

SpiceJet Technic Private Limited
Balance Sheet as at March 31, 2020

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

SpiceJet Technic Private Limited

	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-Current Assets			
Property, Plant and Equipment ('PPE')	3	50,745,584	28,012
Right of use assets	3a	45,276,316	-
Intangible Assets	3	5,918,274	-
Non-current assets	4	5,711,093	6,348,243
		107,651,267	6,376,255
Current Assets			
Financial Assets			
(i) Trade Receivables	5	7,945,733	11,400,072
(ii) Cash and Cash Equivalents	6	6,812,848	1,900,287
(iii) Other financial assets	7	807,500	37,352,502
Other current assets	8	36,640,477	7,383,957
Total Current Assets		52,206,558	58,036,818
TOTAL ASSETS		159,857,825	64,413,073
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	9	100,000	100,000
Other Equity	10	(36,898,905)	750,810
Total Equity		(36,798,905)	850,810
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	11	64,312,525	54,322,659
(ii) Lease liability	12	37,126,798	-
(iii) Other financial liabilities	13	11,911,397	3,804,714
Long Term Provisions	14	658,322	282,566
Total Non-Current Liabilities		114,009,042	58,409,939
Current Liabilities			
Financial Liabilities			
(i) Trade Payables	15	54,031,672	4,235,851
(ii) Lease liability	16	11,943,720	-
(ii) Other financial liabilities	17	2,837,252	-
Short Term Provisions	18	471,064	216,920
Other Current Liabilities	19	13,363,980	699,553
Total Current Liabilities		82,647,688	5,152,324
Total Liabilities		196,656,730	63,562,263
TOTAL EQUITY AND LIABILITIES		159,857,825	64,413,073

Summary of Significant Accounting Policies 2

The accounting notes are an integral part of the financial statements

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

For and on behalf of the Board of Directors

Sd/-
per Aniruddh Sankaran
Partner
Membership No: 211107

Sd/-
Ajay Singh
Director
DIN No: 01360684

Sd/-
Shiwani Singh
Director
DIN No: 05229788

Place: Gurugram
Date: July 29, 2020

Place: Gurugram
Date: July 29, 2020

Place: Gurugram
Date: July 29, 2020

SpiceJet Technic Private Limited
Statement of Profit and Loss for the year ended March 31, 2020
(All amounts are in Indian Rupees, unless otherwise stated)

	Notes	Year Ended March 31, 2020	Year Ended March 31, 2019
Revenue from Operations			
Service Income	20	217,133,321	52,058,402
Total Revenue		217,133,321	52,058,402
Expenses			
Employee benefit expenses	21	98,034,502	19,052,108
Sales and Marketing Expenses	22	1,562,650	478,730
Other expenses	23	130,949,766	18,158,001
Total Expenses		230,546,918	37,688,839
Earnings before interest, tax, depreciation and amortization (EBITDA)		(13,413,597)	14,369,563
Depreciation and amortization expense	3	(12,071,749)	(1,946)
Finance costs	24	(12,130,057)	(3,583,404)
(Loss) Before Tax		(37,615,403)	10,784,213
Income Tax Expense			
Current period		-	263,733
Deferred Tax		-	-
		-	263,733
(Loss) after tax for the period (A)		(37,615,403)	10,520,480
Other Comprehensive Income / (Loss) for the period, Net of Tax (B)		(17,156)	-
Total Comprehensive Income / (Loss) for the period, Net of Tax (A) + (B)		(37,632,559)	10,520,480
Earnings per equity share of INR 10 each			
Basic		(3,761.54)	1,078.42
Diluted		(3,761.54)	1,078.42

The accounting notes are an integral part of the financial statements

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

For and on behalf of the Board of Directors

Sd/-
per Aniruddh Sankaran
Partner
Membership No: 211107

Sd/-
Ajay Singh
Director
DIN No: 01360684

Sd/-
Shiwani Singh
Director
DIN No: 05229788

Place: Gurugram
Date: July 29, 2020

Place: Gurugram
Date: July 29, 2020

Place: Gurugram
Date: July 29, 2020

SpiceJet Technic Private Limited**Cash flow statement for the year ended March 31, 2020***(All amounts are in Indian Rupees, unless otherwise stated)*

