



**SPICEJET LIMITED**  
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**Part I - Statement of Unaudited Financial Results for the quarter and period ended December 31, 2014**

(Rupees in Lakhs except EPS and Shareholding data)

S.No.	Particulars	Quarter ended			Year to date		Year ended
		Unaudited 31-Dec-14	Unaudited 30-Sep-14	Unaudited 31-Dec-13	Unaudited 31-Dec-14	Unaudited 31-Dec-13	Audited 31-Mar-14
1	<b>Income from operations</b>						
	a) Net Sales / Income from Operations	130,075.5	143,585.5	179,626.6	441,519.9	473,082.8	630,423.3
	b) Other Operating Income	1,042.1	1,408.4	1,146.8	3,695.8	3,566.9	5,187.4
	<b>Total Income from operations</b>	<b>131,117.6</b>	<b>144,993.9</b>	<b>180,773.4</b>	<b>445,215.7</b>	<b>476,649.7</b>	<b>635,610.7</b>
2	<b>Expenses</b>						
	a) Operating Expenses						
	- Aircraft Fuel	56,237.2	78,771.4	94,111.9	212,339.9	239,209.3	325,266.0
	- Aircraft Lease Rentals	21,511.4	25,961.3	27,210.8	74,900.2	76,070.9	105,317.4
	- Airport Charges	9,422.6	11,017.2	12,758.8	31,264.9	35,285.4	47,401.0
	- Aircraft Maintenance	15,749.6	21,025.5	23,894.6	55,780.7	76,298.6	99,325.3
	- Aircraft Redelivery Expenses	17,252.7	2,241.2	9.0	23,661.5	1,039.6	2,914.8
	- Other Operating Costs	4,770.6	5,092.2	5,188.9	14,630.2	15,420.3	20,595.3
	b) Employee Benefits Expense	14,340.5	14,790.3	14,559.5	42,998.0	43,966.4	57,569.5
	c) Depreciation and Amortisation Expense	3,266.0	3,177.7	3,239.3	9,671.6	10,657.5	14,826.0
	d) Other Expenses	12,466.6	12,830.2	15,257.8	42,971.9	41,618.8	55,504.5
	<b>Total expenses</b>	<b>155,017.2</b>	<b>174,907.0</b>	<b>196,230.6</b>	<b>508,218.9</b>	<b>539,566.8</b>	<b>728,719.8</b>
3	<b>Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>(23,899.6)</b>	<b>(29,913.1)</b>	<b>(15,457.2)</b>	<b>(63,003.2)</b>	<b>(62,917.1)</b>	<b>(93,109.1)</b>
4	Other Income	1,136.7	2,809.1	1,202.9	5,595.9	3,899.4	6,446.2
5	<b>Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>(22,762.9)</b>	<b>(27,104.0)</b>	<b>(14,254.3)</b>	<b>(57,407.3)</b>	<b>(59,017.7)</b>	<b>(86,662.9)</b>
6	Finance Costs	4,739.6	3,940.7	3,025.4	13,550.3	9,155.7	13,661.5
7	<b>Profit / (Loss) before tax (5-6)</b>	<b>(27,502.5)</b>	<b>(31,044.7)</b>	<b>(17,279.7)</b>	<b>(70,957.6)</b>	<b>(68,173.4)</b>	<b>(100,324.4)</b>
8	Tax Expense	-	-	-	-	-	-
9	<b>Net Profit / (Loss) for the period (7-8)</b>	<b>(27,502.5)</b>	<b>(31,044.7)</b>	<b>(17,279.7)</b>	<b>(70,957.6)</b>	<b>(68,173.4)</b>	<b>(100,324.4)</b>
10	Paid-up Equity Share Capital (Face Value Rs.10/- per Equity Share)	59,945.0	53,528.1	53,528.1	59,945.0	53,528.1	53,528.1
11	Reserves excluding Revaluation reserves						(158,806.1)
12	<b>Earnings Per Share</b>						
	a) Basic (Rs) *	(4.84)	(5.80)	(3.29)	(12.98)	(13.12)	(19.16)
	b) Diluted (Rs) *	(4.84)	(5.80)	(3.29)	(12.98)	(13.12)	(19.16)

\* - Quarterly and year-to-date numbers are not annualised.

