturities)	6,856.4	5,882.51

* Information in respect of the current year ended 31 March 2020 is presented in accordance with Ind AS 116. Information in respect of the comparative year ended 31 March 2019 is presented in accordance with Ind AS 17. Refer Note 16.b.

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 Number: 301003E/€300005

per Sanjay Vij

Partner

Membership Number: 95169

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

Ronojoy Dutta

Whole Time Director and

Chief Executive Officer

DIN : 08676730

Aditya Pande

Chief Financial Officer

Anil Parashar

Director

DIN: 00055377

Sanjay Gupta

Company Secretary and
Chief Compliance Officer

Place: Gurgaon

Date : 2 June 2020

Place: Gurgaon

Date : 2 June 2020

Consolidated Statement of Changes in Equity

for the year ended March 31, 2020

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

A. Equity share capital

	Note	For the year ended 31 March 2020		For the year ended 31 March 2019	
		Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year		384,406,838	3,844.07	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 scheme	37	389,441	3.89	-	-
Balance at the end of the year		384,796,279	3,847.96	384,406,838	3,844.07

B. Other equity

	Note	Equity component of compound financial instruments*	Reserve & Surplus			Total Equity attributable to owners of the company
			Employee stock options outstanding account	Securities premium reserve	General reserve	
Balance as at 1 April 2019		58.79	406.82	37,740.96	389.07	65,614.03
Impact of Ind AS 116 - Leases (Refer to Note 16.b)						(6,180.47)
Restated balance as at 1 April 2019		58.79	406.82	37,740.96	389.07	59,433.56
Changes in other equity during the year ended 31 March 2020:						
Loss for the year						(2,336.78)
Other comprehensive income for the year	15.b.(iv)					10.99
Total comprehensive income for the year						(2,325.79)
Final dividend	15.b.(iv)					(1,922.53)
Corporate dividend tax	15.b.(iv)					(395.34)
Premium received during the year on account of issue of shares	15.b.(ii)	-	-	240.69	-	240.69
Amount (utilised) / transfer for issue of shares on exercise of employee stock options scheme	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	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.

Consolidated Statement of Changes in Equity

for the year ended March 31, 2020

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

B. Other equity (contd...)

Note	Equity component of compound financial instruments*	Reserve & Surplus			Retained earnings	Other comprehensive income**	Total Equity attributable to owners of the company
		Employee stock options outstanding account	Securities premium reserve	General reserve			
Balance as at 1 April 2018	58.79	540.10	37,740.96	389.07	28,232.45	(31.89)	66,929.48
Impact of Ind AS 115 - Revenue from contract with customers (Refer to Note 19)					24.55		24.55
Restated balance as at 1 April 2018	58.79	540.10	37,740.96	389.07	28,257.00	(31.89)	66,954.03
Changes in other equity during the year ended 31 March 2019:							
Profit for the year					1,572.47		1,572.47
Other comprehensive income for the year						1.34	1.34
Total comprehensive income for the year					1,572.47	1.34	1,573.81
Transferred to retained earnings					(30.55)	30.55	-
Final dividend					(2,306.44)	-	(2,306.44)
Corporate dividend tax					(474.09)	-	(474.09)
Employee stock option scheme expense		(133.28)			-	-	(133.28)
Balance as at 31 March 2019	58.79	406.82	37,740.96	389.07	27,018.39	-	65,614.03

* 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 Number: 301003E300005

per Sanjay Vij

Partner

Membership Number: 95169

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

Rohiya Pande
Chief Financial Officer

Sanjay Gupta
Company Secretary and
Chief Compliance Officer

Place: Gurgaon

Date : 2 June 2020

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

(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 Central Wing, Ground Floor, Thapar House, 124 Janpath, New Delhi - 110 001. 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 2 June 2020.

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

Note 2.(b) (xiii) 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 aircraft.

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 Ind AS 17), and their associated costs.

Note 2.(b) (xix) and 17. - estimation of provision of maintenance, redelivery and overhaul cost.

Notes forming part of the consolidated financial statements for the year ended March 31, 2020

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

Note 2.(b) (xii) - judgement required in impairment assessment.

Note 2.(b) (xiv) 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) (xi) - judgement required to determine probability of recognition of deferred tax assets and MAT credit entitlement.

Note 2.(b) (xv) - judgement required to determine standalone price for each performance in bundled contracts.

Note 2.(b) (ix) - judgement is required in determining the lease term of contracts with extension and termination options.

Note 2.(b) (ix) - 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. Refer to Note 44.

(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 47. 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 March 31, 2020

(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 lease liabilities (previously classified as finance lease under Ind AS 17) which represents long-term foreign currency monetary loans taken before 31 March 2016 and used for acquisition of depreciable right of use assets (previously classified as property, plant and equipment), are adjusted in the cost of respective item of right of use assets. The above 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::

- 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

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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.

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.

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

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.

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.

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Derecognition

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

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.

(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 Ind AS 17.

Notes forming part of the consolidated financial statements

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The cost of improvements to aircraft taken on lease except leased aircraft previously classified as finance leases under Ind AS 17, 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 Ind AS 17 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

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.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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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.

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 losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and are 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.

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) Leases

With effect from 1 April 2019, the Group has adopted Ind AS 116, 'Leases' retrospectively with the cumulative effect of initially applying the standard, recognised as an adjustment to the opening balance of retained earnings as on the date of initial application (1 April 2019). Accordingly, the Group is not required to restate the comparative information for the year ended 31 March 2019.

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.

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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.

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) (xii) 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 lease back transactions

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

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 Ind AS 17 where depreciation is charged on useful life of right of use assets.

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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	1-8
- Leased aircraft previously classified as finance lease under Ind AS 17	20
- Major inspection and overhaul costs (Refer to Note 2. (xix))	2-12
Equipment	8
Leasehold land	15-20
Building	1-10

Accounting standard effective till 31 March 2019, Ind AS 17 - Leases

Leased assets

Leases of property, plant and equipment that transfer to the Group substantially all of the risks and rewards of ownership are classified as finance lease. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities, as appropriate. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Leases in which significant portion of risks and rewards of ownership are not transferred are classified as operating leases. In determining the appropriate classification, the substance of the transaction rather than the form is considered. In case, the lease arrangement includes other consideration, it is separated at the inception of the lease arrangement or upon a reassessment of the lease arrangement into those for the lease and those for other elements on the basis of their relative fair values.

Lease classification is made at the inception of the lease. Lease classification is changed only if, at any time during the lease, the parties to the lease agreement agree to revise the terms of the lease (without renewing it) in a way that it would have been classified differently, had the changed terms been in effect at inception. The revised agreement involves renegotiation of original terms and conditions and are accounted prospectively over the remaining term of the lease.

Lease payments

Minimum lease payments made under finance lease are apportioned between the finance costs and the reduction of the outstanding liability. The finance costs is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Lease payments in respect of assets taken on operating lease are charged to the Consolidated Statement of Profit and Loss on a straight line basis over the initial period for which the asset is expected to be used unless the payments are structured to increase in line with the expected general inflation to compensate the lessor's expected inflationary cost increases.

Sale and lease back transactions

Gains and losses arising on sale and leaseback transactions resulting in an operating lease and where the sale price is at fair value, are recognised immediately in the Consolidated Statement of Profit and Loss. Where the sale price is below fair value, any losses are immediately recognised in the Consolidated Statement of Profit and Loss, except where the loss is compensated for by future lease payments at below market price, it is deferred and amortised in proportion to the lease payments over the initial period for which the asset is expected to be used. Where the sale price is above fair value, the excess over fair value is amortised over the initial period of the lease which coincides with the period for which the asset is expected to be used.

Any excess of sale proceeds over the carrying amount in case a sale and leaseback transaction results in a finance lease, is deferred and amortised over the expected period of use of leased asset in proportion to the depreciation of the leased asset.

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(x) 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.

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 Ind AS 17, 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.

(xi) 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.

(xii) 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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(xiii) 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 comprise 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 benefits expense 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.

(xiv) 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 Ind AS 17), the aircraft have to be redelivered to the lessors at the end of the lease term under stipulated contractual return conditions. At inception of the lease, the redelivery obligations are determined by management based on historical trends and data, and are capitalised 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.

(xv) 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 and cargo 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.

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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 rate 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 Consolidated Statement of Profit and Loss when a contractual entitlement exists, the amount can be reliably measured and receipt is virtually certain.

(xvi) 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.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

(xvii) Expenditure

Expenses are accounted for on the accrual basis and provisions are made for all known losses and liabilities.

(xviii) 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.

(xix) 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 Ind AS 17).

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 .

The Group recognises aircraft repair and maintenance cost in the Consolidated Statement of Profit and Loss (except heavy maintenance visits, engine overhaul and landing gear overhaul expenses for owned aircraft and leased aircraft previously classified as finance leases under Ind AS 17) on incurred basis, except for aircraft maintenance covered by third party maintenance agreements, wherein a portion of the cost are charged to the Consolidated Statement of Profit and Loss at a contractual rate per hour in accordance with the terms of the agreements.

(xx) Aircraft fuel expense

Aircraft fuel expenses are recognised in the Consolidated Statement of Profit and Loss as uplifted and consumed, net off any discounts.

(xxi) 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 it 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.

Notes forming part of the consolidated financial statements for the year ended March 31, 2020

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

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 current 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.

(xii) 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 Group 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.

(xiii) 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.

(xiv) 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.

(xv) Changes in accounting policies and disclosures

New and amended Standards

Ind AS 12 Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the

Notes forming part of the consolidated financial statements for the year ended March 31, 2020

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

tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. These amendments had no impact on the consolidated financial statements of the Group.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. These amendments had no impact on the consolidated financial statements of the Group.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the remeasurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. These amendments had no impact on the consolidated financial statements of the Group.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. These amendments had no impact on the consolidated financial statements of the Group.

Ind AS 116 – Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Group has applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (i.e. 1 April 2019). Accordingly, the Group has not restated comparative information; instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on 1 April 2019. Refer to Note 16.b.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

3. Property, plant and equipment 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	-	11.99	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

Notes forming part of the consolidated financial statements for the year ended March 31, 2020

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

Rs at 31 March 2019

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											
Balance at the beginning of the year	15,161.55	35,327.98	222.50	698.57	120.17	1,413.14	947.11	700.52	1,521.66	1,351.87	57,465.07
Additions during the year	8,303.99	5,614.80	59.76	236.63	28.43	805.16	774.89	148.50	545.78	680.99	17,198.93
Disposals during the year	226.32	873.81	1.49	13.87	3.97	11.33	36.94	3.21	2.76	108.45	1,282.15
Adjustments during the year *	-	1,215.70	-	-	-	-	-	-	-	-	1,215.70
Balance at the end 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
Accumulated depreciation											
Balance at the beginning of the year	2,650.59	6,502.64	104.36	432.46	70.44	527.68	470.84	482.85	766.54	109.11	12,117.51
Depreciation for the year	2,200.51	3,671.14	47.66	199.20	25.12	228.61	245.04	173.31	446.13	84.84	7,321.56
Depreciation on disposals	226.32	873.82	0.95	9.71	2.52	5.68	20.07	3.21	2.76	12.02	1,157.06
Balance at the end 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
Net carrying value as at 31 March 2019	18,614.44	31,984.71	129.70	299.38	51.59	1,456.36	989.25	192.86	854.77	1,742.48	56,315.54

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.

*The Group has adjusted foreign currency loss amounting to Rs. 1,215.70 during the year ended 31 March 2019, arising on re-statement of long-term foreign currency monetary loans used for acquisition of a depreciable capital asset.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

4. Right of use assets

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 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. 1,466.49 during the year ended 31 March 2020.

** Depreciation for the year includes Rs. 185.63 capitalized as part of Capital work-in-progress.

5. Intangible assets

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

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

5. Intangible assets (contd...)

As at 31 March 2019

Particulars	Computer software	Total
Gross value - at cost		
Balance at the beginning of the year	1,018.85	1,018.85
Additions during the year	138.59	138.59
Balance at the end of the year	1,157.44	1,157.44
Accumulated amortisation		
Balance at the beginning of the year	578.32	578.32
Amortisation for the year	274.24	274.24
Balance at the end of the year	852.56	852.56
Net carrying value as at 31 March 2019	304.88	304.88

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.

6. Investments

Particulars	As at 31 March 2020	As at 31 March 2019
Non-current investments		
Equity investments	0.75	0.15
Total	0.75	0.15
Current investments		
Mutual funds	94,991.67	64,215.70
Debentures	-	950.00
Total	94,991.67	65,165.70
Grand Total	94,992.42	65,165.85

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Investments at fair value through profit or loss (FVTPL)				
Equity investments, unquoted				
3,859 (previous year 1,174) equity shares of Thai Baht (THB) 100 each, fully paid up, of Aeronautical Radio of Thailand, a state enterprise under the Ministry of Transport*	0.75	-	0.15	-
Mutual funds, unquoted**				
Nil (previous year 832,881) units of Nippon India Low Duration Fund-Direct Growth Plan Growth Option (formerly known as Reliance Low Duration Fund-Direct Growth Plan Growth Option)	-	-	-	2,198.14
Nil (previous year 99,597,297) units of Nippon India Prime Debt Fund Direct Plan Growth Plan - Growth Option (formerly known as Reliance Prime Debt Fund Direct Plan Growth Plan - Growth Option)	-	-	-	3,993.45
13,063,384 (previous year 9,118,484) units of Aditya Birla Sun Life Savings Fund Growth - Direct Plan	-	5,236.18	-	3,389.87

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

6. Investments (contd...)

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
26,717,512 (previous year 22,729,643) units of Aditya Birla Sun Life Floating Rate Fund - Growth Direct Plan	-	6,740.72	-	5,296.65
22,200,675 (previous year 13,094,747) units of ICICI Prudential Saving Fund - Direct Plan - Growth	-	8,666.48	-	4,729.42
Nil (previous year 5,008,746) units of Aditya Birla Sun Life Liquid Fund - Direct Plan - Growth	-	-	-	1,504.81
Nil (previous year 2,705,310) units of Aditya Birla Sun Life Low Duration - Growth - Direct Plan	-	-	-	1,280.10
2,406,909 (previous year 686,726) units of Axis Treasury Advantage Fund - Direct Growth	-	5,596.43	-	1,473.52
228,575,091 (previous year 173,494,354) units of Kotak Savings Fund - Direct Plan - Growth	-	7,509.54	-	5,300.70
2,290,938 (previous year 887,121) units of SBI Magnum Low Duration Fund - Direct Plan - Growth	-	6,025.11	-	2,156.90
14,288,513 (previous year 8,067,782) units of Aditya Birla Sun Life Money Manager Fund Growth Direct Plan	-	3,871.08	-	2,030.66
Nil (previous year 1,062,834) units of Axis Liquid Fund Direct Growth	-	-	-	2,203.81
Nil (previous year 623,390) units of HDFC Liquid Fund - Direct Plan - Growth Option	-	-	-	2,293.01
1,269,458 (previous year 1,078,518) units of HDFC Money Market Fund - Direct Plan - Growth Option	-	5,356.90	-	4,227.05
649,528 (previous year 4,170,948) units of ICICI Prudential Liquid Fund - Direct Plan - Growth	-	190.82	-	1,152.92
9,196,834 (previous year 18,190,571) units of ICICI Prudential Money Market Fund - Direct Plan - Growth	-	2,568.35	-	4,732.49
875,171 (previous year 1,158,602) units of Kotak Money Market Scheme - Direct Plan - Growth	-	2,899.51	-	3,576.09
95,827,901 (previous year 32,449,032) units of L&T Ultra Short term Fund Direct Plan Growth	-	3,203.51	-	1,010.44
Nil (previous year 446,571) units of Nippon India Liquid Fund - Direct Plan Growth Plan - Growth Option (formerly known as Reliance Liquid Fund - Direct Plan Growth Plan - Growth Option)	-	-	-	2,037.21
775,129 (previous year 714,693) units of Nippon India Money Market Fund - Direct Growth Plan Growth Option (formerly known as Reliance Money Market Fund - Direct Growth Plan Growth Option)	-	2,366.20	-	2,028.46
1,625,875 (previous year 786,390) units of SBI Magnum Ultra Short Duration Fund Direct Growth	-	7,283.35	-	3,277.51
Nil (previous year 1,128,525) units of UTI Liquid Cash Plan - Direct Growth Plan	-	-	-	3,454.12
926,017 (previous year 411,054) units of UTI Money Market Fund - Direct Growth Plan	-	2,099.98	-	868.37
134,667,249 (previous year Nil) units of HDFC Floating Rate Debt Fund- Direct Plan- Growth Option	-	4,764.86	-	-
163,767,161 (previous year Nil) units of IDFC Low Duration Fund Growth Direct Plan	-	4,731.99	-	-
320,295,067 (previous year Nil) units of IDFC Ultra short Term Fund Direct Plan Growth	-	3,653.42	-	-
561,426,322 (previous year Nil) units of HDFC Ultra short Fund Direct Growth	-	6,320.82	-	-

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

6. Investments (contd...)

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
938,229 (previous year Nil) units of Kotak Overnight Fund Direct - Growth	-	1,000.02	-	-
2,673,365 (previous year Nil) units of Aditya Birla Sun Life overnight Fund - Growth Direct Plan	-	2,887.90	-	-
705,256 (previous year Nil) units of Invesco India Treasury Advantage Fund - Direct Plan Growth	-	2,018.50	-	-
Investments at amortized cost				
Fixed rate non-convertible debentures, unquoted Nil (previous year 950) secured, redeemable, 7.95% fixed rate non-convertible debentures (NCD) of Rs. 1,000,000 each, fully paid up, of Citicorp Finance (India) Limited***	-	-	-	950.00
Total	0.75	94,991.67	0.15	65,165.70
Aggregate value of unquoted investments	0.75	94,991.67	0.15	65,165.70

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. 18,173.14 (previous year Rs. 21,545.08) 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.Nil (previous year Rs. 882) are under lien as security for availing various non-fund based lines of credit.

