

Independent Auditor's Report

To the Members of Spice Shuttle Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Spice Shuttle Private Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2022, 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 a summary of the significant accounting policies 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, 2022, and its loss (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.

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

4. 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.

Independent Auditor's Report to the members of Spice Shuttle Private Limited on financial statements for the year ended March 31, 2022 (cont'd)

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 Director's 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

5. 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.
6. In preparing the financial statements, the Board of Directors are 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 intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. 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.
9. 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 system with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

Independent Auditor's Report to the members of Spice Shuttle Private Limited on financial statements for the year ended March 31, 2022 (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.
10. 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

11. 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) is not applicable.
12. 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.
13. 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) 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) 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, 2022 from being appointed as a director in terms of section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on March 31, 2022 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and
 - g) 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, 2022;
 - 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, 2022;

Walker Chandiok & Co LLP

Independent Auditor's Report to the members of Spice Shuttle Private Limited on financial statements for the year ended March 31, 2022 (cont'd)

- 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, 2022;
- iv.
 - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 28A 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 persons 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 28B to the financial statements, no funds have been received by the Company from any persons 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, 2022.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sd/-

Neeraj Goel

Partner

Membership No.: 099514

UDIN: 22099514AQEQZY8821

Place: Gurugram

Date: August 29, 2022

Spice Shuttle Private Limited
Balance Sheet as at March 31, 2022
(All amounts are in Indian Rupees, unless otherwise stated)

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Financial assets			
(i) Other financial assets	3	650,000	650,000
Income-tax assets	4	15,187	-
Total non-current assets		665,187	650,000
Current assets			
Financial assets			
(i) Trade receivables	5	1,102,032	797,325
(ii) Cash and cash equivalents	6	3,443,211	3,036,397
(iii) Other financial assets	7	467,967	345,080
Other current assets	8	4,182,402	4,924,384
Total current assets		9,195,612	9,103,186
Total assets		9,860,799	9,753,186
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	100,000	100,000
Other equity	10	(87,880,593)	(87,704,479)
Total equity		(87,780,593)	(87,604,479)
Current liabilities			
Financial liabilities			
(i) Trade payables	11	-	-
- total outstanding dues of micro enterprises and small enterprises		97,281,692	96,997,964
- total outstanding dues of creditors other than micro enterprises and small enterprises		359,700	359,700
Other current liabilities	12	359,700	359,700
Total current liabilities		97,641,392	97,357,664
Total equity and liabilities		9,860,799	9,753,186
Summary of significant accounting policies	2		

The accompanying notes form an integral part of these financial statement.

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

For and on behalf of the Board of Directors

Sd/-
Neeraj Goel
Partner
Membership No: 099514

Sd/-
Ajay Singh
Director
DIN No: 01360684

Sd/-
Shiwani Singh
Director
DIN No: 05229788

Place: Gurugram
Date: August 29, 2022

Place: Gurugram
Date: August 29, 2022

Place: Gurugram
Date: August 29, 2022

Spice Shuttle Private Limited
Statement of Profit and Loss for the year ended March 31, 2022
(All amounts are in Indian Rupees, unless otherwise stated)

	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	13	122,887	7,536,085
Total income		122,887	7,536,085
Expenses			
Operating expenses	14	-	89,316,310
Employee benefit expenses	15	-	110,546
Other expenses	16	299,002	5,775,580
Total expenses		299,002	95,202,436
Earnings before interest, tax, depreciation and amortization ('EBITDA')		(176,115)	(87,666,352)
Finance income	17	-	2,967
Finance cost	18	-	7,469
Loss before tax		(176,115)	(87,670,854)
Tax expense	19	-	-
Loss for the year		(176,115)	(87,670,854)
Other comprehensive loss for the year		-	-
Total comprehensive income for the year		(176,115)	(87,670,854)
Loss per share	20		
-Basic		(17.61)	(8,767.09)
-Diluted		(17.61)	(8,767.09)

Summary of significant accounting policies

2

The accompanying notes form an integral part of these financial statement.

