

Independent Auditor's Report

To the Members of SpiceJet Merchandise Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of SpiceJet Merchandise Private Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the 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 opinion.

Material Uncertainty Related to Going Concern

4. We draw attention to Note 34 to the accompanying financial statements which describes that as at March 31, 2025, the Company's accumulated losses aggregate to Rs. 222.36 million which has resulted in complete erosion of its net worth and the current liabilities exceed the current assets by Rs. 66.99 million as on such date. Presently, the Company has no business operations, however, the Board of Directors in their meeting dated June 13, 2025 has resolved to explore potential business opportunities for the Company in the near future. The management has no intentions to liquidate the Company. Further, the Holding Company, SpiceJet Limited, has disclosed a material uncertainty in relation to going concern in their financial statements for the year ended March 31, 2025, which may have a corresponding impact on the Company's ability to continue as a going concern. These conditions together with other matters as described in the aforesaid note, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, based on financial support provided by the Holding Company and expected resumption of business operations, the management is of the view that the going concern basis of accounting is appropriate for preparation of these financial statements. Our opinion above is not modified in respect of this matter.

Independent Auditor's Report to the members of Spicejet Merchandise Private Limited on the financial statements for the year ended March 31, 2025 (cont'd)

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

5. The Company's Board of Directors are responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The Directors' Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

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

6. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
10. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

Independent Auditor's Report to the members of Spicejet Merchandise Private Limited on the financial statements for the year ended March 31, 2025 (cont'd)

- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. 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.

Report on Other Legal and Regulatory Requirements

12. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act, is not applicable.
13. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. Further to our comments in Annexure A, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
 - b) Except for the matters stated in paragraph 14(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), 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 financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) The matter described in paragraph 4 under the Material uncertainty related to Going concern section, in our opinion, may have an adverse effect on the functioning of the Company;
 - f) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of section 164(2) of the Act;
 - g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 14(b) above on reporting under section 143(3)(b) of the Act and paragraph 14(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
 - h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on March 31, 2025 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and
 - i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position as at March 31, 2025;

Walker Chandiok & Co LLP

Independent Auditor's Report to the members of Spicejet Merchandise Private Limited on the financial statements for the year ended March 31, 2025 (cont'd)

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2025;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025;
- iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in note 37A to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in note 37B to the financial statements, no funds have been received by the Company from any person or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended March 31, 2025.
- vi. As stated in Note 36 of the financial statements and based on our examination, the Company, in respect of financial year commencing on April 1, 2024, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. However, the audit trail feature in the accounting software used for maintenance of books of account was not enabled throughout the year.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sd/-

Madhu Sudan Malpani

Partner

Membership No.: 517440

UDIN: 25517440BMLKEP7878

Place: Gurugram

Date: June 13, 2025

Annexure A referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of SpiceJet Merchandise Private Limited on the financial statements for the year ended March 31, 2025.

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not own any immovable property (including investment properties). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has adopted cost model for its property, plant and equipment. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii)(a) In our opinion and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have not been regularly deposited with the appropriate authorities and there have been significant delays in a large number of cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, we report that there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

Annexure A referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of SpiceJet Merchandise Private Limited on the financial statements for the year ended March 31, 2025 (cont'd)

- (viii) According to the information and explanations given to us, we report that no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix)(a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
 - (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
 - (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
 - (d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
 - (e) According to the information and explanations given to us, we report that the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi)(a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
 - (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
 - (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.
- (xiv) According to the information and explanations given to us, the Company is not required to and consequently, does not have an internal audit system as per the provisions of section 138 of the Act. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

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Annexure A referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of SpiceJet Merchandise Private Limited on the financial statements for the year ended March 31, 2025 (cont'd)

- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi)(a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred cash losses in the current financial year but had incurred cash losses amounting to Rs. 0.77 million in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions in our opinion, a material uncertainty exists as on the date of the audit report indicating that Company may not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. Refer 'Material Uncertainty related to Going Concern' in our FS audit report.
- (xx) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sd/-

Madhu Sudan Malpani

Partner

Membership No.: 517440

UDIN: 25517440BMLKEP7878

Place: Gurugram

Date: June 13, 2025

Walker Chandio & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of SpiceJet Merchandise Private Limited on the financial statements for the year ended March 31, 2025

1. In conjunction with our audit of the financial statements of SpiceJet Merchandise Private Limited ('the Company') as at and for the year ended March 31, 2025, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

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

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

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

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Walker Chandiok & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of SpiceJet Merchandise Private Limited on the financial statements for the year ended March 31, 2025 (cont'd)

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at March 31, 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sd/-

Madhu Sudan Malpani

Partner

Membership No.: 517440

UDIN: 25517440BMLKEP7878

Place: Gurugram

Date: June 13, 2025

SpiceJet Merchandise Private Limited**Balance Sheet as at March 31, 2025***(All amounts are in millions of Indian Rupees, unless otherwise stated)*