Information about the Group's exposure to credit and market risks, and fair value measurement, is included in Note 28.

7. Loans

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Unsecured, considered good, unless otherwise stated				
Security deposits				
- Considered good*	12,759.54	4,551.23	5,843.97	4,669.61
- Credit impaired	-	8.37	-	-
	12,759.54	4,559.60	5,843.97	4,669.61
Less: Impairment allowances		8.37		
Total	12,759.54	4,551.23	5,843.97	4,669.61

* Includes deposits given to related parties amounting to Rs. 51.23 (previous year Rs 0.43) which represents deposits given to private companies in which any director of the Company is a director or member. Refer to Note 34.

8. Other financial assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Unsecured, considered good, unless otherwise stated				
Bank deposits (due for maturity after twelve months from the reporting date)*	53.43	-	1,851.69	-
Interest accrued but not due on financial instruments	4.87	479.18	136.52	1,433.21
Maintenance recoverable	-	4,131.55	-	4,729.66
Others (including credit recoverable)	-	1,620.54	-	1,762.33
Total	58.30	6,231.27	1,988.21	7,925.20

*Bank deposits include Rs. 51.32 (previous year Rs.1,543.60) as deposits under lien to banks as security for availing various non-fund based lines of credit.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

9. Other assets

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Unsecured, considered good, unless otherwise stated				
Prepaid expenses	-	400.94	-	2,463.42
Balance with tax authorities*	6,326.38	2,170.80	-	5,887.85
Deferred incentives (non-cash)	-	27.58	-	9.49
Capital advances	660.31	-	301.43	-
Advance to employees	156.00	58.76	62.67	211.38
Deferred rent (Refer to Note 16.b.)	-	-	2,794.66	706.14
Other recoverable	-	1,135.17	-	563.49
	7,142.69	3,793.25	3,158.76	9,841.77
Advance to suppliers				
- Considered good**	-	817.44	-	1,609.13
- Considered doubtful	-	3.94	-	3.94
	-	821.38	-	1,613.07
Less: Impairment allowances for doubtful advances	-	3.94	-	3.94
	-	817.44	-	1,609.13
Total	7,142.69	4,610.69	3,158.76	11,450.90

* Balance with tax authorities includes Integrated Goods and Services Tax ('IGST') amounting to Rs. 5,955.36 (previous year Rs. 4,135.36) paid under protest to custom authorities, on re-import of repaired aircraft, aircraft engines and other certain aircraft parts and Rs. 564.19 (previous year Rs. 415.98) paid under protest to various tax authorities.

** Includes advance to related parties amounting to Rs. Nil (previous year Rs. 0.05). Refer to Note 34.

10. Inventories

Particulars	As at 31 March 2020	As at 31 March 2019
Valued at lower of cost or net realisable value		
Stores and spares		
- Engineering stores and spares	2,558.54	1,952.80
- Goods in transit	63.44	60.13
	2,621.98	2,012.93
Loose tools	137.27	29.98
Stock-in-trade		
- In-flight inventory	102.03	71.50
Total	2,861.28	2,114.41

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

11. Trade receivables

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good, unless otherwise stated		
Trade receivables		
- Considered good	2,594.16	3,624.67
- Credit impaired	76.28	78.36
	2,670.44	3,703.03
Less: Impairment allowances	76.28	78.36
Total	2,594.16	3,624.67

Trade receivables includes receivables from related parties amounting Rs. 0.35 (previous year Rs. 237.51). 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 2020	As at 31 March 2019
Cash on hand	53.38	48.89
Balance with banks:		
- On current account	1,526.41	5,593.13
- On deposit account (with original maturity of three months or less)	5,610.87	1,642.15
Total	7,190.66	7,284.17

Cash and cash equivalents includes Rs. 3,968.28 (previous year Rs. 2,285.71) 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 2020 amounting to Rs. 0.08 (previous year Rs. 0.08).

Information about the Group'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 2020	As at 31 March 2019
Bank balances other than cash and cash equivalents*		
- On deposit account	101,533.64	78,935.80
Total	101,533.64	78,935.80

*Bank deposits include deposits under lien to banks as security for availing various non-fund based lines of credit amounting to Rs. 96,263.89 (previous year Rs. 68,304.96) 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. 94,036.49 (previous year Rs. 52,745.73) held in foreign currency.

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 March 31, 2020

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

14. Share capital

Particulars	As at 31 March 2020	As at 31 March 2019
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		
384,796,279 (previous year 384,406,838) equity shares of Rs. 10 each, fully paid up	3,847.96	3,844.07
Total	3,847.96	3,844.07

c. Reconciliation of number of equity shares outstanding at the beginning and end of the year:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Equity shares issued, subscribed and paid up		
Equity shares at the beginning of the year	384,406,838	384,406,838
Equity shares increased during the year :		
- Issued during the year pursuant to exercise of employee stock options scheme (Refer to Note 37)	389,441	-
Equity shares at the end of the year	384,796,279	384,406,838

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 2020		As at 31 March 2019	
	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 consolidated financial statements

for the year ended March 31, 2020

(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	As at
	31 March 2020	31 March 2019
	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 2020		As at 31 March 2019	
	Number of Shares	Amount	Number of Shares	Amount
InterGlobe Enterprises Private Limited	145,706,774	37.87%	145,706,774	37.90%
Rakesh Gangwal	56,421,132	14.66%	56,421,132	14.68%
The Chinkerpoo Family Trust (Trustee: Shobha Gangwal & J.P.Morgan Trust Company of Delaware)	52,263,313	13.58%	52,263,313	13.60%
Shobha Gangwal	32,310,461	8.40%	32,310,461	8.41%

- 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 have been utilised by the Company towards the purposes mentioned in the prospectus.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

15. Other equity

Particulars	As at 31 March 2020	As at 31 March 2019
Equity component of compound financial instruments	58.79	58.79
Reserves and surplus	54,872.65	65,555.24
Total	54,931.44	65,614.03

a. Equity component of compound financial instruments

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
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 2020	As at 31 March 2019
Employee stock option outstanding account (Refer to Note 37)	105.11	406.82
Securities premium	38,184.21	37,740.96
General reserve	389.07	389.07
Retained earnings	16,194.26	27,018.39
Total	54,872.65	65,555.24

(i) Employee stock option outstanding account

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Balance at the beginning of the year	406.82	540.10
Employee stock option scheme expense (Refer to Note 37)*	(99.15)	(133.28)
Amount (utilised) / transfer for issue of shares pursuant to exercise of employee stock options scheme (Refer to Note 37)	(202.56)	-
Balance at the end of the year	105.11	406.82

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. 160.53 (previous year Rs. 276.55) towards forfeiture of employee stock options granted to certain employees.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

15. Other equity (contd...)

(ii) Securities premium

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Balance at the beginning of the year	37,740.96	37,740.96
Amount transferred for issue of shares pursuant to exercise of employee stock options scheme (Refer to Note 37)	202.56	-
Premium received during the year on account of issue of shares (Refer to Note 37)	240.69	-
Balance at the end of the year	38,184.21	37,740.96

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 2020	For the year ended 31 March 2019
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 2020	For the year ended 31 March 2019
Balance at the beginning of the year	27,018.39	28,232.45
Less: Impact of Ind AS 116 - Leases (Refer to Note 16.b.)	(6,180.47)	-
Add: Impact of Ind AS 115 - Revenue from contract with customers (Refer to Note 19)	-	24.55
Add: Profit / (loss) for the year	(2,336.78)	1,572.47
Add: Other comprehensive income - remeasurement of defined benefit plans (net of tax)	10.99	-
Less: Transferred from other comprehensive income - remeasurement of defined benefit plans (net of tax) (Refer to Note 15.c.)	-	(30.55)
Amount available for appropriation	18,512.13	29,798.92
Less: Appropriations		
Final dividend (Refer note below)	(1,922.53)	(2,306.44)
Corporate dividend tax	(395.34)	(474.09)
Balance at the end of the year	16,194.26	27,018.39

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

15. Other equity (contd...)

Dividends

The following dividends were declared and paid by the Company

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Final dividend of Rs. 5 per share** (previous year Rs. 6 per share*)	1,922.53	2,306.44

After the reporting dates the following dividends were proposed by the Board of Directors subject to the approval of shareholders at Annual General Meeting. Accordingly, the following dividends have not been recognised in the respective financial year. Dividends are subject to applicable taxes.

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Final dividend of Rs. Nil per share (previous year Rs. 5 per share**)	-	1,922.03
Corporate dividend tax	-	395.17

*On 2 May 2018, the Board of Directors has recommended a final dividend of Rs. 6 per share (face value of Rs. 10 per share) for the financial year ended 31 March 2018, and the same was approved by the shareholders at the Annual General Meeting held on 10 August 2018.

**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 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.

c. Other comprehensive income - Remeasurement of defined benefit plans (net of tax)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Other comprehensive income		
Balance at the beginning of the year	-	(31.89)
Actuarial gains on defined benefit plan for the year (net of tax) (Refer to Note 32)	-	1.34
Transferred to retained earnings	-	30.55
Balance at the end of the year	-	-

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

16. Financial liabilities

16.a Borrowings

Particulars	As at 31 March 2020	As at 31 March 2019
Secured		
Term loans:		
Foreign currency term loan		
- From others	3,465.87	5,882.51
Other loans:		
Long-term maturities of finance lease obligations*	-	16,054.18
Total	3,465.87	21,936.69

*Information in respect of the current year ended 31 March 2020 is presented in accordance with Ind AS 116. Information in respect of the comparative year ended 31 March 2019 is presented in accordance with Ind AS 17. Refer Note to 16.b.

Current maturities of foreign currency term loan amounting to Rs. 3,390.53 (previous year Rs. Nil) have been disclosed under 'Other financial liabilities' (Refer to Note 16.c).

Current maturities of finance lease obligations as at 31 March 2020 is included in lease liabilities and as at 31 March 2019 amounting to Rs. 2,355.02 have been disclosed under 'Other financial liabilities' (Refer to Note 16.b and 16.c).

Information about the Group's exposure to market and liquidity risks is included in Note 28.

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 - USD#	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 has been amended during the current year and accordingly it 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.

As at 31 March 2019

Particulars	Disclosed under	As at 31 March 2019	Interest rate*	Period of maturity from the reporting date
Foreign currency term loan - USD#	Financial liabilities - borrowings	5,882.51	USD LIBOR plus markup	57 months

* Markup is 275 basis points over 6 month USD LIBOR. The period of maturity from the date of origination is 137 months.

The above mentioned loan is repayable in twenty unequal installments ranging between USD 4 million to USD 6 million between the period September 2022 - December 2023.

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 consolidated financial statements

for the year ended March 31, 2020

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

16.a Borrowings (contd...)

Secured - Other loans

Finance lease obligations

Certain aircraft obtained by the Group were classified as finance lease under Ind AS 17 till 31 March 2019. The obligation for these aircraft will be contractually settled in USD. The legal title to these items vests with the lessors. The lease term for aircraft is 12 years and year of maturity ranges between March 2025 to September 2026 with quarterly payments beginning from the quarter subsequent to the commencement of the lease. The total future minimum lease payments as at the 31 March 2019, element of interest included in such payments and present value of these minimum lease payments are as follows:

Particulars	Rs at 31 March 2019	
	Non-current	Current
a) Total future minimum lease payments	18,493.49	3,195.67
b) Future interest included in (a) above	2,439.31	840.65
c) Present value of future minimum lease payments [(a-b)]	16,054.18	2,355.02

The rate of interest for aircraft acquired on finance lease is inclusive of transaction costs and margin over 3 months USD LIBOR during previous year.

Interest is paid with margin over 3 months USD LIBOR, margin is less than 250 basis points during previous year.

Finance lease obligation amounting to Rs. 18,409.20 as at 31 March 2019 are secured against the respective aircraft.

There are no defaults as at 31 March 2019 in repayment of principal lease and interest payments

The future minimum lease payments and their present value as at 31 March 2019 is as follows:

Particulars	Present value of minimum lease payments	Future interest	Minimum lease payments
Not later than one year	2,355.02	840.65	3,195.67
Later than one year and not later than five years	10,640.66	2,154.52	12,795.18
Later than five years	5,413.52	284.79	5,698.31
Total	18,409.20	3,279.96	21,689.16

16.b Lease liabilities

Particulars	Rs at 31 March 2020		Rs at 31 March 2019	
	Non-current	Current	Non-current	Current
Lease liabilities*	155,791.01	64,544.27	-	-
Total	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. 13,906.20 (including interest amounting to Rs. 261.70 capitalized under capital work-in-progress). Refer to Note 25.

Certain lease liabilities amounting to Rs. 17,486.65 as at 31 March 2020 are secured against the respective aircraft. Remaining lease liabilities are secured to the extent of letter of credits issued / deposits given to lessors.

During the year ended 31 March 2020, the Group has recognized an expense of 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 ended 31 March 2020.

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.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

16.b Lease liabilities (contd...)

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)"

Future cash outflows for leases not yet commenced amounts to 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 Rs. 6,080.73. Refer to Note 34.

Transition to Ind AS 116 - Leases

Ind AS 116 - Leases has replaced the erstwhile leases standard, Ind AS 17 - Leases. It provides a single lessee accounting model, specifying how leases are recognised, measured, presented and disclosed. The lessee recognises right of use (ROU) assets representing its right to use the underlying asset on lease and a lease liabilities representing its obligation to make lease payments.

The standard is applicable from 1 April 2019. The Group has applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (i.e. 1 April 2019). Accordingly, the Group has not restated comparative information; instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on 1 April 2019. On that date, the Group recognised the lease liabilities measured at the present value of the remaining lease payments. The right of use assets are recognised at their carrying amount, net of incentives received from equipment manufacturer, as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at 1 April 2019. In accordance with the standard, the Group has elected not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

The Group has used the following practical expedients:

- Single discount rate to a portfolio of leases with reasonably similar characteristics.
- Contracts where the remaining term was less than 12 months on transition date, the Group did not consider the same for computing its ROU assets and corresponding lease liabilities.
- On initial application, Ind AS 116 has only been applied to contracts that were previously classified as leases.
- The lease term has been determined with the use of hindsight where the contract contains options to extend the lease
- Relied on its assessment of whether leases are onerous immediately before the date of initial application.

The major impact of adopting Ind AS 116 on the Consolidated Balance Sheet as on the transition date is as follows:

Leases previously classified as operating leases under Ind AS 17

Lease liabilities of Rs. 146,320.72 have been recognised, being the present value of the remaining lease payments, using the incremental borrowing rate applicable to the Group at the date of initial application.

Right of use assets of Rs. 93,942.04 (including deferred rentals amounting to Rs. 3,500.81) have been recognised and corresponding lease liabilities of Rs. 146,320.72 with the cumulative effect of applying the standard by adjusting retained earnings amounting to Rs. 6,180.47 (net of deferred tax amounting to Rs. 3,319.76). The deferred incentive as at transition date amounting to Rs. 48,724.34 has been netted off from ROU assets.

