



SPICEJET LIMITED

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Statement of Unaudited Standalone Financial Results for the quarter and half-year ended September 30, 2018

(Rupees in millions except EPS information and unless otherwise stated)

S.No.	Particulars	Quarter ended			Half-Year ended		Year ended	
		Unaudited 30-Sep-18	Unaudited 30-Jun-18	Unaudited 30-Sep-17	Unaudited 30-Sep-18	Unaudited 30-Sep-17	Audited 31-Mar-18	
1	Income from operations							
	a) Net Income from Operations	18,482.8	21,997.0	17,945.7	40,479.8	36,486.1	77,184.4	
	b) Other Operating Income	325.8	361.2	168.5	687.0	302.5	716.8	
	Total Income from operations	18,808.6	22,358.2	18,114.2	41,166.8	36,788.6	77,901.2	
	Other Income	294.4	349.9	305.5	644.3	473.6	1,373.2	
	Total Income	19,103.0	22,708.1	18,419.7	41,811.1	37,262.2	79,274.4	
2	Expenses							
	a) Operating Expenses							
	- Aircraft Fuel	8,450.7	8,124.4	5,423.4	16,575.1	10,767.1	24,326.3	
	- Aircraft Lease Rentals	2,776.5	2,796.7	2,416.2	5,573.2	4,725.5	10,369.1	
	- Airport Charges	1,789.7	1,769.4	1,554.8	3,559.1	3,154.2	6,605.6	
	- Aircraft Maintenance Costs	3,582.9	3,427.9	3,053.9	7,010.8	6,058.7	11,880.5	
	- Other Operating Costs	673.6	656.8	581.0	1,330.4	1,173.8	2,334.4	
	b) Employee Benefits Expense	2,526.3	2,478.2	2,136.8	5,004.5	4,101.8	8,625.6	
	c) Depreciation and Amortisation Expense	648.3	630.9	574.3	1,279.2	1,135.3	2,312.0	
	d) Other Expenses	2,223.8	2,267.3	1,453.5	4,491.1	2,997.9	6,232.4	
	e) Finance Costs	324.9	302.4	173.1	627.3	343.0	921.9	
	Total expenses	22,996.7	22,454.0	17,367.0	45,450.7	34,457.3	73,607.8	
3	Profit / (loss) before exceptional items and tax (1-2)	(3,893.7)	254.1	1,052.7	(3,639.6)	2,804.9	5,666.6	
4	Exceptional items, Net (Refer Note 6)	-	(634.7)	-	(634.7)	-	-	
5	Profit / (Loss) before tax (3+4)	(3,893.7)	(380.6)	1,052.7	(4,274.3)	2,804.9	5,666.6	
6	Tax Expense	-	-	-	-	-	-	
7	Net Profit / (Loss) for the period / year (5-6)	(3,893.7)	(380.6)	1,052.7	(4,274.3)	2,804.9	5,666.6	
8	Other Comprehensive income (net of tax)							
	Items that will not be reclassified to profit or loss in subsequent periods							
	Remeasurement gains and (losses) on defined benefit obligations (net)	1.9	1.5	(20.2)	3.4	(23.7)	2.3	
	Income tax impact	-	-	-	-	-	-	
9	Total Comprehensive Income (7+8)	(3,891.8)	(379.1)	1,032.5	(4,270.9)	2,781.2	5,668.9	
10	Other equity						(6,424.2)	
11	Earnings Per Share							
	a) Basic (Rs)	(6.50)	(0.63)	1.76	(7.13)	4.68	9.45	
	b) Diluted (Rs)	(6.50)	(0.63)	1.76	(7.13)	4.68	9.45	
		Not Annualised						
	See accompanying notes to the Standalone Financial Results							

Notes		
1 Statement of Assets and Liabilities		
(Rupees in million)		
Particulars	Unaudited As at 30-Sep-18	Audited As at 31-Mar-18
A ASSETS		
1 Non-current Assets		
(a) Property, plant and equipment	16,977.2	15,936.7
(b) Other intangible Assets	63.1	40.4
(c) Investments in subsidiaries	0.3	0.3
(d) Financial Assets		
(i) Investments	0.2	0.2
(ii) Loans	434.1	497.6
(iii) Other financial assets	11,674.3	9,721.9
(e) Other non-current assets	8,386.5	5,508.4
(f) Non-current tax assets	365.3	290.6
Sub-total: Non-current assets	37,901.0	31,996.1
2 Current Assets		
(a) Inventories	1,408.1	1,243.7
(b) Financial Assets		
(i) Investments	499.6	1,012.6
(ii) Trade Receivables	907.5	851.9
(iii) Cash and cash equivalents	584.5	1,186.7
(iv) Bank balances other than (iii) above	-	271.0
(v) Other financial assets	2,040.1	1,585.8
(c) Other current assets	3,037.7	3,071.8
Sub-total: Current assets	8,477.5	9,223.5
TOTAL - ASSETS	46,378.5	41,219.6
B EQUITY AND LIABILITIES		
1 Equity		
(a) Share capital	5,994.5	5,994.5
(b) Other Equity	(10,609.0)	(6,424.2)
Sub-total: Equity	(4,614.5)	(429.7)
2 Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	6,951.9	6,509.5
(ii) Trade Payables	122.8	150.7
(b) Long-term Provisions	3,169.2	3,333.0
(c) Other non-current liabilities	851.5	617.2
Sub-total: Non-current liabilities	11,095.4	10,610.4
3 Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	5,218.2	3,574.4
(ii) Trade Payables		
a. Total outstanding dues of micro and small enterprises;	-	-
b. Total outstanding dues of creditors other than micro and small enterprises	9,345.2	6,882.2
(iii) Other current financial liabilities	3,132.4	3,178.5
(b) Short-term Provisions	5,083.5	2,323.7
(c) Other current liabilities	17,118.3	15,080.1
Sub-total: Current liabilities	39,897.6	31,038.9
TOTAL - EQUITY AND LIABILITIES	46,378.5	41,219.6