	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3	1.51	1.74
Total non-current assets		1.51	1.74
Current assets			
Inventories	4	-	19.85
Financial assets			
Trade receivables	5	1.43	0.58
Cash and cash equivalents	6	3.77	1.85
Bank balances other than cash and cash equivalents	7	5.40	5.40
Other financial assets	8	1.32	0.90
Other current assets	9	38.73	21.38
Total current assets		50.65	49.96
Total assets		52.16	51.70
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	0.10	0.10
Other equity	11	(222.36)	(227.96)
Total equity		(222.26)	(227.86)
Non-current liabilities			
Financial liabilities			
Borrowings	12	156.78	111.78
Total non-current liabilities		156.78	111.78
Current liabilities			
Financial liabilities			
Trade payables	13		
Total outstanding dues of micro enterprises and small enterprises		0.35	0.48
Total outstanding dues of creditors other than micro enterprises and small enterprises		96.76	102.92
Other financial liabilities	14	1.42	1.13
Other current liabilities	15	19.11	63.25
Total current liabilities		117.64	167.78
Total liabilities		274.42	279.56
Total equity and liabilities		52.16	51.70
Summary of material accounting policies.	2		
The accompanying notes form an integral part of the financial statements.			
This is the balance sheet referred to in our report of even date.			

For Walker Chandiok & Co LLP

Chartered Accountants

ICAI Firm Registration No.: 001076N/N500013

Sd/-

Madhu Sudan Malpani

Partner

Membership No: 517440

Place: Gurugram

Date: June 13, 2025

For and on behalf of the Board of Directors

SpiceJet Merchandise Private Limited

Sd/-

Ajay Singh

Director

DIN No : 01360684

Place: Gurugram

Date: June 13, 2025

Sd/-

Shiwani Singh

Director

DIN No: 05229788

Place: Gurugram

Date: June 13, 2024

SpiceJet Merchandise Private Limited
Statement of Profit and Loss for the year ended March 31, 2025
(All amounts are in millions of Indian Rupees, unless otherwise stated)

	Notes	Year ended March 31, 2025	Year ended March 31, 2024
INCOME			
Revenue from operations	16	28.71	2.09
Other income	17	0.74	5.98
Total income		29.45	8.07
EXPENSES			
Changes in inventories of stock-in-trade	18	19.85	2.07
Employee benefits expense	19	-	0.95
Finance costs	20	0.82	2.44
Depreciation expense	21	0.23	0.27
Impairment losses on financial assets	22	-	13.50
Other expenses	23	2.94	12.10
Total expenses		23.84	31.32
Profit/(loss) before tax		5.60	(23.25)
Tax expense	24	-	-
Profit/(loss) after tax		5.60	(23.25)
Other comprehensive income:			
Items that will not be reclassified to statement of profit and loss:			
Remeasurement gains on defined benefit obligations (net)		-	-
Income tax impact		-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year		5.60	(23.25)
Earnings per equity share	25		
Basic		560.41	(2,324.72)
Diluted		560.41	(2,324.72)

Summary of material accounting policies.

2

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

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

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

For and on behalf of the Board of Directors
SpiceJet Merchandise Private Limited

Sd/-
Madhu Sudan Malpani
Partner
Membership No: 517440

Place: Gurugram
Date: June 13, 2025

Sd/-
Ajay Singh
Director
DIN No : 01360684

Place: Gurugram
Date: June 13, 2025

Sd/-
Shiwani Singh
Director
DIN No: 05229788

Place: Gurugram
Date: June 13, 2025

SpiceJet Merchandise Private Limited
Statement of Cash Flow for the period ended March 31, 2025
(All amounts are in millions of Indian Rupees, unless otherwise stated)

	Year ended March 31, 2025	Year ended March 31, 2024
A. Cash flows from operating activities		
Profit/(loss) before tax	5.60	(23.25)
Adjustments for:		
Depreciation expense	0.23	0.27
Interest income on bank deposits	(0.43)	(0.47)
Liabilities/provision no longer required written back	-	(5.46)
(Reversal)/impairment of trade receivables	-	13.49
Impairment of advance to vendors/suppliers	-	8.71
Interest on loan from director	0.40	0.40
Other borrowing costs	0.42	0.12
Operating profit/(loss) before working capital changes	6.22	(6.19)
Movements in working capital:		
Trade receivables	(0.85)	0.06
Inventories	19.85	2.07
Other current financial assets	0.01	-
Other current assets	(17.42)	16.36
Trade payables	(6.17)	(8.01)
Other current financial liabilities	(0.11)	0.21
Other current liabilities	(44.61)	(4.15)
Provisions	-	(0.17)
Cash (used in)/flows from operations	(43.08)	0.18
Income taxes paid	-	-
Net cash (used in)/flows from operating activities	(43.08)	0.18
B. Cash flows from investing activities		
Net cash flows from investing activities	-	-
C. Cash flows from financing activities		
Proceeds from non-current borrowings	45.00	-
Net cash flows from financing activities	45.00	-
Net increase in cash and cash equivalents	1.92	0.18
Cash and cash equivalents at the beginning of the year	1.85	1.67
Cash and cash equivalents at the end of the year	3.77	1.85
Notes :		
Components of cash and cash equivalents		
Balance with banks in current accounts	3.77	1.85
Total cash and cash equivalents (refer note 6)	3.77	1.85