Leases previously classified as finance leases under Ind AS 17

The carrying value of aircraft classified as finance lease under Ind AS 17 of Rs. 31,984.71, previously disclosed as 'leased aircraft' under property, plant and equipment, has been reclassified as 'aircraft and engines' under, right of use assets on the date of initial application of Ind AS 116. Finance lease obligation of Rs. 18,409.20 for such aircraft has been reclassified from borrowings and interest accrued on finance lease obligation of Rs. 68.30 has been reclassified from interest accrued but not due on borrowings and presented as a part of lease liabilities. Milestone incentives received against such aircraft continued to be amortised over the expected period of use of leased asset in proportion to the depreciation of the right of use assets of the respective aircraft.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

16.b Lease liabilities (contd...)

The major impact of adopting Ind AS 116 on the Consolidated Statement of Profit and Loss for the year ended 31 March 2020 is as follows:

1. Depreciation and amortisation expenses has increased by Rs. 31,182.50.
2. Finance costs has increased due to interest accrued on outstanding lease liabilities amounting to Rs. 12,677.43.
3. Loss of Rs. 15,296.92 has been recognised in 'Foreign exchange (gain)/ loss (net)' on account of revaluation of lease liabilities denominated in foreign currency.
4. Aircraft and engine rentals (net) and other rentals has decreased by Rs. 43,222.68 respectively, due to recognition of operating lease as ROU assets and corresponding lease liabilities."

Net impact on profit / loss before tax amounts to a loss of Rs. 15,934.17 for the year ended 31 March 2020.

Consequent reclassification has been made in operating and financing activities in the statement of cash flows. Refer statement of cash flows for the reclassifications and cash outflows in relation to Ind AS 116 for the year ended 31 March 2020.

The weighted average incremental borrowing rate applied to lease liabilities as at 1 April 2019 is 7.53%.

Reconciliation to prior year operating lease commitment is as follows:

Particulars	As at 31 March 2020
Operating lease commitments as at 31 March 2019	167,156.22
Leases previously classified as finance leases	18,477.50
Impact of discounting (at incremental borrowing rate as at 1 April 2019)	(23,480.56)
Others*	2,645.03
Lease liabilities as at 1 April 2019	164,798.18

* Others represents lease liabilities recognised as at 1 April 2019 primarily on account of management's assessment of termination options reasonably certain to be exercised in determination of lease term and short term leases as on transition date.

16.c Other financial liabilities

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Current maturities of finance lease obligation*	-	-	-	2,355.02
Current maturities of foreign currency term loan	-	3,390.53	-	-
Interest accrued but not due on borrowings*	-	79.86	-	176.13
Supplementary rentals	26,052.24	39,914.40	31,436.06	17,958.65
Aircraft maintenance	4,336.62	2,512.52	2,301.32	332.90
Unclaimed dividend	-	0.08	-	0.08
Other liabilities*	-	-	141.56	407.70
Total	30,388.86	45,897.39	33,878.94	21,230.48

* Information in respect of the current year ended 31 March 2020 is presented in accordance with Ind AS 116. Information in respect of the comparative year ended 31 March 2019 is presented in accordance with Ind AS 17. Refer Note 16.b.

Information about the Group's exposure to market and liquidity risks is included in Note 28.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

17. Provisions

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Provision for employee benefits				
- Provision for defined benefit plans (Refer to Note 32)	1,053.83	140.11	774.90	123.93
- Provision for other long term employee benefits	1,278.26	506.86	810.25	484.95
Others				
- Provision for redelivery and overhaul cost (Refer to Note below)	3,302.89	13,315.57	1,173.05	1,029.44
Total	5,634.98	13,962.54	2,758.20	1,638.32

Provision for 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 2020	For the year ended 31 March 2019
Balance as at beginning of the year	2,202.49	1,366.90
Provisions created during the year*	17,150.11	697.52
Interest accretion on provisions during the year	85.48	98.72
Amounts utilised/adjusted during the year	(3,728.69)	(36.15)
Impact of exchange loss on restatement of opening provision	(116.75)	(41.25)
Impact of exchange loss on restatement of closing provision	1,025.82	116.75
Balance as at end of the year	16,618.46	2,202.49
Balance as at end of the year - Non-current	3,302.89	1,173.05
Balance as at end of the year - Current	13,315.57	1,029.44

*It includes:

- 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. At inception of the lease, 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.
- 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.
- 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 2020-21 to 2027-28 (previous year 2019-20 to 2024-25) 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. 1,575.19 (previous year by Rs. 168.46).

If expected discount rate differ by 1%, while holding all other assumptions constant, the provision for maintenance, redelivery and overhaul cost may increase/ decrease by Rs. 18.72 (previous year by Rs. 11.72).

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

18. Trade payables

Particulars	As at 31 March 2020	As at 31 March 2019
Micro enterprises and small enterprises (Refer to Note below)	61.15	47.90
	61.15	47.90
Other than micro enterprises and small enterprises		
- Related parties (Refer to Note 34)	157.63	71.03
- Other trade payables	15,457.04	14,409.15
	15,614.67	14,480.18
Total	15,675.82	14,528.08

Information about the Group's exposure to currency and liquidity risks is included in Note 28.

Dues to micro and small enterprises

Particulars	As at 31 March 2020	As at 31 March 2019
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	61.15	47.90
- Interest	-	-
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	-	-
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	-	-
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 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Advances from sales agents	-	4,701.86	-	4,467.79
Forward sales	-	14,332.64	-	22,173.81
Employee related liabilities	284.64	1,535.88	345.18	1,794.65
Statutory dues	-	2,752.60	-	2,084.86
Others - amount received in advance	85.13	464.77	-	1,412.91
Total	369.77	23,787.75	345.18	31,934.02

Contract balances

Trade receivables are generally unsecured and are derived from revenue earned from customers which are 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.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

19. Other liabilities (contd...)

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 2020	As at 31 March 2019
Trade receivables (Refer to Note 11)	2,594.16	3,624.67
Forward sales (Refer to Note 19)	14,332.64	22,173.81

Revenue recognised from amount included in contract liabilities (forward sales) at the beginning of the year amounts to Rs. 18,432.08 (previous year Rs. 15,481.52) (excludes amount collected on behalf of third parties).

The impact, net of tax, of transition to Ind AS 115 on retained earnings (cumulative effect of contracts other than completed contracts) as on 1 April 2018 is Rs. 24.55. It represents:

1. Recognition of revenue for ancillary services such as modification charges, convenience charges, etc. relating to air transport services upon flown basis which were earlier recognised as revenue on rendering of the said service under Ind AS 18 on the basis of transaction date, and
2. Recognising the expected breakage amount as revenue in proportion to the pattern of rights exercised by the passengers which were recognised on flown basis under Ind AS 18.

20. Tax expense

a. Amounts recognised in the Standalone Statement of Profit and Loss comprises :

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Current tax:		
- Current year	83.09	15.24
- Previous years	8.21	-
	91.30	15.24
Deferred tax expense:		
Attributable to-		
Deferred tax expense / (benefit) for current year [including MAT credit entitlement of Rs. Nil (previous year Rs. Nil)]	(4,163.54)	(3,247.79)
Deferred tax expense / (benefit) pertaining to prior years [including MAT credit entitlement written off of Rs. 4,314.46 (previous year Rs. 144.52)]	3,852.33	186.30
	(311.21)	(3,061.49)
Total tax expense	(219.91)	(3,046.25)

Income tax recognised in other comprehensive income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Remeasurements of defined benefit plans	14.68	2.06
Income tax relating to above mentioned item	(3.69)	(0.72)

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

20. Tax expense (contd...)

b. Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Profit / (Loss) before tax	(2,556.69)	(1,473.78)
Tax using the Company's domestic tax rate - 25.168% (previous year 34.944%)	(643.47)	(515.00)
Tax effect of:		
Income not liable to tax	(3,475.26)	(2,811.00)
Additional deduction on employee stock option scheme expense	(24.35)	-
Adjustments in current tax of prior years	12.62	-
Adjustments in deferred tax expense / (benefit) pertaining to prior years [including MAT credit entitlement written off of Rs. 4,314.46 (previous year Rs. 144.52)]	3,852.33	186.30
Tax rate impact of subsidiary	-	(0.26)
Others	58.21	93.71
Income tax expense	(219.91)	(3,046.25)

c. Income tax assets and income tax liabilities:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Income tax assets [net of current income tax liabilities Rs. 26,610.87 (previous year: Rs. 20,440.69)]*	4,296.71	1,240.49
Less: Current income tax liabilities [net of current income tax assets of Rs. 23.48 (previous year Rs. 6,065.01)]	30.76	33.51
Net income tax assets at the year end	4,265.95	1,206.98

*Includes Rs. 1,150.00 (previous year Rs. 377.93) paid under protest to Income Tax Authorities.

d. The tax effect of deferred tax assets and liabilities comprises of :

Particulars	As at 31 March 2020		As at 31 March 2019	
	Assets	Liabilities	Assets	Liabilities
Property, plant and equipment and intangible assets	(5,305.03)	-	-	(8,100.19)
Other non-current assets	21.64	-	-	(1,194.56)
Investments at FVTPL	(1,615.56)	-	-	(1,073.48)
Financial liabilities at amortised cost	(1,915.93)	-	-	(2,518.28)
Financial assets at amortised cost	1,931.75	-	-	1,563.16
MAT credit entitlement	-	-	-	4,314.46
Employee related provisions and liabilities	673.57	-	9.65	868.46
Other liabilities and provisions	56.86	-	-	82.02
Unabsorbed depreciation and carry forward of losses	3,882.40	-	-	5,127.40
Deferred incentives	825.46	-	-	264.67
Right of use assets and lease liabilities (Refer to Note 16.b)	4,467.76	-	-	-
Others	(30.10)	-	0.02	22.18
Deferred tax assets / (liabilities) (net)	2,992.82	-	9.67	(644.16)

Notes forming part of the consolidated financial statements

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

20. Tax expense (contd...)

e. Movement in deferred tax assets / (liabilities) balances

Particulars	Net balance 1 April 2019	Recognised in profit or loss	Recognised in OCI	Others**	Net balance 31 March 2020
Property, plant and equipment and intangible assets	(8,100.19)	2,795.16	-	-	(5,305.03)
Other non-current assets*	28.76	(7.12)	-	-	21.64
Investments at FVTPL	(1,073.48)	(542.08)	-	-	(1,615.56)
Financial liabilities at amortised cost	(2,518.28)	602.35	-	-	(1,915.93)
Financial assets at amortised cost	1,563.16	368.59	-	-	1,931.75
MAT credit entitlement	4,314.46	(4,314.46)	-	-	-
Employee related provisions and liabilities	878.11	(200.85)	(3.69)	-	673.57
Other liabilities and provisions	82.02	(25.16)	-	-	56.86
Unabsorbed depreciation and carry forward of losses	5,127.40	(1,245.00)	-	-	3,882.40
Deferred incentives	264.67	560.79	-	-	825.46
Right of use assets and lease liabilities (Refer to Note 16.b)*	(1,223.32)	2,371.32	-	3,319.76	4,467.76
Others	22.20	(52.33)	-	-	(30.10)
Deferred tax assets / (liabilities) (net)	(634.49)	311.21	(3.69)	3,319.76	2,992.82

* Deferred tax liabilities amounting to Rs.1,223.31 has reclassified from other non-current assets on transition to Ind AS 116 as the underlying asset has now been forming part of right of use assets.

** represents tax impact on adoption of Ind AS 116 on retained earnings as on transition date (Refer to Note 16.b).

f. Expiry of unrecognised MAT credit entitlement:

Particulars	As at 31 March 2020		As at 31 March 2019	
	Amount	Year of expiry upto	Amount	Year of expiry upto
MAT credit entitlement - written off	-	NA	1,017.21	2026

The Group has recognised MAT credit entitlement in the previous years. The utilisation of MAT credit entitlement (unused tax credits) is depended on future taxable profits. The MAT credit entitlement is recognised only to the extent that it is probable that future taxable profits will be available against which such MAT credit entitlement can be utilised. As at 31 March, 2019, the Group has unrecognised MAT credit entitlement of Rs. 1,017.21 (written off in previous years). Further during the current 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 also written off remaining MAT credit entitlement in the Consolidated Statement of Profit and Loss.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

21. Revenue from operations

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Sale of services		
- Passenger services	338,408.67	269,473.60
- Cargo services	10,444.18	8,200.42
- Tours and packages	7.34	24.06
Sale of products		
- In-flight sales (traded goods)	4,828.40	3,954.12
Other operating revenue		
- Incentives	476.04	476.04
- Subsidies received under various schemes	1,337.06	-
- Others*	2,058.32	2,839.48
Total	357,560.01	284,967.72

* Others includes claims received from original equipment manufacturer and income from advertisement.

22. Other income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest income from bank deposits	2,571.70	4,344.11
Net gain on sale of current investments	1,930.57	1,615.92
Marked to market gain on current investments	4,595.12	2,229.07
Interest income from financial assets at amortised cost	986.56	755.46
Other non-operating income:		
- Liabilities no longer required written back	76.67	263.81
- Miscellaneous income*	5,194.47	4,037.61
Total	15,355.09	13,245.98

* 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 2020	For the year ended 31 March 2019
In-flight purchases		
- Opening stock	71.50	64.95
- Closing stock	(102.03)	(71.50)
Net increase in stock-in-trade	(30.53)	(6.55)

24. Employee costs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries, wages and bonus (Refer to Note 37)	45,652.63	31,278.17
Contribution to provident and other funds (Refer to Note 32)	1,252.44	653.19
Staff welfare expenses	194.52	174.21
Total	47,099.59	32,105.57

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

25. Finance costs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest expenses:		
- Finance lease charges on finance lease obligations measured at amortised cost	-	1,119.55
- Finance cost on lease liabilities	13,644.50	-
- Interest on borrowings measured at amortised cost	336.48	317.11
- Interest accretion on provisions and other financial liabilities measured at amortised cost	4,564.57	3,496.52
Net loss on foreign currency transactions and translation to the extent regarded as borrowing cost*	213.16	156.45
Total	18,758.71	5,089.63

* 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. 213.16 (previous year Rs. 156.45) representing this adjustment has been disclosed in the above note. The remaining exchange loss of Rs. 15,461.89 (previous year Rs. 4,674.87) has been disclosed under "foreign exchange loss (net)".

26. Depreciation and amortisation expense

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation:		
- Property, plant and equipment (Refer to Note 3)	4,121.96	7,321.56
- Right of use assets (Refer to Note 4)	35,337.21	-
Amortisation on intangible assets (Refer to Note 5)	280.12	274.24
Total	39,739.29	7,595.80

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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27. Other expenses

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Repairs and maintenance	1,130.04	825.02
Insurance		
- aircraft	434.08	427.36
- others	325.52	232.85
Tours and packages	3.68	11.61
Ground handling charges	4,690.76	4,940.18
Reservation cost	2,026.07	1,840.70
Commission	5,981.26	4,961.16
Sales promotion and advertisement	838.30	588.02
In-flight and passenger cost	1,800.33	1,336.89
Crew accommodation and transportation	5,098.94	3,851.05
Operating cost of software	1,717.02	1,244.72
Training	2,391.55	1,701.32
Legal and professional	1,724.69	1,244.61
Auditor's remuneration:		
- Audit fees	13.50	16.60
- Limited reviews	7.45	6.60
- Other matters	2.05	0.70
- Reimbursement of expenses	1.12	1.41
Recruitment cost	126.41	196.09
Rent (Refer to Note below)	1,060.33	1,164.04
Rates and taxes	694.29	187.51
Bank charges	259.93	544.39
Property, plant and equipment written off	104.04	70.21
Loss on sale of property, plant and equipment [net of profit on sale of property, plant and equipment Rs. 4.39 (previous year Rs. 4.98)]	49.26	0.81
Travelling and conveyance	1,542.55	1,288.68
Printing and stationery	343.88	306.41
Communication and information technology	132.11	84.49
Other operating cost	2,091.52	1,660.55
Advance written off	0.60	1.16
Bad debts written off	13.45	8.65
Impairment loss on deposits	8.37	-
Impairment loss on trade receivables	3.70	6.91
Corporate social responsibility expenses (Refer to Note 36)	227.37	266.81
Sitting fees and commission	14.69	8.76
Miscellaneous expenses	481.18	456.30
Total	35,340.04	29,482.57

Leases previously classified as operating leases under Ind AS 17

As described in Note 16.b, the Group has adopted Ind AS 116 from 1 April 2019. Accordingly, disclosures for operating leases as per Ind AS 17 has been given for the year ended 31 March 2019 which are as follows:

For aircraft and engines

The Group had taken aircraft on operating lease from lessors. Lease arrangements have varying terms, escalation clauses and renewal rights. On renewal, the terms of leases are renegotiated.