	March 31, 2020	March 31, 2019
A. Cash flow from operating activities		
(Loss) before tax and exceptional items	(37,615,403)	10,784,213
Depreciation and amortization expense	12,071,749	1,946
Finance costs	12,130,057	3,583,404
Operating loss before working capital changes	(13,413,597)	14,369,563
Movements in working capital:		
(Increase) / Decrease in Trade receivables	3,454,339	(11,400,072)
(Increase) / Decrease in Other Assets	16,624,304	(45,406,059)
Increase / (Decrease) in trade payables	49,795,822	4,184,931
Increase / (Decrease) in other liabilities	15,501,679	116,558
Increase / (Decrease) in Provisions	595,588	499,486
Cash generated from Operations	72,558,136	(37,635,593)
Income Tax Paid	(8,698,672)	(5,205,840)
Net Cash Flow from Operating Activity	63,859,464	(42,841,433)
B. Net Cash used in Investing Activity	(60,668,206)	(29,958)
C. Cash flow from financing activities		
Issue of Share Capital (Refer Note 5)		
Term Loan from Related Parties	9,989,866	42,122,659
Principal portion on Lease payments	(8,185,000)	-
Interest paid on Borrowings	(83,563)	(170,412)
Net Cash from Financing Activity	1,721,303	41,952,247
Net increase / (decrease) in cash and cash equivalents	4,912,561	(919,144)
Cash and cash equivalents at the beginning of the period	1,900,287	2,819,432
Cash and cash equivalents at the end of the period	6,812,848	1,900,287
Notes :		
Components of cash and cash equivalents		
On current accounts	6,812,848	1,900,287
Cash on hand	-	-
Total cash and cash equivalents (Note 6)	6,812,848	1,900,287

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration No.: 101049W/E300004

For and on behalf of the Board of DirectorsSd/-
per Aniruddh Sankaran
Partner
Membership No: 211107Sd/-
Ajay Singh
Director
DIN: 01360684Sd/-
Shiwani Singh
Director
DIN: 05229788Place: Gurugram
Date: July 29, 2020Place: Gurugram
Date: July 29, 2020Place: Gurugram
Date: July 29, 2020

SpiceJet Technic Private Limited
Statement of Changes in Equity for the year ended March 31, 2020
(All amounts are in Indian Rupees, unless otherwise stated)

a. Equity Share Capital

Particulars	No of Shares	Amount
Equity shares of INR 10 each issued, subscribed and fully paid		
As at March 31, 2019	10,000	100,000
As at March 31, 2020	10,000	100,000

b. Other Equity

For the period ended March 31, 2020

Particulars	Retained Earnings	Other Comprehensive Income	Total Equity
As at April 01, 2019	750,810	-	750,810
(Loss) for the period	(37,632,559)	-	(37,632,559)
Other Comprehensive Income for the period	-	(17,156)	(17,156)
As at March 31, 2020	(36,881,749)	(17,156)	(36,898,905)

For the period ended March 31, 2019

Particulars	Retained Earnings	Other Comprehensive Income	Total Equity
As at April 01, 2018	(9,769,670)	-	(9,769,670)
(Loss) for the period	10,520,480	-	10,520,480
Other Comprehensive Income for the period	-	-	-
As at March 31, 2019	750,810	-	750,810

The accounting notes are an integral part of the financial statements

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

For and on behalf of the Board of Directors

Sd/-
per Aniruddh Sankaran
Partner
Membership No: 211107

Sd/-
Ajay Singh
Director
DIN No: 01360684

Sd/-
Shiwani Singh
Director
DIN No: 05229788

Place: Gurugram
Date: July 29, 2020

Place: Gurugram
Date: July 29, 2020

Place: Gurugram
Date: July 29, 2020

SpiceJet Technic Private Limited
Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in Indian Rupees, unless otherwise stated)