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

Sd/-
Neeraj Goel
Partner
Membership No: 099514

Sd/-
Ajay Singh
Director
DIN No: 01360684

Sd/-
Shiwani Singh
Director
DIN No: 05229788

Place: Gurugram
Date: August 29, 2022

Place: Gurugram
Date: August 29, 2022

Place: Gurugram
Date: August 29, 2022

Spice Shuttle Private Limited
Statement of Cash Flow for the year ended March 31, 2022
(All amounts are in Indian Rupees, unless otherwise stated)

	Year ended March 31, 2022	Year ended March 31, 2021
A. Cash flows from operating activities		
Loss before tax	(176,115)	(87,670,854)
Adjustments for:		
Finance costs	-	7,469
Finance income	-	(2,967)
Operating loss before working capital changes	(176,115)	(87,666,352)
Movements in working capital:		
Trade receivables	(304,707)	(797,325)
Other current financial assets	(122,887)	(345,080)
Other current assets	741,983	(4,924,384)
Trade payables	283,728	96,964,339
Other current liabilities	(0)	352,232
Cash flows from operations	422,001	3,583,430
Income tax paid	(15,187)	-
Net cash flows from operating activities	406,814	3,583,430
B. Cash flows from investing activities		
Investment in fixed deposit	-	(650,000)
Interest income of fixed deposit	-	2,967
Net cash used in investing activities	-	(647,033)
C. Cash flows from financing activities		
Net increase in cash and cash equivalents	406,814	2,936,397
Cash and cash equivalents at the beginning of the year	3,036,397	100,000
Cash and cash equivalents at the end of the year	3,443,211	3,036,397
Notes :		
Components of cash and cash equivalents		
Balance with banks in current accounts	3,443,211	3,036,397
Total cash and cash equivalents (refer note 6)	3,443,211	3,036,397

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/-
Neeraj Goel
Partner
Membership No: 099514

Place: Gurugram
Date: August 29, 2022

For and on behalf of the Board of Directors

Sd/-
Ajay Singh
Director
DIN No: 01360684

Place: Gurugram
Date: August 29, 2022

Sd/-
Shiwani Singh
Director
DIN No: 05229788

Place: Gurugram
Date: August 29, 2022

Spice Shuttle Private Limited
Statement of Changes in Equity for the year ended March 31, 2022
(All amounts are in Indian Rupees, unless otherwise stated)

A. Equity share capital:

Particulars	Number	Amount
As at April 01, 2020	10,000	100,000
Changes in equity share capital during the year	-	-
As at March 31, 2021	10,000	100,000
Changes in equity share capital during the year	-	-
As at March 31, 2022	10,000	100,000

B. Other equity

Particulars	Retained earnings	Total equity
Balance as at April 01, 2020	(33,625)	(33,625)
Loss for the year	(87,670,854)	(87,670,854)
Balance as at March 31, 2021	(87,704,479)	(87,704,479)
Loss for the year	(176,115)	(176,115)
Balance as at March 31, 2022	(87,880,593)	(87,880,593)

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

For and on behalf of the Board of Directors

Sd/-
Neeraj Goel
Partner
Membership No: 099514

Sd/-
Ajay Singh
Director
DIN No: 01360684

Sd/-
Shiwani Singh
Director
DIN No: 05229788

Place: Gurugram
Date: August 29, 2022

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Place: Gurugram
Date: August 29, 2022

Spice Shuttle Private Limited
Notes to the Financial Statements for the year ended March 31, 2022
(All amounts are in Indian Rupees, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
3 Other non-current financial assets		
Deposits with maturity of more than 12 months	650,000	650,000
	650,000	650,000
4 Income-tax assets		
Advance income tax	15,187	-
	15,187	-
5 Trade receivables* <i>(Unsecured, considered good unless stated otherwise)</i>		
Trade receivables	1,102,032	797,325
	1,102,032	797,325

*The Company does not have any receivables which are either credit impaired or where there is significant increase in credit risk.