**Part II - Select information for the quarter and period ended December 31, 2014**

S.No.	Particulars	Quarter ended			Year to date		Year ended
		Unaudited 31-Dec-14	Unaudited 30-Sep-14	Unaudited 31-Dec-13	Unaudited 31-Dec-14	Unaudited 31-Dec-13	Audited 31-Mar-14
A	<b>PARTICULARS OF SHAREHOLDING</b>						
1	Public Shareholding						
	- Number of Shares	249,021,425	249,021,425	249,021,425	249,021,425	249,021,425	249,021,425
	- Percentage of holding	41.54%	46.52%	46.52%	41.54%	46.52%	46.52%
2	Promoters and promoter group shareholding						
	a) Pledged / Encumbered						
	- Number of shares	83,057,932	83,057,932	63,308,882	83,057,932	63,308,882	83,057,932
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	23.70%	29.01%	22.12%	23.70%	22.12%	29.01%
	- Percentage of shares (as a % of the total share capital of the company)	13.86%	15.52%	11.83%	13.86%	11.83%	15.52%
	b) Non-encumbered						
	- Number of Shares	267,370,826	203,201,826	222,950,876	267,370,826	222,950,876	203,201,826
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	76.30%	70.99%	77.88%	76.30%	77.88%	70.99%
	- Percentage of shares (as a % of the total share capital of the company)	44.60%	37.96%	41.65%	44.60%	41.65%	37.96%



	Particulars	Quarter ended December 31, 2014
<b>B</b>	<b>INVESTOR COMPLAINTS</b>	
	Pending as at the beginning of the quarter	-
	Received during the quarter	34
	Disposed of during the quarter	34
	Remaining unresolved as at the end of the quarter	-

#### Notes

1 The above unaudited financial results for the quarter ended December 31, 2014, have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 12, 2015, and have been subjected to a limited review by the auditors of the Company.

2 Accounting Standard (AS) 17 on 'Segment Reporting' requires the Company to disclose certain information about operating segments. The Company is managed as a single operating unit that provides air transportation only and has no other segment operation.

3 As explained in note 34 (a) (i) of the audited financial statements for the year ended March 31, 2014, interest on inter corporate deposit of Rs. 500 lakhs under litigation at Bombay High Court since November 30, 2001, amounts to Rs. 747.10 lakhs. The matter with regard to interest payment is sub-judice before the Hon'ble Bombay High Court and hence had not been hitherto accrued in the financial statements on account of Company's defence in the Court proceedings. Pursuant to the review process by the Qualified Audit Review Committee ('QARC') constituted by the SEBI, the Company has been directed to rectify the qualifications in the auditors' report. Accordingly, and without prejudice to its legal defence on this matter, such interest of Rs 747.10 lakhs has been accounted for in the current quarter.

4 During the previous year, the Company had issued 19,169,000 warrants to Mr. Kalanithi Maran and 45,000,000 warrants to M/s KAL Airways Private Limited, with an option to apply for and be allotted equivalent number of equity shares of the face value of Rs.10 each at a premium of Rs.10.77 each on a preferential basis. During the current quarter, pursuant to the exercise of options attached to these warrants, the Company has issued 19,169,000 equity shares to Mr. Kalanithi Maran and 45,000,000 equity shares to M/s KAL Airways Private Limited, having a nominal value of Rs. 10 each. The Company has utilized the entire proceeds of the preferential issue, which was received in part in previous periods and part in the current quarter, towards meeting its working capital requirements, in accordance with the objects of the said issue.

The shareholders in the annual general meeting held on September 24, 2014 approved the issuance of 189,091,378 warrants having a nominal value of Rs. 10 each to Mr. Kalanithi Maran and M/s KAL Airways Private Limited, for consideration aggregating Rs.30,821.89 lakhs, with an option to apply for and be allotted equivalent number of equity shares of the face value of Rs.10 each at a premium of Rs.6.30 each. During the current quarter, the proposed subscribers to these warrants of the Company have paid sums aggregating Rs. 1,500 lakhs against such proposed warrants which is in addition to Rs. 3,549.7 lakhs received against this proposed issue of warrants in the previous quarter. The Company has utilised the entire proceeds towards meeting its working capital requirements, in accordance with the objects of the said issue.

5 With effect from April 1, 2014, in respect of assets other than aircraft, and rotables & tools, the Company has adopted the useful lives and residual values indicated in Schedule II of the Companies Act 2013 ('the Act'). Consistent with industry practice, the Company has adopted (i) useful life of 17.56 years in respect of depreciation of aircraft, and rotables & tools (which are entirely relatable to aircraft), and (ii) residual value of 10% in respect of aircraft, which are different from the corresponding requirements of Schedule II of the Act of 20 years and 5% respectively. Had the Company applied the specific requirements of Schedule II of the Act as above, the depreciation for the nine month period ended December 31, 2014 would have been lower by Rs. 736.16 lakhs.