3. Property, Plant and Equipment ('PPE')

Particulars	Plant & Machinery	Office Equipment	Motor Vehicles	Computers	Furniture & Fixtures	Leasehold Improvement	Software	Total
Gross Block								
As at April 1, 2018								
Additions	-	22,359	-	7,599	-	-	-	29,958
Disposals	-	-	-	-	-	-	-	-
At March 31, 2019	-	22,359	-	7,599	-	-	-	29,958
Additions	34,227,500	4,239,035	617,794	-	835,762	14,288,115	6,460,000	60,668,206
Disposals	-	-	-	-	-	-	-	-
At March 31, 2020	34,227,500	4,261,394	617,794	7,599	835,762	14,288,115	6,460,000	60,698,164
Accumulated Depreciation								
As at April 1, 2018								
Charge for the period	-	808	-	1,138	-	-	-	1,946
Disposals	-	-	-	-	-	-	-	-
At March 31, 2019	-	808	-	1,138	-	-	-	1,946
Charge for the period	2,081,779	573,532	14,599	2,547	357,124	461,053	541,726	4,032,359
Disposals	-	-	-	-	-	-	-	-
At March 31, 2020	2,081,779	574,340	14,599	3,685	357,124	461,053	541,726	4,034,305
Net Block								
At March 31, 2017	-	-	-	-	-	-	-	-
At March 31, 2018	-	-	-	-	-	-	-	-
At March 31, 2019	-	21,551	-	6,461	-	-	-	28,012
At March 31, 2020	32,145,721	3,687,054	603,196	3,914	478,638	13,827,061	5,918,274	50,745,584

SpiceJet Technic Private Limited**Notes to the Financial Statements for the year ended March 31, 2020***(All amounts are in Indian Rupees, unless otherwise stated)***Note 3a - Right of use assets**

	Buildings	Total
Cost or valuation		
As at 1 April 2019 on account of adoption of Ind AS 116 (Refer to Note 28)	28,978,368	28,978,368
Reclassified on account of adoption of Ind AS 116 (Refer to Note 28)	-	-
Additions	24,337,338	24,337,338
Disposals	-	-
Balance as at March 31, 2020	53,315,706	53,315,706
Accumulated depreciation		
As at 1 April 2019 on account of adoption of Ind AS 116 (Refer to Note 28)	-	-
Depreciation for the year	8,039,390	8,039,390
Depreciation on disposals	-	-
Balance as at March 31, 2020	8,039,390	8,039,390
Net carrying value as at March 31, 2020	45,276,316	45,276,316

SpiceJet Technic Private Limited
Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in Indian Rupees, unless otherwise stated)

	Year Ended March 31, 2020	Year Ended March 31, 2019		
4 Non-current Assets				
(Considered Good, Unsecured unless stated otherwise)				
Capital advances	5,711,093	6,348,243		
Cash on hand	-	-		
	5,711,093	6,348,243		
5 Trade Receivables				
(Unsecured, considered good unless stated otherwise)				
Trade receivables	7,945,733	11,400,072		
Cash on hand	-	-		
	7,945,733	11,400,072		
Trade receivables are non-interest bearing and are generally have credit period to a maximum of 120 days.				
6 Cash and Cash Equivalents				
Balances with banks:				
- On current accounts	6,812,848	1,900,287		
Cash on hand	-	-		
	6,812,848	1,900,287		
Changes in liabilities arising from financing activities				
	April 01, 2019	Cash Flow	Others	March 31, 2020
Finance Cost	3,804,714	(83,563)	8,190,246	11,911,397
Non-current borrowings	54,322,659	9,989,866	-	64,312,525
Lease liability	28,978,368	(8,185,000)	28,277,150	49,070,517
Total liabilities from financing activities	87,105,741	1,721,303	36,467,395	125,294,440
	April 01, 2018	Cash Flow	Others	March 31, 2019
Finance Cost	391,722	(170,412)	3,583,404	3,804,714
Non-current borrowings	12,200,000	42,122,659	-	54,322,659
Lease liability	-	-	-	-
Total liabilities from financing activities	12,591,722	41,952,247	3,583,404	58,127,374
7 OTHER CURRENT FINANCIAL ASSETS				
(Unsecured, considered good unless stated otherwise)				
Security deposits			307,500	-
Unbilled revenue			500,000	37,352,502
Cash on hand			-	-
			807,500	37,352,502
8 Current Tax Assets				
Advance income-tax and tax deducted at source (net of provision for taxation)			-	-
			-	-
8 Other Current Assets				
(Unsecured, considered good unless stated otherwise)				
Employee Advance			-	26,399
Advance to suppliers			1,053,119	446,244
Balance with Government authorities			26,888,686	1,969,206
Advance income-tax and tax deducted at source (net of provision for taxation)			8,698,672	4,942,107
			36,640,477	7,383,957

