



June 22, 2016

IGAL/SECT/06/15

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

Dear Sir,

Sub : Submission of Audited Financial results with auditors report for the year ended on March 31, 2016 and Form A with Management decalartion on unmodified audit report on audited financial results

Ref : InterGlobe Aviation Limited (Symbol : INDIGO)

The board of directors of InterGlobe Aviation Limited (the "Company") at its meeting held on Friday, April 29, 2016 had inter-alia approved the audited financial results of the Company for the quarter and year ended March 31, 2016 and have taken on record the auditors' report thereon.

In compliance with Regulation 33(3) and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the following:

- Audited financial results for the year ended March 31, 2016;
- Auditors Report issued by the Statutory Auditors thereon; and
- Management declaration on unmodified audit report with Form A.

This is for your information and record.

Thanking you,

Yours faithfully,
For InterGlobe Aviation Limited


Pankaj Madan
(Chief Financial Officer)

B S R & Co. LLP

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurgaon - 122 002, India

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Independent Auditor's Report

To the Members of InterGlobe Aviation Limited

Report on the Financial Statements

We have audited the accompanying financial statements of InterGlobe Aviation Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we enclose in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of said the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of written representations received from the directors as on 31 March 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B; 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, in our opinion and to the best of our information and according to the explanations given to us:

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- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 2.28 to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W / W-100022



Jiten Chopra

Partner

Membership number: 092894

Place: Gurgaon

Date: 29 April 2016

Annexure A referred to in our Independent Auditor's Report to the members of InterGlobe Aviation Limited on the financial statements for the year ended 31 March 2016

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of two years except for aircraft and spare engines, which are verified on an annual basis. In our opinion, this periodicity of physical verification by management is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were physically verified during the year. As informed to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the Company does not have any immovable properties. Accordingly, paragraph 3(i)(c) of the Order is not applicable.
- (ii) Inventories, except for goods-in-transit and stocks lying with third parties have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained. According to the information and explanations given to us, the procedures for physical verification of inventories followed by the management during the year are reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly adjusted in the books of account.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of paragraph 3 (iii) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not given any loan, or provided any guarantee or security as specified under section 185 and 186 of the Companies Act, 2013. Moreover, in respect of the investments made by the Company, requirements of section 186 of the Companies Act, 2013 have been complied with.
- (v) As per the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Accordingly, para 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, for any of the services rendered by the Company. Accordingly, para 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, value added taxes, cess and other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, value added taxes, cess and other statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of income tax, service tax, sales tax, value added tax and duty of customs which have not been deposited by the Company with the appropriate authorities on account of any dispute as at 31 March 2016, other than those mentioned as follows:

Statement of Disputed Tax Dues

Name of the Statute	Nature of the dues	Amount (Rs. in million)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Revision to the taxable income on account of: a) Tax treatment of certain incentives received by the Company from manufacturers with the acquisition of aircraft and engine.	1,180.34	A.Y 2007-08 ¹ AY 2009-10 ² AY 2010-11 ³	Income Tax Appellate Tribunal (ITAT), Commissioner of Income Tax, Appeals [CIT(A)]
	b) Disallowance of certain expenses / adjustments.			
Income-tax Act, 1961	Revision to taxable income on account of : a) Disallowances of certain expenses/adjustments; and	993.21	AY 2008-09 ⁴	ITAT
	b) Tax treatment of certain incentives received by the Company from the manufacturers with the acquisition of aircraft and engine.			
Income-tax Act, 1961	Revision to taxable income on account of : a) Disallowances of certain expenses; and	-	AY 2012-13 ⁵	CIT(A)
	b) Tax treatment of certain incentives received by the Company from the manufacturers with the acquisition of aircraft and engine.			
Income-tax Act, 1961	Tax deducted at source	1.02	AY 2007-08	Assessing officer (AO)
Income-tax Act, 1961	Tax deducted at source (Rs.7.84 million deposited under dispute)	142.48	AY 2010-11	ITAT, CIT(A)
Income-tax Act, 1961	Tax deducted at source (Rs.5.07 million deposited under dispute)	20.99	AY 2011-12	ITAT
Income-tax Act, 1961	Tax deducted at source, (Rs.4.20 million deposited under dispute for AY 2013-14)	0.19	AY 2013-14	CIT(A), AO
Income-tax Act, 1961	Tax deducted at source (Rs.11.41 million deposited under dispute)	22.78	AY 2012-13	CIT(A)
Income-tax Act, 1961	Tax deducted at source	12.00	AY 2013-14, AY 2014-15 AY 2015-16	ITAT, CIT(A), AO

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Name of the Statute	Nature of the dues	Amount (Rs. in million)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994 (Service tax)	Service tax and penalty on excess baggage charges, services received from overseas vendors and denial of CENVAT Credit	111.21	FY 2006-07 to FY 2010-11	Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Chandigarh
Finance Act, 1994 (Service tax)	Service tax and penalty on services received from overseas vendors	2.96	FY 2005-06 to FY 2009-10 and FY 2010-11	CESTAT, Chandigarh
Finance Act, 1994 (Service tax)	Penalty for late payment of Service tax on various expenses incurred on ECB (Rs. 89.64 million deposited under protest)	358.56	FY 2012-13 to FY 2013-14	CESTAT, Chandigarh
The Customs Act, 1962	Customs duty and penalty on import of aircraft engines	531.20	FY 2011-12 and FY 2012-13	CESTAT, Bangalore
The Customs Act, 1962	Custom duty and penalty demanded on notional freight charges added to the value of Aviation turbine fuel left in the tank of an aircraft	6.78	August 2012 to May 2015	CESTAT, Chennai
Kerala Value Added Tax Act, 2003	Value Added Tax on sale of goods in International flights	3.07	FY 2012-13 to FY 2013-14	Assistant Commissioner (Appeals), Kerala

¹ The proposed addition to taxable income amounting to Rs. 1,874.63 million for AY 2007-08, will result in reduction of business loss and depreciation of the respective assessment year.

² The proposed revision to taxable income resulted in additional taxable income amounting to Rs. 3,830.83 million for AY 2009-10. This resulted in reduction of the returned business loss and depreciation. During the current year, CIT (A) has passed an order dated 20 January 2016 which further proposed additional taxable income amounting of Rs. 333.71 million and raised the aforesaid demand. The ITAT has granted stay against the outstanding demand.

³ The additional taxable income amounting to Rs.3,569.11 million for AY 2010-11 was proposed vide order dated 15 March 2013 and during the current year, CIT(A) has passed an order dated 20 January 2016 proposing additions to the tune of Rs. 726.60 million. However, the Company is in appeal before the ITAT against the additions made by CIT(A). Further, addition of Rs. 50.97 million was proposed vide re-assessment order dated 27 January 2016 and accordingly, above mentioned demand has arisen.

⁴ The additional taxable income amounting to Rs. 1,655.78 million for AY 2008-09 was proposed, which reduced the returned business loss and depreciation. During the current year, CIT(A) has passed an order dated 8 January 2016 which further proposed additional taxable income amounting of Rs. 3,033.94 million. Due to this addition, above mentioned demand has arisen. The ITAT has granted stay against the outstanding demand.

⁵ The tax liability on the revised taxable income, after the adjustments/disallowances by the tax authority of Rs. 6,070.11 million, was more than the minimum alternate tax paid by the Company on book profits as assessed under section 115 JB of Income Tax Act, 1961. Accordingly, an assessed tax demand of Rs. 1,543.30 million was raised on the Company. During the current year, the entire tax demand has been deleted vide order u/s 154 dated 08 June 2015 on account of MAT credit adjusted against the total tax payable as per normal provisions of the Act.

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- (viii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings to banks or financial institutions. Further, no loans or borrowings were taken from government and there were no debentures issued during the year or outstanding as at 31 March 2016.
- (ix) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has utilized the money raised by way of initial public offer during the year, for the purposes for which they were raised, except for delay in utilisation of Rs. 4,925.31 million due to obtaining requisite approvals, which as informed to us by management will be received in the first quarter of the next financial year. Moreover, the term loans taken by the Company have been applied for the purposes for which they were raised.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to information and explanations given to us and on the basis of our examination of the records of the Company, the managerial remuneration has been provided and paid by the Company in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) According to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by the accounting standards.
- (xiv) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For B S R & Co. LLP
Chartered Accountants
Firm registration number: 101248W / W-100022



Jiten Chopra
Partner
Membership number: 092894

Place: Gurgaon
Date: 29 April 2016

Annexure B to the Independent Auditor's Report of even date on the financial statements of InterGlobe Aviation Limited

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

We have audited the internal financial controls over financial reporting of InterGlobe Aviation Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B S R & Co. LLP
Chartered Accountants
Firm registration No.: 101248W /W-100022



Jiten Chopra
Partner
Membership No.: 092894

Place: Gurgaon
Date: 29 April 2016

InterGlobe Aviation Limited
Balance Sheet as at 31 March 2016
(Rupees in millions, except for share data and if otherwise stated)

	Notes	As at 31 March 2016	As at 31 March 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	3,603.57	343.72
Reserves and surplus	2.2	14,739.20	3,863.23
		18,342.77	4,206.95
Non-current liabilities			
Long-term borrowings	2.3	29,498.61	35,884.02
Deferred tax liability (net)	2.10	5,179.72	4,091.35
Other long-term liabilities	2.4	24,722.47	20,169.51
Long-term provisions	2.5	810.64	522.91
Deferred incentives		11,778.16	13,317.44
		71,989.60	73,985.23
Current liabilities			
Trade payables	2.6	15.89	17.75
Total outstanding dues of micro enterprises and small enterprises		7,396.39	4,737.00
Total outstanding dues of creditors other than micro enterprises and small enterprises			
Other current liabilities	2.7	21,509.21	19,007.99
Short-term provisions	2.8	6,883.18	1,528.51
Deferred incentives		4,054.07	4,199.02
		39,858.74	29,490.27
TOTAL		130,191.11	107,682.45
ASSETS			
Non-current assets			
Fixed assets			
Tangible fixed assets	2.9	46,755.15	48,664.02
Intangible fixed assets	2.9	199.74	96.37
Capital work-in-progress		237.34	4.53
Intangible assets under development		82.31	
		47,274.54	48,764.92
Non-current investments	2.11	0.25	0.46
Long-term loans and advances	2.12	11,930.62	11,181.34
Other non-current assets	2.13	14,977.84	16,055.60
		74,183.25	76,002.32
Current assets			
Current investments	2.14	9,741.20	5,167.52
Inventories	2.15	1,267.20	1,305.54
Trade receivables	2.16	1,571.14	1,045.50
Cash and bank balances	2.17	37,186.70	19,993.80
Short-term loans and advances	2.18	2,248.75	1,555.61
Other current assets	2.19	3,992.87	2,612.16
		56,007.86	31,680.13
TOTAL		130,191.11	107,682.45

Significant accounting policies
The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Registration No.: 101248W/W-100022

Jiten Chopra
Partner
Membership No. 092894

Place: Gurgaon
Date: 29 April 2016

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



ROHINI BHATIA
Director
DIN: 01583219


Pankaj Madan
Chief Financial Officer

Place: Gurgaon
Date: 29 April 2016



Aditya Ghosh
President and Whole Time Director
DIN: 01243445


Suresh Kumar Bhutani
Company Secretary

InterGlobe Aviation Limited
Statement of Profit and Loss for the year ended 31 March 2016
(Rupees In millions, except for share data and if otherwise stated)

	Notes	For the year ended 31 March 2016	For the year ended 31 March 2015
Revenue			
Revenue from operations	2.20	161,399.09	139,253.36
Other income	2.21	4,613.93	3,945.83
		<u>166,013.02</u>	<u>143,199.19</u>
Expenses			
Aircraft fuel expenses		47,793.24	57,484.86
Aircraft and engine rentals (net of cash and non cash incentives Rs. 3,565.96 (previous year Rs. 3,553.12) (Refer to Note 2.27)		26,121.52	19,522.38
Purchase of stock in trade	2.22	1,147.82	817.10
Changes in inventories of stock in trade	2.23	(11.32)	(31.72)
Employee benefits expense	2.24	17,899.23	11,886.91
Finance costs	2.25	1,348.53	1,155.32
Depreciation and amortisation expense	2.26	5,030.79	3,022.14
Other expenses	2.27	38,393.71	30,876.97
		<u>137,723.52</u>	<u>124,733.96</u>
Profit before tax (charge)/benefit		28,289.50	18,465.23
Tax (charge)/benefit			
Current Tax		(7,303.93)	-
- Current period			
Minimum Alternative Tax (MAT)		-	(3,889.77)
- Current period			2,014.85
Less: MAT credit entitlement			(3,548.59)
Deferred tax credit / (charge)		(1,088.37)	
		<u>19,897.20</u>	<u>13,041.72</u>
Profit for the year		19,897.20	13,041.72
Earnings per equity share [par value of share Rs. 10]	2.39		
Basic	2.39	58.17	42.48
Diluted	2.39	56.49	37.94

Significant accounting policies

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For BSR & Co. LLP
Chartered Accountants
Registration No: 101248W /W-100022


Jiten Chopra
Partner
Membership No. 092894

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


ROHINI BHATIA
Director
DIN: 01583219


Aditya Ghosh
President and Whole Time Director
DIN: 01243445


Pankaj Madan
Chief Financial Officer


Suresh Kumar Bhutani
Company Secretary

Place: Gurgaon
Date: 29 April 2016

Place: Gurgaon
Date: 29 April 2016

InterGlobe Aviation Limited
Cash Flow Statement for the year ended 31 March 2016
(Rupees in millions, except for share data and if otherwise stated)