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

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

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

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

Sd/-
Madhu Sudan Malpani
Partner
Membership No: 517440

Place: Gurugram
Date: June 13, 2025

For and on behalf of the Board of Directors
SpiceJet Merchandise Private Limited

Sd/-
Ajay Singh
Director
DIN No : 01360684

Place: Gurugram
Date: June 13, 2025

Sd/-
Shiwani Singh
Director
DIN No: 05229788

Place: Gurugram
Date: June 13, 2025

SpiceJet Merchandise Private Limited
Statement of Changes in Equity for the year ended March 31, 2025
(All amounts are in millions of Indian Rupees, unless otherwise stated)

A. Equity share capital*

Particulars	Number	Amount
As at April 1, 2023	10,000	0.10
Changes in equity share capital during the year	-	-
As at March 31, 2024	10,000	0.10
Changes in equity share capital during the year	-	-
As at March 31, 2025	10,000	0.10

B. Other equity**

Particulars	Retained earnings	Total other equity
Balance as at April 1, 2023	(204.71)	(204.71)
Loss for the year	(23.25)	(23.25)
Other comprehensive income for the year	-	-
Total comprehensive income	(23.25)	(23.25)
Balance as at March 31, 2024	(227.96)	(227.96)
Loss for the year	5.60	5.60
Other comprehensive income for the year	-	-
Total comprehensive income	5.60	5.60
Balance as at March 31, 2025	(222.36)	(222.36)

*Refer note 10 for details.

**Refer note 11 for details.

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

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

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

Sd/-

Madhu Sudan Malpani
Partner
Membership No: 517440

Place: Gurugram
Date: June 13, 2025

For and on behalf of the Board of Directors
SpiceJet Merchandise Private Limited

Sd/-

Ajay Singh
Director
DIN No : 01360684

Place: Gurugram
Date: June 13, 2025

Sd/-

Shiwani Singh
Director
DIN No: 05229788

Place: Gurugram
Date: June 13, 2025

1. Corporate information

SpiceJet Merchandise Private Limited ('the Company') is domiciled in India. The registered office of the Company is 318, 3rd Floor, H-6, Aggarwal Tower, Netaji Subhash Place, Pitampura, New Delhi 110034. The Company was incorporated on July 18, 2016 (CIN – U52520DL2016PTC303136) under the Companies Act, 2013 ('the Act'). The objective of the Company is to be engaged in the business of trading of goods.

The financial statements were approved for issue by the board of directors on June 13, 2025.

2. A. Summary of material accounting policies

The financial statements have been prepared using the material accounting policies and measurement bases summarised below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation of financial statements

i. Statement of compliance

The financial statements of the Company for the year ended March 31, 2025 have been prepared in accordance with Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Act read together with the Companies (Indian Accounting Standards) Rules 2015, as amended.

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

ii. Historical cost convention

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

b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The Company has identified twelve months as its operating cycle.

c) Property, plant and equipment

Recognition and measurement

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

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

Depreciation

The Company depreciates its property, plant and equipment over their estimated useful lives using straight-line method in accordance with the useful life prescribed in Schedule II to the Act, except leasehold improvements which are depreciated at lower of useful life or lease period.

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

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

Asset description	Estimated useful life (years)
Plant and machinery	15 years
Office equipment	5 years
Computers	3 to 6 years
Furniture and fixtures	10 years
Leasehold improvements	3 years

Derecognition

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

d) Impairment of non-financial assets

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

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

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period as relevant for asset or CGU tested for impairment. To estimate cash flow projections

SpiceJet Merchandise Private Limited
Notes to the financial statements for the year ended March 31, 2025

beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a growth rate for subsequent years.

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

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

e) Borrowing cost

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

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

f) Inventories

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

g) Revenue from contracts with customer

Sale of goods

Revenue from sale of goods to customers is recognised when the goods are provided to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. Revenue is measured at transaction price net of rebates, discounts and taxes and is recognized net of amounts collected on behalf of third parties. A receivable is recognised by the Company when the control is transferred as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required. No significant element of financing is deemed present as the sales are either made with a nil credit term or with a credit period of 0-90 days.

Interest

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

h) Employee benefits

i. Short-term employee benefits

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

SpiceJet Merchandise Private Limited
Notes to the financial statements for the year ended March 31, 2025

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

ii. Other long-term employee benefits

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

iii. Post-employment benefits

The Company operates the following post-employment schemes:

a. Defined benefit plans – gratuity

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

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

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

b. Defined contribution plan – provident fund

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

i) **Taxes**

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

Deferred tax

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

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off deferred taxes related to the same taxable entity and the same taxation authority.

j) Earnings per share

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

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

k) Leases

The Company's lease agreements are primarily in respect of office premises. The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For long-term leases, the Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

l) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash on hand and at banks and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of statement of cash flow, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

m) Financial Instruments

Initial recognition and measurement

Financial assets (except trade receivables) and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets

Subsequent measurement

Financial assets carried at amortised cost - A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

De-recognition of financial assets

A financial asset is de-recognised when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

n) Impairment of financial assets

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

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

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

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

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

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

o) Fair value measurement

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

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

For 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.

p) Contingent liabilities, contingent assets and provisions

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

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

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

q) Foreign currency transactions

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

Initial recognition

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

Conversion

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

Exchange differences

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

B. Recent accounting pronouncement

New and amended standards

The Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. MCA has notified below new amendments which were effective from April 1, 2024.

