

Annual Report
2022-23



Towards New Heights & Across New Frontiers



IndiGo



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Forward-looking statements

This report may contain some statements on the Company's business or financials which may be construed as forward-looking based on the management's plans and assumptions. The actual results may be materially different from these forward-looking statements although we believe we have been prudent in our assumptions.

The reporting period of this report is FY 2023, and all facts and figures are pertaining to FY 2023 or as of March 31, 2023 unless stated otherwise.



India Prefers to Travel with us

IndiGo is India's most preferred airline which offers affordable fares, flights that are on-time, and provides a courteous and hassle-free service across our unparalleled network.

From a carrier with one plane to a fleet of 300+ aircraft today. This fabulous evolution was driven by several factors: uniform fleet for every operation, great operational reliability and award-winning services. We primarily serve India's domestic air travel market yet we have strong international ambitions and are continually increasing our footprint.

We constantly enhance engagement with our passengers to augment their travel experience. From multichannel direct sales, online flight status checking to an exclusive

IndiGo app for Android and iOS, we have enriched and popularised air travel in India. We show that low cost does not mean low quality.

1,800+ **~1,000***
Daily flights Aircraft on order

300+ **100+**
Aircraft Destinations

*Including order of 500 aircraft placed on June 19, 2023



Customer promises



Affordable fares



On time performance



Courteous and hassle-free service



Unparalleled network

Purpose



Giving wings to the nation by connecting people and aspirations.

Vision



To be India's preferred airline for connectivity in and with India, and by doing so being one of the leading airlines in the world.

Mission



IndiGo is on a mission to boost economic growth, social cohesion and mobility in India by developing our own model with affordable air connectivity, on-time performance and hassle-free service across our country and the globe.

CEO's Perspective



Dear Shareholders,

It is a genuine privilege for me to share my thoughts with you, for the first time in this annual report. Ever since my start at IndiGo in September 2022, I have been equally excited and proud to be a part of this wonderful company.

Aviation has had a hold on me ever since I joined the industry over 30 years ago, back in 1992. At IndiGo the entrepreneurial spirit, the energy and passion displayed by our employees, combined with the rich diversity of India have been a true pleasure for me that I intend to enjoy for long.

The financial year 2023 was a year of first recovery and thereafter growth. In the first half of the year, the path to recovery became clearly visible when the impact of Covid-19 subsided and travel restrictions were lifted. As a

result, travel rebounded at an extraordinary speed and scale. In the second half of 2022, a lot of exciting things have been launched and implemented at IndiGo, which we will share throughout this annual report.

Consequently, and proudly, IndiGo became the first Indian airline to surpass pre-covid levels of capacity, taking us into the highest passenger number ever - of 86 million for the Financial Year 2023. The relentless efforts of our professional and resilient employees enabled us to emerge stronger after this period of crisis.

As a result of the improved external environment and a wide range of internal initiatives that were taken as part of the new IndiGo strategy, IndiGo's financial performance considerably improved in FY 2023. Our revenues more than doubled as compared to last year and we also



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reported the highest ever annual revenues of 558.8 billion rupees. With that, the year had two very distinct halves.

The first two quarters we still suffered losses, yet we were recovering. The third and fourth quarter were profitable,

an important milestone after some 10 quarters of losses due to Covid-19.

Giving wings to the nation

Right from IndiGo's start, it has been our mission to connect the vast and diverse India, supporting social cohesion, mobility and economic progress. IndiGo's journey started almost 17 years ago with one aircraft and a flight to Imphal via Guwahati.

At the end of FY 2023, we operated more than 1,800 daily flights, covering 104 destinations, with our fleet of more than 300+ planes. With our vast network we are literally giving wings to the nation, enabling air travel to all large, medium, and smaller cities across India. Our many first-time flyers are a true testimony to this, just as the businesses that can flourish as a result of all these connections.

Over the past few months, we have built upon the existing beliefs of the organization to come up with a purpose. Building upon our strong cultural foundation, we have formulated it as such: 'Giving wings to the nation, by connecting people and aspirations'. This something we have lived by since our inception and which we continue to fuel going forward.

Fulfilling our purpose has provided us with a place of reckoning in the global aviation industry. With our 1,800+ flights we are in FY 2023 the 7th largest in the world by daily departures. We were number one in India by OTP (On Time Performance) in the last two quarters of this financial year, and we have one of the highest OTP in the world. We have the largest fleet order to be delivered of almost 500 aircraft between FY 2024 and the end of the decade. We also have the youngest fleet in the world with an average age of around 3.5 years. We are India's most preferred airline and fully intend to

maintain this position. With more and more international mobility in and out of India, we aim to extend our scope. And so, our vision is this: To be India's preferred airline for connectivity in and with India, by doing so being one of the leading airlines in the world. This is also briefly captured as 'India by IndiGo'.