	For the year ended 31 March 2016	For the year ended 31 March 2015
A. Cash flows from operating activities		
Profit before tax	28,289.50	18,465.23
Adjustments for:		
Depreciation and amortisation expense	5,030.79	3,022.14
Provision for redelivery cost (adjusted for provision utilized / reversed during the year)	82.48	63.37
Liabilities written back no longer required	(69.34)	(107.78)
Provision for doubtful debts and loans and advances	-	71.45
Provision for inventory obsolescence (net)	31.62	21.34
(Profit) / Loss on sale of fixed asset (net)	(0.40)	0.13
Non cash incentives, net	51.72	(1.12)
Advances written off	2.10	0.90
Assets written off	4.26	0.18
Unrealised foreign exchange loss (net)	2,057.93	1,192.08
Interest expense	137.99	107.29
Finance lease charges	1,019.02	929.36
Employee stock compensation cost	677.07	-
Interest income on fixed deposits	(3,687.41)	(2,703.77)
Net gain on sale of current investments	(372.31)	(1,035.88)
Operating profit before working capital changes	33,255.02	20,024.92
Adjustment for:		
(Increase)/decrease in trade receivables	(530.72)	(224.56)
(Increase)/decrease in inventories	6.72	(654.02)
(Increase)/decrease in loans and advances and other assets	(3,013.81)	2.01
Increase/(decrease) in trade payables, other liabilities and provisions	8,842.66	8,607.22
Increase/(decrease) in deferred incentives	(1,807.96)	34.51
Cash generated from operating activities	36,751.91	27,790.08
Taxes paid	(5,761.16)	(3,951.24)
Net cash generated from operating activities	30,990.75	23,838.84
B. Cash flows from investing activities		
Purchase of fixed assets (including capital advances), net of cash incentives	(2,319.90)	(10,171.15)
Proceeds from sale of fixed assets	1.62	1.63
Deposits made with banks due to mature within 12 months from the reporting date (net) [deposits under lien Rs. 24,961.08 (previous year : Rs. 15,004.03)]	(11,606.71)	(7,617.43)
Deposits made with banks due to mature after 12 months from the reporting date (net) [deposits under lien Rs. 12,883.85 (previous year : Rs. 13,649.11)]	1,578.62	(1,504.44)
Purchase of mutual funds / shares	(59,387.98)	(65,074.52)
Proceeds from sale of mutual funds / shares	55,186.61	73,657.73
Interest received	3,285.80	1,303.12
Net cash generated from / (used in) investing activities	(13,261.94)	(9,405.06)
C. Cash flows from financing activities		
Proceeds from secured loans	843.70	8,137.45
Repayment of secured loans	(11,084.90)	(4,320.32)
Interest paid	(123.76)	(100.46)
Finance lease charges paid	(701.57)	(669.67)
Proceeds from public issue of shares	166.41	-
Proceeds from securities premium (net)	11,971.74	-
Dividend paid	(11,026.49)	(13,575.30)
Tax paid on dividends	(2,244.77)	(2,552.83)
Net cash generated from / (used in) financing activities	(12,199.64)	(13,081.13)



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InterGlobe Aviation Limited
Cash Flow Statement for the year ended 31 March 2016
(Rupees in millions, except for share data and if otherwise stated)

	For the year ended 31 March 2016	For the year ended 31 March 2015
Net Increase in cash and cash equivalents during the year (A+B+C)	5,529.17	1,352.65
Effect of exchange rate changes on cash and cash equivalent held in foreign currency	57.02	8.40
D Cash and cash equivalents at the beginning of the year		
Cash on hand	21.42	16.50
Cheques on hand	0.09	1.00
Balance with banks:		
- On current accounts	2,098.48	838.94
- On deposit accounts (with original maturity of three months or less)	347.50	250.00
	<u>2,467.49</u>	<u>1,106.44</u>
E Cash and cash equivalents as at the end of the year		
Cash on hand	30.83	21.42
Cheques on hand	-	0.09
Balance with banks:		
- On current accounts	2,664.02	2,098.48
- On deposit accounts (with original maturity of three months or less)	5,358.83	347.50
	<u>8,053.68</u>	<u>2,467.49</u>

Notes:

1. The cash flow statement has been prepared in accordance with 'Indirect method' as set out in the Accounting Standard (AS) - 3 on 'Cash Flow Statements', as notified under Section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014.

2. Current account balance with banks includes Rs. 211.45 (previous year Rs 222.36) held in foreign currency which are freely remissible to the Company

As per our report of even date attached

For BSR & Co. LLP
Chartered Accountants
Registration No. : 101248W /W-100022



Jiten Chopra
Partner
Membership No. 092894

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




ROHINI BHATIA
Director
DIN: 01583219

Aditya Ghosh
President and Whole Time Director
DIN: 01243445



Pankaj Madan
Chief Financial Officer



Suresh Kumar Bhutani
Company Secretary

Place: Gurgaon
Date: 29 April 2016

Place: Gurgaon
Date: 29 April 2016

1: Significant accounting policies

Background

InterGlobe Aviation Limited ('the Company') was incorporated on 13 January 2004 as a private limited company. Subsequently, the Company changed its legal status from a private company to a public company on 11 August 2006. The Company is in the low cost carrier (LCC) segment of the airline industry in India. The Company had commenced international operations during the year ended 31 March 2012. The Company got listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) on 10 November 2015.

Significant accounting policies

(i) *Basis of accounting and presentation*

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting, in accordance with the Generally Accepted Accounting Principles in India ('GAAP'), mandatory accounting standards as notified under section 133 of the Companies Act, 2013, read together with rule 7 of the Companies (Accounts) Rules, 2014, and the relevant provisions of Companies Act, 2013. All income and expenditure having a material bearing on the financial statements are recognised on accrual basis. The financial statements have been presented based on Schedule III to the Companies Act, 2013.

(ii) *Use of estimates*

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements, and reported amounts of income and expenses during the reporting period. Examples of estimates include useful life of fixed assets, retirement benefits, provision for inventory obsolescence, provision for redelivery costs, provision for doubtful trade receivables and loans and advances. Actual results could differ from these estimates. Any changes in estimates are adjusted prospectively.

(iii) *Fixed assets, capital work-in-progress and depreciation and amortisation*

Tangible fixed assets

Owned tangible fixed assets are stated at the cost of acquisition including incidental costs related to acquisition and installation, less accumulated depreciation and impairment losses, if any.

The cost of improvements to aircraft have been capitalised and disclosed separately as leasehold improvement - aircraft.

Capital work-in-progress

Cost of tangible assets not ready for use as at the balance sheet date are disclosed as capital work-in-progress.

Intangible fixed assets

Intangible fixed assets are recognised only if acquired and it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of assets can be measured reliably. The intangible fixed assets are recorded at cost of acquisition including incidental costs related to acquisition and installation and are carried at cost less accumulated amortisation and impairment losses, if any.

Intangible fixed assets under development

Cost of intangible assets under development as at the balance sheet date are disclosed as intangible fixed assets under development.

Leased assets

Leased assets under which the Company assumes substantially all risks and benefits of ownership are classified as finance lease. Other leases are classified as operating leases.

Finance lease: Assets taken on finance lease are capitalised at the lower of the fair value of the assets and the present value of the minimum lease rentals (which includes initial amount paid by the Company to the lessors) with the corresponding amount payable by the Company shown as lease liability. The principal component of the lease rentals is adjusted against the lease liability and interest component is charged to the Statement of Profit and Loss.

Operating lease: Lease rentals in respect of assets taken on operating lease are charged to the Statement of Profit and Loss with reference to the lease term and other considerations.



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Depreciation and amortisation

Depreciation on fixed assets, except aircraft and spare engine, leasehold improvements - leased aircraft, leasehold improvements and intangible assets, is provided on written down value method at the rates and in the manner provided in Schedule II of the Companies Act, 2013. Depreciation on aircraft (including aircraft taken on finance lease) and spare engine is provided on the straight line method at the rates and in the manner prescribed in Schedule II of the Companies Act, 2013.

Intangible assets are amortised on a straight line basis over their estimated useful life of 3 years.

Major inspection costs relating to engine and airframe overhauls and other heavy maintenance are identified as separate components for owned and leased aircraft and are depreciated over the expected lives between major overhauls, estimated to be 4 - 12 years.

Depreciation has been charged based on the following useful lives:

Asset Head	Useful life in years
Owned and leased Aircraft and Spare Engines	
-Aircraft and engine components including spare engines	20
-Major inspection and overhaul costs*	4 - 12
Furniture and fixtures	
Computer	
-End user Devices	3
-Server and Networks	6
Office equipment	
-Office Equipment	5
-Electrical Equipment	10
Ground support equipment	
Ground support vehicles	
-Motor Vehicles(Ground Support Equipment)	8
-Motor Vehicles (Commercial)	8

* separate component recognised with effect from 1 April 2015

Expenditure incurred on improvements to aircraft (leasehold improvements on leased aircraft) is depreciated on a straight line basis over the remaining period of the lease of the aircraft or 5 years, whichever is lower.

Leasehold improvements are depreciated on a straight line basis over the period of the initial lease.

The useful lives are based on an internal technical evaluation performed by management and are determined after considering following factors:

- Expected usage of the asset
- Expected physical wear and tear
- Technical and commercial obsolescence
- Understanding of past practices and general industry experience

The above mentioned lives and method of depreciation/ amortisation are in line with the estimated useful lives, as determined by management.

Depreciation and amortisation is calculated on a pro-rata basis for assets purchased/sold during the year.

The appropriateness of depreciation/amortisation period and depreciation/amortisation method is reviewed by the management each financial year.

Pursuant to identification of major inspection and overhaul costs as separate components as required by Schedule II of the Companies Act, 2013 with effect from 1 April 2015, the depreciation charge for the year ended 31 March 2016 is higher by Rs 1,568.31.

(iv) **Sale and lease back transactions**

Profit or loss on sale and lease back transactions resulting in operating leases are recognised immediately in case the transaction is established at fair value, else the excess of sale price over the fair value is deferred and amortised over the period for which the asset is expected to be used.

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



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(v) *Incentives –non-refundable*

Cash incentives

The Company receives non-refundable incentives in connection with the acquisition of aircraft and engines. In case of owned aircraft or aircraft under finance lease, incentives are recorded as a reduction to the cost of related aircraft and engines. Where the aircraft is held under operating lease, the incentives are deferred and reduced from the operating lease rentals on a straight line basis over the period of the related lease. In case of return of an aircraft before the expiry of the lease term, the unamortised balance of deferred incentive is recorded in the Statement of Profit and Loss.

The Company also receives non-refundable milestone incentives from the engine manufacturer on achievement of certain milestones relating to delivery of aircraft. These milestone incentives are recorded as reduction to the carrying value of aircraft and engines in case of owned aircraft and engines. Where the aircraft is held under operating lease, the incentives are deferred and reduced from the lease rentals on a straight line basis over the remaining lease period of the related lease. Where the aircraft is held under finance lease, the incentives are deferred and recognised under the head 'Other operating revenue' in the Statement of Profit and Loss, on a straight line basis over the remaining lease period of the related lease.

Non-cash incentives

Non-cash incentives are recorded as and when due to the Company by setting up a deferred asset and a corresponding deferred incentive. These incentives are recorded as a reduction to the cost of related aircraft and engines in case of owned assets and aircraft held under finance lease. Where the aircraft is held under operating lease, the incentives are deferred and reduced from the lease rentals on a straight line basis over the estimated period of use of these incentives.

The deferred asset explained above is reduced on the basis of utilization of incentives against purchase of goods and services.

(vi) *Investments*

Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realized within 12 months after the reporting date is presented under current assets as "current portion of long term investments" in consonance with the current /non- current classification scheme of Schedule III of Companies Act, 2013.

Long-term investments (including current portion thereof) are carried at cost less any other-than-temporary diminution in value, determined separately for each category of investments.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss.

Profit or loss on sale of investments is determined on the basis of weighted average carrying amount of investments disposed of.

(vii) *Revenue recognition*

Passenger and Cargo revenue

Passenger revenue is recognised on flown basis, i.e. when the service is rendered, net of airport charges and discounts, if any. Cargo revenue is recognised when service is rendered, i.e. goods are transported, net of airport charges.

The sale of tickets not yet flown is credited to unearned revenue, i.e. 'Forward Sales' disclosed under current liabilities. Fees charged for any changes to flight tickets and towards special service requests are recognised as revenue immediately on rendering of services.

The unutilized balance in Forward Sales for more than a year is recognised as revenue based on historical statistics, data and management estimates, and considering the Company's cancellation policy.

In flight sales

Revenue from sale of merchandise is recognised on transfer of all significant risks and rewards to the passenger. Revenue from sale of food and beverages is recognised on sale of goods to the passenger.

Dividend income

Dividend is recognised as and when the right to receive such income is established.



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Tours and packages

Income and related expense from the sale of tours and packages are recognised upon services being rendered and where applicable, are stated net of discounts. The income and expense is stated on gross basis.

Passenger revenue earned from sale of tours and packages is recognised on flown basis and disclosed under tours and packages.

The sale of tours and packages not yet serviced is credited to unearned revenue, i.e. 'Forward Sales' disclosed under current liabilities.

Interest income

Interest income is recognised on a time proportion basis.

Commission and advertisement income

Commission and advertisement income is recognised on an accrual basis and in accordance with the terms of specific contracts, provided the consideration is reliably determinable and no significant uncertainty exists regarding the collection. The amount recognised is net of applicable taxes.

(viii) *Commission*

The commission paid / payable on sales is recognised on sale of ticket and in accordance with the terms of contracts with agents.

(ix) *Borrowing costs*

Borrowing costs attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(x) *Foreign currency transactions and translations*

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the respective transactions. Monetary foreign currency assets and liabilities remaining unsettled at the balance sheet date are translated at the rates of exchange prevailing on that date. Gains/(losses) arising on account of realisation/settlement of foreign exchange transactions and on translation of foreign currency assets and liabilities (except for gains/(losses) arising on translation of foreign currency loans used for purchase of fixed assets) are recognised in the Statement of Profit and Loss. Gains/ (losses) arising on translation of foreign currency loans used for purchase of fixed assets are adjusted in the cost of fixed assets.

(xi) *Taxation*

Income tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the Income-tax law) and deferred tax charge or credit. Income taxes are accrued in the same period the related revenues and expenses arise.

The differences that result between the profit / (loss) considered for income taxes and the profit / (loss) as per the financial statements are identified and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on tax rates that have been enacted or substantially enacted by the Balance Sheet date.

Where there are unabsorbed depreciation or carry forward losses, deferred tax assets are recognised only to the extent there is virtual certainty of realisation of such assets. In other situations, deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Such assets are reviewed at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Minimum Alternative Tax ('MAT') expense under the provisions of the Income-tax Act, 1961 is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Company and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Company becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each Balance Sheet date and is written down to reflect the amount that is reasonably certain to be set off in future years against the future income tax liability.



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(xii) *Employee benefits*

Short – term employee benefits

All employee benefits payable / available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

Defined benefit plans

Defined benefit plans of the Company comprise of gratuity.

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service.

The liability in respect of defined benefit plans is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. The gratuity plan of the Company is unfunded.

Defined contribution plans

Under the provident fund, a defined contribution plan, the Company pays fixed contributions to the appropriate government authorities and has no obligation to pay further amounts. Such fixed contributions are recognised in the Statement of Profit and Loss on accrual basis in the financial year to which they relate.

Other employee benefits

Till previous year ended 31 March 2015, benefits under compensated absences constitute short term employee benefits, since the employees were required to avail the leave within one year from the year end. These are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

In the current year, the Company has amended its leave policy. Accordingly the accumulated leaves, which are expected to be availed or encashed beyond 12 months from the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Project Unit Credit method) at the end of the year. Actuarial losses / gains are recognised in the Statement of Profit and Loss in the year in which they arise.

(xiii) *Provisions, contingent liabilities and contingent assets*

A provision is created when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

(xiv) *Contingencies*

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably.

(xv) *Impairment of assets*

The carrying values of assets are reviewed at each reporting date to determine if there is indication of any impairment. If any indication exists, the asset's recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount and is recognised in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.



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(xvi) *Inventories*

Inventories primarily include fuel, tools and engineering stores, which include rotables, consumables and non-aircraft equipments. Inventories are valued at lower of cost and net realisable value ('NRV'). Cost of inventories comprise of all costs of purchase and incidental costs incurred in bringing the inventories to their present location and condition. Cost is determined on the weighted average cost basis. In arriving at NRV, due allowance is made for all damaged, obsolete and slow moving items. The comparison of cost and net realizable value is made on an item by item basis.