(a) Introduction of Ind AS 117 - Insurance contracts

MCA notified Ind AS 117, a comprehensive standard that prescribe, recognition, measurement and disclosure requirements, to avoid diversities in practice for accounting insurance contracts and it applies to all companies i.e., to all "insurance contracts" regardless of the issuer. However, Ind AS 117 is not applicable to the entities which are insurance companies registered with IRDAI.

(b) Amendments to Ind AS 116 - Lease liability in a sale and leaseback

The amendments require an entity to recognise lease liability including variable lease payments which are not linked to index or a rate in a way it does not result into gain on right of use asset it retains.

Standards notified but not yet effective

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. During the year ended March 31, 2025, MCA has notified following new standards or amendments to the existing standards applicable to the Company:

(a) Lack of exchangeability - Amendments to Ind AS 21: The amendments to Ind AS 21 “The Effects of Changes in Foreign Exchange Rates”

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after April 01, 2025. When applying the amendments, an entity cannot restate comparative information. The Company has reviewed the new pronouncements and based on its evaluation has determined that these amendments do not have a significant impact on the financial statements.

SpiceJet Merchandise Private Limited
Notes to the financial statements for the year ended March 31, 2025
(All amounts are in millions of Indian Rupees, unless otherwise stated)
3 Property, plant and equipment

Particulars	Plant and machinery	Office equipment	Computers	Furniture and fixtures	Leasehold improvements	Total
Gross block						
As at April 1, 2023	2.70	2.70	1.24	0.59	0.56	7.79
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
As at March 31, 2024	2.70	2.70	1.24	0.59	0.56	7.79
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
As at March 31, 2025	2.70	2.70	1.24	0.59	0.56	7.79
Accumulated depreciation						
As at April 1, 2023	1.01	2.70	1.20	0.32	0.56	5.79
Depreciation charge for the year	0.17	-	0.05	0.05	-	0.27
Disposals	-	-	-	-	-	-
As at March 31, 2024	1.18	2.70	1.24	0.37	0.56	6.05
Depreciation charge for the year	0.16	-	-	0.07	-	0.23
Disposals	-	-	-	-	-	-
As at March 31, 2025	1.34	2.70	1.24	0.44	0.56	6.28
Net block						
At March 31, 2024	1.52	-	-	0.22	-	1.74
At March 31, 2025	1.36	-	-	0.15	-	1.51

Particulars	As at March 31, 2025	As at March 31, 2024
4 Inventories		
(valued at lower of cost or net realisable value)		
Stock-in-trade	-	19.85
	-	19.85

During the current and previous year, there are no amounts which was recognised as an expense to bring the inventories to record them at net realisable value.

5 Trade receivables*		
Unsecured, considered good	1.43	0.57
Unsecured, credit impaired	58.40	58.71
	59.83	59.28
Impairment allowance		
Less: Impairment of trade receivables	(58.40)	(58.71)
	1.43	0.57

Trade receivables are non-interest bearing and generally have a credit period to a maximum of 90 days.

*Refer note 29(b) for details

Ageing schedule of trade receivables

As at March 31, 2025	Outstanding for following periods from the date of transaction					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	0.86	-	0.10	-	0.47	1.43
Undisputed trade receivables – credit impaired	-	-	-	-	58.40	58.40
Total	0.86	-	0.10	-	58.87	59.83

As at March 31, 2024	Outstanding for following periods from the date of transaction					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	-	0.09	-	0.05	0.43	0.57
Undisputed trade receivables – credit impaired	-	-	0.03	4.31	54.37	58.71
Total	-	0.09	0.03	4.36	54.80	59.28

6 Cash and cash equivalents		
Balances with banks in current accounts	3.77	1.85
	3.77	1.85

7 Bank balances other than cash and cash equivalents		
Deposits with original maturity for more than 3 months but less than 12 months	5.40	5.40
	5.40	5.40

8 Other current financial assets		
(Unsecured, considered good)		
Security deposits	0.01	0.01
Interest accrued on bank deposits	1.28	0.86
Employee advances	0.03	0.03
	1.32	0.90

9 Other current assets		
(Unsecured, considered good)		
Balance with government authorities	1.54	9.55
Advance to vendors/suppliers		
Unsecured, considered good	37.19	11.83
Unsecured, considered doubtful	50.04	50.04
Other advances		
Unsecured, considered doubtful	20.43	20.43
	109.20	91.85
Impairment allowance		
Less: Impairment of advance to vendors/suppliers	(50.04)	(50.04)
Less: Impairment of other advances	(20.43)	(20.43)
	(70.47)	(70.47)
	38.73	21.38

Particulars	As at March 31, 2025	As at March 31, 2024
10 Equity share capital		
Authorised share capital (10,000 equity shares of Rs. 10 each)		
As at beginning of the year	0.10	0.10
Issued during the year	-	-
As at the end of the year	0.10	0.10
Issued, subscribed and paid-up capital (10,000 equity shares of Rs. 10 each)		
As at beginning of the year	0.10	0.10
Issued during the year	-	-
As at the end of the year	0.10	0.10

a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	Value (Rs.)	Number	Value (Rs.)
Shares outstanding at the beginning of the year	10,000	0.10	10,000	0.10
Issued during the year	-	-	-	-
Shares outstanding at the end of the year	10,000	0.10	10,000	0.10

b) Terms/rights attached to class of shares

The Company has only one class of equity shares having a face value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Shares held by Holding Company