Notes forming part of the consolidated financial statements

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27. Other expenses (contd...)

Total future minimum lease payments due under non-cancellable operating leases (except supplementary rental which are primarily based on aircraft utilization and calculated on number of hours or cycles operated) are as follows:

Particulars	As at 31 March 2019
Less than one year	47,313.31
Between one and five years	112,950.99
More than five years	6,891.92
Total	167,156.22

Aircraft and engine rentals, recognised in Consolidated Statement of Profit and Loss amounting to Rs. 49,994.49 are also net of cash and non-cash incentives and certain other credits exclusive of claims, amounting to Rs. 9,066.98 during the previous year (Refer to Note 40).

For assets other than aircraft and engines

The Group has taken its office premises, various commercial premises and residential premises for its employees under cancellable operating lease arrangements.

The lease payments charged during the year to the Consolidated Statement of Profit and Loss amounting to Rs. 1,164.04 during the previous year. The lease has varying terms, escalation clauses and renewal rights. On renewal, the terms of leases are renegotiated.

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 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			

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28. Fair value measurement and financial instruments (contd...)

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
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			

(ii) As at 31 March 2019

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	0.15	-	-	0.15	-	-	0.15
Loans	7	-	-	5,843.97	5,843.97	-	-	6,312.98
Other financial assets*	8	-	-	1,988.21	1,988.21	-	-	1,988.21
Current								
Investments	6							
Mutual funds		64,215.70	-	-	64,215.70	-	64,215.70	-
Fixed rate non-convertible debentures*		-	-	950.00	950.00	-	-	950.00
Trade receivables*	11	-	-	3,624.67	3,624.67	-	-	3,624.67
Cash and cash equivalents*	12	-	-	7,284.17	7,284.17	-	-	7,284.17
Bank balances other than cash and cash equivalents*	13	-	-	78,935.80	78,935.80	-	-	78,935.80
Loans	7	-	-	4,669.61	4,669.61	-	-	4,701.79
Other financial assets*	8	-	-	7,925.20	7,925.20	-	-	7,925.20
TOTAL		64,215.85	-	111,221.63	175,437.48			

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28. Fair value measurement and financial instruments (contd...)

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial liabilities								
Non-current								
Borrowings#	16.a	-	-	21,936.69	21,936.69	-	-	21,936.69
Other financial liabilities								
Supplementary rentals	16.c	-	-	31,436.06	31,436.06	-	-	31,817.12
Aircraft maintenance	16.c	-	-	2,301.32	2,301.32	-	-	2,294.58
Other liabilities	16.c	-	-	141.56	141.56	-	-	151.03
Current								
Trade payables*	18	-	-	14,528.07	14,528.07	-	-	14,528.07
Other current financial liabilities								
Interest accrued but not due on borrowings#	16.c	-	-	176.13	176.13	-	-	176.13
Current maturities of finance lease obligations#	16.c	-	-	2,355.02	2,355.02	-	-	2,355.02
Supplementary rentals	16.c	-	-	17,958.65	17,958.65	-	-	21,623.53
Aircraft maintenance	16.c	-	-	332.90	332.90	-	-	335.35
Unclaimed dividend*	16.c	-	-	0.08	0.08	-	-	0.08
Other liabilities	16.c	-	-	407.70	407.70	-	-	407.70
TOTAL		-	-	91,574.18	91,574.18			

The Group's 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, 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.

The fair values of supplementary rentals, aircraft maintenance and other liabilities 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 2020 and 31 March 2019.

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.

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28. Fair value measurement and financial instruments (contd...)

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 2020	As at 31 March 2019
Investments		
Fixed rate non- convertible debentures	-	950.00
Trade receivables	2,594.16	3,624.67
Loans	17,310.77	10,513.58
Cash and cash equivalents	7,190.66	7,284.17
Other bank balances other than cash and cash equivalents	101,533.64	78,935.80
Other financial assets	6,289.57	9,913.41

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 manage its credit risk through various measures including establishing credit limits and continuously monitoring credit worthiness of customers to whom it's credit in the normal course of business.

Notes forming part of the consolidated financial statements

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28. Fair value measurement and financial instruments (contd...)

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. 877.87 (previous year Rs. 1,916.00) relating to revenue generated from passenger services and Rs. 1,792.57 (previous year Rs. 1,787.03) 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 2020	As at 31 March 2019
1-90 days past due *	2,173.49	3,083.52
91 to 180 days past due	211.24	244.99
More than 180 days past due #	285.71	374.52
	2,670.44	3,703.03

* 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 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 2020 and 31 March 2019 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 2020	For the year ended 31 March 2019
Balance at the beginning of the year	78.36	71.45
Impairment loss recognised	-	6.91
Bad debts written off	2.08	-
Balance at the end of the year	76.28	78.36

(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. 203,769.40 as at 31 March 2020 (previous year Rs. 153,237.36), anticipated future internally generated

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

28. Fair value measurement and financial instruments (contd...)

funds from operations, and its fully available, revolving undrawn credit facility of Rs. 77,033.25 (previous year Rs. 59,584.41) will enable it to meet its future known obligations in the ordinary course of business. The Group does not believe 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 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
Foreign currency term loans from others (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

As at 31 March 2019	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
Foreign currency term loans from others	5,882.51	-	-	5,882.51	-	5,882.51
Finance lease obligations (including current maturities)	18,409.20	1,314.42	1,332.37	11,408.22	5,515.96	19,570.97
Interest accrued but not due on borrowings	176.13	171.15	-	-	-	171.15
Supplementary rentals*	49,394.71	7,650.97	11,037.20	37,459.26	519.40	56,666.83
Aircraft maintenance	2,634.22	335.33	-	2,107.26	846.84	3,289.43
Trade payables	14,528.07	14,528.07	-	-	-	14,528.07
Unclaimed dividend	0.08	0.08	-	-	-	0.08
Other liabilities	549.26	407.70	-	142.08	89.61	639.39
Total	91,574.18	24,407.72	12,369.57	56,999.33	6,971.81	100,748.43

* Against payments for supplementary rentals amounting to Rs. 65,714.51 (previous year Rs. 49,200.26), the Group 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 consolidated financial statements

for the year ended March 31, 2020

(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 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 2020	As at 31 March 2019
Foreign currency term loan- from others (including current maturities)	6,856.40	5,882.51
Lease liabilities (previously classified as finance leases under Ind AS 17)	17,486.65	-
Finance lease obligations (including current maturities)	-	18,409.20
Total	24,343.05	24,291.71
Financial Assets		
Cash and cash equivalents		
- Balance with banks - On deposit account (with original maturity of three months or less)	3,129.66	-
Bank balances other than cash and cash equivalents - On deposit account	80,222.58	51,187.17
Total	83,352.24	51,187.17

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 2020		
Change in interest on financial liabilities	(121.72)	121.72
Change in interest on financial assets	416.76	(416.76)
Impact on profit/(loss) for the year ended 31 March 2019		
Change in interest on financial liabilities	(120.25)	120.25
Change in interest on financial assets	255.94	(255.94)

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.

Notes forming part of the consolidated financial statements

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28. Fair value measurement and financial instruments (contd...)

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 2020 and 31 March 2019 are as below:

As at 31 March 2020

Particulars	USD	EUR	GBP	AED	NPR	OMR	SGD	THB	QAR	BDT	LKR	CHF	HKD	KWD	MVR	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	5,550.79	-	-	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	959.19	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	959.19	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	0.00	0.07

As at 31 March 2019

Particulars	USD	EUR	GBP	AED	NPR	OMR	SGD	THB	QAR	BDT	LKR	CHF	HKD	KWD	MVR	SAR	TRY
Financial assets																	
Trade receivables	18.08	2.41	-	510.48	10.63	29.35	10.82	6.35	262.50	170.96	29.27	-	3.11	51.32	3.23	-	-
Cash and cash equivalents	1,422.15	-	-	523.45	24.52	50.51	27.58	17.15	203.19	0.05	0.02	-	4.71	0.13	12.25	-	-
Other bank balances	52,745.85	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans	9,577.90	-	-	0.40	5.94	-	0.55	3.12	0.38	7.89	-	-	11.37	-	-	-	0.09
Other financial assets	7,076.43	-	-	94.44	-	-	16.13	2.91	-	-	-	-	-	-	-	-	-
Total financial assets	70,840.41	2.41	-	1,128.77	41.09	79.86	55.08	29.53	466.07	178.90	29.29	-	19.19	51.45	15.48	-	0.09
Financial liabilities																	
Borrowings	24,291.71	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other financial liabilities	52,754.32	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade payables	4,464.32	268.62	43.92	366.02	23.54	44.56	75.17	77.54	142.20	9.60	21.16	3.54	31.35	-	22.79	0.02	
Total financial liabilities	81,510.35	268.62	43.92	366.02	23.54	44.56	75.17	77.54	142.20	9.60	21.16	3.54	31.35	-	22.79	0.02	

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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 2020 and 31 March 2019 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 2020		Consolidated Statement of Profit and Loss for the year ended 31 March 2019	
	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	4.49	(4.49)	(7.63)	7.63
CHF	0.13	(0.13)	0.04	(0.04)
EUR	2.57	(2.57)	2.66	(2.66)
GBP	0.13	(0.13)	0.44	(0.44)
NPR	(0.14)	0.14	(0.18)	0.18
OMR	0.26	(0.26)	(0.35)	0.35
SGD	0.98	(0.98)	0.20	(0.20)
THB	0.38	(0.38)	0.48	(0.48)
QAR	0.36	(0.36)	(3.24)	3.24
LKR	0.21	(0.21)	(0.08)	0.08
BDT	0.15	(0.15)	(1.69)	1.69
USD*	1,835.11	(1,835.11)	106.70	(106.70)
HKD	(0.08)	0.08	0.12	(0.12)
KWD	0.80	(0.80)	(0.51)	0.51
MYR	0.31	(0.31)	0.07	(0.07)
SAR	1.96	(1.96)	0.00	(0.00)
TRY	(0.03)	0.03	(0.00)	0.00
CNY	(2.48)	2.48	-	-
MVR	0.00	(0.00)	-	-
PLN	0.00	(0.00)	-	-
VND	0.00	(0.00)	-	-
Total	1,845.11	(1,845.11)	97.03	(97.03)

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 excludes 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 (related property plant and equipment till 31 March 2019). 1% depreciation / appreciation in Indian Rupees against USD, affects the adjustment to right of use assets by Rs. 174.87 (property plant and equipment by Rs. 184.09 during the previous year). It is expected to impact the Consolidated Statement of Profit and Loss over the remaining life of the right of use assets (remaining life of the property, plant and equipment during the previous year) as an adjustment to depreciation charge.

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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. Debt includes, foreign currency term loan as at 31 March 2020 and foreign currency term loan and finance lease obligations as at 31 March 2019.

Debt equity ratio:

Particulars	As at 31 March 2020	As at 31 March 2019
Foreign currency term loan- from others	6,856.40	5,882.51
Finance lease obligations*	-	18,409.20
Total Debt (A)	6,856.40	24,291.71
Equity share capital	3,847.96	3,844.07
Other equity	54,931.44	65,614.03
Total Equity (B)	58,779.40	69,458.10
Debt equity ratio (C = A/B)	0.12	0.35

* Pursuant to adoption of Ind AS 116, finance lease obligation has been reclassified from borrowings and presented as a part of lease liabilities which are not considered as debt during the current year.

Return on equity:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Profit / (loss) for the year	(2,336.78)	1,572.47
Equity share capital	3,847.96	3,844.07
Other equity	54,931.44	65,614.03
Equity attributable to owners of the Company	58,779.40	69,458.10
Return on equity Ratio (%)	-4.0%	2.3%

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') 2017-18 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 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.

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30. Contingent liabilities (to the extent not provided for) (contd...)

The tax exposure (excluding interest and penalty) for various matters arising up to FY 2017-18 i.e. the last year assessed, amounts to Rs. 5,753.87 (previous year Rs.6,346.42) 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. 4,887.28 (previous year Rs. 1,017.21), which represents minimum alternate tax recoverable written off in the earlier years. However, the exposure could increase to Rs. 13,478.55 (previous year Rs.12,174.30) 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. 151.11 (previous year Rs. 145.68),
- (2) Value Added Tax - Rs. 16.51 (previous year Rs. 13.48),
- (3) Octroi - Rs. 74.39 (previous year Rs. 74.39) and
- (4) IGST on re-imports* - Rs. 5,955.36 (previous year Rs. 4,135.36).

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 ended 31 March 2020, the Group has paid Integrated Goods and Services Tax ('IGST') amounting to Rs. 1,820.00 (previous year Rs. 2,305.86) under protest, on re-import of repaired aircraft, aircraft engines and other certain aircraft parts, to custom authorities and therefore as at 31 March 2020, cumulative amount paid under protest is Rs. 5,955.36 (as at 31 March 2019 Rs. 4,135.36). In this regard, the Group has also filed the appeals before the Appellate authorities. The Group, based on legal advice from counsel, 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.

(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.

(vi) The Group has certain agreements with an Original Equipment Manufacturer (OEM) for supply of new engines, spare engine support and provision of maintenance services. During the year ended 31 March 2020, the supplier has raised invoices on the Group amounting to Rs. 2,156.00 for spare engine charges, which management, considering its assessment of the contractual terms and conditions and basis advice from legal counsel, believes that it is not entitled to pay and accordingly has not recorded any provision for the same, in the books of account. Further, the Group has also raised certain claims on the OEM due to issues noted with the engines supplied by the OEM. Basis the contractual terms and legal counsel view, the management believes that it is entitled to these claims from OEM. The amount claimed by the Group far exceeds the amount being claimed by the supplier from the Group. Given the uncertainty involved in determination and collection of the final amount, the Group has not recognized such claim amount as a contingent asset. The Group is in discussions with the OEM to reach a settlement on the contract.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

30. Contingent liabilities (to the extent not provided for) (contd...)

(vi) 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 2020	As at 31 March 2019
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. 660.31 (previous year Rs. 301.43)]	3,193,720.06	1,522,215.57

For non-cancellable operating and finance leases commitments as at 31 March 2019 as required under Ind AS 17, refer to Note 27 and Note 16.a.

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. 1,106.08 (previous year Rs. 564.18) 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.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

32. Employee benefits (contd...)

The following table sets out the status of the defined benefit plan as required under Ind-AS 19 - Employee Benefits:

a. Passenger services

(i) Changes in present value of defined benefit obligation:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Present value of obligation at the beginning of the year	878.07	663.30
Interest cost	70.35	55.13
Current service cost	283.67	200.74
Benefits paid	(49.08)	(37.44)
Remeasurements - actuarial loss/ (gain) from changes in demographic assumptions	20.92	-
Remeasurements - actuarial loss/ (gain) from changes in financial assumptions	(108.66)	20.70
Remeasurements - actuarial loss/ (gain) from experience adjustments	74.78	(24.36)
Present value of obligation at the end of the year	1,170.05	878.07

(ii) Assumptions:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Economic assumptions		
Discount rate	6.68% - 6.73%	7.3% - 7.71%
Rate of increase in compensation levels	All Employees : 0.1% - 8% for first two years. Thereafter: Non Crew : 8% - 10.75% Crew : 5.75%	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	11% - 12% for first two years 11% - 18% thereafter	11% - 18%

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 2020		As at 31 March 2019	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
(Increase)/ decrease in obligation with 1% movement in discount rate	(63.63)	69.45	(64.04)	68.48
Increase/ (decrease) in obligation with 1% movement in future rate in compensation levels	101.19	(95.32)	93.40	(89.09)
(Increase)/ decrease in obligation with 1% movement in withdrawal rate	(32.35)	34.72	(23.82)	25.63

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

32. Employee benefits (contd...)

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.

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 2020	141.93	109.32	450.96	651.43	1,353.64
As at 31 March 2019	125.52	127.02	353.08	459.44	1,065.06

b. Cargo services

(i) Changes in present value of defined benefit obligation:

Particulars	As at 31 March 2020	As at 31 March 2019
Present value of obligation at the beginning of the year	20.76	18.84
Interest cost	1.56	1.47
Current service cost	3.92	2.99
Benefits paid	(0.63)	(4.14)
Remeasurements - actuarial loss/ (gain) from changes in demographic assumptions	0.82	-
Remeasurements - actuarial loss/ (gain) from changes in financial assumptions	(3.79)	0.65
Remeasurements - actuarial loss/ (gain) from experience adjustments	1.25	0.95
Present value of obligation at the end of the year	23.89	20.76

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...)