In respect of reusable items such as rotables, non-aircraft equipments and tools, NRV takes into consideration provision for obsolescence and wear and tear and also provision for non-moving/slow moving items, if any.

(xvii) *Aircraft maintenance and repair cost*

Aircraft maintenance, Auxiliary Power Unit (APU), and Engine maintenance and repair costs are expensed as incurred except where such overhaul costs in respect of engines/APU are covered by third party maintenance agreements, which are accounted in accordance with terms of the agreements and charged to the Statement of Profit and Loss. The Company receives non-refundable incentives in connection with aircraft and engines from Original Equipment Manufacturers (OEM). These incentives are deferred on a straight line basis over the period of the contract. Moreover, the Company also receives non-cash incentives in connection with aircraft and engines from OEM. These are recorded as and when due to the Company by setting up a deferred asset and a corresponding deferred incentive. The deferred incentives are deferred and recognized on a straight line basis over the period of the contract. The deferred asset as explained above is reduced on the basis of utilization of incentives against purchase of goods and services.

(xviii) *Redelivery cost*

The Company has in its fleet aircraft on operating lease. As contractually agreed under the lease agreements, the aircraft have to be redelivered to the lessors at the end of the lease term under stipulated technical conditions. Such redelivery conditions entail costs for technical inspection, maintenance checks, repainting costs prior to its redelivery and the cost of ferrying the aircraft to the location as stipulated under the lease agreement. These costs are estimated by management based on historical trends and data, and recorded in the financial statements in proportion to the expired lease period.

(xix) *Earnings per share*

Basic earnings per share are computed using the weighted average number of the equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year end, except where the results would be anti-dilutive.

(xx) *Expenditure*

Expenses are accounted for on the accrual basis and provisions are made for all known losses and liabilities.

(xxi) *Employee stock compensation cost*

In accordance with the Guidance Note on Accounting for Employee Share-based Payments as issued by the Institute of Chartered Accountants of India, the Company has recognised cost of equity settled stock options using the fair value method. The Company recognizes the fair value of the stock options granted under the Employee Stock Option Scheme (ESOS) as employee stock compensation cost which is amortized over the vesting period. Fair value of stock options granted under the ESOS is determined at the grant date using valuation techniques consistent with the generally accepted valuation methodologies for pricing financial instruments. The grant date fair value of equity settled stock options granted to employees is recognized as employee benefit expense with a credit to employee stock option outstanding account, over the period that the employees unconditionally become entitled to the options. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of stock options that will ultimately vest.

(xxii) *Current-non-current classification*

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.



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InterGlobe Aviation Limited
Notes forming part of the financial statements for the year ended 31 March 2016
(Rupees in millions, except for share data and if otherwise stated)

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification

Current liabilities include the current portion of financial liabilities some part of which may be non-current. All other liabilities are classified as non-current

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non-current



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InterGlobe Aviation Limited
Notes forming part of the financial statements for the year ended 31 March 2016
(Rupees in millions, except for share data and if otherwise stated)

2.1 Share capital

Particulars	As at	
	31 March 2016	31 March 2015
Authorized*		
750,000,000 equity shares of Rs 10 each (previous year 500,000 equity shares of Rs. 1,000 each)	7,500.00	500.00
Nil (previous year 1,600,000 0.00% non-cumulative redeemable preference shares of Rs. 1,000 each)	-	1,600.00
Nil (previous year 100,000 0.00% convertible preference shares of Rs. 1,000 each)	-	100.00
Total	7,500.00	2,200.00
Issued, subscribed and paid up*		
360,356,544 equity shares of Rs 10 each fully paid up (previous year 307,000 equity shares of Rs 1,000 each fully paid up)	3,603.57	307.00
Nil (previous year 36,716 0.00% convertible preference shares of Rs. 1,000 each fully paid up)	-	36.72
Total	3,603.57	343.72

* Refer to Note 2.1 (h)

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

Particulars	As at 31 March 2016		As at 31 March 2015	
	Number of shares	Amount	Number of shares	Amount
1. Equity shares issued, subscribed and paid up				
Shares at the beginning of the year	307,000	307.00	307,000	307.00
- Increase due to conversion of 0.00% convertible preference shares of Rs 1,000 each in equity shares of Rs. 1,000 each. (Refer to Note 2.1 (b)(2))	36,716	36.72	-	-
- Increase due to sub-division of equity shares (Refer to Note 2.1 (h)(i))	34,027,884	-	-	-
- Issued during the year - Bonus shares of Rs. 10 each (Refer to Note 2.1 (h) (iii))	309,344,400	3,093.44	-	-
- Issued during the year - Initial public offer- fresh issue (Refer to Note 2.1 (h)(vi))	16,640,544	166.41	-	-
Shares at the end of the year	360,356,544	3,603.57	307,000	307.00
2. Preference shares issued, subscribed and paid up				
0.00% convertible preference shares				
Shares at the beginning of the year	36,716	36.72	36,716	36.72
Conversion of 0.00% convertible preference shares of Rs. 1,000 each to equity shares of Rs 1,000 each (Refer to Note 2.1 (b)(2))	(36,716)	(36.72)	-	-
Shares at the end of the year	-	-	36,716	36.72



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InterGlobe Aviation Limited
Notes forming part of the financial statements for the year ended 31 March 2016
(Rupees in millions, except for share data and if otherwise stated)

b. Terms/ rights attached to each class of shares

1. Equity shares

The Company has only one class of equity share. The par value of the share at the beginning of the year under review was Rs. 1,000 per share. With the approval of the members at the Extraordinary General Meeting ('EGM') of the Company held on 25 June 2015 the par value of the share was changed to Rs. 10 per share (Refer to Note 2.1 (h)(i)). Each holder of the equity share is entitled to one vote per share and is entitled to dividend, declared if any. The paid up equity shares of the Company rank pari-pasu in all respects, including dividend. The 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 the equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

2. Convertible preference shares

The fully paid up convertible preference shares of Rs 1,000 each are issued at a premium ranging from Rs. 5,650 to Rs. 6,642 per share with 0.00% coupon rate and are convertible into equity shares of the Company in the ratio of 1:1 not earlier than (a) the initial public offer of the Company; or (b) a strategic sale of the Company. In the event of liquidation of the Company before conversion of preference shares, the preference shareholders have priority over the equity shares in the repayment of the capital. The holder of preference shares were entitled to one vote per share at any meeting of the Company on any resolutions of the Company directly affecting their rights.

During the year ended 31 March 2016, 36,716 fully paid up 0.00% convertible preference shares have been converted into equity shares of the Company on 23 June 2015 in the ratio of 1:1, vide resolution passed by the Board at the Board Meeting of the Company held on 23 June 2015.

c. Shares held by holding/ultimate holding company and /or their subsidiaries/ associates

Name of Shareholder	As at 31 March 2016		As at 31 March 2015	
	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs. 10 each [previous year Rs. 1,000 each], fully paid up held by:				
InterGlobe Enterprises Limited, holding and ultimate holding company upto 9 November 2015*	-	-	156,950	156.95
	-	-	156,950	156.95

* Post Initial Public Offer ('IPO'), InterGlobe Enterprises Limited ceases to be holding and ultimate holding company.

d. Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date

Particulars	31 March 2016 Number of shares	31 March 2015 Number of shares
Equity shares allotted as fully paid bonus shares by capitalization of capital redemption reserve	155,400,000	-
Equity shares allotted as fully paid bonus shares by capitalization of general reserve	153,944,400	-
Total	309,344,400	-

The Company has issued 309,344,400 fully paid bonus shares (previous year Nil) during the period of five years immediately preceding the reporting date. The above shares were issued for Rs. 10 each. Refer to Note 2.1 (h) (iii).

e. Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

Particulars	31 March 2016 Number of shares	31 March 2015 Number of shares
Equity shares allotted pursuant to scheme of merger (Refer to Note 2.43)	147,000	-
Total	147,000	-

The Company in addition to the shares as stated in Note 2.1 (d) above has issued 147,000 fully paid shares for consideration other than cash (previous year Nil) during the period of five years immediately preceding the reporting date. The above shares were issued for Rs. 1,000 each, which were subsequently subdivided into equity share of Rs. 10 each. Refer to Note 2.1 (h)(i).

f. Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option scheme (ESOS) of the Company, (Refer to Note 2.1.h (iv), (v) and Note 2.40)



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InterGlobe Aviation Limited
Notes forming part of the financial statements for the year ended 31 March 2016
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g. Details of each shareholder holding more than 5% shares in the Company

Name of Shareholders	Class of Share	As at 31 March 2016		As at 31 March 2015	
		Number of Shares	%*	Number of Shares	%*
InterGlobe Enterprises Limited	Equity shares	153,649,581	42.64%	156,950	51.12%
Caelum Investment LLC	Equity shares	-	-	147,000	47.88%
Rakesh Gangwal	Equity shares	60,860,713	16.89%	-	-
The Chinkerpoo Family Trust (Trustee: Shobha Gangwal & J.P.Morgan Trust Company of Delaware)	Equity shares	56,375,730	15.64%	-	-
Shobha Gangwal	Equity shares	34,852,858	9.67%	-	-
Rahul Bhatia	Convertible preference shares	-	-	3,006	8.19%
Riyaz Haider Peer Mohamed	Convertible preference shares	-	-	5,110	13.92%
Steven Eugene Harfst	Convertible preference shares	-	-	3,607	9.82%
Newton Bruce Ashby	Convertible preference shares	-	-	6,012	16.37%
Kunal Chanana	Convertible preference shares	-	-	3,006	8.19%
Anil Chanana	Convertible preference shares	-	-	3,006	8.19%
IGT-InterGlobe Technologies Philippines Inc.	Convertible preference shares	-	-	6,038	16.45%
Rakesh Gangwal	Convertible preference shares	-	-	2,004	5.46%
Shobha Gangwal	Convertible preference shares	-	-	3,006	8.19%

* Represents % of total shares in the respective class.

h. Other Notes

- i. The Shareholders' at the Extraordinary General Meeting ('EGM') of the Company held on 25 June 2015, approved the reclassification and sub-division of the authorized share capital of the Company aggregating to Rs. 2,200.00, comprising of 500,000 equity shares of Rs. 1,000 each aggregating to Rs. 500,000, 1,600,000 redeemable preference shares of Rs. 1,000 each aggregating Rs. 1,600,000 and 100,000 convertible preference shares of Rs. 1,000 each aggregating Rs. 100,000 to 220,000,000 equity shares of Rs. 10 each aggregating to Rs. 2,200.00.
- ii. The Shareholders' at the EGM of the Company held on 25 June 2015, approved increase in authorized share capital of the Company from Rs. 2,200.00 comprising of 220,000,000 equity shares of Rs. 10 each to Rs. 7,500.00 comprising of 750,000,000 equity shares of Rs. 10 each.
- iii. The Shareholders' at the EGM of the Company held on 25 June 2015, approved capitalization of sum of Rs. 3,093.44, out of the balance in the Company's Capital Redemption Reserve / General Reserve and issued and allotted 309,344,400 equity shares of Rs. 10 each as bonus shares in the proportion of 9 fully paid equity shares of Rs. 10 each for every equity share of Rs. 10 held as on the record date which is 25 June 2015.
- iv. The Shareholders' at the EGM of the Company held on 25 June 2015, approved adoption and implementation of "InterGlobe Aviation Limited-Tenured Employee Stock Option Scheme 2015 (ESOS 2015-I)" comprising 1,111,819 stock options which are convertible into equivalent number of equity shares of Rs. 10 each as per the terms of the ESOS 2015-I. All options under ESOS 2015-I have been granted on 25 June 2015. Vesting of the Options granted under the ESOS 2015-I shall be one year, from the Grant Date or completion of the listing of the shares of the Company on a recognized stock exchange in India in an initial public offering, whichever is later. In case the listing is not completed within two years from the date of Grant, the Options shall automatically lapse on the expiry of such two year period.
- v. Further, the Shareholders' at the EGM of the Company held on 25 June 2015, approved adoption and implementation of "InterGlobe Aviation Limited-Employee Stock Option Scheme 2015 (ESOS 2015-II)" comprising 3,107,674 stock options which are convertible into equivalent number of equity shares of Rs. 10 each as per the terms of the ESOS 2015-II scheme. Out of the above, 2,267,143 stock options under ESOS 2015-II have been granted on 30 October 2015. Vesting period of the options granted under ESOS 2015-II shall be:
 - a) Over the period of four years (Graded Vesting) for, 420,530 options granted to the President and Whole Time Director of the Company and 1,514,587 options granted to other employees of the Company;
 - b) After four and a half years subject to market condition being met for 332,026 options granted to the President and Whole Time Director of the Company.
 The options granted under ESOS 2015-II can be exercised within four years from the date of vesting.
- vi. During the year ended 31 March 2016, the Company has completed the initial public offer (IPO), pursuant to which 39,464,562 equity shares of Rs. 10 each were allotted, at an issue price of Rs. 765, consisting of fresh issue of 16,640,544 equity shares and an offer for sale of 22,824,018 equity shares by selling shareholders. Out of fresh issue of 16,640,544 equity shares, 104,790 equity shares were issued to eligible employees at a discount of 10% of issue price and the remaining 16,535,754 equity shares were issued to public. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) via ID INDIGO and BSE Limited (BSE) via ID 539448 on 10 November 2015.



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InterGlobe Aviation Limited
Notes forming part of the financial statements for the year ended 31 March 2016
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2.2 Reserves and surplus

Particulars	As at	
	31 March 2016	31 March 2015
1. Capital redemption reserve		
Balance at the beginning of the year	1,554.00	1,554.00
Less: Utilised during the year for issuing bonus shares (Refer to Note 2.1 (h)(iii))	(1,554.00)	-
Balance at the end of year	-	1,554.00
2. Employee stock options outstanding		
Balance at the beginning of the year	-	-
Add: Options granted during the year (Refer to Note 2.40)	677.07	-
Balance at the end of year	677.07	-
3. Securities premium account		
Balance at the beginning of the year	-	-
Add: Premium received during the year on account of issue of shares (Refer to Note 2.1 (h)(vi))	12,555.59	-
Less: Utilized for share issue expenses*	(583.85)	-
Balance at the end of year	11,971.74	-
4. General reserve		
Balance at the beginning of the year	1,928.51	1,928.51
Less: Utilised during the year for issuing bonus shares (Refer to Note 2.1 (h)(iii))	(1,539.44)	-
Balance at the end of year	389.07	1,928.51
5. Surplus / (deficit) in Statement of Profit and Loss		
Balance at the beginning of the year	380.72	250.07
Add: Profit for the year	19,897.20	13,041.72
Amount available for appropriation	20,277.92	13,291.79
Less: Appropriations		
Interim dividend [Rs. 32,668.08 per share ** (previous year Rs. 35,169 per share)]	(10,029.10)	(10,796.89)
Proposed equity dividend [Rs. 15 per share *** (previous year Rs. Nil per share)]	(5,405.35)	-
Corporate dividend tax	(3,142.15)	(2,114.18)
Net surplus in the Statement of Profit and Loss	1,701.32	380.72
Total reserves and surplus	14,739.20	3,863.23

* Expenses incurred by the Company aggregating to Rs. 1,286.27 (including Service Tax) in connection with the IPO have been partly adjusted towards the securities premium account and partly recovered from the selling shareholders. The IPO expenses amounting to Rs. 1,286.27, excluding certain expenses which are directly attributable to the Company (such as legal counsel cost, auditor fee, Listing fee and stamp duty expenses) amounting to Rs. 152.68, have been allocated between the Company and each of the selling shareholders in proportion to the equity shares allotted to the public as fresh issue by the Company and under offer for sale by the existing shareholders.