Soaring towards new heights and across new frontiers

In FY 2023 we formulated, communicated and started to execute our new strategy of Towards new heights & across new frontiers. This will be for the years to come, the next chapter of the inspiring IndiGo story. We have identified three pillars for our (growth) strategy - Reassure, Develop and Create - which we will focus on in parallel. The wide range of initiatives that were collectively set in motion across our Company under these three pillars have already started to yield results in all areas as became visible in both the financial results as well as important KPI's such as NPS and OTP.

Reassure

This first pillar of the strategy is about reassuring - and improving where needed - the very basis of our Company. The focus on our three customer promises - affordable fares, on time performance and courteous and hassle-free service - have been at the basis of our success. Over the past year we have added a fourth promise: unparalleled network. Naturally, above all, safety is and will remain our number one priority.

Indeed, the very consistent delivery of our customer promises has enabled us to grow. In FY 2023, we welcomed around 86 million customers on board, which is a 72% jump as compared to the previous year and a 14 percent jump as compared to the previous pre-covid record year FY 2020.



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We also improved our operational performance, which has been one of our core strengths. Thanks to great efforts made by our staff, we were able to get back into the number one OTP position in November and have held onto it for most of the remainder of the financial year. Additionally, we have had one of the lowest cancellation rates globally in this year. In November, our new hangar at Bengaluru airport opened to support our continuously growing fleet. To mark our sixteenth anniversary in August 2022, we introduced a new revolutionary Three Point Disembarkation process which enables our customers to exit the aircraft faster than ever before. Being the first airline in the world to use this process, we have exhibited it at the cover page of this annual report.

The reliability of operations in combination with the service from the heart of our crew has led to higher customer satisfaction (NPS = Net Promoter Score). To improve our courteous and hassle-free service we have been simplifying our processes. In this financial year, our customer complaints remained at an all-time low.

At the end of FY 2023, we had presence in 104 destinations as we added 5 domestic and 2 international destinations, such as Ras Al Khaimah, Itanagar, Mopa-Goa, Nashik and Dharamshala. With our 1,800 flights a day we are able to offer almost 500 direct city pairs each day. Domestic connectivity remains a crucial part of our strategy going forward and we will keep on adding more and more domestic destinations to our network – further giving wings to the nation.

Develop

On our second pillar, by the end of the decade we will double in size. Herewith we will have to further develop and align people, processes and technology in line with this growing size and scale of our Company. Digitization plays a pivotal role in this. The actions we take in this second pillar will create the stability, structures and processes to help us steer the company on the path to our aspirations. In FY 2023, we have already been taking steps: we have upgraded the back-end of our website, developed an in-house 'Partnership Booking Engine', introduced RIFD technology that reduces the inspection time for life vests and introduced the e-logbook for pilots. We are investing in an HR management system, a new CRM and core digital platforms to enhance scalability and customer experience.

Next to this, we are also developing our people. Considering the large extent of hiring, creating the right skills and competencies will remain of great importance. We are proud to have ifly, one of the largest aviation training academies in the world, where the IndiGo spirit is created for over 1,850 people a day. Over the years a strong IndiGo culture has been build and nurtured. Made in IndiGo is one of the programs that makes me very proud to be part of this company as we give room for the talent that is inside our

home-grown 6€ employees. We have seen an uptick in our recent employee promotor scores (eNPS) and are continuing to build on initiatives that strengthen our employee engagement and talent management.

At IndiGo, we value diversity, equity and inclusion, and are focused on creating a safe and conducive space for all employees. With 15% women in the cockpit, we are proud to have the highest number of women pilots in the world, for which we were felicitated by the Indian Women Pilots' Association. In 2022, we joined International Air Transport Association (IATA) 25 by 2025 initiative that focuses on increasing female leadership to 25% to become one of the change agents in the aviation industry in order to make it truly diverse and inclusive along with other airlines and industry partners. Further, we are determined to push our 45% overall female share even further up through several programmes and initiatives such as "Take-Off 2.0" - a programme which provides opportunities to women who have been on a career break. These programmes and initiatives underpin IndiGo's commitment to being an equal opportunity employer.

Create

The third pillar in our strategy will create our future towards the next phase of our growth combining our strong Indian foundation with international aspirations. Apart from an unparalleled domestic network, we continue to strengthen our international network by introducing new destinations and frequencies. At the end of the financial year, we had presence in 26 international destinations, and surely this number will go up in the years to come. As a share of the capacity the international capacity (Available Seat Kilometre - ASK) will reach towards 30% in the next two years. Towards this goal, early June 2023 we have announced 6 new international destinations namely Nairobi, Jakarta, Baku, Tashkent, Tbilisi and Almaty. We are taking steps to prepare our sales and distribution for further international presence. These are exciting steps as we are connecting the world to India, one dot at a time. In addition to our own network, we are enhancing our connectivity with our strategic partners. With our codeshare agreement with

Turkish Airlines we are strengthening our international connectivity from India by providing services to 33 additional European destinations and 4 additional destinations in the US. Next, we have leased B777 from Turkish Airlines. This enabled us to operate a widebody to Istanbul, the perfect entry point to Europe. A second B777 - proudly in our own livery - arrived in the current financial year.