SpiceJet Technic Private Limited
Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in Indian Rupees, unless otherwise stated)

	Year Ended March 31, 2020	Year Ended March 31, 2019
9 Equity Share Capital		
Authorised Share Capital (10,000 equity shares of Rs.10/- each)	100,000	100,000
As at October 05, 2016	-	-
Increase during the year	100,000	100,000
As at March 31, 2017	100,000	100,000
Increase during the year	-	-
As at March 31, 2018	<u>100,000</u>	<u>100,000</u>
Increase during the year	-	-
As at March 31, 2019	<u>100,000</u>	<u>100,000</u>
Increase during the year	-	-
As at March 31, 2020	<u>100,000</u>	<u>100,000</u>
Issued, Subscribed and Paid-up Capital (10,000 equity shares of Rs.10/- each)	100,000	100,000
As at October 05, 2016	-	-
Increase during the year	100,000	100,000
As at March 31, 2017	100,000	100,000
Increase during the year	-	-
As at March 31, 2018	<u>100,000</u>	<u>100,000</u>
Increase during the year	-	-
As at March 31, 2019	<u>100,000</u>	<u>100,000</u>
Increase during the year	-	-
As at March 31, 2020	<u>100,000</u>	<u>100,000</u>

a) Reconciliation of Equity Shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number	Value (Rs.)	Number	Value (Rs.)
Shares outstanding at the beginning of the period	10,000	100,000	10,000	100,000
Issued during the period	-	-	-	-
Shares outstanding at the end of the period	10,000	100,000	10,000	100,000

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 / ultimate holding company and / or their subsidiaries / associates

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number	Value (Rs.)	Number	Value (Rs.)
SpiceJet (Holding Company)	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, 2020		As at March 31, 2019	
	No of Shares	% against total No of Shares	No of Shares	% against total No of Shares
SpiceJet (Holding Company)	10,000	100%	10,000	100%

SpiceJet Technic Private Limited
Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in Indian Rupees, unless otherwise stated)

	Year Ended March 31, 2020	Year Ended March 31, 2019
10 Other Equity		
Surplus / (deficit) in the statement of profit and loss		
Balance as per last financial statements	750,810	(9,769,670)
(Loss) for the period	(37,632,559)	10,520,480
Net surplus / (deficit) in the statement of profit and loss	(36,881,749)	750,810
11 Long Term Borrowings		
<i>(Unsecured - At Amortised Cost)</i>		
Term Loan from Related Parties	64,312,525	54,322,659
	64,312,525	54,322,659
Loan from Holding Company is repayable 3 years from the date of borrowing and carries an interest of 12.75%.		
12 Non Current Lease Liabilities		
Lease liability	37,126,798	-
	37,126,798	-
13 Other Non-Current Financial Liabilities		
<i>(At Amortised Cost)</i>		
Interest accrued but not due on borrowings	11,911,397	3,804,714
	11,911,397	3,804,714
14 Other Long Term Provisions		
Provision for Gratuity	658,322	282,566
	658,322	282,566
15 Trade Payables		
<i>(Unsecured, At Amortised Cost)</i>		
Trade Payables	54,031,672	4,235,851
	54,031,672	4,235,851
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 period.		
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		
16 Current Lease Liabilities		
Lease liability	11,943,720	-
	11,943,720	-
17 Other current financial liabilities		
<i>(At Amortised Cost)</i>		
Employee compensation payable	2,837,252	-
	2,837,252	-

SpiceJet Technic Private Limited
Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in Indian Rupees, unless otherwise stated)