6 Redelivery costs of Rs 17,252.7 lakhs in the statement of unaudited financial results represent:

a. An amount of Rs 10,165.3 lakhs relating to redelivery to lessors of fourteen Boeing aircraft leased by the Company which been retired from commercial use. Such accrual is based on management's best estimate of these liabilities (having regard to various factors including lease terms, and past experience of aircraft redelivery costs incurred by the Company) and without prejudice to the rights of the Company in this regard. Further liabilities in this regard, if any, will be accounted for in the period they are determined to be payable.

b. An amount of Rs 7,087.4 relating to leases for three aircraft terminated by the Company ahead of schedule, based on mutual agreement with lessors.

7 During the current quarter, certain aircraft lessors have served notice of termination of leases in respect of eleven aircraft, citing events of defaults by the Company under the terms of the relevant lease agreements. These lessors have approached the relevant regulator, the Directorate General of Civil Aviation ('DGCA'), to seek repossession of these aircraft, and also filed petitions in the Delhi High Court seeking relief. The Company continues to operate these aircraft at present, and has made submissions to the DGCA and the Delhi High Court, and is also taking various steps to resolve these matters with the lessors, and is confident of a favourable outcome on this matter. In view of the foregoing, and pending the final outcome of the matter, no adjustments have been made to the accompanying statement of unaudited financial results in this regard.

8 The Company has incurred losses of Rs. 27,502.5 lakhs for the quarter ended December 31, 2014, and has accumulated losses of Rs. 323,332.3 lakhs as at that date against shareholders' funds of Rs. 159,778.6 lakhs. As of this date, the Company's total liabilities exceeded its total assets by Rs. 163,553.7 lakhs. Historically the Company's operating results have been materially affected by various factors, including high aviation turbine fuel ("ATF") costs, significant depreciation in the value of the currency, and pricing pressures. On account of its operational and financial position, the Company has delayed payments to various parties, including vendors and its dues to statutory authorities. Where determinable, the Company has accrued for additional liabilities, if any, on such delays in accordance with contractual terms / applicable laws and regulations. However, it is not practically possible to determine the amount of any penalties or other similar consequences resulting from such delays, or other non-compliances of contracts or laws and regulations. In view of the proposed plans of management to continue the Company as a going concern as discussed below, management is confident that it will be able to negotiate settlements with parties to whom monies are owed, to avoid any further penalties. In view of the foregoing, no amounts of such penalties have been recorded in these financial results.

Subsequent to the quarter end, the Company has submitted to, and obtained the approval of, the Ministry of Civil Aviation ('MoCA'), for a "Scheme of Reconstruction and Revival for the takeover of ownership, management and control of SpiceJet Limited by Mr. Ajay Singh" ("the Scheme"). Pursuant to such approval, a "Share Sale and Purchase Agreement" ("SSPA") dated January 29, 2015 was entered into amongst Mr. Kalanithi Maran and Kal Airways Private Limited (hereinafter, "Outgoing Promoters"), the Company and Mr. Ajay Singh, pursuant to which the Outgoing Promoters have agreed to sell and transfer their entire shareholding of 350,428,758 equity shares (58.46%) to Mr. Ajay Singh subject to completion of conditions set out in the SSPA and compliance with relevant regulations.

The Company is also in the process of evaluating and exploring various courses of action for raising funds for the Company's operations, including options for strategic funding. Further, the Company is also expected to receive amounts from Outgoing Promoters towards share warrants proposed to be issued to them which have already approved by shareholders, and towards an option to subscribe to up to 3,750,000 non-convertible cumulative redeemable preference shares proposed to be issued to them on a preferential basis, subject to approval of shareholders.

The Company continues to implement various measures such as enhancing customer experience, improving selling and distribution, revenue management, fleet rationalisation, optimising aircraft utilization, redeployment of capacity in key focus markets, renegotiation of contracts and other cost control measures, to help the Company establish consistent profitable operations and cash flows in the future. These measures as well as improvement in the macroeconomic conditions for the airline industry in the markets in which the Company operates, such as the recent reduction in ATF prices, consistent improvement in capacity utilisation and unit revenues, as well as enhancement in ancillary revenues, are expected to increase operational efficiency and achieve profitability.

In view of the foregoing, management is of the view that the Company will be able to raise funds as necessary to achieve profitable operations and meet its liabilities they fall due. Accordingly, these financial results have been prepared on the basis that the Company will continue as a going concern for the foreseeable future.




9 Previous periods' / year's figures have been regrouped / reclassified wherever considered necessary to conform to current periods' / year's classification.

By order of the Board of Directors of SpiceJet Limited

Place : Chennai, Tamil Nadu  
Date : February 12, 2015



  
Nicholas Martin Paul  
Director