Ageing schedule of trade receivables

As at March 31, 2022	Outstanding from the due date of invoice					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	-	15,187	1,086,845	-	-	1,102,032
Undisputed trade receivables – credit impaired	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-
Total	-	15,187	1,086,845	-	-	1,102,032

As at March 31, 2021	Outstanding from the due date of invoice					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	797,325	-	-	-	-	797,325
Undisputed trade receivables – credit impaired	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-
Total	797,325	-	-	-	-	797,325

6 Cash and cash equivalents		
Balances with banks in current accounts	3,443,211	3,036,397
	3,443,211	3,036,397

7 Other current financial assets <i>(Unsecured, considered good unless stated otherwise)</i>		
Contract assets	467,967	345,080
	467,967	345,080

Contract balances

Trade receivables are generally unsecured and are derived from revenue earned from customers which are primarily located in India.

Trade receivables	1,102,032	797,325
Contract assets*	467,967	345,080

*Contract assets relates to unbilled revenue.

8 Other current assets <i>(Unsecured, considered good unless stated otherwise)</i>		
Balance with government authorities	4,162,124	3,832,696
Advance to suppliers	20,278	20,278
Other advances	-	1,071,410
	4,182,402	4,924,384

9 Equity share capital		
Authorised share capital (10,000 equity shares of Rs.10 each)		
As at March 31, 2021	100,000	100,000
Increase during the year	-	-
As at March 31, 2022	100,000	100,000
Issued, subscribed and paid-up capital (10,000 equity shares of Rs.10 each)		
As at March 31, 2021	100,000	100,000
Increase during the year	-	-
As at March 31, 2022	100,000	100,000

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

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Value (Rs.)	Number	Value (Rs.)
Shares outstanding at the beginning of the year	10,000	100,000	10,000	100,000
Issued during the year	-	-	-	-
Shares outstanding at the end of the year	10,000	100,000	10,000	-

b) Terms/rights attached to class of shares

The Company has only one class of equity shares having a par 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, 2022		As at March 31, 2021	
	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, 2022		As at March 31, 2021	
	Number	% against total shares	Number	% against total shares
SpiceJet Limited	10,000	100.00%	10,000	100.00%

e) Details of promoter shareholding

Name of promoter	As at March 31, 2022			As at March 31, 2021		
	Number of shares	% of total shares	% change during the year	Number of shares	% of total shares	% change during the year
SpiceJet Limited	10,000	100.00%	0%	10,000	100.00%	0%

10 Other equity

Retained earnings

Opening balance	(87,704,479)	(33,625)
Loss for the year	(176,115)	(87,670,854)
Closing balance	(87,880,593)	(87,704,479)

11 Trade payables

Trade payables	-	-
- total outstanding dues of micro enterprises and small enterprises	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises*	97,281,692	96,997,964
	97,281,692	96,997,964

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.

* Refer note 23 for related party balances.

Terms and conditions of the above financial liabilities:

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

Ageing schedule of trade payables

As at March 31, 2022	Outstanding from the due date of invoice					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	48,841,970	1,952,396	46,487,326	-	-	97,281,692
Total	48,841,970	1,952,396	46,487,326	-	-	97,281,692

As at March 31, 2021	Outstanding from the due date of invoice					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	50,484,537	46,491,802	21,625	-	-	96,997,964
Total	50,484,537	46,491,802	21,625	-	-	96,997,964