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	Value (Rs.)	Number	Value (Rs.)
SpiceJet Limited	10,000	100,000	10,000	100,000

d) Details of shareholders holding more than 5 percent of equity share capital

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	% against total number of shares	Number	% against total number of shares
SpiceJet Limited	10,000	100.00%	10,000	100%

e) Details of promoter shareholding

Name of promoter	As at March 31, 2025			As at March 31, 2024		
	Number	% of total shares	% change during the year	Number	% of total shares	% change during the year
SpiceJet Limited	10,000	100.00%	0.00%	10,000.0	100.00%	0.00%

f) Buy back of shares, issue of bonus shares or shares issued without payment received in cash:

The Company did not buy-back any shares, nor there has been an issue of shares by way of bonus or issue of share pursuant to contract without payment being received in cash since the date incorporation.

11 Other equity

Retained earnings		
Balance at the beginning of the year	(227.96)	(204.71)
Profit/(loss) for the year	5.60	(23.25)
Balance at the end of the year	(222.36)	(227.96)

Retained earnings

Retained earnings is used to record balance of statement of profit and loss.

Particulars	As at March 31, 2025	As at March 31, 2024
12 Long-term borrowings		
(Unsecured - at amortised cost)		
Loan from Holding Company (Refer note (i) and (ii) below)	151.78	106.78
Loan from director (Refer note (iii) below)	5.00	5.00
	156.78	111.78

Notes:

- (i) The Company has entered into an agreement with SpiceJet Limited (Holding Company) on August 1, 2016 to obtain loan for Rs. 150 million, repayable after 3 years from date of disbursement. This agreement has been extended on August 9, 2019 for a further period of 2 years and limit has been revised to Rs. 300 million. Further, on July 1, 2021 the term of the loan agreement was further extended for another period of three years from August 1, 2021 and shall now be valid until July 31, 2024. The term of the loan is further extended for another period of one year, from July 31, 2024 and shall now be valid until July 31, 2025. As per amended agreement dated August 14, 2024 the term of loan is further extended for another period of one year, from July 31, 2025 and shall now be valid until July 31, 2026. The loan carries an interest rate of 12.75% per annum.

In pursuance to the above the Company has obtained further loan of Rs. 45 million under the same agreement. For details refer note 29(b).

- (ii) The balance of Rs. 151.78 (March 31, 2023: 106.78) millions is payable to Companies which have director in common with the Company.
- (iii) The Company has entered into an agreement with the director on December 1, 2022 to obtain loan for Rs. 5 million, repayable after 6 months from date of disbursement. Further, during the year or the Company has further extended the tenure of the loan for a year till May 31, 2025. As per amended agreement dated August 14, 2024 the term of loan is further extended for another period of one and half year, from May 31, 2025 and shall now be valid until November 30, 2026. The loan carries an interest rate of 8.00% per annum. For further details refer note 29(b).

Reconciliation of movements of liabilities to cash flows arising from financing activities

Particulars	Non-current and current borrowings	Other financial liabilities: Interest accrued
Balance as at April 1, 2023	111.78	0.12
Finance costs*	-	0.40
Balance as at March 31, 2024	111.78	0.52
Proceeds from borrowings	45.00	-
Finance costs*	-	0.40
Balance as at March 31, 2025	156.78	0.92

*During the current and previous year, the Company has received waiver of interest payable on the borrowings taken from Holding Company only.

13 Trade payables

Total outstanding dues of micro enterprises and small enterprises*	0.35	0.48
Total outstanding dues of creditors other than micro enterprises and small enterprises	96.76	102.92
	97.11	103.40

*There are no overdue amounts payable to micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. Further, the Company has not paid any interest to any micro and small enterprises during the current year.

Terms and conditions of the above financial liabilities:

Trade payables are non interest bearing and credit period is generally between 30 and 90 days.

Ageing schedule of trade payables

As at March 31, 2025	Outstanding for following periods from the date of transaction					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises - undisputed	-	0.10	0.10	0.13	0.02	0.35
Total outstanding dues of creditors other than micro enterprises and small enterprises - undisputed	32.74	0.22	0.37	-	63.43	96.76
Total	32.74	0.32	0.47	0.13	63.45	97.11

As at March 31, 2024	Outstanding for following periods from the date of transaction					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises - undisputed	0.12	0.10	0.10	0.13	0.02	0.48
Total outstanding dues of creditors other than micro enterprises and small enterprises - undisputed	37.38	0.17	0.13	26.93	38.31	102.92
Total	37.50	0.27	0.23	27.06	38.33	103.40