** On 19 June 2015, the Company has declared interim dividend of Rs. 32,668.08 per equity share on 307,000 shares of Rs. 1,000 each. The same was declared before the sub-division, conversion of equity shares and fresh issue of shares. Refer to Note 2.1 (h)

*** On 29 April 2016, the Board of Directors has recommended a final dividend of Rs. 15 per share (face value of Rs. 10 per share) for the financial year ended 31 March 2016, subject to approval of the shareholders in the upcoming Annual General Meeting.

2.3 Long-term borrowings

Particulars	As at	
	31 March 2016	31 March 2015
Secured term loans:		
Foreign currency term loan	4,035.46	3,000.24
- From others		
Secured other loans:		
Finance lease obligations [net of borrowing cost associated with finance lease amounting to Rs. 2,697.17 (previous year Rs. 2,843.49)]	25,463.15	32,883.78
	29,498.61	35,884.02

Current maturities of foreign currency term loans and finance lease obligations amounting to Rs. Nil and Rs. 2,509.32 (previous year Rs. Nil and Rs. 3,377.61) respectively have been disclosed under "Other current liabilities".



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InterGlobe Aviation Limited
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Term loans
As at 31 March 2016
Secured loans

Particulars	Disclosed under	As at 31 March 2016	Rate of Interest*	Period of maturity from the balance sheet date
Foreign currency term loan #	Long-term borrowings	4,035.46	USD LIBOR plus markup	94 months

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

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

There are no defaults as on balance sheet date in repayment of principal and interest.

Secured term loans are secured against the assignment of certain rights under aircraft purchase agreement signed with Airbus SAS.

As at 31 March 2015
Secured loans

Particulars	Disclosed under	As at 31 March 2015	Rate of Interest*	Period of maturity from the balance sheet date
Foreign currency term loan #	Long-term borrowings	3,000.24	USD LIBOR plus markup	106 months

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

The above mentioned loan is repayable in twenty unequal installments between the period September 2022 - December 2023.

There are no defaults as on balance sheet date in repayment of principal and interest.

Secured term loans are secured against the assignment of certain rights under aircraft purchase agreement signed with Airbus SAS.

Finance lease obligations

Certain aircraft and items of furniture and fixtures have been obtained on finance lease. The legal title to these items vests with the lessors and the security trustee. The lease term for aircraft ranges between maximum 10 - 12 years (previous year 10 - 12 years) and for furniture and fixtures is Nil (previous year 2.3 - 3 years) with monthly/ quarterly payments beginning from the month/ quarter subsequent to the commencement of the lease. The total future minimum lease payments as at the balance sheet date, element of interest included in such payments and present value of these minimum lease payments are as follows:

Particulars	Non-Current		Current	
	As at 31 March 2016	As at 31 March 2015	As at 31 March 2016	As at 31 March 2015
(a) Total future minimum lease payments	27,272.88*	35,151.14*	2,927.69**	3,979.75**
(b) Future interest included in (a) above	1,809.73	2,267.36	418.37	602.14
(c) Present value of future minimum lease payments [(a-b)]	25,463.15*	32,883.78*	2,509.32**	3,377.61**

* net of borrowing cost associated with finance lease amounting to Rs. 2,697.17 (previous year Rs. 2,843.49).

** net of borrowing cost associated with finance lease amounting to Rs. 317.44 (previous year Rs. 299.36).

The rate of interest for aircraft acquired on finance lease is less than 450 basis points over 1/3/6 months USD LIBOR (previous year less than 450 basis points over 1/3/6 months USD LIBOR) and for furniture and fixtures it is Nil (previous year 15.5%). Finance lease liability is secured against the respective aircraft - Rs. 27,972.47 (previous year Rs. 36,261.39) and furniture and fixtures Rs. Nil (previous year Rs. Nil).

The future minimum lease payments and their present value as at 31 March 2016 is as follows:

Particulars	Present value of minimum lease payments	Future Interest	Minimum lease payments
Not later than one year*	2,509.32	418.37	2,927.69
Later than one year and not later than five years**	10,890.98	1,258.40	12,149.38
Later than five years***	14,572.17	551.33	15,123.50
Total	27,972.47	2,228.10	30,200.57

* net of borrowing cost associated with finance lease amounting to Rs. 317.44

** net of borrowing cost associated with finance lease amounting to Rs. 1,269.71

*** net of borrowing cost associated with finance lease amounting to Rs. 1,427.46



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InterGlobe Aviation Limited
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The future minimum lease payments and their present value as at 31 March 2015 is as follows:

Particulars	Present value of minimum lease payments	Future Interest	Minimum lease payments
Not later than one year*	3,377.61	602.14	3,979.75
Later than one year and not later than five years**	15,903.52	1,678.88	17,582.40
Later than five years***	16,980.26	588.48	17,568.74
Total	36,261.39	2,869.50	39,130.89

* net of borrowing cost associated with finance lease amounting to Rs. 299.36.
** net of borrowing cost associated with finance lease amounting to Rs. 1,197.43.
*** net of borrowing cost associated with finance lease amounting to Rs. 1,646.06.

2.4 Other long-term liabilities

Particulars	As at 31 March 2016	As at 31 March 2015
Others:	24,493.00	19,907.68
- Supplementary rentals	229.47	261.83
- Employee related liabilities		
	24,722.47	20,169.51

2.5 Long-term provisions

Particulars	As at 31 March 2016	As at 31 March 2015
Provision for employee benefits:	319.84	239.99
- Provision for gratuity (Refer to Note 2.31)	137.38	
- Provision for compensated absences		
Others:	353.42	282.92
- Provision for redelivery cost (Refer to Note 2.8)		
	810.64	522.91

2.6 Trade payables

Particulars	As at 31 March 2016	As at 31 March 2015
Trade Payables	232.69	232.68
- Related parties (Refer to Note 2.30)	15.89	17.75
- Micro enterprises and small enterprises (Refer to Note below)	7,163.70	4,504.32
- Others		
	7,412.28	4,754.75



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InterGlobe Aviation Limited
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Dues to micro enterprises and small enterprises:

Particulars	As at	
	31 March 2016	31 March 2015
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	15 89	17 75
- Interest	-	-
The amount of interest paid by the buyer as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed date during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

2.7 Other current liabilities

Particulars	As at	
	31 March 2016	31 March 2015
Interest accrued but not due on borrowings	95 92	75 08
Advances from customers	2,130 40	1,925.22
Forward sales	12,445 78	11,984.19
Current maturities of finance lease obligations [net of borrowing cost associated with finance lease amounting to Rs. 317.44 (previous year Rs. 299.36)] (Refer to Note 2.3)	2,509.32	3,377.61
Other payables		
- Statutory dues	790 75	605 01
- Employee related liabilities	1,265.97	851 07
- Supplementary rentals	2,271 07	189 81
	21,509.21	19,007.99

2.8 Short-term provisions

Particulars	As at	
	31 March 2016	31 March 2015
Provision for employee benefits		
- Provision for gratuity (Refer to Note 2.31)	55 69	34 56
- Provision for compensated absences	203 19	291 47
Others:		
- Provision for tax [net of advance tax of Rs. 7,361.67 (previous year Rs. 1,350.13)]	89 66	1 02
- Provision for wealth tax [net of advance tax of Rs. Nil (previous year Rs. Nil)]	-	1 03
- Interim dividend	-	997.38
- Proposed dividend	5,405.35	-
- Corporate dividend tax	1,100 42	203 05
- Provision for redelivery cost	28 87	-
	6,883.18	1,528.51



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InterGlobe Aviation Limited

Notes forming part of the financial statements for the year ended 31 March 2016

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

Provision for redelivery cost

The schedule of provision as required to be disclosed in compliance with Accounting Standard 29 on 'Provisions, Contingent Liabilities and Contingent Assets' is as under :

Particulars	For the year	For the year
	ended	ended
	31 March 2016	31 March 2015
Opening balance at the beginning of the year	282.92	208.91
Add: Provisions created during the year	82.48	63.37
Less: Impact of exchange loss on restatement of opening liability	(36.38)	(25.74)
Add: Exchange loss on restatement of closing liability	53.27	36.38
Closing balance at the end of the year	<u>382.29</u>	<u>282.92</u>
Closing balance at the end of the year – Non current	353.42	282.92
Closing balance at the end of the year – Current	28.87	-

Provision for redelivery cost represents provision set up for expenses to be incurred on redelivery of the aircraft that in the opinion of management could result in an outflow of funds depending upon the condition of the aircraft at the time of redelivery. During the current year ended 31 March 2016, the Company has redelivered Nil aircraft (previous year Nil aircraft) to lessors.



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InterGlobe Aviation Limited
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2.9 Fixed assets

Fixed Assets as at 31 March 2016

Particulars	Gross block			Depreciation/ Amortisation			Net block		
	As at 1 April 2015	Additions during the year	Deletions during the year	Adjustments during the year**	As at 31 March 2016	As at 1 April 2015	Depreciation/ Amortisation for the year	As at 31 March 2016	As at 31 March 2016
Tangible fixed assets									
Owned aircraft and spare engines	52,342.49	476.76	243.06	11,444.10	11,920.86	5,806.87	126.15	5,006.40	6,914.46
Leased aircraft	71.05	168.53	132.94	(6,391.38)	42,876.58	4,008.59	4,008.59	5,679.16	37,197.42
Furniture and fixtures	433.34	8.55	8.55	-	611.15	301.66	127.83	421.17	189.98
Computer	92.67	37.04	3.30	-	126.41	58.41	20.38	76.07	50.34
Office equipment	1,139.16	402.49	12.18	-	1,529.47	439.78	165.79	594.14	935.33
Ground support equipment	890.63	186.33	14.43	-	1,062.53	535.39	13.04	657.89	404.64
Ground support vehicles	387.41	306.44	67.81	-	626.04	245.06	107.32	285.87	340.17
Leasehold improvements - aircraft	983.74	47.84	-	-	1,031.58	243.68	200.07	443.75	587.83
Total tangible fixed assets	56,340.49	1,944.73	355.57	2,052.72	59,982.37	7,276.47	4,913.81	987.01	46,755.15
Intangible fixed assets									
Software	374.96	220.36	25.33	-	569.99	278.60	116.98	370.25	199.74
Total intangible fixed assets	374.96	220.36	25.33	-	569.99	278.60	116.98	370.25	199.74
Grand Total	56,715.45	2,165.09	380.90	2,052.72	60,552.36	7,555.07	5,030.79	987.01	46,954.89

Fixed Assets as at 31 March 2015

Particulars	Gross block			Depreciation/ Amortisation			Net block		
	As at 1 April 2014	Additions during the year	Deletions during the year	Adjustments during the year**	As at 31 March 2015	As at 1 April 2014	Depreciation/ Amortisation for the year	As at 31 March 2015	As at 31 March 2015
Tangible fixed assets									
Leased aircraft	41,059.20	9,859.51	12.98	1,423.78	52,342.49	3,521.92	2,284.95	5,806.87	46,535.62
Furniture and fixtures	60.15	12.98	0.09	-	71.05	34.69	12.68	45.62	25.43
Computer	308.52	124.91	16.45	-	433.34	188.68	113.06	301.66	131.68
Office equipment	77.52	16.45	1.30	-	92.67	30.83	28.65	58.41	34.26
Ground support equipment	897.99	243.22	2.05	-	1,139.16	310.10	131.06	439.78	699.38
Ground support vehicles	749.65	147.96	6.98	-	890.63	419.20	122.46	535.39	355.24
Leasehold improvements	287.81	101.02	1.42	-	387.41	171.91	74.57	245.06	142.35
Leasehold improvements - aircraft	713.28	270.46	-	-	983.74	69.59	174.09	243.68	740.06
Total tangible fixed assets	44,154.12	10,776.51	13.92	1,423.78	56,340.49	4,746.92	2,941.52	7,676.47	48,664.02
Intangible fixed assets									
Software	350.44	24.52	-	-	374.96	197.98	80.62	278.60	96.37
Total intangible fixed assets	350.44	24.52	-	-	374.96	197.98	80.62	278.60	96.37
Grand Total	44,504.56	10,801.03	13.92	1,423.78	56,715.45	4,944.90	3,022.14	7,955.07	48,760.39

* Pursuant to the notifications dated 31 March 2009 and 29 December 2011, issued by The Ministry of Corporate Affairs, the Company has capitalised foreign currency loss / (gain) amounting to Rs. 2,296.48 (previous year Rs. 1,521.87), arising on re-statement of long-term foreign currency monetary liabilities used for acquisition of a depreciable capital asset

** Adjustments also include adjustment for cash and non cash incentive amounting to Rs Nil (previous year Rs. 98.09)

† During the current year, the Company has utilized its Initial Public Offer proceeds towards retirement of certain unsecured financial lease liabilities in foreign currency and consequent acquisition of aircraft. The adjustment in the Gross Block of owned aircraft of Rs. 11,444.10 represents the cost of the acquired finance leased aircraft as reduced by the outstanding deferred incentives amounting to Rs. 243.76 in respect of these aircraft, as on the date of the acquisition. The adjustment in the Accumulated Depreciation of owned aircraft of Rs. 4,880.25 represents the accumulated depreciation of the acquired finance leased aircraft as increased by the outstanding provision for supplemental rentals amounting to Rs. 987.01 in respect of these aircraft, as on the date of the acquisition. Consequently, the adjustment in the Gross Block of finance leased aircraft of Rs. 11,687.86 represents the cost of the transferred finance leased aircraft to owned aircraft, as on the date of the acquisition. Moreover, the adjustment in the Accumulated Depreciation of finance leased aircraft of Rs. 3,893.24 represents the accumulated depreciation of the transferred finance leased aircraft to owned aircraft, as on the date of the acquisition.