12 Other current liabilities

Statutory dues	359,700	359,700
	359,700	359,700

Spice Shuttle Private Limited
Notes to the Financial Statements for the year ended March 31, 2022
(All amounts are in Indian Rupees, unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
13 Revenue from operations		
Service income	122,887	7,536,085
	122,887	7,536,085
14 Operating expenses		
Lease charges*	-	81,889,541
Maintenance cost	-	7,426,769
	-	89,316,310
*Refer note 23 for related party balances		
15 Employee benefit expenses		
Staff welfare	-	110,546
	-	110,546
16 Other expenses		
Rent	45,500	21,980
Repairs and maintenance	-	527,832
Legal and professional fees*	253,502	4,262,259
Business promotion and advertisement	-	51,995
Printing and stationery	-	73,894
Travelling and conveyance	-	26,495
Power and fuel	-	737,925
Miscellaneous expenses	-	73,200
	299,002	5,775,580
*Payments to statutory auditors as		
Audit fees	100,000	100,000
17 Finance income		
Interest income on fixed deposits	-	2,967
	-	2,967
18 Finance costs		
Interest on delayed payment of statutory dues	-	(7,469)
	-	(7,469)
19 Income tax expense		
Current tax	-	-
Deferred tax	-	-
	-	-

The Company does not have taxable profits per the provisions of the Income Tax Act 1961, accordingly there are no income tax expenses accounted for in the current year.

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

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Accounting loss before income tax	(176,115)	(87,670,854)
At India's statutory income tax rate of 25.168% (31 March 2021: 25.168%)	(44,325)	(22,065,000)
Adjustments:		
Deferred tax not created on business losses*	(44,325)	(22,065,000)
Income tax expense reported in the statement of profit and loss	-	-

*The Company has not recognised deferred tax assets on unused business losses of the current year in absence of probability and availability of sufficient future taxable income against which such losses shall be utilised. The current year losses can be carried forward for next eight years. Further, no business losses have been brought forward from the previous years.

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Spice Shuttle Private Limited
Notes to the Financial Statements for the year ended March 31, 2022

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

20 Earnings per share ('EPS')

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

Particulars	Year ended March 31, 2022	Year ended March 31, 2022
Loss after tax	(176,115)	(87,670,854)
Weighted average number of shares		
- Basic	10,000	10,000
- Diluted	10,000	10,000
Loss per share :		
- Basic	(17.61)	(8,767.09)
- Diluted	(17.61)	(8,767.09)

21 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) Going concern assumption

During the year, the Company has incurred a net loss and, as of that date, the Company's has accumulated losses, which have resulted in complete erosion of its net worth and the current liabilities have exceeded its current assets by Rs. 88,445,780 as at March 31, 2022. The Company's primary source of revenue during the previous year was from operation of an aircraft (sea plane) and the losses have been primarily driven by pricing pressures, high maintenance expenses and very low demand. However, during the current year, the Company has temporary suspended its business operations and is currently in process of discussing payment deferral or partial/full waiver against outstanding payments. The management is confident of getting either deferral or waiver as all outstanding dues of the Company are with its related parties. Further, the Company has sufficient liquidity to incur basic administration expenses for next 12 months. Based on the factors mentioned in this note, the management is of the view that the going concern basis of accounting is appropriate.

b) Recognition of deferred tax assets

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

c. 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.

22 Segment reporting

The Company's primary business segment is reflected based on principal business activities carried on by the Company i.e., transportation of passengers by charter airplanes and/or helicopters 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.

23 Related party transactions
a. List of related party

Relationship	Name of the party
Holding Company	SpiceJet Limited
Fellow Subsidiary	SpiceJet Technic Private Limited
Key managerial personnel	Ajay Singh, Director Shiwani Singh, Director

b. Transactions with related party

Particulars	March 31, 2022	March 31, 2021
<u>SpiceJet Limited</u>		
<u>Transactions during the year:</u>		
Professional expenses	-	1,356,819
Lease expenses	-	37,526,798
<u>Spice Technic Private Limited</u>		
<u>Transactions during the year:</u>		
Professional expenses	-	5,706,740
Route navigation expenses	-	7,208,947
<u>Outstanding balance:</u>		
<u>SpiceJet Limited</u>		
Trade payable	38,883,117	38,905,242
<u>Spice Technic Private Limited</u>		
Trade payable	58,254,251	55,921,167