	Year Ended March 31, 2020	Year Ended March 31, 2019
18 Short Term Provisions		
Provision for compensated absences	471,064	216,920
	471,064	216,920
19 Other Current Liabilities		
Statutory dues (including interest thereon)	2,593,651	699,553
Unearned revenue	10,770,329	-
	13,363,980	699,553
20 Income from Service		
Income from Technical Services	217,133,321	52,058,402
	217,133,321	52,058,402
21 Employee benefit expenses		
Salaries, wages and bonus	93,961,108	17,289,720
Contribution to provident and other funds	3,291,103	1,325,639
Gratuity Expense	358,600	282,566
Recruitment and training cost	101,000	-
Staff welfare	322,691	154,183
	98,034,502	19,052,108
22 Sales and marketing expenses		
Business promotion and advertisement	1,562,650	478,730
	1,562,650	478,730
23 Other Expenses		
Rent	112,154,452	-
Repairs and maintenance		
- Aircraft Maintenance cost	30,500	-
- others	1,027,026	368,537
- Plant and Machinery R&M	13,298	4,474
Communications	-	-
Printing and stationery	248,587	50,857
Maintenance Cost	-	-
Insurance	-	-
Power and fuel	951,440	-
Travelling and conveyance	1,255,980	2,210,415
Bank Charges	-	-
Legal, and professional fees (Refer note below for details of payment to auditor)	14,835,594	15,394,483
Miscellaneous expenses	432,890	129,235
	130,949,766	18,158,001
Payment to auditor		
<u>As auditor</u>		
Audit fees	50,000	50,000
24 Finance Costs		
Interest on Borrowings	8,190,246	3,583,404
Interest cost on discounting of financial intrumen	3,939,811	-
	12,130,057	3,583,404

SpiceJet Technic Private Limited
Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in Indian Rupees, unless otherwise stated)

25. Earnings per share ('EPS')

a. Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

b. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit after Tax	(37,615,403)	10,784,213
Weighted Average Number of Shares		
- Basic	10,000	10,000
- Diluted	10,000	10,000
Earnings per Share of INR 10 each		
- Basic	(3,761.54)	1,078.42
- Diluted	(3,761.54)	1,078.42

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.

Taxation

Determining of income tax liabilities using tax rates and tax laws that have been enacted or substantially enacted requires the management to estimate the level of tax that will be payable based upon the Company's/ expert's interpretation of applicable tax laws, relevant judicial pronouncements and an estimation of the likely outcome of any open tax assessments including litigations or closures thereof.

Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, unabsorbed depreciation and unused tax credits could be utilized.

In respect of other taxes which are in disputes, the management estimates the level of tax that will be payable based upon the Company's / expert's interpretation of applicable tax laws, relevant judicial pronouncements and an estimation of the likely outcome of any open tax assessments including litigations or closures thereof.

SpiceJet Technic Private Limited
Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in Indian Rupees, unless otherwise stated)

Fair Value Measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, Credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Going concern assumption

These financial statements have been prepared on the basis that the Company will continue as a going concern for the foreseeable future. (refer note 2(a)(iii) for management's assessment regarding going concern, including related judgments involved).

27. Employee benefits obligation

a. Gratuity

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

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

Particulars		Year ended March 31, 2020	Period ended March 31, 2019
A.	Change in defined benefit obligation ('DBO')		
1	Defined benefit obligation at the beginning of the period	282,566	-
2	Service cost		
	a. Current service cost	339,329	282,566
3	Interest expenses	19,271	-
4	Cash flows		
	a. Benefits paid	-	-
5	Remeasurements		
	a. Effect of changes in financial assumption	(69,288)	-
	b. Effect of demographic assumption	-	-
	c. Effect of experience on DBO	86,444	-
6	Defined benefit obligation at the end of the period	658,322	282,566

Particulars		Year ended March 31, 2020	Period ended March 31, 2019
B.	Amounts recognized in Balance Sheet		
1	Defined benefit obligation	658,322	282,566
2	Fair value of plan assets	-	-
3	Funded status	-	-
4	Net defined benefit liability / (asset)	658,322	282,566

Particulars		Year ended March 31, 2020	Period ended March 31, 2019
C.	Components of defined benefit cost		
1	Service cost		
	a. Current service cost	339,329	282,566
2	Net interest cost		
	a. Interest expense on DBO	19,271	-
	b. Interest (income) on plan assets	-	-
	c. Total net interest cost	19,271	-
3	Remeasurements (recognized in OCI)		
	a. Effect of changes in Financial assumption	(69,288)	-
	b. Effect of demographic assumption	-	-
	c. Effect of experience on DBO	86,444	-
4	Total defined benefit cost recognized in P&L and OCI	375,756	282,566