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2.10 Deferred taxes (net)

Particulars	As at	
	31 March 2016	31 March 2015
Deferred tax liability		
- Assets acquired under finance lease and owned aircraft	5,446.54	4,223.23
- Difference between written down value of fixed assets as per books and as per Income Tax Act, 1961	180.01	277.00
- Others	99.80	51.59
Total deferred tax liability	5,726.35	4,551.82
Deferred tax asset		
- Provision for doubtful advances and receivables	26.09	26.09
- Disallowances made under section 43B of the Income Tax Act, 1961	387.88	336.66
- Provision for gratuity under section 40A(7) of the Income Tax Act, 1961	132.66	97.72
Total deferred tax asset	546.63	460.47
Net deferred tax liability	5,179.72	4,091.35

2.11 Non-current investments

Particulars	As at	
	31 March 2016	31 March 2015
Trade Investments (unquoted and at cost)		
* 1,653 equity shares (previous year 2,815) of Thai Baht (THB) 100 each, fully paid up, of Aeronautical Radio of Thailand, a state enterprise under the Ministry of Transport, Thailand	0.25	0.46
	0.25	0.46

*The transfer of this investment is restricted to airline members flying in Thailand.

The investment mentioned above also represents long term investment within the meaning of Accounting Standard 13 "Accounting for Investments" as notified under Section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014.

2.12 Long-term loans and advances

Particulars	As at	
	31 March 2016	31 March 2015
<i>Unsecured, considered good, unless otherwise stated</i>		
To parties other than related parties:		
Capital advances	136.34	51.07
Security deposits	8,139.57	6,051.32
Other loans and advances:		
- Advance to employees	35.76	5.87
- Minimum alternate tax recoverable	3,429.67	4,689.31
- Advance tax (net of provision for income tax Rs 7,615.72 (previous year Rs 7,671.61)).	189.28	383.77
	11,930.62	11,181.34

2.13 Other non-current assets

Particulars	As at	
	31 March 2016	31 March 2015
<i>Unsecured, considered good, unless otherwise stated</i>		
Bank deposits [due for maturity after twelve months from the reporting date (Refer to Note 2.17)]*	13,539.93	15,118.55
Interest accrued but not due on fixed deposits	1,437.91	937.05
	14,977.84	16,055.60

*Bank deposits include Rs 12,883.85 (previous year Rs 13,649.11) as deposits with banks under lien. These deposits are used for issuing letter of credit/ standby letter of credit/ bank guarantees.



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2.14 Current investments

Particulars	As at	
	31 March 2016	31 March 2015
Investments in mutual funds, non trade - unquoted <i>(At the lower of cost and fair value)</i>		
Nil (previous year 7,412,319) units of face value of Rs. 100 each of Birla Sun Life Cash Plus - Growth - Regular Plan	-	1,654.34
63,241,843 (previous year Nil) units of face value of Rs. 10 each of ICICI Prudential- Ultra Short Term- Growth	950.00	-
11,146,542 (previous year Nil) units of face value of Rs. 100 each of ICICI Prudential Savings Fund - Growth	2,493.50	-
627,831 (previous year Nil) units of face value of Rs. 1,000 each of HDFC Cash Management Fund - Saving Plan - Growth	1,961.93	-
47,343,265 (previous year Nil) units of face value of Rs. 10 each of HDFC Floating Rate Income Fund-STP-Wholesale Option Growth	1,200.00	-
25,429,005 (previous year Nil) units of face value of Rs. 10 each of Sundaram Money Fund Regular Growth	805.77	-
966,294 (previous year 187,142) units of face value of Rs. 1,000 each of UTI Floating Rate Fund - STP - Regular Plan - Growth	2,330.00	420.00
Nil (previous year 558,570) units of face value of Rs. 1,000 each of Reliance Liquid Fund - Cash Plan - Growth Option - Growth Plan	-	1,233.50
Nil (previous year 258,097) units of face value of Rs. 1,000 each of Tata Floater Fund Plan A - Growth	-	540.08
Nil (previous year 47,988,690) units of face value of Rs. 10 each of HDFC Liquid Fund - Growth	-	1,319.60
Aggregate book value of unquoted investments	9,741.20	5,167.52
Aggregate net assets value (fair value) of unquoted investments	9,861.31	5,193.03

The investment mentioned above also represents current investment within the meaning of Accounting Standard 13 "Accounting for Investments" as notified under Section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014.

Aggregate amount of unquoted investments:-

Particulars	As at	
	31 March 2016	31 March 2015
Book value of unquoted investments (Refer to Note 2.11 and 2.14)	9,741.45	5,167.98
	9,741.45	5,167.98

Aggregate amount of current and non-current investments within the meaning of Accounting Standard 13 "Accounting for Investments"

Particulars	As at	
	31 March 2016	31 March 2015
Book value of current investments (Refer to Note 2.14)	9,741.20	5,167.52
Book value of non-current investments (Refer to Note 2.11)	0.25	0.46
	9,741.45	5,167.98

There are no quoted investments during the current year and previous year



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2.15 Inventories

Particulars	As at	
	31 March 2016	31 March 2015
<i>Valued at lower of cost and net realisable value</i>		
Stores and Spares	1,084.89	856.74
- Engineering stores (includes rotables, consumables, tyres and non-aircraft equipment)	51.59	34.45
- Goods in transit	80.67	39.61
Loose tools	1,217.15	930.80
	243.57	211.95
Less: Provision for obsolescence, slow/non-moving items	973.58	718.85
Total		
Stock in trade	74.66	63.34
- In-flight inventory		
	218.96	523.35
Fuel	1,267.20	1,305.54

2.16 Trade Receivables

Particulars	As at	
	31 March 2016	31 March 2015
<i>Unsecured, considered good, unless otherwise stated</i>		
Receivables outstanding for a period exceeding six months from the date they became due for payment	27.94	41.81
- Considered good	71.45	71.45
- Considered doubtful	99.39	113.26
	71.45	71.45
Less: Provision for doubtful debts	27.94	41.81
	1,543.20	1,003.69
Other receivables	1,571.14	1,045.50

2.17 Cash and bank balances

Particulars	As at	
	31 March 2016	31 March 2015
Cash and cash equivalents	30.83	21.42
- Cash on hand	-	0.09
- Cheques on hand		
- Balance with banks:	2,664.02	2,098.48
On current accounts ^d	5,358.83	347.50
On deposit account (with original maturity of three months or less)*	8,053.68	2,467.49
Other bank balances**	29,133.02	17,526.31
- On deposit accounts	37,186.70	19,993.80

#Current account balance with banks includes Rs 211.45 (previous year Rs. 222.36) held in foreign currency which are freely remissible to the Company.

*Deposits as at 31 March 2016 represents unutilized amounts of the IPO proceeds, been temporarily deployed in fixed deposits with banks

**Includes Rs. 24,961.08 (previous year Rs. 15,004.03) as deposits with banks under lien. These deposits are used for issuing letter of credit/ standby letter of credit/ bank guarantees.

Particulars	As at	
	31 March 2016	31 March 2015
Details of deposits		
Deposit with original maturity of three months or less included under 'cash and cash equivalents'	5,358.83	347.50
Deposit due for maturity within twelve months from the reporting date included under 'other bank balances'	29,133.02	17,526.31
Deposit due for maturity after twelve months from the reporting date included under 'other non-current assets'	13,539.93	15,118.55
	48,031.78	32,992.36



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InterGlobe Aviation Limited
Notes forming part of the financial statements for the year ended 31 March 2016
(Rupees in millions, except for share data and if otherwise stated)

2.18 Short-term loans and advances

Particulars	As at	
	31 March 2016	31 March 2015
<i>Unsecured, considered good, unless otherwise stated</i>		
To parties other than related parties:		
Prepaid expenses	1,052.17	882.39
Loans and advances to employees	101.05	91.60
Balance with service tax and custom authorities	496.86	275.17
Value added tax recoverable	37.83	16.68
Security deposits	90.46	41.25
Advance to suppliers:		
- Considered good	470.38	248.52
- Considered doubtful	3.94	3.94
	<u>474.32</u>	<u>252.46</u>
Less: Provision for doubtful loans and advances	3.94	3.94
	<u>470.38</u>	<u>248.52</u>
	<u>2,248.75</u>	<u>1,555.61</u>

2.19 Other current assets

Particulars	As at	
	31 March 2016	31 March 2015
<i>Unsecured, considered good, unless otherwise stated</i>		
Interest accrued but not due on fixed deposits	1,645.84	1,745.09
Deferred incentive (non-cash)	700.28	594.76
Maintenance recoverable	306.12	166.01
Insurance claim recoverable	11.42	54.64
Other recoverable	1,329.21	51.66
	<u>3,992.87</u>	<u>2,612.16</u>



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InterGlobe Aviation Limited
Notes forming part of the financial statements for the year ended 31 March 2016
(Rupees in millions, except for share data and if otherwise stated)

2.20 Revenue from operations

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Sale of services		
- Passenger services	151,088.88	130,547.21
- Cargo services	7,576.65	6,538.80
- Tours and packages	33.04	146.09
Sale of products		
- In-flight sales (traded goods)	1,726.31	1,290.28
Other operating revenue		
- Incentives	754.89	589.45
- Advertisement income	218.87	138.60
- Commission	0.45	2.93
	161,399.09	139,253.36

2.21 Other income

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Interest from fixed deposits	3,687.41	2,703.77
Net gain on sale of current investments	372.31	1,035.88
Other non-operating income:		
- Profit on sale of fixed assets [net of loss on sale of fixed assets Rs. 0.20 (previous year Rs. Nil)]	0.40	-
- Liabilities written back no longer required	69.34	107.78
- Miscellaneous income	484.47	98.40
	4,613.93	3,945.83

2.22 Purchase of stock in trade

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
In-flight sales (traded goods)	1,147.82	817.10
	1,147.82	817.10

2.23 Changes in inventories of stock in trade

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
In-flight sales (traded goods)		
- Opening stock	63.34	31.62
- Closing stock	(74.66)	(63.34)
Net (Increase) / decrease in stock in trade	(11.32)	(31.72)



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InterGlobe Aviation Limited

Notes forming part of the financial statements for the year ended 31 March 2016

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

2.24 Employee benefits expense

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Salaries, wages and bonus	16,795.22	11,563.02
Contribution to provident and other funds (Refer to Note 2.31)	306.71	251.93
Staff welfare expenses	120.23	71.96
Employee stock compensation cost (Refer to Note 2.40)	677.07	-
	17,899.23	11,886.91

2.25 Finance costs

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Interest expenses:		
- Interest on borrowings	125.65	105.53
- Finance lease charges	1,019.02	929.36
- Interest others	12.34	1.76
Net loss on foreign currency transactions and translation to the extent regarded as borrowing cost*	191.52	118.67
	1,348.53	1,155.32

* Schedule III to the Companies Act, 2013 requires disclosure of exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest cost. The amount of Rs. 191.52 (previous year Rs. 118.67) representing this adjustment has been disclosed in the above note. The remaining exchange loss of Rs. 937.71 (previous year Rs. 592.44) has been disclosed under "Other expenses".

2.26 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Depreciation for the year on tangible fixed assets (Refer to Note 2.9)	4,913.81	2,941.52
Amortisation for the year on intangible fixed assets (Refer to Note 2.9)	116.98	80.62
	5,030.79	3,022.14



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InterGlobe Aviation Limited
Notes forming part of the financial statements for the year ended 31 March 2016
(Rupees in millions, except for share data and if otherwise stated)

2.27 Other expenses

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Tours and packages	18.11	76.26
Consumption of stores and spares and loose tools (Refer to Note 2.36)	1,130.73	892.31
Rent (Refer to Note below)	778.98	444.62
Repairs and maintenance		17.84
- equipment	22.58	
- others	402.13	350.15
Insurance		288.59
- aircraft	295.09	69.04
- others	138.60	499.68
Legal and professional	569.26	20.97
Rates and taxes	65.90	
Landing fees and en route charges	14,099.71	10,901.32
Reservation cost	876.08	740.94
Commission	7,257.91	7,027.98
Sales promotion and advertisement	882.12	960.84
In-flight and passenger cost	741.41	477.07
Aircraft maintenance		63.37
- Redelivery cost (Refer to Note 2.8)	82.48	21.34
- Engineering consumables (including provision for obsolescence)	31.62	2,829.84
- others	3,996.73	305.59
Operating cost of software	688.68	61.63
Recruitment cost	82.05	699.58
Training	1,024.97	341.16
Bank charges	461.48	1,531.04
Crew accommodation and transportation	1,958.49	0.18
Assets written off	4.26	0.13
Loss on sale of fixed assets [net of profit on sale of fixed assets Rs. Nil (previous year Rs. 0.61)]	-	
Electricity and water charges	75.84	62.87
Traveling and conveyance	571.45	528.17
Printing and stationery	143.63	125.51
Communication and information technology	67.06	57.84
Donations	0.18	20.00
Vehicle running and maintenance	16.95	13.77
Auditor's remuneration		6.00
- Audit fees	9.50	-
- Limited reviews	1.50	-
- Tax audit	0.80	0.80
- Other matters*	0.03	-
Provision for doubtful debts	-	71.45
Other operating cost	693.29	598.53
Advance written off	2.10	0.90
Foreign exchange loss [net of gain Rs. 1,051.64 (previous year Rs. 807.53)]	937.71	592.44
Miscellaneous expenses	177.17	138.19
Corporate social responsibility expenses (Refer to Note 2.42)	85.08	39.03
Sitting Fees	2.05	-
	38,393.71	30,876.97

* Excludes fee paid to statutory auditor amounting to Rs. 20.00 for IPO related services (Refer to Note 2.2)



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InterGlobe Aviation Limited

Notes forming part of the financial statements for the year ended 31 March 2016
(Rupees in millions, except for share data and if otherwise stated)

Operating leases

The Company has taken its office premises, various commercial premises and residential premises for its employees under cancelable operating lease arrangements. The lease payments charged during the year to the Statement of Profit and Loss amounting to Rs 778.98 (previous year Rs. 444.62)

The Company has taken aircraft on dry operating lease from lessors. Under the aircraft operating lease arrangement, the Company pays monthly rental in the form of base and supplementary rentals.

Base rental payments are either based on floating interest rates or on fixed rentals.

Supplementary rentals are based on aircraft utilisation and are calculated with reference to the number of hours or cycles operated during each month. Both base and supplementary rentals have been charged to Statement of Profit and Loss.

Total future minimum lease payments due under non-cancellable operating leases (except supplementary rental which are based on aircraft utilization and calculated on number of hours or cycles operated) are as follows:

Particulars	As at	As at
	31 March 2016	31 March 2015
Not later than one year	19,796.27	16,486.80
Later than one year but not later than five years	41,106.97	39,503.28
Later than five years	3,210.87	5,153.81
	<u>64,114.11</u>	<u>61,143.89</u>

Lease rental expense including supplementary rental, recognised in Statement of Profit and Loss amounts to Rs 26,121.52 (previous year Rs 19,522.38) which is net of cash and non-cash incentives amounting to Rs 3,565.96 (previous year Rs. 3,553.12).