Particulars	As at March 31, 2025	As at March 31, 2024
Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006")		
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	0.35	0.48
ii) The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iii) 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 this Act;	Nil	Nil
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.21	0.12
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil
The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.		
14 Other current financial liabilities		
(At amortised cost)		
Employee related payables	0.50	0.61
Interest accrued on borrowing*	0.92	0.52
	1.42	1.13
*Refer note 29(b) for details		
15 Other current liabilities		
Payable to statutory authorities	0.80	1.05
Advance from customers*	18.31	62.20
	19.11	63.25
*Refer note 29(b) for details		

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Particulars	Year ended 31 Mar 2025	Year ended 31-March 2024
16 Revenue from operations*		
Sale of goods	28.71	2.09
	28.71	2.09
*Refer note 29(b) for details		
17 Other income		
Interest income on:		
Bank deposits	0.43	0.47
Other non-operative income:		
Liabilities/provision no longer required written back	-	5.46
Reversal of impairment of trade receivables	0.31	-
Income from scrap sale	-	0.05
	0.74	5.98
18 Changes in inventories of stock-in-trade		
Opening stock	19.85	21.92
Closing stock	-	19.85
	19.85	2.07
During the current and previous year, there are no amounts which was recognised as an expense to bring the inventories to record them at net realisable value.		
19 Employee benefits expense		
Salaries, wages and bonus	-	0.88
Contribution to provident and other funds	-	0.07
	-	0.95
20 Finance costs		
Interest on loan from director*	0.40	0.40
Interest on statutory dues	-	1.92
Other borrowing costs	0.42	0.12
	0.82	2.44
*Refer note 29(b) for details		
21 Depreciation expense		
Depreciation on property, plant and equipment	0.23	0.27
	0.23	0.27
22 Impairment losses on financial assets*		
Impairment of trade receivables	-	13.50
	-	13.50
23 Other expenses		
Rent^	0.04	2.58
Rates and taxes	2.45	-
Impairment of advance to vendors/suppliers	-	8.71
Repairs and maintenance - building	-	0.21
Legal and professional fees*	0.27	0.48
Bank charges	0.04	0.05
Miscellaneous expenses	0.14	0.07
	2.94	12.10
*Payments to statutory auditors#		
Statutory audit fees	0.08	0.08
Tax Audit Fees	0.05	0.05
#exclusive of goods and services tax		

^ The Company has treated the leases with lease term of less than 12 months as if they were "short term leases". Expense relating to such short term leases recognised in the statement of profit and loss amounts to Rs. 0.04 millions (March 31, 2024: Rs. 2.58 millions)

24 Tax expense

The major components of income tax expense for the year ended March 31, 2025 and year ended March 31, 2024 are:

Particulars	Year ended 31 Mar 2025	Year ended March 31, 2024
Current tax	-	-
Deferred tax	-	-
	-	-

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.168% and the reported tax expense in the Statement of Profit and Loss are as follows:

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit/(loss) before tax	5.60	(23.25)
At India's statutory income tax rate of 25.168% (March 31, 2023: 25.168%)	1.41	(5.85)
Adjustments:		
Tax impact on losses where deferred tax is not recognised	(1.41)	5.85
Net effective income tax	-	-

Notes:

- (i) The Company has decided not to recognise deferred tax asset on unabsorbed business losses (available for set off for a period of 8 years against future taxable business profits) in the absence of probability of realization of deferred tax asset in the near future.

Below is the expiry details.

Brought forward losses and unabsorbed depreciation for which no deferred tax assets have been recognised are attributable to the following:

Particulars	As at March 31, 2025	As at March 31, 2024
Brought forward losses*	151.36	156.38
Unabsorbed depreciation#	3.05	3.05
Net deferred tax asset	154.40	159.43

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

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

Particulars	As at March 31, 2025	As at March 31, 2024
0-4 years	104.42	135.01
4-8 years	46.94	21.38
Total	151.36	156.38

The Company has recognized deferred tax assets arising on account of brought forward tax losses and unabsorbed depreciation to the extent of the deferred tax liability arising on account of the temporary difference on depreciation of Rs. 0.19 million as at March 31, 2025 (Rs. 0.21 million as at March 31, 2024)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Deferred tax liability	(0.19)	(0.21)
Deferred tax asset	0.19	0.21
Net deferred tax asset/ (liability)	-	-

Year ended March 31, 2025	Opening balance	Recognised in statement of profit and loss	Recognised in OCI	Closing balance
Property, plant and equipment	-0.21	0.02	-	-0.19
Tax losses	0.21	-0.02	-	0.19
Total	-	-		-

Year ended March 31, 2024	Opening balance	Recognised in statement of profit and loss	Recognised in OCI	Closing balance
Property, plant and equipment	-0.25	0.04	-	-0.21
Tax losses	0.25	-0.04	-	0.21
Total	-	-		-

25 Earnings per share ('EPS')

Earnings per share ('EPS') is determined based on the net profit or loss attributable to the shareholders. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year, except where the result would be anti-dilutive.