SpiceJet Technic Private Limited
Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in Indian Rupees, unless otherwise stated)

Particulars		Year ended March 31, 2020	Period ended March 31, 2019
D.	Re-measurement		
	a. Actuarial Loss/ (Gain) on DBO	17,156	-
	b. Returns above interest income	-	-
	Total remeasurements (OCI)	17,156	-

Particulars		Year ended March 31, 2020	Period ended March 31, 2019
E.	Employer expense (P&L)		
	a. Current service cost	339,329	282,566
	b. Interest cost on net DBO	19,271	-
	c. Total P&L expenses	358,600	282,566

Particulars		Year ended March 31, 2020	Period ended March 31, 2019
F.	Net defined benefit liability (asset) reconciliation		
1	Net defined benefit liability (asset)	282,566	-
2	Defined benefit cost included in P&L	358,600	282,566
3	Total remeasurements included in OCI	17,156	-
4	a. Employer contribution	-	-
5	Net defined benefit liability (asset) as at end of period	658,322	282,566

Particulars		Year ended March 31, 2020	Period ended March 31, 2019
G.	Reconciliation on OCI (Re-measurement)		
1	Recognized in OCI during the period	17,156	-
2	Recognized in OCI at the end of the period	17,156	-

Particulars		Year ended March 31, 2020	Period ended March 31, 2019
H.	Sensitivity analysis- DBO end of period		
1	Discount rate + 100 Basis points	82,761	42,297
2	Discount rate - 100 Basis points	102,138	52,900
3	Salary increase rate + 0.1%	101,868	52,268
4	Salary increase rate - 0.1%	83,670	42,446

Particulars		Year ended March 31, 2020	Period ended March 31, 2019
I.	Significant actuarial assumption		
1	Discount rate current year	6.82%	7.78%
2	Salary increase rate	5.00%	7.00%
3	Pre-retirement mortality	5.00%	5.00%
4	Retirement age	58	58

Particulars		Year ended March 31, 2020	Period ended March 31, 2019
J.	Data		
1	No. of employee's	117	65
2	Average age (years)	31.77	29.37
3	Average past service	1.16	1.08
4	Average monthly salary	15,151	8,755
5	Future service (years)	26	29
6	Weighted average duration of DBO	18.52	19.92

Particulars		Year ended March 31, 2020	Period ended March 31, 2019
K.	Expected total benefit payments		
	Within the next 12 months (next annual reporting period)	1,225	542
	Between 2 and 5 years	5,080	2,278
	Beyond 5 years	652,017	279,746

SpiceJet Technic Private Limited**Notes to the Financial Statements for the year ended March 31, 2020***(All amounts are in Indian Rupees, unless otherwise stated)*

Particulars		Year ended March 31, 2020	Period ended March 31, 2019
L.	Defined benefit obligation at the end of the year		
1	Current obligation	1,225	1,287
2	Non-current obligation	657,097	281,279

Particulars		Year ended March 31, 2020	Period ended March 31, 2019
	Summary		
1	Defined benefit obligation at end of the period	657,097	281,279
2	Fair value plan assets at end of the period	-	-
3	Net defined benefit liability/ (asset)	658,322	282,566
4	Defined benefit cost included in P&L	358,600	282,566
5	Total remeasurement included in OCI	17,156	-
6	Total defined benefit cost recognized in P&L and OCI	375,756	282,566

b. Short term compensated absences

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

Particulars	Year ended March 31, 2020	Period ended March 31, 2019
Discount rate	6.82%	7.78%
Future salary increase	5.00%	7.00%

c. Contributions to defined contribution plan

During the year, the company recognized Rs. 2,971,136 (Previous year- 810,133) to Provident Fund under defined contribution plan and Rs. 319,967 (Previous year - 515,506) for contributions to Employee State Insurance scheme in the Statement of profit & loss.