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InterGlobe Aviation Limited

Notes forming part of the financial statements for the year ended 31 March 2016

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

2.28 Contingent liabilities (to the extent not provided for)

	As at 31 March 2016	As at 31 March 2015
a Income Tax	972.71	972.71

The income tax authority has assessed and revised the taxable income on account of disallowance of certain expenses, provisions, depreciation and/or adjustments, and in respect of the tax treatment of certain incentives received from the manufacturer with the acquisition of aircraft and engines. Management has filed an appeal against the disallowance and/or adjustments made by tax authorities and believe, based on advice from counsels/experts, that the views taken by the tax authority are not sustainable at higher levels and accordingly no provision is required to be recorded in the books of account on account of the same. Liability as at 31 March 2016 is net of Rs. 1,602.03 (previous year Rs. 1,602.03), which represents minimum alternate tax recoverable written off in earlier years.

b. The Company is in legal proceedings for various matters related to Customs, Service Tax and Value Added Tax (VAT). The amount involved in these proceedings, not acknowledged as debt, is:

- (a) Customs- Rs. Nil (Previous Year Rs. 24.05),
- (b) Service Tax- Rs. 145.68 (Previous Year Rs. 56.04) and
- (c) Value Added Tax- Rs. Nil (Previous Year Rs. 10.28).

The Company is of the opinion that the amount is not tenable and accordingly no provision is required in the books of account

c. Claims against the Company not acknowledged as debt

- i) Claims by supplier amounting to Rs. 244.09 (previous year Rs. 179.32) on account of certain disputed matters
- ii) As per the notification dated 1 January 2016, The Payment of Bonus (Amendment) Act, 2015 is applicable retrospectively w.e.f. 1 April 2014. While the Company has considered the impact of this amendment for the current financial year, in view of the partial stay granted by Karnataka and Kerala High Court, the impact of this amendment for the period 1 April 2014 till 31 March 2015 amounting to Rs. 19.47 has not been acknowledged as debt

d. The Company is party to various legal proceedings in the normal course of business and does not expect the outcome of these proceedings to have any adverse effect on the financial statements and hence no provision has been set-up against the same.

2.29 Commitments

Particulars	As at 31 March 2016	As at 31 March 2015
Estimated amount of contracts remaining to be executed on capital account and other commitments, and not provided for in the books of account [net of advances Rs. 136.34 (previous year Rs. 51.07)]	1,487,878.36	586,812.64

2.30 Related party as per Accounting Standard 18 on Related Party Disclosures

(I) List of related parties and nature of relationship where control exists:

Nature of relationship	Name of parties
Investing party of which the Company is an associate (Holding and Ultimate Holding Company till 9 November 2015)	InterGlobe Enterprises Limited

(II) List of related parties and nature of relationship with whom transactions have taken place during the current/ previous year:

Nature of relationship	Name of parties
Investing party of which the Company is an associate (Holding and Ultimate Holding Company till 9 November 2015)	InterGlobe Enterprises Limited

Enterprises where significant influence of:	Name of parties
- Key management personnel or their relatives	InterGlobe Air Transport Limited (Fellow subsidiary till 9 November 2015)
- Individuals owning, directly or indirectly, an interest in voting power of the Company or their relative exists	InterGlobe Foundation (Fellow subsidiary till 9 November 2015)
	InterGlobe Technologies Private Limited
	Acquire Services Private Limited
	InterGlobe Hotels Private Limited
	CAE Simulation Training Private Limited (Related party till 23 March 2015)
	The Chinkerpoo Family Trust (Trustee: Shobha Gangwal & J.P.Morgan Trust Company of Delaware)
	Caddic Hotels Private Limited
	IGE (Mauritius) Private Limited



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InterGlobe Aviation Limited

Notes forming part of the financial statements for the year ended 31 March 2016

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

Key management personnel and their relatives

Mr. Aditya Ghosh – President and Whole Time Director
 Mr. Kapil Bhatia – Director (Director till 23 June 2015)
 Mr. Rahul Bhatia – Director (Managing director till 23 June 2015)
 Ms. Rohini Bhatia – Director (Director with effect from 27 March 2015)
 Mr. Rakesh Gangwal - Director (Director with effect from 25 June 2015)
 Ms. Shobha Gangwal - Wife of Mr. Rakesh Gangwal
 Dr. Asha Mukherjee - Sister of Mr. Rakesh Gangwal

Individuals owning, directly or indirectly, an interest in voting power of the Company and their relatives

Ms. Shobha Gangwal (with effect from 25 April 2015)

(III) Transactions with related parties during the current / previous year:

S. No.	Particulars	Holding and Ultimate Holding Company (Till 9 November 2015)	Investing party of which the Company is an associate	Enterprises where significant influence of key management personnel or their relatives/ individuals owning voting power or their relative exists	Fellow Subsidiary (Till 9 November 2015)	Key management personnel / Individuals owning voting power and their relatives	Total
a)	Rent expense						
	InterGlobe Enterprises Limited	23.36 (38.14)	16.86 (-)	- (-)	- (-)	- (-)	40.22 (38.14)
	Acquire Services Private Limited	- (-)	- (-)	65.13 (49.93)	- (-)	- (-)	65.13 (49.93)
b)	Commission expense						
	InterGlobe Air Transport Limited	- (-)	- (-)	397.25 (-)	537.93 (964.82)	- (-)	935.18 (964.82)
c)	Reservation cost						
	InterGlobe Technologies Private Limited	- (-)	- (-)	222.96 (210.31)	- (-)	- (-)	222.96 (210.31)
d)	Legal and professional expense						
	InterGlobe Enterprises Limited	73.35 (132.25)	72.86 (-)	- (-)	- (-)	- (-)	146.21 (132.25)
e)	Landing fees and en route charges						
	InterGlobe Air Transport Limited	- (-)	- (-)	- (-)	- (2.34)	- (-)	- (2.34)
f)	Crew accommodation expense						
	InterGlobe Hotels Private Limited	- (-)	- (-)	69.08 (75.33)	- (-)	- (-)	69.08 (75.33)
	Caddie Hotels Private Limited	- (-)	- (-)	19.19 (-)	- (-)	- (-)	19.19 (-)
g)	Training expense						
	CAE Simulation Training Private Limited	- (-)	- (-)	- (251.61)	- (-)	- (-)	- (251.61)
h)	Operating cost of software						
	InterGlobe Enterprises Limited	15.32 (-)	131.21 (-)	- (-)	- (-)	- (-)	146.53 (-)
	InterGlobe Technologies Private Limited	- (-)	- (-)	33.91 (25.49)	- (-)	- (-)	33.91 (25.49)



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InterGlobe Aviation Limited
Notes forming part of the financial statements for the year ended 31 March 2016
(Rupees in millions, except for share data and if otherwise stated)

S. No.	Particulars	Holding and Ultimate Holding Company (Till 9 November 2015)	Investing party of which the Company is an associate	Enterprises where significant influence of key management personnel or their relatives/ individuals owning voting power or their relative exists	Fellow Subsidiary (Till 9 November 2015)	Key management personnel / Individuals owning voting power and their relatives	Total
i)	Electricity and water charges						
	InterGlobe Enterprises Limited	2.48 (5.75)	3.07 (-)	- (-)	- (-)	- (-)	5.55 (5.75)
	Acquire Services Private Limited	- (-)	- (-)	7.42 (5.90)	- (-)	- (-)	7.42 (5.90)
j)	Repairs and maintenance - others						
	InterGlobe Enterprises Limited	4.43 (11.33)	4.45 (-)	- (-)	- (-)	- (-)	8.88 (11.33)
	Acquire Services Private Limited	- (-)	- (-)	14.52 (11.60)	- (-)	- (-)	14.52 (11.60)
k)	Reimbursement of expenses						
	InterGlobe Enterprises Limited	- (0.33)	- (-)	- (-)	- (-)	- (-)	- (0.33)
	InterGlobe Air Transport Limited	- (-)	- (-)	- (-)	- (0.05)	- (-)	- (0.05)
	InterGlobe Technologies Private Limited	- (-)	- (-)	- (0.04)	- (-)	- (-)	- (0.04)
	Acquire Services Private Limited	- (-)	- (-)	- (0.36)	- (-)	- (-)	- (0.36)
	InterGlobe Hotels Private Limited	- (-)	- (-)	- (0.12)	- (-)	- (-)	- (0.12)
l)	Corporate social responsibility expenses						
	InterGlobe Foundation	- (-)	- (-)	- (-)	28.00 (6.70)	- (-)	28.00 (6.70)
m)	Miscellaneous Income						
	InterGlobe Technologies Private Limited	- (-)	- (-)	0.54 (-)	- (-)	- (-)	0.54 (-)
n)	Miscellaneous Expenses						
	InterGlobe Hotels Private Limited	- (-)	- (-)	0.25 (-)	- (-)	- (-)	0.25 (-)
	Caddie Hotels Private Limited	- (-)	- (-)	1.93 (-)	- (-)	- (-)	1.93 (-)
o)	Managerial Remuneration						
	Salaries, wages and bonus @	- (-)	- (-)	- (-)	- (-)	273.36 (45.02)	273.36 (45.02)
	Contribution to provident and other funds	- (-)	- (-)	- (-)	- (-)	1.52 (1.03)	1.52 (1.03)



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InterGlobe Aviation Limited

Notes forming part of the financial statements for the year ended 31 March 2016

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

S. No.	Particulars	Holding and Ultimate Holding Company (Till 9 November 2015)	Investing party of which the Company is an associate	Enterprises where significant influence of key management personnel or their relatives/ individuals owning voting power or their relative exists	Fellow Subsidiary (Till 9 November 2015)	Key management personnel / Individuals owning voting power and their relatives	Total
p)	Interim Dividend						
	InterGlobe Enterprises Limited	5,127.26 (5,519.78)	- (-)	- (-)	- (-)	- (-)	5,127.26 (5,519.78)
	Kapil Bhatia	- (-)	- (-)	- (-)	- (-)	1.63 (1.76)	1.63 (1.76)
	Rahul Bhatia	- (-)	- (-)	- (-)	- (-)	1.31 (1.41)	1.31 (1.41)
	Rohini Bhatia	- (-)	- (-)	- (-)	- (-)	0.33 (0.35)	0.33 (0.35)
	Rakesh Gangwal	- (-)	- (-)	- (-)	- (-)	1,920.88 (-)	1,920.88 (-)
	Shobha Gangwal	- (-)	- (-)	- (-)	- (-)	1,007.84 (-)	1,007.84 (-)
	The Chinkerpo Family Trust (Trustee: Shobha Gangwal & J.P.Morgan Trust Company of Delaware)	- (-)	- (-)	1,920.88 (-)	- (-)	- (-)	1,920.88 (-)
q)	Proposed Dividend						
	InterGlobe Enterprises Limited	- (-)	2,304.74 (-)	- (-)	- (-)	- (-)	2,304.74 (-)
	Kapil Bhatia	- (-)	- (-)	- (-)	- (-)	0.75 (-)	0.75 (-)
	Rahul Bhatia	- (-)	- (-)	- (-)	- (-)	0.60 (-)	0.60 (-)
	Rohini Bhatia	- (-)	- (-)	- (-)	- (-)	0.15 (-)	0.15 (-)
	Rakesh Gangwal	- (-)	- (-)	- (-)	- (-)	912.91 (-)	912.91 (-)
	Shobha Gangwal	- (-)	- (-)	- (-)	- (-)	522.79 (-)	522.79 (-)
	Asha Mukherjee	- (-)	- (-)	- (-)	- (-)	20.24 (-)	20.24 (-)
	IGE (Mauritius) Private Limited	- (-)	- (-)	48.60 (-)	- (-)	- (-)	48.60 (-)
	The Chinkerpo Family Trust (Trustee: Shobha Gangwal & J.P.Morgan Trust Company of Delaware)	- (-)	- (-)	845.64 (-)	- (-)	- (-)	845.64 (-)



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InterGlobe Aviation Limited
Notes forming part of the financial statements for the year ended 31 March 2016
(Rupees in millions, except for share data and if otherwise stated)

S. No.	Particulars	Holding and Ultimate Holding Company (Till 9 November 2015)	Investing party of which the Company is an associate	Enterprises where significant influence of key management personnel or their relatives/ individuals owning voting power or their relative exists	Fellow Subsidiary (Till 9 November 2015)	Key management personnel / Individuals owning voting power and their relatives	Total
	Acquire Services Private Limited	- (-)	- (-)	0.15 (-)	- (-)	- (-)	0.15 (-)
r)	Conversion of convertible preference shares into equity shares (Refer to Note 2.1 (b) (2))						
	Rahul Bhatia	- (-)	- (-)	- (-)	- (-)	3.01 (-)	3.01 (-)
	Shobha Gangwal	- (-)	- (-)	- (-)	- (-)	3.01 (-)	3.01 (-)
	Rakesh Gangwal	- (-)	- (-)	- (-)	- (-)	2.00 (-)	2.00 (-)
s)	Bonus shares - Issued during the year (Refer to Note 2.1 (h) (iii))						
	InterGlobe Enterprises Limited	1,412.46 (-)	- (-)	- (-)	- (-)	- (-)	1,412.46 (-)
	Acquire Services Private Limited	- (-)	- (-)	0.09 (-)	- (-)	- (-)	0.09 (-)
	Kapil Bhatia	- (-)	- (-)	- (-)	- (-)	0.45 (-)	0.45 (-)
	Rahul Bhatia	- (-)	- (-)	- (-)	- (-)	27.41 (-)	27.41 (-)
	Rohini Bhatia	- (-)	- (-)	- (-)	- (-)	0.09 (-)	0.09 (-)
	Shobha Gangwal	- (-)	- (-)	- (-)	- (-)	304.71 (-)	304.71 (-)
	Rakesh Gangwal	- (-)	- (-)	- (-)	- (-)	547.24 (-)	547.24 (-)
	Asha Mukherjee	- (-)	- (-)	- (-)	- (-)	13.49 (-)	13.49 (-)
	The Chinkerpoo Family Trust (Trustee: Shobha Gangwal & J P Morgan Trust Company of Delaware)	- (-)	- (-)	529.20 (-)	- (-)	- (-)	529.20 (-)
t)	Employee stock compensation cost (Refer to Note 2.40)						
	Aditya Ghosh	- (-)	- (-)	- (-)	- (-)	72.69 (-)	72.69 (-)

(figures in () are for previous year)
@ excludes expense towards gratuity since the same is based on actuarial valuation for the Company as a whole.



