



SPICEJET LIMITED

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Statement of Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2016

(Rupees in Lakhs except EPS)

S.No.	Particulars	Quarter ended			Year to date		Year ended
		Unaudited 31-Dec-16	Unaudited 30-Sep-16	Unaudited 31-Dec-15 (Refer Note 1)	Unaudited 31-Dec-16	Unaudited 31-Dec-15 (Refer Note 1)	Unaudited 31-Mar-16 (Refer Note 1)
1	Income from operations						
	a) Net Sales / Income from Operations	160,266.1	137,847.2	143,938.3	448,749.3	357,173.3	502,039.6
	b) Other Operating Income	3,974.6	2,192.5	2,056.8	7,805.1	4,135.4	6,767.6
	Total Income from operations	164,240.7	140,039.7	145,995.1	456,554.4	361,308.7	508,807.2
2	Expenses						
	a) Operating Expenses						
	- Aircraft Fuel	47,377.3	42,995.8	36,663.0	130,340.6	106,329.4	139,195.9
	- Aircraft Lease Rentals	24,292.6	20,635.0	22,943.7	70,876.6	56,185.3	81,109.2
	- Airport Charges	12,153.1	12,128.2	9,506.8	35,482.9	26,213.2	37,103.1
	- Aircraft Maintenance Costs	21,135.4	20,929.2	14,582.6	61,785.3	41,670.5	76,248.2
	- Aircraft Redelivery Costs	310.6	284.4	2,940.3	907.5	3,438.8	6,122.9
	- Other Operating Costs	6,873.1	5,951.2	5,600.2	18,503.1	15,016.5	19,630.9
	b) Employee Benefits Expense	18,274.9	15,306.1	12,799.8	48,330.6	35,900.3	49,245.1
	c) Depreciation and Amortisation Expense	5,235.5	4,846.2	4,648.3	14,569.7	13,716.0	17,980.7
	d) Other Expenses	16,349.5	10,648.9	11,232.5	42,334.8	32,474.3	46,402.4
	Total expenses	152,002.0	133,725.0	120,917.2	423,131.1	330,944.3	473,038.4
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	12,238.7	6,314.7	25,077.9	33,423.3	30,364.4	35,768.8
4	Other Income	2,800.8	1,543.5	1,420.7	6,465.5	11,558.7	15,205.6
5	Profit / (Loss) before finance costs and exceptional items (3+4)	15,039.5	7,858.2	26,498.6	39,888.8	41,923.1	50,974.4
6	Finance Costs	780.6	1,966.7	2,504.4	4,835.7	7,730.6	12,365.0
7	Profit / (Loss) after finance costs but before exceptional items (5-6)	14,258.9	5,891.5	23,994.2	35,053.1	34,192.5	38,609.4
8	Exceptional items (Refer notes 4 & 5)	3,855.4	-	-	3,855.4	-	6,369.4
9	Profit / (Loss) before tax (7+8)	18,114.3	5,891.5	23,994.2	38,908.5	34,192.5	44,978.8
10	Tax Expense	-	-	-	-	-	-
11	Net Profit / (Loss) for the period / year (9-10)	18,114.3	5,891.5	23,994.2	38,908.5	34,192.5	44,978.8
12	Other Comprehensive income	(26.9)	(311.5)	(3.0)	(341.3)	(51.6)	(54.7)
13	Total Comprehensive Income (11+12)	18,087.4	5,580.0	23,991.2	38,567.2	34,140.9	44,924.1
14	Paid-up Equity Share Capital (Face Value Rs.10/- per Equity Share)	59,945.0	59,945.0	59,945.0	59,945.0	59,945.0	59,945.0
15	Earnings Per Share						
	a) Basic (Rs)	3.02	0.98	4.00	6.49	5.70	7.50
	b) Diluted (Rs) * (Refer Note 6)	3.02	0.98	3.04	6.49	4.34	5.70
	See accompanying notes to the Standalone Financial Results						

* Quarterly numbers are not annualised.

Notes:

1 The above unaudited standalone financial results for the quarter and nine months ended December 31, 2016 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 14, 2017.

The Company has early adopted Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs vide notification dated February 16, 2015 announcing the Companies (Indian Accounting Standards) Rules, 2015, applying a transition date of April 1, 2015. Accordingly the results for the quarter and nine months ended December 31, 2016 have been prepared under the recognition and measurement principles of Ind AS. The comparative figures for the quarter and nine months ended December 31, 2015 and the year ended March 31, 2016 included in the Statement of Unaudited Standalone Financial Results have been restated to comply with Ind AS. The above results have been subjected to limited review by the statutory auditors.

2 The Company is managed as a single operating unit that primarily provides air transportation services.

3 The Company had received amounts aggregating Rs 57,908.9 lakhs from Mr. Kalanithi Maran and M/S KAL Airways Private Limited ("erstwhile promoters") as advance money towards proposed allotment of certain securities (189,091,378 share warrants and 3,750,000 non-convertible cumulative redeemable preference shares, issuable based on approvals obtained), to be adjusted at the time those securities were to be issued. Pursuant to the legal proceedings in this regard before the Hon'ble High Court of Delhi ("Court") between the erstwhile promoters and the Company, the Court, in its order dated on July 29, 2016, without expressing anything on the merits of the dispute, ordered the Company to deposit the amount of Rs 57,900 lakhs with the Court, in 5 equal monthly instalments, and directed the parties to take necessary steps for the purpose of constitution of an arbitral tribunal.