Particulars	Year ended March 31, 2025	Year ended March 31, 2023
(Loss)/profit after tax	5.60	(23.25)
Weighted average number of shares		
- Basic	10,000	10,000
- Diluted	10,000	10,000
Earnings per share :		
- Basic	560.41	(2,324.72)
- Diluted	560.41	(2,324.72)

26 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires the Company's management to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities recognised in the financial statements that are not readily apparent from other sources. The judgements, estimates and associated assumptions are based on historical experience and other factors including estimation of effects of uncertain future events that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates (accounted on a prospective basis) are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the management in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements and/or key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

a) Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilised.

b) Defined benefit plans (gratuity benefits)

Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

c) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset.

d) Useful life, residual value of property, plant and equipment

Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.

e) Impairment of financial assets

The Company estimates the recoverable amount of trade receivables and other financial assets, where collection of the full amount is expected to be no longer probable. For individually significant amounts, this estimation is performed on an individual basis considering the length of time past due, financial condition of the counter- party, impending legal disputes, if any and other relevant factors.

f) Going concern assumption

Refer note 34 for details.

28 Segment information

The Company's primary business segment is reflected based on principal business activities carried on by the Company i.e., trading of goods, which is as per Ind AS 108 on 'Operating Segments' is considered to be the only reportable business segment. The Company derives its major revenues from said services and the Company is operating in India which is considered as a single geographical segment.

29 Related party transactions

Relationship	Name of the related party
Holding Company	SpiceJet Limited
Fellow subsidiary*	SpiceJet Technic Private Limited
Key managerial personnel	Mr. Ajay Singh, Director
	Mrs. Shiwani Singh, Director

* With whom there are transactions during the year

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

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a) Transactions during the year:		
SpiceJet Limited		
Borrowings taken	45.00	-
Sale of goods	-	1.40
Mr. Ajay Singh		
Interest on borrowings	0.40	0.40
Particulars	Year ended March 31, 2025	As at March 31, 2024
(b) Balances outstanding as at the year end:		
SpiceJet Limited		
Borrowings	151.78	106.78
Trade payables	-	15.09
Trade receivables	38.9	17.14
Spice Healthcare Private Limited		
Advance from customer	0.96	45.96
Mr. Ajay Singh		
Borrowings	5.00	5.00
Other financial liabilities	0.92	0.52
Spicejet Technic Private Limited		
Trade payables	23.13	23.13

The Company has been issued with the support letter ('letter') from Spicejet Limited ('the Holding Company') for operational and financial support for a period of 12 months from the date of said letter.

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30 Fair value disclosures

The management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values. The management assessed that the fair value of cash and cash equivalents, trade receivables, trade payables, borrowings, and other current and non-current financial liabilities and financial assets approximate their carrying amounts largely due to the short-term maturities of these financial instruments.

Particulars	As at March 31, 2025		As at March 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets, at amortised cost				
Trade receivables	1.43	1.43	0.58	0.58
Cash and cash equivalents	3.77	3.77	1.85	1.85
Bank balances other than cash and cash equivalents	5.40	5.40	5.40	5.40
Other financial assets	1.32	1.32	0.90	0.90
Total	11.92	11.92	8.73	8.73
Financial liabilities, at amortised cost				
Borrowings	156.78	156.78	111.78	111.78
Trade payables	97.11	97.11	116.74	116.74
Other financial liabilities	1.42	1.42	0.52	0.52
Total	255.31	255.31	229.04	229.04

Notes:

- (i) The management assessed that cash and cash equivalents, trade receivables, other financial assets, bank balances other than cash and cash equivalents, borrowings, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- (ii) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
- (iii) The borrowings of the Company do not have any comparable instrument having the similar terms and conditions and hence the carrying value of the borrowings represents the best estimate of fair value.

31 Financial risk management objectives and policies

The Company's principal financial liabilities, comprise of borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade receivables, other financial assets and cash and cash equivalents.

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

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and contract assets).

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

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

Amount as on March 31, 2025

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	59.83	(58.40)	1.43
Cash and cash equivalents	3.77	-	3.77
Bank balances other than cash and cash equivalents	5.40	-	5.40
Other financial assets	1.32	-	1.32

Amount as on March 31, 2024

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	59.28	(58.71)	0.57
Cash and cash equivalents	1.85	-	1.85
Bank balance other than cash and cash equivalents	5.40	-	5.40
Other financial assets	0.90	-	0.90

Reconciliation of expected credit loss for trade receivables is as follows:

Particulars	Trade receivables
As at April 30, 2023	45.21
Impairment loss recognised during the year	13.50
As at March 31, 2024	58.71
Reversal of impairment	(0.31)
As at March 31, 2025	58.40

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company constantly monitors funding options available in the debt markets with a view to maintaining financial flexibility.

The table below provides details regarding the contractual maturities of financial liabilities based on contractual undiscounted payments.

As at March 31, 2025	Upto 1 year	1 to 5 years	Total
Financial liabilities (non-current and current)			
Borrowings	-	156.78	156.78
Other financial liabilities	1.42	-	1.42
Trade payables	97.11	-	97.11
Total	98.53	156.78	255.31

As at March 31, 2024	Upto 1 year	1 to 5 years	Total
Financial liabilities (non-current and current)			
Borrowings	-	111.78	111.78
Other financial liabilities	1.13	-	1.13
Trade payables	103.40	-	103.40
Total	104.53	111.78	216.31

Market risk

The Company does not have any interest rate risk as Company's borrowings are largely at fixed interest rate.