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InterGlobe Aviation Limited
Notes forming part of the financial statements for the year ended 31 March 2016
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(IV) Balances as at 31 March 2016:

Particulars	Holding and Ultimate Holding Company (Till 9 November 2015)	Investing party of which the Company is an associate	Enterprises where significant influence of key management personnel or their relatives/ Individuals owning voting power or their relative exists	Fellow Subsidiary (Till 9 November 2015)	Key management personnel / Individuals owning voting power and their relatives	Total
Payables						
InterGlobe Enterprises Limited	- (4.52)	41.96 (-)	- (-)	- (-)	- (-)	41.96 (4.52)
InterGlobe Air Transport Limited	- (-)	- (-)	78.96 (-)	- (83.39)	- (-)	78.96 (83.39)
InterGlobe Technologies Private Limited	- (-)	- (-)	95.55 (124.74)	- (-)	- (-)	95.55 (124.74)
InterGlobe Hotels Private Limited	- (-)	- (-)	4.86 (5.82)	- (-)	- (-)	4.86 (5.82)
Caddie Hotels Private Limited	- (-)	- (-)	10.51 (-)	- (-)	- (-)	10.51 (-)
Acquire Services Private Limited	- (-)	- (-)	0.85 (6.16)	- (-)	- (-)	0.85 (6.16)
CAE Simulation Training Private Limited	- (-)	- (-)	- (8.05)	- (-)	- (-)	- (8.05)
Aditya Ghosh	- (-)	- (-)	- (-)	- (-)	11.11 (0.81)	11.11 (0.81)
Dividend payable						
InterGlobe Enterprises Limited	- (509.86)	2,304.74 (-)	- (-)	- (-)	- (-)	2,304.74 (509.86)
Kapil Bhatia	- (-)	- (-)	- (-)	- (-)	0.75 (0.16)	0.75 (0.16)
Rahul Bhatia	- (-)	- (-)	- (-)	- (-)	0.60 (0.13)	0.60 (0.13)
Rohini Bhatia	- (-)	- (-)	- (-)	- (-)	0.15 (0.03)	0.15 (0.03)
Rakesh Gangwal	- (-)	- (-)	- (-)	- (-)	912.91 (-)	912.91 (-)
Shobha Gangwal	- (-)	- (-)	- (-)	- (-)	522.79 (-)	522.79 (-)
Asha Mukherjee	- (-)	- (-)	- (-)	- (-)	20.24 (-)	20.24 (-)
IGE (Mauritius) Private Limited	- (-)	- (-)	48.60 (-)	- (-)	- (-)	48.60 (-)
The Chinkerpoo Family Trust (Trustee: Shobha Gangwal & J.P.Morgan Trust Company of Delaware)	- (-)	- (-)	845.64 (-)	- (-)	- (-)	845.64 (-)



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InterGlobe Aviation Limited

Notes forming part of the financial statements for the year ended 31 March 2016

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

Particulars	Holding and Ultimate Holding Company (Till 9 November 2015)	Investing party of which the Company is an associate	Enterprises where significant influence of key management personnel or their relatives/ Individuals owning voting power or their relative exists	Fellow Subsidiary (Till 9 November 2015)	Key management personnel / Individuals owning voting power and their relatives	Total
Acquire Services Private Limited	-	-	0.15	-	-	0.15
	(-)	(-)	(-)	(-)	(-)	(-)
(figures in () are for previous year)						

2.31 Employee benefits

Defined contribution plan

An amount of Rs. 306.71 (previous year Rs. 251.93) has been recognised as an expense in respect of the Company's contribution to Provident Fund and Employee State Insurance Fund deposited with the relevant authorities and has been shown under personnel expenses in the Statement of Profit and Loss.

Defined benefit plan

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days of total basic salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the Company on retirement, separation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act.

The following table sets out the status of the gratuity plan as required under Accounting Standard 15:

Passenger services

Particulars	As at 31 March 2016	As at 31 March 2015
I. Changes in present value of defined benefit obligation:		
Present value of obligation as at the beginning of the year	266.06	174.81
Interest cost	22.16	16.94
Past service cost- vested	-	-
Current service cost	70.92	52.17
Benefits paid	(13.45)	(13.61)
Actuarial loss/ (gain) on obligations	18.49	35.75
Present value of obligation as at the end of the year	364.18	266.06
II. Change in the fair value of plan assets		
The Scheme does not have any assets as at the valuation date to meet the gratuity liability		
III. Amount recognised in the Balance Sheet		
Present value of obligation as at the end of the year	(364.18)	(266.06)
Fair value of plan assets at the end of the year	-	-
Funded status of the plans - (liability)	(364.18)	(266.06)
Net (Liability) recognised in the balance sheet		
	(364.18)	(266.06)
IV. Expense recognised in the Statement of Profit and Loss		
Current service cost	70.92	52.17
Past service cost- vested	-	-
Interest cost	22.16	16.94
Expected return on plan assets	-	-
Net actuarial (gain)/loss recognised in the year	18.49	35.75
Net gratuity cost	111.57	104.86
V. Assumptions:		
Economic assumptions		
Discount rate	7.79%	7.98%
Rate of increase in compensation levels	Non crew 10.75% Crew 5.75%	Non crew 10.75% Crew 5.75%
Average remaining working lives of employees (years)	26.66	28.34



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InterGlobe Aviation Limited
Notes forming part of the financial statements for the year ended 31 March 2016
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Demographic assumptions:

Retirement age

Pilot : 65 years Pilot : 65 years
Cabin Crew : 40 years Cabin Crew : 40 years
Non Crew : 60 years Non Crew : 60 years

Mortality table

IALM (2006-08) IALM (2006-08)

Withdrawal

18% 18%

Experience adjustment

Particulars	As at	As at	As at	As at	As at
	31 March 2016	31 March 2015	31 March 2014	31 March 2013	31 March 2012
Experience adjustment loss/(gain) – plan	-	-	-	-	-
Experience adjustment loss/(gain) – obligations	18.36	14.96	(8.60)	8.43	0.14

Cargo services

Particulars	As at	As at
	31 March 2016	31 March 2015

I. Changes in present value of defined benefit obligation:

Present value of obligation as at the beginning of the year	8.49	5.94
Interest cost	0.67	0.53
Past service cost- vested	-	-
Current service cost	1.53	1.22
Benefits paid	(0.14)	(0.27)
Actuarial loss/(gain) on obligations	0.80	1.07
Present value of obligation as at the end of the year	11.35	8.49

II. Change in the fair value of plan assets

The Scheme does not have any assets as at the valuation date to meet the gratuity liability

- -

III. Amount recognized in the Balance Sheet

Present value of obligation as at the end of the year	(11.35)	(8.49)
Fair value of plan assets at the end of the year	-	-
Funded status of the plans – (liability)	(11.35)	(8.49)
Net (liability) recognised in the Balance Sheet	(11.35)	(8.49)

IV. Expense recognised in the Statement of Profit and Loss

Current service cost	1.53	1.22
Interest cost	0.67	0.53
Expected return on plan assets	-	-
Net actuarial loss/ (gain) recognised in the year	0.80	1.07
Net gratuity cost	3.00	2.82

V. Assumptions:

Economic assumptions:

Discount rate	7.79%	7.98%
Rate of increase in compensation levels	10.75%	10.75%
Average remaining working lives of employees (years)	28.70	31.67

Demographic assumptions:

- Retirement age	60 years	60 years
- Mortality table	IALM (2006-08)	IALM (2006-08)
- Withdrawal		
- Upto 30 years	18%	18%
- From 31 to 44 years	18%	18%
- Above 45 years	18%	18%

Experience adjustment

Particulars	As at	As at	As at	As at	As at
	31 March 2016	31 March 2015	31 March 2014	31 March 2013	31 March 2012
Experience adjustment loss/(gain) – plan	-	-	-	-	-
Experience adjustment loss/(gain) – obligations	0.81	0.43	(3.32)	0.15	0.06



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InterGlobe Aviation Limited
Notes forming part of the financial statements for the year ended 31 March 2016
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Bifurcation of provision for gratuity at the end of year:

Particulars	As at	As at
	31 March 2016	31 March 2015
Provision for gratuity		
Passenger services		
- Current liability	54.13	33.56
- Non- Current liability	310.05	232.50
Cargo services		
- Current liability	1.56	1.00
- Non- Current liability	9.79	7.49
	375.53	274.55

2.32 The Company's exposure in respect of foreign currency denominated liabilities and assets not hedged by derivative instruments or otherwise is as follows:

Particulars	31 March 2016		31 March 2015		
	Amount in foreign currency	Amount (In Rupees)	Amount in foreign currency	Amount (In Rupees)	
Current/Non-current assets					
USD	131.02	8,667.32	108.18	6,761.81	
EUR	0.04	2.82	0.39	26.35	
GBP	0.01	0.55	-	-	
AED	23.97	431.84	51.21	871.46	
NPR	73.43	45.83	34.90	21.60	
OMR	0.14	24.25	0.45	73.81	
SGD	0.32	15.85	2.94	133.63	
THB	7.04	13.25	25.76	49.46	
Current /Non-current liabilities (excluding items mentioned below)					
USD	430.73	28,495.10	342.32	21,396.94	
EUR	0.49	37.04	0.20	13.60	
GBP	0.20	18.64	0.80	74.14	
CHF	0.12	8.61	0.11	7.36	
AED	8.33	150.11	7.00	119.12	
NPR	30.31	18.91	30.43	18.83	
OMR	0.11	19.48	0.07	11.38	
SGD	0.20	10.07	0.31	14.21	
THB	8.47	15.95	3.89	7.47	
AUD	-	-	0.02	0.90	
Outstanding finance lease liability	USD	468.40*	30,987.08*	630.42*	39,404.24*
Secured loans from banks and others	USD	61.00	4,035.46	48.00	3,000.24
Provision for redelivery cost	USD	5.78	382.29	4.53	282.92

* Includes borrowing associated with finance lease amounting to USD 45.57 (Rs. 3,014.61) [previous year USD 50.28 (Rs. 3,142.85)]

USD: United States Dollar, GBP: Great British Pound, AED: Arab Emirates Dirhams, NPR: Nepalese Rupce Rate, OMR: Omani Rials, THB: Thai Baht, CHF: Swiss Franc, SGD: Singapore Dollar, EUR: Euro, AUD: Australian Dollar



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InterGlobe Aviation Limited
Notes forming part of the financial statements for the year ended 31 March 2016
(Rupees in millions, except for share data and if otherwise stated)

2.33 Expenditure in foreign currency

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Aircraft and engine rentals (excluding cash and non-cash incentives)	29,687.48	23,075.50
Aircraft maintenance	4,061.23	2,735.51
Aircraft fuel expenses*	7,217.18	6,803.31
Employee benefits	806.30	514.28
Finance cost	1,144.67	1,034.89
Landing fees and en route charges	1,680.95	1,249.86
Insurance-aircraft	295.09	288.59
Reservation cost	640.89	515.34
Training	437.44	295.14
Legal and professional	30.11	70.52
Operating cost of software	158.96	128.36
Travelling and conveyance	17.30	8.32
Crew accommodation and transportation	185.55	124.82
Recruitment cost	36.57	22.54
In flight purchases	9.47	17.05
Repair and maintenance	21.94	11.00
Commission	76.19	60.74
Bank Charges	1.14	-
Insurance Charges	0.41	-
Rates and Taxes	0.27	-
Share Issue Expenses (Refer to Note 2.2)	27.82	-
Miscellaneous expenses	139.21	103.13
	<u>46,676.17</u>	<u>37,058.90</u>

* Including consumption of imported fuel inventory amounting to Rs 5,332.28 (previous year Rs. 4,429.58)

2.34 Earnings in foreign exchange

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Passenger services*	6,818.38	5,144.48
Cargo services	48.98	83.92
Inflight sales	136.15	95.17
Incentives (cash and non-cash)	4,320.85	4,142.57
Advertisement income	3.14	-
Miscellaneous income	157.17	19.93
	<u>11,484.67</u>	<u>9,486.07</u>

*Includes earnings from tickets booked through international credit cards

2.35 CIF value of imports

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Capital goods	1,082.30	396.21
Components and spare parts	1,183.17	928.53
	<u>2,265.47</u>	<u>1,324.74</u>



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InterGlobe Aviation Limited

Notes forming part of the financial statements for the year ended 31 March 2016

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

2.36 Value of stores and spares and loose tools consumed

Particulars	For the year ended 31 March 2016		For the year ended 31 March 2015	
	%	Amount	%	Amount
Imported	88.08%	995.99	89.06%	794.69
Indigenous	11.92%	134.74	10.94%	97.62
Total	100.00%	1,130.73	100.00%	892.31

2.37 Dividend remittances in foreign currency

Particulars	For the year ended	For the year ended
	31 March 2016	31 March 2015
Amount remitted during the year	5,331.90	6,564.39
Year to which the dividend relates	Year ended 31 March 2015 and 31 March 2016	Year ended 31 March 2015 and 31 March 2014
Number of non-resident shareholders*	3	2
Number of shares held by non-resident shareholders*	148,451	148,451

*Dividend has been paid before the date of issue of bonus shares and sub-division of equity shares (Refer to Note 2.1)

2.38 Segment Reporting

a) Primary Segment: Geographical Segment

The Company operates in domestic and international sectors. Moreover, the Company, considering its internal financial reporting, which is based on geographic segments has identified geographic segment as the primary segment.

The geographic segment consists of:

- i) Domestic (air transportation within India)
- ii) International (air transportation outside India)

Accounting policies: Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

Segment revenue and expenses:

Segment revenue and expenses represents revenue and expenses that are either directly attributed to individual segments or are attributed to individual segments on a reasonable basis. The remainder of the revenue and expenses are categorized as unallocated which mainly comprises finance costs and other operating expenses and certain other incomes since the underlying assets/liabilities/services are used interchangeably. The Company believes that it is not practical to provide segment disclosures relating to these unallocated revenue and expenses, and accordingly these are separately disclosed as "unallocated".

Segment assets and liabilities:

Segment assets includes all operating assets used by a segment and consists primarily of fixed assets, inventories, trade receivables, loans and advances etc which are directly attributed to individual segments or are attributed to individual segments on a reasonable basis. Segment liabilities include all operating liabilities and consist primarily of forward sales, advance from customers etc which are directly attributed to individual segments or are attributed to individual segments on a reasonable basis. The remainder of assets and liabilities are categorized as unallocated, since the Company believes that it is not practical to allocate the same over reportable segments on a reasonable basis.



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

b) Secondary Segment: Business Segment

The company operates into one business segment only i.e. Air transportation. Therefore business segmenting is not applicable to the Company.