(ii) Assumptions:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Economic assumptions:		
Discount rate	6.68%	7.31%
Rate of increase in compensation levels	0.1% for first two year 10.75% thereafter	10.75%
Demographic assumptions:		
- Retirement age	60 years	60 years
- Mortality table	IALM (2012-14)	IALM (2012-14)
- Withdrawal	12% for first two years 18% thereafter	18%

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 2020		As at 31 March 2019	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Increase/ (decrease) in obligation with 1% movement in discount rate	(1.35)	1.51	(1.28)	1.42
Increase/ (decrease) in obligation with 1% movement in future rate in compensation levels	1.75	(1.56)	1.72	(1.66)
(Increase)/ decrease in obligation with 1% movement in withdrawal rate	(0.50)	0.59	(0.50)	0.56

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.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

32. Employee benefits (contd...)

(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 2020	2.79	2.05	8.32	14.50	27.66
As at 31 March 2019	2.85	2.85	7.67	11.96	25.33

c. Bifurcation of provision for defined benefit plan at the end of year:

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for defined benefit plans		
Passenger services		
- Current	137.41	121.18
- Non-current	1,032.64	756.89
Cargo services		
- Current	2.70	2.75
- Non-current	21.19	18.01
Total	1,193.94	898.83

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 2020 and 31 March 2019 are as follows:

Information about services - Income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
a. Air transportation services	357,560.01	284,967.72
b. Other income	15,355.09	13,245.98
Total	372,915.10	298,213.70

Information about geographical areas - Income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
a. Air transportation services		
I. Domestic	288,861.30	244,571.27
II. International	68,698.71	40,396.45
b. Other income	15,355.09	13,245.98
Total	372,915.10	298,213.70

Revenue from air transportation services is directly attributed to domestic and international operations or are attributed on

Notes forming part of the consolidated financial statements

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

33. Segment reporting (contd...)

a reasonable basis. Other income is not allocated as the underlying assets/ liabilities/services are used interchangeably. Non-current assets other than financial instruments and income tax assets (net) primarily comprises of aircraft, spare engines, leasehold improvements-aircraft and rotables and non-aircraft equipment, 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. Aditya Ghosh – President and Whole Time Director (Whole Time Director till 26 April 2018 and President till 29 July 2018)

Mr. Rahul Bhatia – Director (Interim Chief Executive Officer with effect from 27 April 2018 till 23 January 2019)

Ms. Rohini Bhatia – Director

Mr. Rakesh Gangwal - Director

Mr. Devadas Mallaya Mangalore - Independent Director (Deceased on 25 November 2018)

Dr. Anupam Khanna - Independent Director

Ms. Pallavi Shardul Shroff– Additional Director (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 (Independent Director with effect from 23 January 2019 and Chairman of the Board with effect from 24 January 2019)

Mr. Ronojoy Dutta - Chief Executive Officer (from 24 January 2019), Whole Time Director & Chief Executive Officer (with effect from 27 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 Pandey - Chief Financial Officer (with effect from 16 September 2019)

Notes forming part of the consolidated financial statements

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

34. Related party disclosures (contd...)

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 Technologies Private Limited (related party till 3 January 2019)

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

Pegasus Buildtech Private Limited

Pegasus Utility Maintenance & Services 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)

c. Transactions with related parties during the current / previous year:

S. No.	Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
(i)	Rent		
	InterGlobe Enterprises Private Limited#	-	75.06
	InterGlobe Air Transport Limited#	1.38	3.54
	Pegasus Buildtech Private Limited	-	5.42
	InterGlobe Real Estate Ventures Private Limited#	-	46.75
	# Pursuant to adoption of Ind AS 116, the lease cost has been recognized as per the requirements of Ind AS 116.		
(ii)	Commission		
	InterGlobe Air Transport Limited	203.87	128.62
	InterGlobe Air Transport Limited W.L.L.*	133.56	52.62
	*The Group has received or due to receive remittances of Rs. 5,257.20 (previous year Rs. 2,992.48) for the sale of passenger tickets through the agent for which the above commission was paid or payable.		
(iii)	Reservation cost		
	InterGlobe Technologies Private Limited	-	301.81
(iv)	Crew accommodation and transportation		
	InterGlobe Hotels Private Limited	104.05	94.11
	Caddie Hotels Private Limited	88.36	86.84
(v)	Training		
	CAE Simulation Training Private Limited	1,002.71	973.51

Notes forming part of the consolidated financial statements

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34. Related party disclosures (contd...)

S. No.	Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
(vi)	Operating cost of software		
	InterGlobe Technologies Private Limited	-	16.74
	InterGlobe Business Solutions Private Limited	28.05	202.76
(vii)	Repairs and maintenance		
	InterGlobe Air Transport Limited	0.27	2.10
	Pegasus Utility Maintenance & Services Private Limited	-	1.31
	InterGlobe Real Estate Ventures Private Limited	15.95	20.33
(viii)	Miscellaneous income		
	InterGlobe Air Transport Limited	0.55	3.54
	CAE Simulation Training Private Limited	1.12	1.28
	InterGlobe Education Services Limited	7.84	1.77
(ix)	Reimbursement for expenses paid		
	InterGlobe Air Transport Limited W.L.L.	13.03	21.75
(x)	Miscellaneous expenses		
	InterGlobe Hotels Private Limited	-	4.52
	Caddie Hotels Private Limited	-	0.12
	InterGlobe Air Transport Limited	0.06	0.53
	Pegasus Utility Maintenance & Services Private Limited	-	0.60
	InterGlobe Real Estate Ventures Private Limited	11.65	13.20
(xi)	Purchase of property, plant and equipment, capital work-in-progress, intangible assets and other assets		
	InterGlobe Business Solutions Private Limited	58.56	-
(xii)	Compensation to key managerial personnel		
	Short-term employee benefits	633.00	119.80
	Post-employment benefits	5.90	1.38
	Share-based payment (Refer Note 37) **	21.78	67.12
	Other long-term benefits	8.14	9.55
	** Excludes a reversal of employee stock option scheme expense of Rs. 160.53 (previous year Rs. 224.46) during the year towards forfeiture of employee stock options granted.		

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

(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 2020	For the year ended 31 March 2019
(xiii)	Sitting fees and commission***		
	Mr. Rahul Bhatia	1.10	1.20
	Ms. Rohini Bhatia	1.90	1.60
	Mr. Rakesh Gangwal	1.10	0.80
	Mr. Devadas Mallya Mangalore	-	0.90
	Dr. Anupam Khanna	3.50	2.50
	Mr. Anil Parashar	3.50	1.20
	Mr. Meleveetil Damodaran	2.30	0.10
	Ms. Pallavi Shardul Shroff	0.30	-
	*** Excludes applicable taxes		
(xiv)	Final dividend paid (Refer to Note 15.b.(iv))		
	Mr. Kapil Bhatia	0.25	0.30
	Mr. Rahul Bhatia	0.20	0.24
	Ms. Rohini Bhatia	0.05	0.06
	Mr. Rakesh Gangwal	282.11	338.53
	Ms. Shobha Gangwal	161.55	193.86
	Dr. Asha Mukherjee	6.25	7.50
	The Chinkerpoo Family Trust (Trustee: Ms. Shobha Gangwal & J.P.Morgan Trust Company of Delaware)	261.32	313.58
	Mr. Alok Mehta****	0.00	0.00
	Ms. Ritu Parashar	0.01	-
	InterGlobe Enterprises Private Limited	728.53	874.24
	**** Amount in absolute terms is Rs. 1,275 (previous year Rs. 1,530).		
(xv)	Security deposit paid		
	InterGlobe Real Estate Ventures Private Limited	24.75	0.43
	InterGlobe Enterprises Private Limited	26.06	-
(xvi)	Legal expenses		
	Shardul Amarchand Mangaldas & Co.	4.82	-
(xvii)	Depreciation under Ind AS 116*****		
	CAE Simulation Training Private Limited	213.17	-
	InterGlobe Enterprises Private Limited	37.92	-
	InterGlobe Real Estate Ventures Private Limited	25.67	-
	InterGlobe Air Transport Limited	0.07	-
(xviii)	Depreciation under Ind AS 116*****		
	CAE Simulation Training Private Limited	114.56	-
	InterGlobe Enterprises Private Limited	29.43	-
	InterGlobe Real Estate Ventures Private Limited	19.54	-
	InterGlobe Air Transport Limited	0.02	-
	***** Represents expense recognised during the year as per Ind AS 116. Lease payments in respect of above parties for the current year is amounting to Rs 330.39.		

Notes forming part of the consolidated financial statements

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(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 2020	As at 31 March 2019
(i)	Payables		
	InterGlobe Air Transport Limited	0.03	14.01
	InterGlobe Hotels Private Limited	16.93	14.38
	Caddie Hotels Private Limited	11.15	5.46
	CAE Simulation Training Private Limited	43.53	-
	Pegasus Utility Maintenance & Services Private Limited	-	0.03
	InterGlobe Real Estate Ventures Private Limited	0.79	3.24
	InterGlobe Business Solutions Private Limited	-	32.41
	InterGlobe Enterprises Private Limited	-	1.49
	Shardul Amarchand Mangaldas & Co.	1.07	-
	InterGlobe Air Transport Limited W.L.L	84.13	-
	Key managerial personnel	62.60	153.63
(ii)	Advance to employees		
	Key managerial personnel	-	16.06
(iii)	Receivables - (Including general sales agent (GSA))		
	InterGlobe Education services Limited	0.35	-
	InterGlobe Air Transport Limited W.L.L	-	237.51
(vi)	Security deposits - Receivable		
	InterGlobe Real Estate Ventures Private Limited	25.17	0.43
	InterGlobe Enterprises Private Limited	26.06	-
(v)	Advance to suppliers		
	CAE Simulation Training Private Limited	-	0.05
(vi)	Lease liabilities		
	CAE Simulation Training Private Limited	5,523.52	-
	InterGlobe Enterprises Private Limited	344.26	-
	InterGlobe Real Estate Ventures Private Limited	212.01	-
	InterGlobe Air Transport Limited	0.94	-

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 consolidated financial statements

for the year ended March 31, 2020

(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 2020	For the year ended 31 March 2019
Profit / (loss) attributable to equity share holders:		
Profit / (loss) attributable to equity share holders for basic earnings	(2,336.78)	1,572.47
Profit / (loss) attributable to equity share holders adjusted for the effect of dilution	(2,336.78)	1,572.47

b. Weighted average number of equity shares

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Weighted average number of equity shares		
- For basic earnings per share	384,658,050	384,406,838
Dilutive effect of stock options*	-	419,426
	384,658,050	384,826,264
Basic earnings per share (Rs.)	(6.07)	4.09
Diluted earnings per share (Rs.)	(6.07)	4.09
Nominal value per share (Rs.)	10	10

* Includes Nil (previous year 419,426) of stock options granted to employees under the employee stock option schemes are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive.

360,759 (previous year 100,000) 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 2020	For the year ended 31 March 2019
a) Gross amount required to be spent by the Group during the year	315.32	497.67
b) Amount spent and paid during the year	227.37	266.81
Particulars of amount spent and paid during the year:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	227.37	266.81
	227.37	266.81

Notes forming part of the consolidated financial statements

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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
(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 Group, 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 Group, 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 Group, 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

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

37. Share-based payment arrangements (contd...)

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

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%

* During the year ended 31 March 2019, the Board of Directors had accepted resignation of Mr. Aditya Ghosh, President and Whole Time Director of the Company, from the post of President of the Company effective 29 July 2018 and as a Director of the Company with effect from 26 April 2018.

** During the current 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.

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.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

37. Share-based payment arrangements (contd...)

c. Effect of employee stock option scheme on the Consolidated Statement of Profit and Loss:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Employee stock option scheme expense (included in salaries, wages and bonus)***	(99.15)	(133.28)
Total	(99.15)	(133.28)

*** Includes a reversal of employee stock option scheme expense of Rs. 160.53 (previous year Rs. 276.55) towards forfeiture of employee stock options granted to certain employees.

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 2020		As at 31 March 2019	
	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	831,850	574.79	1,610,457	487.79
Add: Options granted during the year	53,000	765.00	100,000	1,049.95
Less: Options forfeited and expired during the year	247,310	10.00	765,947	495.56
Less: Options exercised during the year****	276,781	765.00	112,660	291.47
Options outstanding as at the year end	360,759	843.99	831,850	574.79

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number of options	Weighted average exercise price (Rs.)	Number of options	Weighted average exercise price (Rs.)
Exercisable at the end of the year	222,759	765-1049.95	231,215	765.00

Particulars	As at 31 March 2020	As at 31 March 2019
Weighted average remaining life of options outstanding at the end of the year	4.08	3.56

****The weighted average share price at the date of exercise of options exercised during the year was Rs. 1,396.58 (previous year Rs. 1,226.90). Further, during the current year, certain employees has exercised their rights to exercise employee stock options. As on the year ended 31 March 2019, total number of ESOP exercised but outstanding for allotment is 112,600.

- 38.** (a) Ms. Pallavi Shardul Shroff has been appointed as an Additional Director (Independent Woman Director) with effect from 19 September 2019, subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company.
- (b) Mr. Rohit Philip, erstwhile Chief Financial Officer resigned with effect from 15 September 2019.
- (c) Mr. Aditya Pande has been appointed as the Chief Financial Officer of the Company with effect from 16 September 2019.
- (d) Mr. Ronojoy Dutta, Chief Executive Officer of the Company has been appointed as Whole Time Director with effect from 27 January 2020, subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company.
- (e) Dr. Venkataramani Sumantran has been appointed as an Additional Director (Independent Director) with effect from 28 May 2020, subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

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. Supplementary rentals which were earlier classified in 'Aircraft and engine rentals (net)' and Aircraft repair and maintenance (net), Consumption of stores and spares and loose tools and Redelivery and overhaul cost which were earlier classified under 'Other expenses', have now been collectively disclosed as a separate line item 'Supplementary rentals and aircraft repair and maintenance (net)' in the consolidated financial statements.
- The 'Airport fees and charges' have been disclosed as a separate line item, which were earlier classified as a part of landing fees and en-route charges under 'Other expenses'.
41. During the current year, effective 1 July 2019, the management had re-assessed its accrual estimates for heavy maintenance and overhaul cost of engines on certain category of aircraft, basis the trends now available with the Group for costs incurred on such events during the recent past. For the purpose, management has made certain assumptions of expected future costs of maintenance, expected maintenance interval and aircrafts' condition basis the past trends and consequently, an additional accrual of Rs. 8,856.80 has been recorded during the year ended 31 March 2020 under supplementary rentals and aircraft repair and maintenance (net), on prospective basis, recognising the cost over the balance period till the next expected maintenance visit.
42. The Company has received letters from the Securities and Exchange Board of India ("SEBI") and from the Ministry of Corporate Affairs ("MCA") wherein they have requested for the Company's comments in relation to the complaints filed by one of the Promoters of the Company. The Company has responded to concerned authorities within the prescribed timelines and believes that aforesaid matter does not impact the financial statements of the Company.
43. InterGlobe Enterprises Private Limited and Mr. Rahul Bhatia, as claimants (the "IGÉ Group"), have 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 IGÉ 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 IGÉ 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 necessary and proper party to the arbitration. However, no monetary claim, including any compensation or penalty, has been sought against the Company and accordingly the Company believes that the aforesaid matter does not impact the financial statements of the Company. The arbitral tribunal has been constituted, the parties are however yet to make any substantive filings in the arbitral proceedings.
44. Our operations have been severely impacted due to the Covid -19 pandemic. The Government of India declared a national lockdown with effect from 24 March 2020. As a result, no scheduled passenger flights were operated between 24 March 2020 and 24 May 2020. Our revenues were materially impacted by the shutdown of air traffic during this period. During the same period, we continued to incur committed expenditure with respect to our employees, aircraft related expenditures such as lease rentals and other expenditures. This has significantly impacted our profitability.

We have taken several actions to mitigate the effect of COVID-19 on our business. We have taken steps to reduce our unit costs and increase our liquidity by making our fleet more efficient, ensuring our capacity is right sized to the market, putting on hold discretionary expenses, deferring certain capital expenditures, etc. We have commenced our operations with effect from 25 May 2020. We will ramp-up our operations in a phased manner, subject to Government directions. We have a sufficient fleet, crew and other operating staff available to scale-up operations across networks to cater to demand as it scales-up strictly adhering to safety and social distancing norms. We have introduced a number of measures

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

44. (contd...)

as part of our new standard operating procedures like spray cleaning the aircraft at every arrival, increased frequency of deep cleaning of the aircraft, wiping of all touch points such as tray tables, arm rests, seat belts, lavatory door, etc. to ensure the health and safety of our passengers.