32 Capital management

The Company's objectives when managing capital are to maintain positive cash flow position. The Company's strategy is to maintain a reasonable current ratio. The current ratio is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Current assets	50.65	49.96
Current liabilities	117.64	167.78
Current ratio	0.43	0.30

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2025 and year ended March 31, 2024.

33 Financial ratios

Ratio	Measurement unit	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	% Change	Reason for variance
Current ratio	Times	Current assets	Current liabilities	0.43	0.30	-(44.59%)	Note 1 below
Debt-equity ratio	Times	Total Debt	Total equity	(0.71)	(0.49)	-(43.79%)	Note 2 below
Debt service coverage ratio	Times	Earnings before depreciation and amortisation and interest [Profit/loss after tax + Depreciation and amortisation expense + Finance costs]	Interest expense + Principal repayment	16.55	(51.35)	132.23%	Note 3 below
Return on equity ratio	Percentage	(Loss)/profit after tax	Average of total equity	(0.02)	0.11	123.16%	Note 3 below
Inventory turnover ratio	Times	Costs of goods sold	Average inventories	2.00	0.10	-(1917.99%)	Note 4 below
Trade receivables turnover ratio	Times	Revenue from operations	Average trade receivables	28.55	0.28	-(9953.21%)	Note 5 below
Net capital turnover ratio	Times	Revenue from operations	Working capital [Current assets - Current liabilities]	(0.43)	(0.02)	-2315.81%	Note 1 and 5 below
Net profit ratio	Percentage	(Loss)/profit after tax	Revenue from operations	0.20	(11.12)	101.75%	Note 3 and 5 below
Return on capital employed	Percentage	Earnings before interest and taxes	Capital employed [Total assets - Current liabilities + Current borrowings]	0.07	4.84	98.54%	Note 2 and 5 below
Return on investment	Percentage	Income from interest on bank deposits	Balance in current and non current bank deposits	0.08	0.09	-9.65%	Note 7 below

Notes:

- 1 The variance in ratio of is attributable to decrease in current liabilities during the current year as compared to the previous year.
- 2 The variance in ratio of is attributable to increase in borrowings during the current year as compared to the previous year.
- 3 The variance in ratio is due to the fact that there is increase in the profitability of the Company in the current year as compared to previous year.
- 4 The variance in ratio is attributable to the increase in cost of goods sold as compared to previous year.
- 5 The variance in ratio is attributable to increase in revenue as compared to the previous year.
- 7 The variance in ratio is due to the decrease in the interest income earned by the Company during the year.

34 Going concern

As at March 31, 2025, the Company's accumulated losses aggregate to Rs. 222.36 million which has resulted in complete erosion of its net worth and the current liabilities exceed the current assets by Rs. 66.99 million as on such date. Presently the Company has no business operations, however, the Board of Directors in their meeting dated June 13, 2025 has resolved to explore potential business opportunities for the Company in the near future. The Holding Company has also disclosed a material uncertainty in relation to going concern in their financial statements for the year ended March 31, 2025, which may have a corresponding impact on the Company's ability to continue as a going concern. These conditions indicate the existence of uncertainty that may create doubt about the Company's ability to continue as a going concern. However, based on financial support provided by the Holding Company and expected resumption of business operations, the management is of the view that the going concern basis of accounting is appropriate for preparation of these financial statements.

35 Previous year numbers have been regrouped/reclassified wherever considered necessary.

Previous period's figures have been regrouped/reclassified wherever necessary to correspond with the current period's classification. Such re-groupings/reclassifications are not material to the financial statements.

36 Audit trail

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The Company has used an accounting software for maintaining the books of account which has a feature of recording audit trail (edit log). However, the audit trail feature was not enabled for all transactions recorded in the software.

37 Additional disclosures

- A** The Company has not advanced or loaned or invested funds to any person or any entity, including foreign entities (Intermediaries) with the understanding that the intermediary shall:
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by a or on behalf of the Company (Ultimate Beneficiaries); or
 - (ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- B** The Company has not received any fund from any person or any entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by a or on behalf of the Funding Party (Ultimate Beneficiaries); or
 - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- C** The Company does not have any transactions and outstanding balances during the current as well previous year with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- D** The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- E** The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- F** The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- G** The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- H** The Company has not been declared as willful defaulter by the bank or financial institution (as defined under Companies Act, 2013) or consortium thereof, in accordance with the guideline on willful defaulter issued by the Reserve Bank of India.

38 Adoption of financial statements

The financials have been approved by the Board of Directors on June 13, 2025 and there have been no significant events after the reporting period till such date.

The above notes, including summary of material accounting policies and other explanatory information form an integral part of the financial statements.

For Walker Chandiok & Co LLP

Chartered Accountants

ICAI Firm Registration No.: 001076N/N500013

Sd/-

Madhu Sudan Malpani

Partner

Membership No: 517440

Place: Gurugram

Date: June 13, 2025

For and on behalf of the Board of Directors

SpiceJet Merchandise Private Limited

Sd/-

Ajay Singh

Director

DIN No: 01360684

Place: Gurugram

Date: June 13, 2025

Sd/-

Shiwani Singh

Director

DIN No: 05229788

Place: Gurugram

Date: June 13, 2025