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Segment Revenue		
Domestic	146,893.36	127,254.63
International	14,697.26	12,084.26
Total	161,590.62	139,338.89
Segment Results		
Domestic	29,210.20	18,944.02
International	3,788.92	1,921.63
Total	32,999.12	20,865.65
Less:		
Finance costs	1,348.53	1,155.32
Depreciation and amortisation expense	394.65	309.57
Un-allocable expenses	7,388.84	4,795.83
Add:		
Other Un-allocable revenue	4,422.40	3,860.30
Profit before tax	28,289.50	18,465.23
Less:		
Tax expenses	8,392.30	5,423.51
Net Profit after tax	19,897.20	13,041.72
Segment Assets:		
Domestic	47,631.99	47,826.31
International	4,540.05	4,332.13
Un-allocable assets	78,019.07	55,524.01
Total	130,191.11	107,682.45
Segment Liabilities:		
Domestic	28,702.73	29,553.52
International	2,804.07	2,721.30
Un-allocable liabilities	80,341.54	71,200.68
Total	111,848.34	103,475.50
Capital expenditure		
Domestic	1,381.50	9,647.98
International	131.40	873.17
Un-allocable capital expenditure	967.31	284.41
Total	2,480.21	10,805.56
Depreciation and amortisation expense		
Domestic	4,233.47	2,487.45
International	402.67	225.12
Un-allocable depreciation and amortisation expense	394.65	309.57
Total	5,030.79	3,022.14
Non-cash expenses other than depreciation and amortisation expense		
Domestic	104.19	77.68
International	9.91	7.03
Un-allocable Non-cash expenses other than depreciation and amortisation expense	683.43	72.53
Total	797.53	157.24



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InterGlobe Aviation Limited
Notes forming part of the financial statements for the year ended 31 March 2016
(Rupees in millions, except for share data and if otherwise stated)

2.39 Earnings per share	For the year ended 31 March 2016	For the year ended 31 March 2015
Particulars		
Net profit	19,897.20	13,041.72
Net profit attributable to equity shareholders	19,897.20	13,041.72
Weighted average number of equity shares	342,073,191	307,000,000
- For basic earnings per share	10,133,850	36,716,000
Dilutive effect	352,207,041	343,716,000
- For diluted earnings per share		
Basic earnings per share (Rs)	58.17	42.48
Diluted earnings per share (Rs)	56.49	37.94
Nominal value per share (Rs)	10	10

Note: Earnings per share calculations are done in accordance with Accounting Standard 20 "Earnings Per Share" ("AS 20") as notified under section 133 of the Companies Act 2013, read together with rule 7 of the Companies (Accounts) Rules 2014. As required by AS 20, if the number of equity or potential equity shares outstanding increases as a result of a bonus issue or share split or decreases as a result of a reverse share split (consolidation of shares), the calculation of basic and diluted earnings per share should be adjusted for all the periods presented. As stated in Note 2.1 'Share Capital', the number of shares, during the year ended 31 March 2016, have increased on account of issue of bonus shares and split of shares. Accordingly, the bonus shares and share split have been considered while computing the basic and diluted earnings per share for the year ended 31 March 2016 and previous year ended 31 March 2015.

2.40 Employee share-based payment plans

Description of share-based payment arrangements

As at 31 March 2016, the Company has following share-based payment arrangements for employees:

(i) InterGlobe Aviation Limited Tenured Employees Stock Option Scheme - 2015 (ESOS 2015 - I)

On 23 June 2015, the Board of Directors approved the InterGlobe Aviation Limited Tenured Employees Stock Option Scheme (the "ESOS 2015 - I"), which was subsequently approved in the Extraordinary General Meeting held on 25 June 2015. The InterGlobe Aviation Limited Tenured Employees Stock Option Scheme - 2015, comprises 1,111,819 options which are convertible into equivalent number of equity shares of Rs 10 each as per the terms of the scheme. Upon vesting, the employees can acquire one common equity share of the Company for every option granted. The options were granted on 25 June 2015.

The terms and conditions related to the grant of the share options are as follows:

Grant date/employees entitled	Number of options granted	Vesting conditions	Contractual period
Options granted to the employees of the Company during the year ended 31 March 2016	1,111,819	Refer note below	2 years
Total share options outstanding as at 31 March 2016	1,111,819		

Note:

Vesting of the Options granted under the ESOS 2015 - I shall be one year from the Grant Date or completion of the listing of the shares of the Company on a recognized stock exchange in India in an initial public offering, whichever is later. In case the listing is not completed within two years from the date of Grant, the Options shall automatically lapse on the expiry of such two year period.

(ii) InterGlobe Aviation Limited Employees Stock Option Scheme - 2015 (ESOS 2015 - II)

On 23 June 2015, the Board of Directors approved the InterGlobe Aviation Limited Employees Stock Option Scheme (the "ESOS 2015 - II"), which was subsequently approved in the extra ordinary general meeting held on 25 June 2015. The InterGlobe Aviation Limited Employees Stock Option Scheme - 2015, comprises 3,107,674 options which are convertible into equivalent number of equity shares of Rs 10 each as per the terms of the scheme. Upon vesting, the employees can acquire one common equity share of the Company for every option. The options were granted on 30 October 2015.

The terms and conditions related to the grant of the share options are as follows:

Grant date/employees entitled	Number of options granted	Vesting conditions	Contractual period
Options granted to the employees of the Company during the year ended 31 March 2016	2,267,143	Refer note below	5 years - 8.5 years
Total share options outstanding as at 31 March 2016	2,267,143		



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InterGlobe Aviation Limited

Notes forming part of the financial statements for the year ended 31 March 2016

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

Note:

Vesting period of the options granted under ESOS 2015-II shall be:

- a) Over the period of four years (Graded Vesting) for 420,530 options granted to the President and Whole Time Director of the Company and 1,514,587 options granted to other employees of the Company; and
 b) After four and a half years subject to market condition being met for 332,026 options granted to the President and Whole Time Director of the Company.

The options granted under ESOS 2015-II can be exercised within four years from the date of vesting

Reconciliation of outstanding share options

The number and weighted average exercise prices of share options under employee stock option plans are as follows:

Particulars	As at 31 March 2016		
	No. of options	Weighted average exercise price	Weighted average remaining life
Outstanding at the beginning of the year	-	-	-
Granted during the year	3,378,962	422.61	4.95
Forfeited / expired during the year	-	-	-
Exercised during the year	-	-	-
Outstanding at the end of the year	3,378,962	422.61	4.95
Exercisable at the end of the year	-	-	-

In accordance with the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India, the Company has elected to account for stock options based on the fair value method.

The weighted average fair value of stock options as on grant date

Particulars	Method of valuation	Weighted average fair value as on grant date (Rs.)
ESOS - I	Black-Scholes option pricing model	569.19
ESOS - II		
- Employees other than President and Whole Time Director	Black-Scholes option pricing model	488.2-360.1
- President and Whole Time Director covered in (a) above	Black-Scholes option pricing model and Monte Carlo Simulation	757.9-756.1
- President and Whole Time Director covered in (b) above	Black-Scholes option pricing model	620.1

The inputs used in the measurement of grant-date fair value are as follows:

Particulars	Share price (Rs.)	Exercise price (Rs.)	Expected volatility	Expected life (In years)	Expected dividend	Risk-free interest rate
ESOS - I	578.47	10	57.0%	1	0.00%	7.5%
ESOS - II						
- Employees other than President and Whole Time Director	765	765	60.0% - 61.1%	3-6	0.00%	7.5%
- President and Whole Time Director covered in (a) above	765	10	60.5%-66.7%	1.5-4.5	0.00%	7.5%
- President and Whole Time Director covered in (b) above	765	765	62.4%	2	0.00%	7.5%

The risk-free interest rates are determined based on current yield to maturity of Government Bonds with 10 year residual maturity. Volatility calculation is based on daily closing stock prices of competitors using standard deviation of daily change in stock price. The minimum life of stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised. The expected term has been considered based on average sum of maximum life and minimum life. Dividend yield has been calculated taking into account expected rate of dividend on equity share price as on grant date.

Effect of employee stock option scheme on the Statement of Profit and Loss:

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Employee stock compensation cost	677.07	-
	677.07	-



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InterGlobe Aviation Limited

Notes forming part of the financial statements for the year ended 31 March 2016
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- 2.41 The proceeds from IPO is Rs 12,091 (net of fresh issue related expenses (including Service Tax))

Details of utilization of IPO proceeds are as follows:

Particulars	Objects of the issue as per the prospectus	Utilized upto 31 March 2016	Unutilized amount as at 31 March 2016
Retirement of certain outstanding finance lease liabilities and consequent acquisition of aircraft*	11,656.63	6,731.32	4,925.31
Purchase of ground support equipment for airline operations	342.58	109.50	233.08
General corporate purposes	91.79	91.79	-
Total	12,091.00	6,932.61	5,158.39

Majority of the unutilized amounts of the issue as at 31 March 2016 have been temporarily deployed in fixed deposits with banks.

*The Company has filed prospectus with Registrar of Companies (RoC) on 30 October 2015. As per the terms set out in the prospectus on "Utilization of IPO Proceeds", the Company was required to utilise IPO proceeds to retire certain outstanding finance lease liabilities and consequent acquisition of aircraft by 31 March 2016. The Company has retired finance lease liabilities for five aircraft out of the proposed eight aircraft by 31 March 2016. The Company is in the process of obtaining requisite approvals for the remaining outstanding finance lease in respect of three aircraft. Management expects to receive the approvals in the first quarter of financial year 2016-2017.

- 2.42 Under Section 135 of the Companies Act, 2013, the Company is required to spend, in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial years on Corporate Social Responsibility (CSR), pursuant to its policy in this regard. The Act requires such companies to constitute a Corporate Social Responsibility Committee which shall formulate and recommend to the Board a Corporate Social Responsibility Policy which shall indicate the CSR activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013.

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
a) Gross amount required to be spent by the Company during the year	189.47	98.55
b) Amount spent and paid during the year	85.08	39.03
Particulars of amount spent and paid during the year:		
(i) Construction/acquisition of any asset	85.08	39.03
(ii) On purpose other than (i) above	<u>85.08</u>	<u>39.03</u>

- 2.43 Scheme of arrangement

Amalgamation of the Company with Caelum Investment, LLC

A scheme of amalgamation between Caelum Investment LLC ("Transferor Company") and InterGlobe Aviation Limited (the "Company" or "Transferee Company") and their respective shareholders/members and creditors ("Scheme") was sanctioned by the High Court of Delhi vide its order dated 22 December 2014 ("Order") under Sections 391 to 394 and all other applicable provisions of the Companies Act, 1956 in Company Petition No. 599/2014 connected with Company Application (M) No. 107/2014 and in respect of which the certified copy of the formal Order was obtained on 27 March 2015 and was subsequently filed with the Registrar of Companies on 24 April 2015. Further, in relation to the Scheme, the Company has received a certificate of merger dated 24 April 2015 from the Secretary of State, Division of Corporations, State of Delaware, United States of America giving effect to the merger of the Transferor Company with the Company. Accordingly, in terms of the Scheme, the Scheme came into effect from 24 April 2015 ("Effective Date"). The applicable date and the effective date of the scheme is 24 April 2015.

Transferor Company was an investment Company.

In relation to the Scheme, the Foreign Investment Promotion Board vide its letter (No. 69(2014)/90(2014) dated 10 September 2014 had granted its approval to the Company to issue and allot upto 147,000 equity shares having face value of Rs. 1,000 each constituting 47.88% of the issued, paid-up equity share capital to the members of the Transferor Company in the proportion of the voting units held by such members in the Transferor Company pursuant to the Scheme. Further, the Competition Commission of India vide its order dated 30 July 2014 stated that the proposed combination is not likely to have an appreciable adverse effect on competition in India and therefore, approved the same under Section 31(1) of the Competition Act, 2002.

As on the Effective Date, the only assets of the Transferor Company represents 147,000 equity shares having face value of Rs. 1,000 ("Equity Shares") in the Transferee Company.



Handwritten signatures and initials, including a large 'A' and a signature that appears to be 'R'.

InterGlobe Aviation Limited

Notes forming part of the financial statements for the year ended 31 March 2016

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

In accordance with the terms of the Scheme, the Company at its board meeting held on 25 April 2015, cancelled the equity shares held by the Transferor Company in the Company and issued and allotted 147,000 fresh fully paid-up equity shares of Rs. 1,000 each to the members of Transferor Company in the manner mentioned below, constituting 47.88% of the post issue paid-up equity share capital of the Company on the date of issue of the aforesaid 147,000 equity shares. In terms of the Scheme, the 147,000 fresh equity shares were issued to the members of the Transferor Company in the proportion to the voting units held by the members of the Transferor Company in the Transferor Company and whose names appear in the books and records of the Transferor Company as on 23 April 2015 i.e. the 'Record Date', as defined in the Scheme:

S. No.	Name of Shareholder	Number of equity shares
1.	Mr. Rakesh Gangwal	58,800
2.	Ms Shobha Gangwal	29,400
3.	The Chinkerpoo Family Trust (Trustee: Shobha Gangwal & J P Morgan Trust Company of Delaware)	58,800
	Total	147,000

The amalgamation is in the nature of a merger and has been accounted for under the "Pooling of Interest Method" as per Accounting Standard 14 (AS-14), by recording the following:

- As per the scheme, 147,000 equity shares of Rs. 1,000 each held by the Transferor Company in the Transferee Company were extinguished and proportionate number of fresh fully paid-up equity shares of Rs. 1,000 each of the Transferee Company were issued to the members of the Transferor Company on 25 April 2015.
- There is no material adjustment required to be made for difference in the accounting policies between the Transferee Company and the Transferor Company.

2.44 The Company had placed a firm order for 180 A320neo aircraft with Airbus in June 2011. Pursuant to this firm order, the Company was to receive delivery of the first aircraft out of the fleet of 180 A320neo aircraft during the quarter ended 31 December 2015. However, on 17 December 2015, the Company has received a notification from Airbus that the delivery of the first A320neo aircraft is delayed due to industrial reasons. Subsequently, in the quarter ended 31 March 2016, the Company has received delivery of three A320 Neo Aircraft out of the order of 180 A320 Neo Aircraft.

2.45 The Company has established a comprehensive system of maintenance of information and documents that are required by the transfer pricing legislation under section 92-92F of the Income Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by due date as required under the law. The management is of the opinion that its transactions with the associated enterprises are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

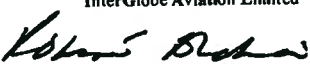
2.46 Previous year's figures have been regrouped / reclassified, where necessary, to conform to current year's classification.

As per our report of even date attached

For **BSR & Co. LLP**
Chartered Accountants
Registration No. 101248W/W-1000122


Jiten Chopra
Partner
Membership No. 092894

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



ROHINI BHATIA
Director
DIN: 01583219



Aditya Ghosh
President and Whole Time Director
DIN: 01243445



Pankaj Madan
Chief Financial Officer



Suresh Kumar Bhutani
Company Secretary

Place: Gurgaon
Date: 29 April 2016

Place: Gurgaon
Date: 29 April 2016



Management decalartion on unmodified audit report with Form A

Pursuant to the Regulation 33 (3) (d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by SEBI through notification no. SEBI/LAD-NRO/GN/2016-17/001 dated May 25, 2016 and Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016, I do hereby declare and confirm that BSR & Co., LLP, statutory auditors have given an unmodified audit report on the audited financial results of InterGlobe Aviation Limited for the financial year ended March 31, 2016.

For InterGlobe Aviation Limited

A handwritten signature in black ink, appearing to read "Pankaj Madan", written over a horizontal line.

**Pankaj Madan
(Chief Financial Officer)**

Date: June 21, 2016

Place: Gurgaon

Compliance under Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Form A (for audit report with unmodified opinion)

1.	Name of the company	InterGlobe Aviation Limited
2.	Annual financial statements for the year ended	31 March 2016
3.	Type of Audit observation	Unmodified
4.	Frequency of observation	Not applicable
5.	To be signed by – 1. Aditya Ghosh, President and Whole Time Director 2. Pankaj Madan, Chief Financial Officer 3. Jiten Chopra <i>Partner</i> Membership No. 092894 For B S R & Co. LLP <i>Chartered Accountants</i> Registration No.: 101248W/ W-100022 4. Devadas Mallya Mangalore, Audit Committee Chairman	