Apart from this, we are leveraging our existing platform for growth. With India emerging as a major electronics manufacturing hub, the country's air cargo network will become a critical enabler of its success. We have supplemented our business with two narrow body freighters to support India's cargo growth and an additional one is planned to arrive later this year.

At the same time, we are taking steps to complement our business with a customer loyalty program, and strengthen our co-brand card programme, to enable us to provide a differentiated customer experience, and create further stickiness to our brand.

In sum, all three pillars - Reassure, Develop and Create - are starting to bear fruit.

Our ESG initiatives - IndiGo Green

At IndiGo, we strive to deliver our customer promise in the most sustainable way possible. With our investments in the new generation aircraft, we have been able to reduce CO₂ footprint by around 20% in FY 2023 as compared to 7 years ago. Today, around 80% of our fleet is new generation and due to that, we are one of the lowest CO₂ emitting airlines in the world.

Apart from this, sustainability is integrated at the operational level and we are making a series of investments towards more responsible flying including single engine taxiing, optimal climb and descent paths, introduction of electric ground vehicles, combo units, electronic flight bags and water conservation techniques on-board.

Reaching out to people not only with planes but also with our hearts

Being a responsible airline, we believe that CSR is an important aspect of our growth going forward. Our CSR arm, IndiGoReach, contributes towards the goal of sustainable development for communities. It has four focus areas which cover children and education, women empowerment, environment, and heritage. With different programmes being implemented across 18 Indian states we have been able to reach over 1 lakh (100,000) beneficiaries. It is immensely gratifying to have been awarded with the prestigious "Best CSR Award for Women Empowerment" by FICCI.

IndiGo remains committed to supporting humanitarian causes in India and across the world. Recently, we supported the Indian government in "Operation Kaveri", in bringing over hundreds of Indian citizens back to their homeland from the crisis hit Sudan. Earlier in the year, with Turkey being hit by devastating earthquakes, we provided cargo movement on our flights to Istanbul.

Recognitions from around the world

As India's most preferred airline, we were recognized by several reputed organizations from around the world. These awards are a testament of our commitment to operational excellence, and I am proud to name a few of them:

- We were awarded with "World's Youngest Aircraft Fleet" in the 100+ aircraft category by ch-aviation.
- We were ranked as the 5th most punctual mega airline in the world by the Official Aviation Guide (OAG).
- We were awarded as the "Best Low-Cost Airlines in India and South Asia" by SkyTrax.

Power of We

All this has been made possible by the "Power of We" – the teamwork displayed by our employees across departments and

locations. Our core strength lies in our highly skilled, motivated, and engaged employees, who enable us to deliver the courteous and hassle-free service to the 3 lakh (300,000) passengers flying with us each day (milestone reached on May 21, 2023). I would like to extend my thanks to all IndiGo employees for demonstrating our true culture and spirit.

Way forward

Moving to the next fiscal year, we are very much energized by the growth path ahead of us, climbing towards new heights and across new frontiers. The demand for air travel remains robust, and the overall operating environment remains conducive. The vision of the government on India's growth and progress, and aviation as one of the catalysts for this, is benefitting the nation as well as the hospitality and aviation sector. The investments we are making in people and infrastructure will ensure that IndiGo remains well-positioned for a strong future growth.

In June 2023 we have set a truly momentous step in the journey of IndiGo as we placed a firm order for 500 Airbus of the A320 Family. This 500 aircraft order is not only IndiGo's largest order, but also the largest-ever single aircraft purchase by any airline with Airbus. With this order of 500 aircraft to be delivered between 2030 and 2035, IndiGo's order book now has almost a 1,000 aircraft yet to be delivered well into the next decade, allowing us to become a global aviation player.

Just as the efforts of our resilient and dedicated employees enabled us to emerge stronger after a period of crisis, the same will take us to the next phase of growth that has already started for both Indian aviation as well as IndiGo. With India being the fastest growing aviation market globally, and receiving strong support from the government to improve infrastructure and connectivity, the coming years we will be able to further give wings to the nation, by connecting people and aspirations. By the time you have read this annual report, a lot of exciting things will have happened at IndiGo already. I would kindly encourage you to stay tuned on our website and our social channels for more invigorating news as we go in this financial year. In FY 2024,



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we will reach new heights as we gear up to become a 100 million passenger airline. By the end of this decade, we are looking to double in size and scale. In other words, something that took us 16 years will now be achieved in less than half of that timeframe.

I will conclude by expressing my deepest gratitude to all our customers, stakeholders and partners for their unwavering faith in us. For our 6€ stars, all the colleagues at the various disciplines and geographical locations, I would like to take a deep bow for your unwavering support, dedication and relentless efforts for our customers and the company itself.

We look forward to continuing our growth path, by working as one team and focusing on what we do best. This way we will ensure that IndiGo remains structurally the strongest player in the Indian aviation market, thereby maximizing value for our shareholders and the communities we serve. India by IndiGo!

Regards,

Pieter Elbers
CEO

Towards New Heights & Across New Frontiers