Due care has been exercised to determine recoverability of the carrying amount of the assets while preparing the Group's financial statements as of and for the year ended 31 March 2020. We have performed sensitivity analysis on the assumptions used and based on current estimates, expects the carrying amount of these assets to be recovered. We have a strong cash position as of 31 March 2020 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. The unprecedented nature of the pandemic makes the future business environment uncertain, however, we will continue to carry out the impact assessment on our assets and closely monitor any material changes to future economic conditions.

45. During the current year, the managerial remuneration paid by the Company to its Whole Time Director and Chief Executive Officer, is in excess of limited laid down under Section 197 of the Companies Act, 2013 ('the Act') read with Schedule V to the Act by Rs. 155.82. The Company will seek approval from the shareholders at the ensuing Annual General Meeting.

46. Details of bank deposits, current investments, cash and cash equivalents and bank balances other than cash and cash equivalent:

Rs 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

Rs at 31 March 2019

Particulars	Non lien	Under lien	Total
Bank deposits (due for maturity after twelve months from the reporting date) (Refer to Note 8)	308.09	1,543.60	1,851.69
Current investments (Refer to Note 6)	42,738.62	22,427.08	65,165.70
Cash and cash equivalents (Refer to note 12)	7,127.75	0.08	7,284.17
Bank balance other than cash & cash equivalents (Refer to Note 13)	10,630.84	68,304.96	78,935.80
Total	60,805.30	92,275.72	153,237.36

Notes forming part of the consolidated financial statements

for the year ended March 31, 2020

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

47. Additional information required by Schedule III of the Companies Act, 2013

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 at 31 March 2019

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	99.99%	69,447.89	99.29%	1,561.35	100.00%	1.34	99.29%	1,562.69
Subsidiary								
Indian								
Agile Airport Services Private Limited	0.01%	10.21	0.71%	11.12	0.00%	-	0.71%	11.12
Non-controlling interests	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Total	100%	69,458.10	100%	1,572.47	100%	1.34	100%	1,573.81

As per our report of even date attached

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

per Sanjay Vij
Partner
Membership Number: 95169

Place: Gurgaon
Date : 2 June 2020

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

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

Aditya Pande
Chief Financial Officer

Place: Gurgaon
Date : 2 June 2020

Anil Parashar
Director
DIN: 00055377

Sanjay Gupta
Company Secretary and
Chief Compliance Officer

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 2019 to 31 March 2020
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 : 155.01
7	Total assets	539.27
8	Total Liabilities	383.16 [excluding share capital & reserves and surplus]
9	Investments	Nil
10	Turnover	3,516.69
11	Profit before taxation	194.20
12	Provision for taxation	[49.39]
13	Profit after taxation	144.81
14	Proposed Dividend	Nil
15	Extent of shareholding (in percentage)	100

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

Aditya Pande
Chief Financial Officer

Place: Gurgaon
Date : 2 June 2020

Anil Parashar
Director
DIN: 00055377

Sanjay Gupta
Company Secretary and
Chief Compliance Officer

Notice

Notice is hereby given that the Seventeenth (17th) Annual General Meeting of the Members of InterGlobe Aviation Limited (the "Company") will be held on Friday, September 4, 2020 at 10:00 a.m. Indian Standard Time 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, 2020 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, 2020 along with the report of the Auditors thereon.
2. To appoint a Director in place of Ms. Rohini Bhatia (DIN: 01583219), who retires by rotation and being eligible, offers herself for re-appointment.

Special Business:

3. **Appointment of Ms. Pallavi Shardul Shroff (DIN: 00013580) as an Independent Director of the Company**

To consider and if thought fit, to pass the following resolution as an "Ordinary Resolution":

"RESOLVED THAT pursuant to the applicable provisions of Sections 149, 152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded to appoint Ms. Pallavi Shardul Shroff (DIN: 00013580) as an Independent Director of the Company to hold office for a term of five consecutive years with effect from September 19, 2019, not 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."

4. **Appointment of Dr. Venkataramani Sumantran (DIN: 02153989) as an Independent Director of the Company**

To consider and if thought fit, to pass the following resolution as an "Ordinary Resolution":

"RESOLVED THAT pursuant to the applicable provisions of Sections 149, 152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded to appoint Dr. Venkataramani Sumantran (DIN: 02153989) as an Independent Director of the Company to hold office for a term of five consecutive years with effect from May 28, 2020, not 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."

5. **Appointment and Remuneration of Mr. Ronojoy Dutta (DIN: 08676730), Chief Executive Officer as Whole Time Director and Chief Executive Officer of the Company**

To consider and if thought fit, to pass the following resolution as a "Special Resolution":

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made thereunder and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-

enactment thereof, for the time being in force), Article 17.1 of the Articles of Association of the Company and pursuant to recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company ("Board"), the approval of the Members of the Company, be and is hereby accorded for appointment of Mr. Ronojoy Dutta (DIN: 08676730), Chief Executive Officer of the Company as the Whole Time Director and re-designating him as Whole Time Director and Chief Executive Officer ("Key Managerial Personnel"), for a period effective from January 27, 2020 till January 23, 2024 or till the date of his employment as the Chief Executive Officer whichever is earlier, liable to retire by rotation, on the terms and conditions and remuneration set out in the explanatory statement annexed to the Notice convening this meeting.

RESOLVED FURTHER THAT the approval of the Members of the Company be and is hereby accorded pursuant to provisions of Section 196 (3) of the Act for continuing the employment of Mr. Ronojoy Dutta as Whole Time Director and Chief Executive Officer on attaining the age of seventy years during the term of his appointment.

RESOLVED FURTHER THAT the approval of the Members of the Company be and is hereby accorded for payment of the remuneration for the financial year 2019-20, as set out in the explanatory statement annexed to the Notice, as recommended by the Nomination and Remuneration Committee and approved by the Board, as minimum remuneration, in view of absence or inadequacy of the profits, notwithstanding that such remuneration is in excess of the limits as mentioned in Section 197 read with Schedule V to the Act, but subject to conditions as prescribed under Schedule V to the Act, as may be amended from time to time.

RESOLVED FURTHER THAT wherein any financial year, during a period of 3 financial years (including financial year 2019-20), comprised in the tenure of Mr. Ronojoy Dutta, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, perquisites and allowances as mentioned in the explanatory statement annexed to the Notice, as minimum remuneration, notwithstanding that such remuneration exceeds the limits as mentioned under Section 197 of the Act, but subject to conditions as prescribed under Schedule V to the Act, as may be amended from time to time.

RESOLVED FURTHER THAT the Board, on the recommendation of the Nomination and Remuneration Committee, be and is hereby authorised to revise, amend, alter and vary the terms of appointment and remuneration so as not to exceed the limits specified in Section 197 read with Schedule V to the Act, in such manner as may be agreed to between the Board and Mr. Ronojoy Dutta, subject to and in compliance with all applicable provisions of the Act and rules made thereunder.

RESOLVED FURTHER THAT the 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."

6. Increase in the Borrowing Powers

To consider and if thought fit, to pass the following resolution as a "Special Resolution":

"RESOLVED THAT in suppression of all the earlier resolutions passed by the Members of the Company and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and applicable provisions of the Articles of Association of the Company, the approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company ("Board") to borrow money, from time to time, with or without security, as and when required, from, including without limitation, any Bank and/or other Financial Institution, either in Rupees or in such other foreign currencies as may be deemed appropriate by the Board for an aggregate amount not exceeding Rs. 40,000 crore (Rupees forty thousand crore), for the purpose of the business of the Company, notwithstanding that money so borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained/ to be obtained from the Company's bankers, in the ordinary course of business), exceeds the aggregate of the paid-up share capital, free reserves and securities premium of the Company.

RESOLVED FURTHER THAT the 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."

7. Creation of Charges against Borrowings

To consider and if thought fit, to pass the following resolution as a "Special Resolution":

"RESOLVED THAT in suppression of all the earlier resolutions passed by the Members of the Company and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and applicable provisions of the Articles of Association of the Company, the approval of the Members be and is hereby

accorded to the Board of Directors of the Company ("Board"), to create pledge and/or mortgage and/ or hypothecate and/or create lien and/or create charge in addition to the existing pledges, mortgages, hypothecations, liens and charges created by the Company, on all or any one or more of the movable and/or immovable properties or such other assets of the Company, wheresoever situated, both present and future, whether presently belonging to the Company or not, on such terms and conditions and at such time or times and in such form or manner as it may deem fit, to or in favour of banks, financial institutions, non-banking finance companies or such other lenders or other investing agencies ("Lenders") to secure any financing facilities, term loans/ fund based/ non fund based/ credit facilities or otherwise ("Borrowings"), obtained/ to be obtained from any of the aforesaid Lenders, such security to rank in such manner as may be agreed to between the Company and the Lenders and as may be thought expedient by the Board for securing the borrowings up to Rs. 40,000 crores (Rupees forty thousand crore).

RESOLVED FURTHER THAT the 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."

Notes:

1. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 (the "Act") relating to the Special Business to be transacted at the Annual General Meeting ("AGM") is annexed hereto.
2. In view of the outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") vide its Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020, has allowed conducting AGM through video conferencing (VC) or other audio visual means (OAVM)('e-AGM') and dispensed with the requirement of presence of Members in person at the meeting. Hence, Members can attend and participate in the AGM through VC/ OAVM only. A detailed procedure for attending the e-AGM is annexed herewith (Refer serial no. 23).
3. As the AGM is being conducted through VC/OAVM, where physical attendance of Members in any case is dispensed with, the facility of appointment of proxies by Members will not be available. However, Corporate Members intending to appoint authorised representatives, pursuant to Section 113 of the Act, are requested to send a certified copy of 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 meeting at investors@goindigo.in or einward.ris@kfintech.com.
4. Due to conduct of AGM through VC/OAVM, the participation of Members will be restricted up to 1000 Members and will be allowed on first come first serve basis. However, the participation of Members holding 2% or more shareholding is not restricted on first come first serve basis. This Restriction will also be not applicable to Institutional Investors, Promoters, Directors & Key Managerial Personnel and Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee, Statutory Auditors and Secretarial Auditors of the Company.
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 e-AGM, can contact Kfin Technologies Private Limited ("Kfintech") on emeetings@kfintech.com or call on toll free numbers 1800-425-8998 / 1 800-345-400. Kindly quote your name, DP ID-Client ID / Folio no. and E-voting Event Number (EVEN) in all your communications.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, August 29, 2020 to Friday, September 04, 2020 (both days inclusive).
8. Members are requested to quote their Registered Folio Number or Demat Account Number & Depository Participant (DP) ID number in all correspondence with the Company.
9. Members holding shares in demat form are advised to send the requests 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") and Secretarial Standard-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 has allowed Companies to serve Annual Reports and other communications through electronic mode only. Hence, Notice of AGM and Annual Report are being sent in electronic mode to the Members whose email address is registered with the Company.

The login credentials for casting vote(s) through remote e-voting are being sent to the Members, whose e-mail address is registered with the Company/ Kfintech/ Depositories, on the registered e-mail address. 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 address is not registered, 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 address registered by contacting their respective Depository Participant.
- 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 copy of share certificate for registering their email address and 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 address for receiving Annual Report in electronic mode by clicking the link https://ris.kfintech.com/email_registration. Post successful registration of the e-mail address, the Members as on cut-off date, would get the Annual Report and Notice in electronic mode.

12. Procedure for inspection of documents:

- a) All the documents referred to in the accompanying Notice and Explanatory Statement, shall 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, shall be available for inspection upon login at <https://emeetings.kfintech.com>.

13. In terms of Section 72 of the Act and related rules 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. 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 DP, if held in electronic form.

14. 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.

15. Pursuant to Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI LODR Regulations, the Company is pleased to provide the facility to Members to exercise their right to vote(s) on the resolutions proposed to be passed at AGM by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday, August 28, 2020, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. Members may cast their vote(s) on electronic voting system from any place other than the venue of the meeting (remote e-voting) (a person who is not a Member 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 Tuesday, September 01, 2020 and will end at 05:00 p.m. on Thursday, September 03, 2020 and at the end of remote e-voting period, the facility shall forthwith be blocked.

16. Contact details of the official responsible to address the grievances connected with voting by electronic means are set out below:

Mr. I L Murthy, Manager-Corporate Registry
KFin Technologies Private Limited
(formerly known as Karvy Fintech Private Limited)
Corporate Registry
Selenium, Tower- B,
Plot No. 31 & 32, Financial District,
Nanakramguda, Serilingampally Mandal,
Hyderabad-500032, India.
Toll Free No: 1800345400, Fax No.: +91 40 2300 1153.
E-mail: lakshmana.murthy@kfintech.com or evoting@kfintech.com

17. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names, will be entitled to vote at the meeting.

18. 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 e-AGM (Insta Poll). Vote button will be activated once Insta Poll is announced at the meeting. The Members who have cast their vote(s) by remote e-voting prior to the e- AGM may also attend the e- AGM but shall not be entitled to cast their vote(s) again.

19. The Company has appointed Ms. Amrita D.C. Nautiyal, Company Secretary in whole time practice (email: scrutinizerindigo@gmail.com), to act as the Scrutinizer for conducting the remote e-voting process and e-voting at the AGM in a fair and transparent manner.

20. The Members desiring to vote(s) through remote e-voting are requested to refer to the detailed procedure given hereinafter.

21. Procedure for Remote e-voting

I. The Company has entered into an arrangement with Kfintech for facilitating remote e-voting for the AGM. The instructions for remote e-voting are as under:

In case of Members receiving an e-mail from Kfintech:

- i. Launch an internet browser and open <https://evoting.kfintech.com>
- ii. Members of the Company holding shares either in physical form or in dematerialised form, as on the cutoff date i.e. closing hours of Friday, August 28, 2020 may cast their vote(s) through remote e-voting.
- iii. Enter the login credentials i.e. User ID and password, provided in the email received from Kfintech. However, if you are already registered with Kfintech for e-voting, you can use your existing User ID and password for casting your vote.
- iv. After entering the above details click on - Login:
- v. Password change menu will appear. Change the Password with a new Password of your choice. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.). The system will also prompt you to update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential. After changing the password, you need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the E-voting Event.
- vii. Select 'EVENT' of InterGlobe Aviation Limited - AGM and click on – Submit.
- viii. Now you are ready for e-voting as 'Ballot Form' page opens.
- ix. Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'OK' when prompted.
- x. Upon confirmation, the message 'Vote cast successfully' will be displayed.
- xi. Once you have confirmed your vote on the resolution, you cannot modify your vote.
- xii. The Portal will remain open for voting from: 09:00 a.m. on Tuesday, September 01, 2020 to 05:00 p.m. on Thursday, September 03, 2020.
- xiii. Institutional Members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter, along with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by an e-mail at scrutinizerindigo@gmail.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name EVENT NO."

II. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the downloads section on the e-voting website of Kfintech <https://evoting.kfintech.com>.

III. The voting rights shall be as per the number of equity shares held by the Member(s) as on Friday, August 28, 2020, being the cut-off date. Members are eligible to cast vote(s) electronically only if they are holding shares as on cut-off date.

IV. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company i.e. www.goindigo.in immediately after the declaration of result by the Chairman or a Director authorised by him in writing and at the website of e-voting agency viz. Kfintech at <https://evoting.kfintech.com> and shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.