24 Fair values

Particulars	March 31, 2022		March 31, 2021	
	Carrying value	Fair Value	Carrying value	Fair Value
Financial assets at amortised cost				
Other non-current financial assets	650,000	650,000	650,000	650,000
Cash and cash equivalents	3,443,211	3,443,211	3,036,397	3,036,397
Other current financial assets	467,967	467,967	345,080	345,080
Total	4,561,178	4,561,178	8,955,861	8,955,861
Financial liabilities at amortised cost				
Trade payables	97,281,692	97,281,692	96,997,964	96,997,964
Total	97,641,392	97,641,392	96,997,964	96,997,964

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

25 Financial risk management objectives and policies

The Company is exposed to credit risk and liquidity risk. The Company's directors oversee the management of these risks. 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 of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents and other financial assets and all of these assets have low credit risk considering balances are either with bank or with related parties. None of the financial instruments of the Company result in material concentrations of credit risks.

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, 2022	Up to 1 year	1 to 5 years	Total
Trade payables	97,281,692	-	97,281,692
Total	97,281,692	-	97,281,692

As at March 31, 2021	Up to 1 year	1 to 5 years	Total
Trade payables	96,997,964	-	96,997,964
Total	96,997,964	-	96,997,964

26 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	March 31, 2022	March 31, 2021
Current assets	9,195,612	9,103,186
Current liabilities	97,641,392	97,357,664
Current ratio	0.09	0.09

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Spice Shuttle Private Limited
Notes to the Financial Statements for the year ended March 31, 2022
(All amounts are in Indian Rupees, unless otherwise stated)
27 Financial ratios

Ratio	Measurement unit	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	% Change	Reason for variance
Current ratio	Times	Current assets	Current liabilities	0.09	0.09	0.72%	Note 1 below
Debt service coverage ratio	Times	Earnings before depreciation and amortisation and interest [Loss after tax + Depreciation and amortisation expense + Finance costs]	Interest expense + Principal repayment (including prepayments)	NA	(11,737.44)	NA	Note 3 below
Return on equity ratio	Percentage	Loss after tax	Average of total equity	0.20%	200.30%	(99.90%)	Note 2 below
Trade receivables turnover ratio	Times	Revenue from operations	Average trade receivables	0.13	18.90	(99.32%)	Note 2 below
Trade payables turnover ratio	Times	Other expenses	Average trade payables	0.00	1.96	(99.84%)	Note 2 below
Net capital turnover ratio	Times	Revenue from operations	Working capital [Current assets - Current liabilities]	(0.00)	(0.09)	(98.37%)	Note 2 below
Net profit ratio	Percentage	Loss after tax	Revenue from operations	(143.31%)	(1163.35%)	(87.68%)	Note 2 below
Return on capital employed	Percentage	Earnings before interest and taxes [Loss after tax + Finance costs]	Capital employed [Total assets - Current liabilities + Current borrowings]	0.20%	100.07%	(99.80%)	Note 2 below
Return on investment	Percentage	Income from interest on bank deposits	Balance in deposit accounts - margin money	0.00%	0.46%	(100.00%)	Note 4 below

Notes:

- The change in ratio is less than 25% as compared to previous year and hence, no explanation required to be furnished.
- The uneven change in turnover ratios and profitability ratios is attributable to the fact that the Company opted to temporarily suspend its operations in the current year, and therefore all expenses incurred are administrative in nature.
- Debt service coverage ratio does not depict true picture as there are no interest obligations during the current year, which is in contrast to the immediately preceding financial year.
- Return on investment does not depict true picture as there is no interest income during the current year, which is in contrast to the immediately preceding financial year.
- Debt-equity ratio and inventory turnover ratio do not form part of this note as the same are not applicable to the Company, as the Company has no inventory and debt as on March 31, 2022 and March 31, 2021.