The Company has preferred an appeal against this order, which is pending disposal before the Hon'ble Division Bench of the Court. Based on the submissions made by the parties during the appeal proceedings, and legal advice obtained, management believes that no amounts are due under the original order, until disposal of the appeal by the Division Bench. In view of the foregoing, and the averments made before the Hon'ble Division Bench, by the Company, no amounts have been deposited with the Court till date. Pending adjudication of this matter by the Court, the parties have initiated arbitration proceedings.

In view of the uncertainties involved as explained above, management believes that the manner, timing and other related aspects of adjustment of these amounts, are currently not determinable. The effects of this matter may attract the consequent provisions (including penal provisions) of applicable provisions of law, including deeming provisions, relating to acceptance of deposits. Based on their assessment and legal advice obtained, management is of the view that any possible consequential effects, including penal consequences and any compounding thereof, will not have a material impact on the unaudited standalone financial results of the Company. Accordingly, no adjustments have been made for any such consequential penal effects in this regard.

4 In previous financial reporting periods, the Company had made certain provisions based on management's assessment of certain claims by a vendor, based on applicable contractual terms. Under the provisions of such contract, the vendor had initiated arbitration proceedings in the previous financial year. Based on the current status of such proceedings and submissions thereat, and legal advice obtained, management is of the view that certain previously recognised provisions are not likely to subsist. Accordingly, management has revised its assessment thereof, and as a consequence, the Company has written back provisions made in this regard, of Rs. 3,855.4 lakhs in previous financial years as an exceptional item, and netted off Rs. 835.3 lakhs pertaining to the current financial year against the corresponding expenses.

5 The loss on account of damages to aircraft and consequent insurance compensation receivable were disclosed as an extraordinary item (net), in the financial results of the Company for the year ended March 31, 2016, prepared under Indian GAAP at that time. These been disclosed as exceptional items for the relevant comparative periods, in the accompanying statement of unaudited standalone financial results.

6 Having regard to the status of the matters relating to the allotment and conversion of share warrants, as stated in Note 3, it is not possible to determine the dilutive effect, if any, of those on Diluted Earnings Per Share calculations. Accordingly, diluted earnings per share for the quarter ended September 30, 2016 and for the quarter and nine-months ended December 31, 2016 do not include the dilutive impact on the allotment and conversion of share warrants stated in note 3 above. However, for the comparable periods presented in the accompanying statement of unaudited standalone financial results, diluted earnings per share considered dilutive potential ordinary shares arising from allotment and conversion of share warrants referred to in Note 3 above, into equity shares, based on management's expectation of the outcome of such instruments, at the time of finalisation of results for those comparative periods.

7 As at December 31, 2016, the Company has accumulated losses of Rs. 224,608.2 lakhs against shareholders' funds of Rs. 159,453.8 lakhs. As of that date, the Company's total liabilities (including those referred to in Note 3 above) exceed its total assets by Rs. 65,154.4 lakhs, as a result of historical market factors and the matter described in Note 3 above. These factors result in a material uncertainty that may cause significant doubt about the Company's ability to continue as a going concern.

As a result of various operational, commercial and financial measures implemented over the last seven quarters, the Company has significantly improved its liquidity position, and generated operating cash flows since the quarter ended June 2015. The Company has also earned profit after tax of Rs 38,908.5 lakhs for the nine-months ended December 31, 2016. In view of the foregoing, and having regard to industry outlook and also management's current assessment of the outcomes of the matters stated in Note 3 above, management is of the view that the Company will be able to maintain profitable operations and raise funds as necessary, in order to meet its liabilities as they fall due. Accordingly, these unaudited standalone financial results have been prepared on the basis that the Company will continue as a going concern for the foreseeable future.

8 Consequent to transition from the Previous GAAP to Ind AS, the reconciliation of profit is provided as below for the previous periods/year presented, in accordance with the requirements of paragraph 32 of Ind AS 101 – First time adoption of Ind AS

Particulars	For the quarter ended Dec 31, 2015	For the nine-months ended Dec 31, 2015	For the year ended March 31, 2016
Net profit under IGAAP	23,839.6	33,401.4	40,719.9
Impact on account of:			
Actuarial loss on defined employee benefit plans recognised in Other Comprehensive Income	3.0	51.6	54.7
Reversal of provision for maintenance cost in respect of finance-leased aircraft, net of additional depreciation on overhaul component relating to such aircraft	274.2	1,097.2	4,111.3
Adjustments on account of recognition and measurement of Financial Instruments at fair value (net)	(104.1)	(351.6)	69.3
Measurement of Investments at fair value through Statement of profit and loss	1.7	1.7	46.4
Others	(20.2)	(7.8)	(22.8)
Net profit for the period under Ind AS	23,994.2	34,192.5	44,978.8

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

For SpiceJet Limited

Place: Gurgaon, Haryana
Date: February 14, 2017

Sd/-
Ajay Singh
Chairman and Managing Director