In case you have become a Member of the Company after dispatch of Notice of AGM but on or before the cut-off date for E-voting i.e. Friday, August 28, 2020, 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: MYEPWJ E-voting EVENT Number + Folio No. or DP ID Client ID to +91 9212993399

Example for NSDL:

MYEPWJ <SPACE> IN12345612345678

Example for CDSL:

MYEPWJ <SPACE> 1402345612345678

Example for Physical:

MYEPWJ <SPACE> 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 and PAN to generate a password.
 - iii. Alternatively, Members may also obtain the User ID and Password by sending a request at evoting@kfintech.com. However, if you are already registered with Kfintech for remote e-voting, then you can use your existing User ID and Password for casting your vote. If you have forgotten your password, you can reset your password by using "Forgot Password" option available on <https://evoting.kfintech.com> or contact Kfintech at toll free no. 1800-345-4001 or email at evoting@kfintech.com. In case of any other queries/grievances connected with remote e-voting, you may also contact Mr. I L Murthy, Manager – Corporate Registry of Kfintech, at telephone no +91 40 6716 1500.
22. Members may utilise the facility extended by Kfintech for redressal of queries. Members may visit <https://karisma.kfintech.com> and click on Members option for query registration through free identity registration process.
23. Process and manner for participating in AGM through VC/ OAVM:
- (i) Member will be provided with a facility to attend the e-AGM through VC platform provided by Kfintech. Members will be able to attend the e-AGM or view the live webcast at <https://emeetings.kfintech.com> by using their e-voting login credentials. 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 Meeting.
 - (ii) Please note that the Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice of AGM.
 - (iii) For better experience and connectivity, Members are encouraged to join the meeting through Laptops from Google Chrome browser. 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 meeting.
 - (iv) Members are requested to login and join 15 minutes prior to the scheduled time of e-AGM and the window for joining the e-AGM will be closed on expiry of 15 minutes from the scheduled time of the e-AGM.
 - (v) Members who would like to express their views or ask questions during the e-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 Tuesday, September 01, 2020 to 05:00 p.m. on Thursday, September 03, 2020. 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 e-AGM.
 - (vi) Members may login to <https://emeetings.kfintech.com> and post their queries prior to the meeting. Members may also raise their queries during the e-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 e-AGM. Further any query raised at the e-AGM but not replied to, will be responded subsequent to the e-AGM by an email.
24. As the AGM is being held through VC/OAVM, the route map is not annexed to this Notice.

By order of the Board of Directors
For InterGlobe Aviation Limited

Sanjay Gupta
Company Secretary and Chief Compliance Officer

Date: July 31, 2020
Place: Gurgaon

InterGlobe Aviation Limited
CIN: L62100DL2004PLC129768
Registered Office: Central Wing, Ground Floor,
Thapar House, 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 ("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 ("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.

Pursuant to Section 161(1) of the Act, the Board of Directors (the "Board"), on the recommendation of Nomination and Remuneration Committee, appointed Ms. Pallavi Shardul Shroff (DIN: 00013580) as an Independent Non - Executive Director as an Additional Director, not liable to retire by rotation, with effective from September 19, 2019, to hold office up to the date of ensuing Annual General Meeting ("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 Ms. Pallavi Shardul Shroff, as an Independent Director of the Company, at the ensuing AGM.

The Board has received a declaration from Ms. Pallavi Shardul Shroff that she meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations") and is eligible to be appointed as a Director in terms of Section 164 of the Act. She has also given her consent to act as a Director in compliance with the provisions of Section 152 of the Act. She has also complied with the requirements of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014 for inclusion of her name in the data bank of independent directors maintained with the Indian Institute of Corporate Affairs (IICA).

A detailed profile of Ms. Pallavi Shardul Shroff as required under Regulation 36(3) of the SEBI LODR Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India is attached as an Annexure to this Notice.

It is proposed to appoint Ms. Pallavi Shardul Shroff as an Independent Director of the Company, to hold office for an initial period of five (5) consecutive years, with effect from September 19, 2019 till September 18, 2024, not liable to retire by rotation, in compliance with the provisions of Section 149 read with Schedule IV to the Act and Section 160 (1) of the Act, by passing an Ordinary Resolution.

In the opinion of the Board, Ms. Pallavi Shardul Shroff is independent of the management and possesses the relevant expertise / experience and fulfills the conditions specified in the Act and the SEBI LODR Regulations for appointment as an Independent Director.

The terms and conditions of appointment of Ms. Pallavi Shardul Shroff as an Independent Director shall be open for inspection in electronic mode up to the conclusion of the AGM in the manner as mentioned in the Notes to Notice.

Save and except Ms. Pallavi Shardul Shroff and her relatives, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board recommends the resolution set out at Item no. 3 of the Notice for approval by the Members of the Company by an [Ordinary Resolution](#).

Item No. 4

Section 152(1) of the Companies Act, 2013 ("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 ("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.

Pursuant to Section 161(1) of the Act, the Board of Directors (the "Board"), on the recommendation of Nomination and Remuneration Committee, appointed Dr. Venkataramani Sumantran (DIN: 02153989) as a Non - Executive Independent Director as an Additional Director, not liable to retire by rotation, with effective from May 28, 2020, to hold office up to the date of ensuing Annual General Meeting ("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 Dr. Venkataramani Sumantran, as an Independent Director of the Company, at the ensuing AGM.

The Board has received a declaration from Dr. Sumantran that he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations") and is eligible to be appointed as a Director in terms of Section 164 of

the Act. He has also given his consent to act as a Director in compliance with the provisions of Section 152 of the Act. He has also complied with the requirements of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014 for inclusion of his name in the data bank of independent directors maintained with the Indian Institute of Corporate Affairs (IICA).

A detailed profile of Dr. Venkataramani Sumantran as required under Regulation 36(3) of the SEBI LODR Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India is attached as Annexure to this Notice.

It is proposed to appoint Dr. Venkataramani Sumantran as an Independent Non-Executive Director of the Company, to hold office for an initial period of five (5) consecutive years, with effect from May 28, 2020 till May 27, 2025, not liable to retire by rotation, in compliance with the provisions of Section 149 read with Schedule IV to the Act and Section 160 (1) of the Act, by passing an Ordinary Resolution.

In the opinion of the Board, Dr. Venkataramani Sumantran is independent of the management and possesses the relevant expertise / experience and fulfills the conditions specified in the Act and the SEBI LODR Regulations for appointment as an Independent Director.

The terms and conditions of appointment of Dr. Venkataramani Sumantran as Independent Director shall be open for inspection in electronic mode up to the conclusion of the AGM in the manner as mentioned in the Notes to Notice..

Save and except Dr. Venkataramani Sumantran and his relatives, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board recommends the resolution set out at Item no. 4 of the Notice for approval by the Members of the Company by an [Ordinary Resolution](#).

Item No. 5

Pursuant to the provisions of Section 203 and other applicable provisions of the Companies Act, 2013 ("Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), the Board of Directors of the Company (the "Board") on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Ronojoy Dutta (DIN: 08676730) as the Chief Executive Officer of the Company ("CEO") for a period of five (5) years with effect from January 24, 2019.

Subsequently, in accordance with Article 17.1(i) of the Articles of Association of the Company ("Articles"), the IGE Group nominated Mr. Ronojoy Dutta, CEO for his appointment as a Director of the Company, liable to retire by rotation, for a period up to January 23, 2024 (i.e. till his present term as the CEO of the Company) or till the date of his employment as the CEO, whichever is earlier. Section 152(1) of 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, 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.

Pursuant to Section 161, 196, 197, 203 and other applicable provisions of the Act read with Schedule V to the Act and the rules made thereunder, Regulation 17 of the SEBI LODR Regulations and to Article 17.1 of the Articles, the Board at its meeting held on January 27, 2020, basis the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Members of the Company, appointed Mr. Ronojoy Dutta as an Additional Director as Whole Time Director, and re-designated him as "Whole Time Director and Chief Executive Officer" ("Whole Time Director and CEO") for a period effective from January 27, 2020 till January 23, 2024 or till the date of his employment as the CEO, whichever is earlier, on the terms and conditions and remuneration as detailed in the resolution above. As an Additional Director, Mr. Ronojoy Dutta holds office till the date of ensuing AGM of the Company.

Mr. Ronojoy Dutta, aged 68 years, is an aviation industry veteran and has held leadership positions in reputed organisations including United Airlines and Air Sahara. Mr. Ronojoy Dutta possesses adequate qualification, expertise and rich experience more particularly in the aviation industry

Mr. Ronojoy Dutta will attain the age of 70 years on August 11, 2021 i.e. during his proposed tenure as Whole Time Director and CEO of the Company. In view of his vast and varied experience in the aviation industry and for smooth and efficient running of the business, the Board recommends the continuation of Mr. Ronojoy Dutta as Whole Time Director and CEO of the Company even after attaining the age of 70 years. Accordingly, the approval of Members of the Company is required by way of a Special Resolution in compliance with the provisions of Section 196(3) read with the other applicable provisions of the Act and the SEBI LODR Regulations.

The Board has received a declaration from Mr. Ronojoy Dutta, under Schedule V of the Act that he is eligible to be appointed as a Whole Time Director of the Company. He has also given his consent to act as a Director of the Company in terms of section 152 of the Act.

The remuneration paid / payable to Mr. Ronojoy Dutta with effect from April 01, 2019 (as CEO up to January 26, 2020 and as Whole Time Director and CEO from January 27, 2020), as recommended by the Nomination and Remuneration Committee and the Board is as follows:

- Fixed Salary - Gross annual salary of USD 1,270,000 (United States Dollars One Million Two Hundred and Seventy Thousand Only) which would be payable in Indian Rupees;
- Committed Bonus –USD 1,270,000 (United States Dollars One Million Two Hundred and Seventy Thousand Only) payable on the second and fourth anniversary and USD 635,000 (United States Dollars Six Hundred and Thirty-Five Thousand Only) on the fifth anniversary of the date of appointment as CEO ("Appointment Date"). In the event his employment term is renewed on January 23, 2024, then the fixed bonus payable at the end of fifth anniversary of the Appointment Date shall not be paid and instead USD 1,270,000 shall be paid on the sixth, eighth and tenth anniversary of the Appointment Date i.e. upon expiry of the Extended Employment term;
- Medical and life Insurance, Use of Company's car, Other Benefits and Perquisites as per the Company's Policy, Reimbursement of normal and business expenses - As per the Company's Policy;
- Up to 8 business class tickets for travel to and from US annually which could be used by him, his spouse or his dependent daughter. Such allowances will be over and above the annual salary payable to him;
- Accommodation -The Company will lease an apartment for his sole use, with such apartment being chosen by him. The lease costs and any other associated costs of the apartment will be deducted when computing his annual salary at clause (i) above;
- Travel benefits (with effect from January 27, 2020)- Concessional/ free confirmed tickets in all flights operated by the Company, which can be availed by him, his spouse and dependent children less than 21 years of age at the time of travel, provided that the total number of such tickets shall not exceed 50 in each financial year and such tickets to be availed for the purpose of leisure travel only.

In FY 2020, Mr. Ronojoy Dutta received a total remuneration of Rs. 114.23 million (Rs. 95.34 million as CEO from April 01, 2019 to January 26, 2020 and Rs. 18.89 million as Whole Time Director and CEO from January 27, 2020 to March 31, 2020). Besides the remuneration paid to him during FY 2020, an amount of Rs. 56.18 million has also been provided towards committed bonus as per the terms of the contract, being amount accrued till March 31, 2020.

Notwithstanding anything to the contrary herein contained, where in any financial year, during a period of 3 financial years (including FY 2020), comprised in tenure of Mr. Ronojoy Dutta, the Company has no profits or its profits are inadequate, the Company will pay remuneration, as specified above as minimum remuneration, notwithstanding that such remuneration exceeds the limits as mentioned under Section 197 of the Act, but subject to conditions as prescribed under Schedule V to the Act, as may be amended from time to time.

In India, to control the spread of Covid-19, the Government had imposed a lockdown and as a result, there were no scheduled passenger flights operated between March 25, 2020 to May 24, 2020.

This has materially impacted our financial results for the fourth quarter. For the quarter ended March 31, 2020, the Company reported a net loss of Rs. 8,708 million. As a result, fiscal year performance has also been impacted adversely and the Company reported a net loss of Rs. 2,337 million.

In accordance with the provisions of Section 197 read with Schedule V to the Act, in case of no profits or inadequacy of profits, the remuneration paid / payable to Mr. Ronojoy Dutta during FY 2020 (as CEO till January 26, 2020 and as Whole Time Director and CEO from January 27, 2020) is required to be approved by the the Members of the Company by way of a special resolution. Pursuant to the provisions of Schedule V of the Act, the approval of the Members for payment of remuneration in case of inadequate profits will be valid for a period of three years (including FY 2020).

In view of above, it is proposed to seek approval of the Members of the Company by way of a special resolution for the appointment of Mr. Ronojoy Dutta as Whole Time Director and CEO of the Company w.e.f. January 27, 2020 and for payment of remuneration paid / payable to him for a period of three years (including FY 2020), due to absence or inadequacy of profits, in any financial year comprised in his tenure.

The Company, as on date, is not in default in payment of dues to any bank or public financial institutions or any other secured creditor and accordingly, their prior approval is not required for approval of the proposed special resolution.

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. Ronojoy Dutta, as a Director of the Company, at the ensuing AGM.

A detailed profile of Mr. Ronojoy Dutta as required under Regulation 36(3) of the SEBI LODR Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India is attached as Annexure to Notice.

Save and except Mr. Ronojoy Dutta and his relatives, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

A written memorandum under Section 190 of the Act setting out the terms of employment of Mr. Ronojoy Dutta shall be open for inspection by the Members in electronic mode up to the conclusion of the AGM in the manner as mentioned in the Notes to Notice.

The information as required to be given pursuant to Section II of Part II of Schedule V of the Act, for payment of remuneration to Whole Time Director and CEO of the Company, in excess of limits specified in case of no profit or inadequate profit is as under:

I. General information:

- (1) Nature of industry - The Company is engaged in the business of providing scheduled airline services throughout India and abroad;
- (2) Date or expected date of commencement of commercial production - The Company has already commenced its airline operations since August 2006.
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus – not applicable
- (4) Financial performance based on given indicators – (standalone figures)

(Rs. In millions)

Particulars	FY 2020	FY 2019	FY 2018
Total Revenue	357,560.01	284,967.72	230,208.87
Other Income	15,362.42	13,249.36	9,468.56
Expenses -			
Operating Expenses	234,534.16	225,413.91	115,470.93
Employee Benefit Expenses	43,953.61	31,377.91	24,550.22
Other Expenses	38,690.71	30,230.30	60,622.59
Earnings before interest, tax, depreciation and amortization	55,743.95	11,194.96	39,033.69
Depreciation and amortisation expense	39,736.13	7,595.80	4,368.77
Finance Cost	18,758.71	5,089.63	3,398.15
Profit/ (Loss) before taxation and extraordinary items	(2,750.89)	(1,490.47)	31,266.77
Tax Expenses / (credit)	(269.30)	(3051.82)	8,843.03
Extraordinary items	11.00	1.34	2.51
Profit/ (Loss) after taxation	(2,470.59)	1,562.69	22,426.25
Paid up capital	3,847.96	3,844.07	3,844.07
Earnings per equity shares of the face value of Rs. 10 each			
Basic in Rs.	(6.45)	4.06	60.03
Diluted in Rs.	(6.45)	4.06	59.90

- (5) Foreign investments or collaborations, if any – the total foreign investment in the Company as on March 31, 2020, was 50.75% of total paid up capital of the Company (including 23.58 % held by Non Resident Indians (NRIs)).

II. Information about the appointee:

- (1) Background details- Mr. Ronojoy Dutta possesses expertise and rich experience in the aviation industry worldwide. Mr. Ronojoy Dutta was cofounder and Managing Director of ACO Investment, renowned investment advisory firm in the field of aviation and infrastructure. Mr. Ronojoy Dutta served as the President of Air Sahara from 2005 to 2008 and President of United Airlines (USA) from 1999 till 2002. Mr. Dutta served on the Board of US Airways from 2003 to 2004, United Airlines from 1999 to 2002 and Marsico Trust Funds from 1997 to 2005.

- (2) Past remuneration – Mr. Ronojoy Dutta joined the Company as a Principal Consultant on December 03, 2018. During his appointment as Principal Consultant, he was paid an upfront fee of USD 100,000 and a gross fee of USD 75,000 per month. Mr. Ronojoy Dutta was then appointed as CEO of the Company w.e.f. January 24, 2019. However, the Company had not paid/ provided for any remuneration to him during the last financial year i.e. 2019, due to absence or inadequacy of profits in accordance with the provisions of Section 197 of the Act.
In FY 2020, Mr. Ronojoy Dutta received a total remuneration of Rs. 114.23 million (Rs. 95.34 million as CEO from April 01, 2019 to January 26, 2020 and Rs. 18.89 million as Whole Time Director and CEO from January 27, 2020 to March 31, 2020). Besides the remuneration paid to Mr. Ronojoy Dutta during FY 2020, an amount of Rs. 56.18 million has also been provided towards committed bonus as per the terms of the contract, being amount accrued till March 31, 2020.
- (3) Recognition or awards – Mr. Ronojoy Dutta had received various recognitions and awards in aviation industry.
- (4) Job profile and his suitability - Mr. Ronojoy Dutta was appointed as CEO of the Company on January 24, 2019. Through his extensive and rich experience in aviation industry worldwide, he is expected to steer the Company's growth by undertaking and implementing various measures in revenue and cost management, customer retention and employee welfare.
- (5) Remuneration proposed – As mentioned above.
- (6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) – the management has recommended a reasonable remuneration after taking into consideration the size of the Company, the profile of the proposed appointee, the responsibilities to be shouldered by him. Further, proposed remuneration seems to be reasonable and at par with other companies of similar size in the aviation industry globally.
- (7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any - Mr. Ronojoy Dutta is not related directly or indirectly with any Director, Key Managerial Personnel or their relatives and having no pecuniary relationship.