SpiceJet Technic Private Limited
Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in Indian Rupees, unless otherwise stated)

28. Leases

Transition to Ind AS 116 - Leases

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

The standard is applicable from April 01, 2019. The Company has applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (i.e. April 01, 2019). Accordingly, the Company has not restated comparative information; instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 01, 2019. On that date, the Company recognised the lease liabilities measured at the present value of the remaining lease payments. The right of use assets are recognised at their carrying amount, net of incentives received from equipment manufacturer, as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at April 01, 2019. In accordance with the standard, the Company has elected not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

The Company has used the following practical expedients:

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

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

Leases previously classified as operating leases under Ind AS 17

Particulars	As at March 31, 2020
Lease liabilities at inception on adoption of Ind AS 116	(28,978,368)
ROU assets recognised at inception on adoption of Ind AS 116	28,978,368
Other adjustments	-
Impact to equity on account of adoption of Ind AS 116	-
ROU assets recognised at inception on adoption of Ind AS 116	28,978,368
Reclassified on account of adoption of Ind AS 116	-
ROU assets as at April 01, 2019	28,978,368

*Others represents short term leases as on transition date not considered for Ind AS 116

Lease liabilities:

The Company's leased assets primarily consist of leases for aircraft and engines, equipment, leasehold land and buildings.

Interest expense on lease liabilities for the year amounts to Rs. 3,939,811 Refer to Note 24.

During the year ended March 31, 2020, the Company has recognized an expense of Rs 112,154,451 on account of short term leases which represents leased buildings having a remaining lease term of less than 12 months as on transition date and other short term leases. The portfolio of other short-term leases to which the Company is committed at the end of the reporting period is not materially different from the portfolio of other short term leases for which expense has been recognized during the year ended March 31, 2020.

The Company has several lease contracts that include extension and termination options. The management has included termination options in determination of lease term for contracts having such option. Extension options have not been included in determination of lease term since the management is reasonably certain not to exercise these options. Potential cash flows in relation to such extension options cannot be ascertained since the cash outflow for the extended period will depend on the negotiations with the lessors in the event of exercising the extension options.

Under certain lease arrangements of aircraft, the Company incurs variable payments towards maintenance of the aircraft which are disclosed under "Supplemental lease charges - aircraft, engines and auxiliary power units".

The maturity analysis of lease liabilities and the Company's exposure to market risks are disclosed in Note 32.

SpiceJet Technic Private Limited
Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in Indian Rupees, unless otherwise stated)

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

1. Depreciation and amortisation expenses has increased by Rs. 8,039,390
2. Finance costs has increased due to interest accrued on outstanding lease liabilities amounting to Rs. 3,939,811
3. Rentals has decreased by Rs. 9,620,000 respectively, due to recognition of operating lease as ROU assets and corresponding lease liabilities.

Net impact on profit / loss before tax amounts to a loss of Rs. 2,359,201 for the year ended March 31, 2020.

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

The weighted average incremental borrowing rate applied to lease liabilities as at April 01, 2019 is 12.75%.

29. Income Tax

The major components of income tax expense for the year ended March 31, 2020 and March 31, 2019 are:

Profit or loss section

Particulars	Year ended March 31, 2020	Period ended March 31, 2019
Current Tax:		
Current income tax charge	-	263,733
Deferred Tax:		
Relating to the origination and reversal of temporary differences	-	-
Income Tax expense reported in the statement of profit and loss	-	263,733

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.

SpiceJet Technic Private Limited
Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in Indian Rupees, unless otherwise stated)

30. Related party transactions

Relationship	Name of the Related Party
Holding Company	SpiceJet Limited
Fellow Subsidiary	SpiceJet Merchandise Private Limited
	SpiceJet Interactive Private Limited
	Canvin Real Estate Private Limited
	SpiceXpress and Logistics Private Limited
	Spice Shuttle Private Limited
	Spice Club Private Limited
Key Managerial Personnel	Ajay Singh, Director
	Shiwani Singh, Director
Enterprises over which Key Managerial personnel or their relatives have control / significant influence ('Affiliates')	Crosslink Finlease Private Limited
	Greenline Transit System Private Limited
	Intel Constructions Private Limited
	Indiverse Broadband Private Limited
	Starbus Services Private Limited
	Argentum Electric Vehicles Private Limited
	i2n Technologies Private Limited
	Greenline Communication Private Limited
	Pan India Motors Private Limited
	Spice Fresh Private Limited
	Spice Wecare Private Limited
	SpiceJet Innovate Private Limited
	Multipurpose Trading and Agencies Limited