28 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:
- 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
 - 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:
- 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
 - 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.

29 Adoption of financial statements

The financials have been approved by the Board of Directors on August 29, 2022 and there have been no significant events after the reporting period till such date.

This is summary of significant accounting policies and other explanatory information referred to in our report of even date.

For Walker Chandiok & Co LLP

Chartered Accountants

ICAI Firm Registration No.: 001076N/N500013

Sd/-

Neeraj Goel

Partner

Membership No: 099514

Place: Gurugram

Date: August 29, 2022

For and on behalf of the Board of Directors

Sd/-

Ajay Singh

Director

DIN No: 01360684

Place: Gurugram

Date: August 29, 2022

Sd/-

Shiwani Singh

Director

DIN No: 05229788

Place: Gurugram

Date: August 29, 2022

Spice Shuttle Private Limited
Notes to the financial statements for the year ended March 31, 2022

1. Corporate information

Spice Shuttle 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 October 25, 2019 (CIN - U62100DL2019PTC356667) under the Companies Act, 2013. The objective of the Company is to be engaged in the business of operation of small aircraft chartering aircraft, helicopters and allied air vehicles.

The financial statements were approved for issue by the Board of Directors on August 29, 2022.

2. A. Summary of significant accounting policies

a) Basis of preparation of financial statements

i. Statement of compliance

The financial statements of the Company for the year ended March 31, 2021 have been prepared in accordance with Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read together with the Companies (Indian Accounting Standards) Rules 2015, as amended.

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

The Company classifies all other liabilities as non-current.

The Company has identified twelve months as its operating cycle.

c) Revenue from contracts with customer

Revenue from contracts with customers is recognised when the services are provided to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the services before providing them to the customers. The revenue is recognized net of amounts collected on behalf of third parties.

Rendering of services

Revenues from operation of an aircraft (sea plane) for passengers, are recognised on flown basis i.e., when the service is rendered. Amounts received in advance towards travel bookings/reservations are shown under other current liabilities as contract liability.

Contract assets

A contract asset is the right to consideration in exchange for services transferred to the customer. If the Company performs by transferring services to a customer before the consideration is due and billed, a contract asset is recognised for the earned consideration.

d) 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

Spice Shuttle Private Limited
Notes to the financial statements for the year ended March 31, 2022

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 the deferred taxes related to the same taxable entity and the same taxation authority.

e) 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.

f) 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.

g) Financial Instruments

Recognition and initial measurement

Financial assets 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.

h) 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.

i) Impairment of financial assets

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

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

For recognition of impairment loss on 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.

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

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

j) 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.

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

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

l) Contingent liabilities and contingent assets

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

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

B. Recent accounting pronouncement

Amendment to Ind AS 16, Property, Plant and Equipment

The Ministry of Corporate Affairs ("MCA") vide notification dated March 23, 2022, has issued an amendment to Ind AS 16 which specifies that an entity shall deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly). The Company is in process of evaluating the impact of these changes on financial statements.

Amendment to Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

The Ministry of Corporate Affairs ("MCA") vide notification dated March 23, 2022, has issued an amendment to Ind AS 37 which specifies that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. The Company is in process of evaluating the impact of these changes on financial statements.

Amendment to Ind AS 103, Business Combinations

The Ministry of Corporate Affairs ("MCA") vide notification dated March 23, 2022, has issued an amendment to Ind AS 103 and has added a new exception in the standard for liabilities and contingent liabilities. The Company is in process of evaluating the impact of these changes on financial statements.

Amendment to Ind AS 109, Financial Instruments

The Ministry of Corporate Affairs ("MCA") vide notification dated March 23, 2022, has issued an amendment to Ind AS 109 which clarifies that which fees an entity should include when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf. The Company is in process of evaluating the impact of these changes on financial statements.

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