III. Other information:

- (1) Reasons of loss or inadequate profits -
In India, to control the spread of COVID-19, the Government had imposed a national lockdown with effect from March 25, 2020, which continued till May 31, 2020. However, the Government of India permitted a phased resumption of domestic operations from May 25, 2020. As a consequence of the lockdown, your Company's entire fleet was grounded resulting in a passenger revenue loss for 61 days. Consequently, the Company's performance in the first 2 months of Q4 of FY 2020 was nullified by a sharp reduction in air travel from the beginning of March, 2020, which ultimately came to a complete halt on March 25, 2020. This has materially impacted Company's financial results. For the quarter ended March 31, 2020, the Company reported a net loss of Rs. 8,708 million which resulted in full fiscal year loss of Rs. 2,337 million.
- (2) Steps taken or proposed to be taken for improvement: In view of above stated reasons for loss reported during the financial year ended March 31, 2020 due to pandemic COVID-19, the Company recognised that there is a need to change on a go forward basis to ensure the safety of its customers and employees. For this purpose, the Company has laid out a new set of operating procedures that clearly defines the norms to be followed by its employees to combat the virus.

Further, the Company is working diligently to right-size the airline to the expected level of flying and to strenuously reduce costs and increase its liquidity. Specifically, the Company has taken the following steps:

- i. The Company has announced a salary cut in the range of 5-30% across the organisation except certain employees with lower pay grades. The Company has also deferred all merit based increments.
- ii. The Company has also announced Leave without Pay for its employees. Going forward, the Company will be reviewing the same constantly and will adjust them to the revenue environment.
- iii. The Company has put on hold all discretionary expenses and has deferred certain capital expenditure projects.
- iv. The Company is looking at every element of cost and working hard with the partners for negotiating better prices and terms
- v. The Company will be right sizing its capacity to the demand in the market. The Company values the efficiency and structural low costs associated with NEO aircraft and thus it will continue to substitute them for the older CEO aircraft. The Company is therefore taking deliveries of all new NEO aircraft and balancing them by returning all the CEO aircraft that the Company had committed to earlier. This will help reduce future maintenance costs.
- vi. Further, basis the capacity requirement, the Company would prefer to fly NEO aircraft over the older CEO aircraft.

(3) Expected increase in productivity and profits in measurable terms:

The Company's profitability was materially affected by the factors as stated above. The Company has been taking various initiatives towards managing cash and liquidity including the following:

- Returning of older CEO aircraft and getting deliveries on NEO aircraft: The CEOs that the Company is operating have a higher ownership cost driven by higher maintenance cost and higher fuel burn. As part of fleet plan the Company is working on naturally retiring a number of these CEO aircraft. The Company will be taking the deliveries of new planes in quarter 1 and 2 of the current fiscal year 2021 which are much more cost efficient and the Company is in discussions with manufacturers regarding deliveries beyond this period. Further, the Company has already financed majority of the deliveries through operating lessors which will help in improving liquidity.
- Freezing of Supplementary Rentals: The Company continues to pay all our lease rentals on time. The Company has been talking to lessors to freeze the supplementary rentals and better align these with its utilisation for a period of 9 months. Since a large number of aircraft are currently grounded and will be operating at much lower utilisation levels going forward, there is no immediate requirement to provide for these.
- The Company has reached out to various suppliers to provide more favorable credit terms.
- The Company has paid dividends for each of the financial years' post listing of shares. However, to conserve liquidity, no dividend has been proposed for FY 2020.

All these measures will help in generating additional liquidity. The Company is also looking to raise finance against the various unencumbered assets of the Company which could be a source of additional liquidity.

Save and except Mr. Ronojoy Dutta, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board recommends the resolution set out at Item no. 5 of the Notice for approval by the Members of the Company by a [Special Resolution](#).

Item No. 6 & 7

The Members of the Company at its Annual General Meeting ("AGM") held on September 21, 2016, accorded the approval to the Board of Directors (the "Board") for borrowing any sum or sums of money to borrow, from time to time, notwithstanding that such borrowings together with the money already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), exceeds the aggregate for the time being of the paid up capital of the Company, free reserves and securities premium, provided that the total amount of the money/moneys so borrowed by the Board shall not at any time exceed the limit of Rs. 20,000 crore (Rupees twenty thousand crore). The Members at their fifteenth Annual General Meeting held on August 10, 2018 partially modified the approval by way of a special resolution to borrow an additional sum or sums of money, not exceeding Rs. 10,000 crore (Rupees ten thousand crore) towards the Company's requirement of issuing standby letters of credit ("SBLC") in favor of the lessors for securitising the Supplementary Rental obligations due towards the lessors for aircraft taken on operating leases. The additional sum was to be utilised towards the Company's requirements of issuing SBLCs in the favor of the lessors in the ordinary course of business.

As on the date of this notice, the Company has got sanctions closure to the limit of Rs. 30,000 crore (Rupees thirty thousand crore) as approved by the Members and left with a very little headroom.

In order to manage the liquidity position of the Company in these unprecedented times, the Company is exploring various sources of raising funds such as raising working capital debt from banks/financial institutions, raising financing against its owned aircraft, aircraft engines and/or ground support equipment etc. In the normal course of business, the Company securitises its Supplementary Rental obligations due towards the lessors for aircraft on operating leases and issues standby letters of credit in favor of the lessors. The Company will continue deliveries of additional aircraft on operating lease basis for which new SBLCs will be required to be issued to the lessors. Thus, the Company will also be seeking fresh sanctions from banks/financial institutions for issuing SBLCs to lessors under the ordinary course of business. Therefore, it is proposed to seek the approval of the Members of the Company by a special resolution pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended ("Act"), authorising the Board to borrow, from time to time, sum or sums of money, up to an aggregate amount not exceeding Rs. 40,000 crore (Rupees forty thousand crore), including the existing borrowings.

Further, in order to secure the proposed borrowings of the Company, if necessary, by way of mortgage/hypothecation/lien/charge on all or any one or more of the movable and / or immovable properties or such other assets of the Company, as may be required, from time to time, it is proposed to seek the approval of the Members of the Company by a special resolution, pursuant to Section 180(1)(a) of the Act, for enhancing the powers of the Board for creation of pledges, mortgages, hypothecations and charges etc. on the movable and / or immovable properties or such other assets of the Company, in favour of banks, financial

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institutions, non-banking finance companies or such other lenders to secure the borrowings from the existing limit of Rs. 30,000 crore (Rupees thirty thousand crore) (as approved by the Members at their 15th AGM held on August 10, 2018) to Rs. 40,000 crore (Rupees forty thousand crore).

None of the Directors and Key Managerial Personnel of the Company or their relatives are interested or concerned in the resolutions set out at Item nos. 6 and 7 of the Notice.

The Board recommends the resolutions as set out at Item nos. 6 and 7 of the Notice for approval of the Members of the Company by [Special Resolutions](#).

By order of the Board of Directors
For [InterGlobe Aviation Limited](#)

[Sanjay Gupta](#)
Company Secretary and Chief Compliance Officer

Date: July 31, 2020

Place: Gurgaon

[InterGlobe Aviation Limited](#)

CIN: L62100DL2004PLC129768

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Thapar House, 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

Name of the Director	Ms. Rohini Bhatia	Ms. Pallavi Shardul Shroff	Dr. Venkataramani Sumantran	Mr. Ronjoy Dutta
DIN	01583219	00013580	02153989	08676730
Age	55 years	64 years	61 years	68 years
Date of first Appointment on the Board	March 27, 2015	September 19, 2019	May 28, 2020	January 27, 2020
Qualification	Ms. Bhatia holds diploma degree in Textile Designing from the South Delhi Polytechnic, New Delhi, in 1985.	Ms. Shroff holds Bachelor's degree of B.A. (Eco. Hons), from the University of Delhi, Master's degree in Management Studies (MBA) from the Jamnalal Bajaj Institute of Management Studies and LLB from the Government Law College, Mumbai.	Dr. Sumantran holds MS and Ph.D. degrees in Aerospace Engineering (Princeton University & Virginia Tech) and a Master's degree in Management of Technology (Rensselaer Polytechnic). He is a Fellow of the Society of Automotive Engineers International and served as member on the Board of Directors of SAE International from 2003 until 2006. He is a Fellow of the Indian National Academy of Engineers and is a recipient of Distinguished Alumnus Award from IIT Madras.	Mr. Dutta holds degree of B.S. Mechanical Engineering from Indian Institute of Technology (IIT) and a degree of MBA from Harvard Business School.
Experience in Specific Functional Area	Ms. Bhatia has diversified experience of serving on the Boards of various companies in the travel and hospitality industry.	<p>Ms. Pallavi S. Shroff is the Managing Partner of Shardul Amarchand Mangaldas & Co. with over 38 years of extensive experience. Her broad and varied representation of public and private corporations and other entities before various national courts, tribunals and legal institutions has earned her national and international acclaim. Ms. Shroff is the Head of the Dispute Resolution practice at the Firm, with an extensive knowledge in matters of litigation and arbitration. She also mentors the Competition law practice at the Firm and is a member of the Competition Law Review Committee, constituted by the Government of India to ensure that the legislation is in tune with the changing business environment.</p> <p>Ms. Shroff has been closely involved with some of the largest and most challenging litigation and arbitration matters in India with regard to energy, infrastructure, natural resources, mergers & acquisitions, legislative and policy related matters. She appears regularly in the Supreme Court and High Courts of India, and in arbitrations, mediations and international legal disputes. She is an Alternate Member (India) at the ICC (International Chamber of Commerce) Court of Arbitration.</p> <p>In addition, Ms. Shroff also regularly advises international and national clients on various aspects of the Competition Act, 2002. She was a key member of the high-powered SVS Raghavan Committee, which contributed to formulating the legal framework for the new Competition law and a draft of the new Competition Act.</p> <p>Further, Ms. Shroff has been conferred the 'Lifetime Achievement Award' at the Chambers India Awards 2019. She has also been recognised as one of the Most Powerful Women in Indian Business by Business Today (2013-19) and Fortune India for 2018 & 2019. Business World recognised her as the one of 'The Most Influential Women in India' for her exceptional contribution in the field of law.</p>	Dr. Sumantran is an industry leader, technocrat, academic and author, having lived and worked in the USA, Europe and Asia through a career spanning over 35 years. He is Chairman of Celeris Technologies since 2014, a strategic advisory engaged in the domains of autos, mobility, digital transformation, aerospace, and technologies.	Mr. Dutta possesses expertise and rich experience in the aviation industry worldwide. Mr. Dutta was a cofounder and Managing Director of ACO Investment renowned investment advisory firm in field of aviation and infrastructure. Mr. Dutta served as the President of Air Sahara from 2005 to 2008, President of United Airlines from 1999 till 2002. Mr. Dutta served on the Board of United Airlines from 1999 to 2002, US Airways from 2003 to 2004 and Marsico Trust Funds from 1997 to 2005.

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Name of the Director	Ms. Rohini Bhatia	Ms. Pallavi Shardul Shroff	Dr. Venkataramani Sumantran	Mr. Ronojoy Dutta
Directorships in other Companies [#]	<ul style="list-style-type: none"> Pegasus Utility Maintenance & Services Private Limited Navigator Travel Services Private Limited InterGlobe Real Estate Ventures Private Limited InterGlobe Business Solutions Private Limited Shree Nath Shares Private Limited InterGlobe Aircraft Management Services Private Limited InterGlobe Foundation 	<ul style="list-style-type: none"> Asian Paints Limited Apollo Tyres Limited PVR Limited Trident Limited First Commercial Services India Private Limited Amarchand Towers Property Holdings Private Limited Baghbaan Properties Private Limited PSNSS Properties Private Limited Juniper Hotels Private Limited Avanti Realty Private Limited One97 Communications Limited First Full Services Private Limited First Universal Virtual International Arbitration Centre Private Limited Uvac Centre (India) Private Limited Amarchand Mangaldas Properties Private Limited 	<ul style="list-style-type: none"> TVS Electronics Limited Rane Holdings Limited Celeris Technologies Private Limited 	Mr. Dutta does not hold any Directorships in any other company.
Chairman / Member of the Committee of the Board of Directors of the Company [#]	<ul style="list-style-type: none"> Stakeholders Relationship Committee (Chairperson) Corporate Social Responsibility Committee (Chairperson) 	<ul style="list-style-type: none"> Nomination and Remuneration Committee (Member) Stakeholders Relationship Committee (Member) 	<ul style="list-style-type: none"> Audit Committee (Member) Risk Management Committee (Chairman) 	<ul style="list-style-type: none"> Stakeholders Relationship Committee (Member) Risk Management Committee (Member)
Chairman / Member of the Committee of other Companies in which they are Director [#]	Ms. Bhatia does not hold any memberships/ chairmanships of Committees of any other company.	<p>Audit Committee</p> <ul style="list-style-type: none"> Apollo Tyres Limited (Member) Trident Limited (Member) Juniper Hotels Private Limited (Member) One97 Communications Limited (Member) <p>Nomination and Remuneration Committee</p> <ul style="list-style-type: none"> Apollo Tyres Limited (Member) Trident Limited (Member) <p>Risk Management Committee</p> <ul style="list-style-type: none"> Asian Paints Limited (Member) 	<p>Audit Committee</p> <ul style="list-style-type: none"> Rane Holdings Limited (Chairman) TVS Electronics Limited (Member) <p>Nomination and Remuneration Committee</p> <ul style="list-style-type: none"> Rane Holdings Limited (Chairman) 	Mr. Dutta does not hold any memberships/chairmanships of Committees of any other company.
Shareholding in the company (equity shares of Rs. 10 each) ^{\$}	Ms. Bhatia holds 10,000 equity shares in the Company.	Ms. Shroff does not hold any equity shares in the Company.	Dr. Sumantran does not hold any equity shares in the Company.	Mr. Dutta does not hold any equity shares in the Company.
Number of Meetings of the Board attended during FY 2020	During FY 2020, Ms. Bhatia attended all 11 Board meetings.	During FY 2020, Ms. Shroff attended 3 meeting out of 5 meetings held post her appointment ^{**}	Not applicable ^{***}	During FY 2020, Mr. Dutta attended both the 2 meetings as Director held post his appointment as Whole Time Director. Further, as CEO of the Company, he had attended all Board meetings during the year.
Relationship with other Directors, Manager and other KMPs of the Company	Ms. Bhatia is wife of Mr. Rahul Bhatia, Non Executive Promoter Director of the Company and not related to any other Directors and KMPs of the Company.	Ms. Shroff is not related to any other Director, and KMPs of the Company.	Dr. Sumantran is not related to any other Director and KMPs of the Company.	Mr. Dutta is not related to any other Director and other KMPs of the Company.
Remuneration last drawn	Rs. 1,900,000 (sitting fees received for attending Board and Committee meetings held during FY 2020)	Rs. 300,000 (sitting fees received for attending Board meetings held during FY 2020)	Not Applicable	Rs. 95.34 million as CEO and Rs. 18.89 million as Whole Time Director and CEO

The Directorships and Memberships of Committees are as on the date of this Notice, based on the latest information received from the Directors.

\$ Shareholding in the Company is as on March 31, 2020.

The term and conditions of appointment of Independent Director are uploaded on the website of the Company.

** The Board of Directors had appointed Ms. Pallavi Shardul Shroff as an Independent Director of the Company with effect from September 19, 2019. Ms. Shroff expressed her inability to attend 2 Board meetings held on January 27, 2020 and January 28, 2020, due to some previously scheduled engagements.

*** The Board of Directors had appointed Dr. Venkataramani Sumantran as an Independent Director of the Company with effect from May 28, 2020.

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

Mr. Anil Parashar
Director

Ms. Rohini Bhatia
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

Central Wing, Ground Floor,
Thapar House, 124 Janpath,
New Delhi – 110 001, India
Tel: +91 96500 98905;
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Tel: +91 124 435 2500;
Fax: +91 124 406 8536

Registrar & Share Transfer Agent

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(formerly known as Karvy Fintech Private Limited)

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