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, 2020	Year ended March 31, 2019
SpiceJet Limited		
Transactions during the year:		
Long Term Borrowings	10,500,000	42,122,659
Interest Accrued on Borrowings	8,106,684	3,412,992
Service Income	220,900,000	11,400,072
Rent and salary cost	202,779,030	-
Purchase of asset	30,699,500	-
Balances outstanding as at the period end:		
Borrowings	64,900,000	54,322,659
Interest Accrued	11,911,397	3,804,714
Trade Receivables	-	11,400,072
Trade Payable	49,465,974	-

233,478,530

SpiceJet Technic Private Limited
Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in Indian Rupees, unless otherwise stated)

31. Fair Values

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

Particulars	Carrying Amount		Fair Value	
	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Financial Liabilities (Non-current and Current)				
Borrowings	64,312,525	54,322,659	64,312,525	54,322,659
Total	64,312,525	54,322,659	64,312,525	54,322,659

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.

32. Financial Risk Management Objectives and Policies

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

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. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Market risk

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

The sensitivity analyses in the following sections relate to the position as at March 31, 2020 and March 31, 2019.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant as at March 31, 2020.

Credit risk management

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 creditworthiness as well as concentration risks.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, loans and advances and derivative financial instruments. None of the financial instruments of the Company result in material concentrations of credit risks.

Liquidity Risks

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

Particulars	Year ended March 31, 2020		Period ended March 31, 2019	
	Less than 1 Year	Above 1 Year	Less than 1 Year	Above 1 Year
Financial Liabilities (Non-current and Current)				
Borrowings	-	64,312,525	-	54,322,659
Other financial liabilities	2,837,252	11,911,397	-	3,804,714
Lease liability	11,943,720	37,126,798	-	-
Trade Payables	54,031,672	-	4,235,851	-
Total	68,812,644	113,350,720	4,235,851	58,127,374

SpiceJet Technic Private Limited
Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in Indian Rupees, unless otherwise stated)

33. Capital Management

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

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through internal accruals, nonconvertible debentures, external commercial borrowings and other long-term / short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings.

The Company monitors capital employed using a Debt equity ratio, which is total debt divided by total equity and maturity profile of the overall debt portfolio of the Company.

The following table summarizes the capital of the Company:

Particulars	As at March 31, 2020	As at March 31, 2019
Borrowings - Long Term	64,312,525	54,322,659
Total Debt	64,312,525	54,322,659
Equity Share Capital	100,000	100,000
Other Equity	(36,898,905)	750,810
Total Equity	(36,798,905)	850,810
Net debt to total equity ratio	(1.75)	63.85

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2020 and period ended March 31, 2019.

34. Impact of COVID-19

The outbreak of Coronavirus (COVID -19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company has evaluated impact of this pandemic on its business operations, assessed the Company's liquidity position for the next one year and evaluated the recoverability and carrying value of its assets including fixed assets as at March 31, 2020. Based on its review, consideration of internal and external information up to the date of approval of these financial statements and current indicators of future economic conditions relevant to the Company's operations, management has concluded that there are no adjustments required to the Company's financial statements. However, the estimated impact of COVID 19 might vary from the date of approval of these financial statements and the Company will continue to monitor any material changes to future economic conditions.

35. Previous year comparatives

Prior year comparative amounts in these financial statements have been reclassified wherever applicable to conform to current year's presentation.

36. Stanards issued but not effective

There were no Standards issued but not effective as at March 31, 2020.

37. Events after the reporting period

The financials have been approved by the Board of Directors on July 29, 2020 and there have been no significant events after the reporting period till such date.

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

For and on behalf of the Board of Directors

Sd/-
per Aniruddh Sankaran
Partner
Membership No: 211107

Place: Gurugram
Date: July 29, 2020

Sd/-
Ajay Singh
Director
DIN No: 01360684

Place: Gurugram
Date: July 29, 2020

Sd/-
Shiwani Singh
Director
DIN No: 05229788

Place: Gurugram
Date: July 29, 2020