- 2 The standalone financial results for the quarter and year to date from April 1, 2018 to September 30, 2018 have been reviewed by the Audit Committee and approved by the Board at their meeting held on November 14, 2018, and have been subjected to a limited review by the statutory auditors of the Company.
- 3 Based on internal reporting provided to the chief operating decision maker, the standalone financial results relate to “Air transport services” as the only segment of the Company.
- 4 The Company had, in earlier financial years, received amounts aggregating Rs.5,790.9 Million 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 to be 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, the present promoter and the Company, the Company was required to secure an amount of Rs.3,290.9 Million through a bank guarantee in favour of the Registrar General of the Court (“Registrar”) and to deposit the balance amount of Rs.2,500.0 Million with the Registrar. The Company has complied with these requirements as at March 31, 2018.

The parties to the aforementioned litigation concurrently initiated arbitration proceedings before a three member arbitral tribunal (the “Tribunal”), and the Tribunal pronounced its final award on July 20, 2018 (the “Award”). The management is examining the various aspects of the Award, including the manner, timing and other related matters, and other options available to the Company. In terms of the Award, the Company is required to (a) refund an amount of approximately Rs.3,082.2 million to the counterparty, (b) explore the possibility of allotting preference shares in respect of approximately Rs.2,708.7 million, failing which, refund such amount to the counterparty, and (c) pay interest calculated to be Rs.924.7 million (being interest on the amount stated under (a) above, in terms of the Award). The amounts referred to under (a) and (b) above, aggregating Rs.5,790.9 million, continue to be carried as current liabilities without prejudice to the rights of the Company under law. Any delays in complying with these requirements may attract further obligations. Further, the Company is entitled to receive from the counterparty, under the said Award, an amount of Rs.290.0 million of past interest/servicing charges. The counterparty has challenged the Award, and management of the Company is evaluating its future course of action and options and hence any further obligations and rights (including additional interest obligation and rights) have currently not been accounted for pending the legal process involved. Also refer Note 6 below.

In view of the uncertainties prevailing at the relevant time, with regard to the proposed allotment of certain securities in the previous periods, it was not possible to determine the effect thereof, if any, on Diluted Earnings per share calculation for such periods. Considering the matters arising out of the arbitral award, and the challenge by the counterparty, no further effect on this matter to the dilutive earnings per share calculations has been considered.

- 5 The effects of the matter stated in Note 4 above 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), of past events and actions in relation to the foregoing, will not have a material impact on the financial results of the Company. Accordingly, no adjustments have been made for any such consequential penal effects in this regard.
- 6 Exceptional items in respect of the quarter ended June 30, 2018, Net of Rs.634.7 million in the statement of unaudited financial results represent the net effect of (a) the interest payable of Rs.924.7 million and (b) interest/servicing charges receivable, of Rs.290.0 million, mentioned in Note 4 above, arising from the Award discussed therein. The Company’s accounting for the above mentioned amount of Rs.634.7 million, net, is without prejudice to the rights and remedies the Company may have in the matter discussed in Note 4 above.
- 7 Notwithstanding the results for the current quarter, the Company has been consistently profitable for the last three financial years, as a result of which the negative net worth of Rs 14,852 million as at March 31, 2015 has reduced to Rs 4,614.5 million as at September 30, 2018 (after considering the current quarter loss of Rs.3,891.8 million). The Company’s net current liabilities have also reduced by similar amounts. The earlier position of negative net worth and net current liabilities was the result of historical market factors.

As a result of various operational, commercial and financial measures implemented over the last three years, the Company has significantly improved its liquidity position, and generated operating cash flows during that period. In view of the foregoing, and having regard to industry outlook in the markets in which the Company operates, 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 financial results have been prepared on the basis that the Company will continue as a going concern for the foreseeable future.

- 8 Non-current assets include, Rs. 876.5 million paid under protest (including Rs 172.6 million paid during the current quarter) representing Integrated Goods and Services Tax and Basic Customs duty, on re-import of various aircraft equipment repaired abroad, which in the opinion of management and based on expert advice obtained, is not subject to such levy. Accordingly, these amounts have been considered as recoverable and no further adjustments have been made in this regard as at September 30, 2018.
- 9 Effective April 1, 2018, the Company has adopted Ind AS 115 Revenue from Contracts with customers under the modified retrospective approach without adjustment of comparatives. The Standard is applied to contracts that remain in force as at April 1, 2018. The application of the standard did not have any significant impact on the retained earnings as at April 1, 2018 and financial results for the current period.

- 10 Other expenses include foreign exchange loss (net) for the quarter ended September 30, 2018 amounting to Rs. 584.5 million (Quarter ended June 30, 2018 - Rs. 509.1 million, quarter ended September 30, 2017 - Rs. 119.5 million and year ended March 31, 2018 - Rs. 214.9 million).
- 11 Previous periods' / year's figures have been regrouped / reclassified wherever considered necessary to conform to current periods' presentation.

For SpiceJet Limited

Place: Gurugram, Haryana
Date: November 14, 2018

**Sd/-
Ajay Singh
Chairman and Managing Director**