



SPICEJET LIMITED

Regd Office : Indira Gandhi International Airport, Terminal 1D, New Delhi 110 037

CIN: L51909DL1984PLC288239

E-mail: investors@spicejet.com | Website: www.spicejet.com

Telephone: +91 124 391 3939 | Facsimile: +91 124 391 3888

Statement of Unaudited Standalone Financial Results for the quarter ended and half year ended September 30, 2019

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

S.No.	Particulars	Quarter ended			Half Year ended		Year ended
		Unaudited 30-Sep-19	Unaudited 30-Jun-19	Unaudited 30-Sep-18	Unaudited 30-Sep-19	Unaudited 30-Sep-18	Audited 31-Mar-19
1	Revenue from contracts with customers						
	a) Revenue from operations	27,587.63	29,217.91	18,422.22	56,805.54	40,265.00	88,862.82
	b) Other operating revenues	864.93	802.77	325.83	1,667.70	687.00	2,269.72
	Total revenue from operations	28,452.56	30,020.68	18,748.05	58,473.24	40,952.00	91,132.54
	Other income (refer note 9)	2,282.47	1,467.70	272.73	3,750.17	601.66	1,447.80
	Total income	30,735.03	31,488.38	19,020.78	62,223.41	41,553.66	92,580.34
2	Expenses						
	a) Operating expenses						
	- Aircraft fuel	11,620.96	10,284.29	8,450.73	21,905.25	16,575.17	34,452.52
	- Aircraft lease rentals	632.54	645.81	2,754.86	1,278.35	5,530.58	12,967.16
	- Airport charges	2,923.89	2,424.60	1,789.66	5,348.49	3,559.04	7,520.54
	- Aircraft maintenance costs	5,183.63	4,555.69	3,582.89	9,739.32	7,010.81	15,042.62
	- Other operating costs	1,191.83	991.35	673.63	2,183.18	1,330.39	3,017.70
	b) Employee benefits expense	3,961.66	3,536.36	2,526.32	7,498.02	5,004.56	10,570.07
	c) Depreciation and amortisation expenses	4,362.67	3,772.80	648.34	8,135.47	1,279.25	2,562.25
	d) Other expenses	2,185.49	1,666.08	1,578.65	3,851.57	3,182.59	6,914.56
	e) Finance costs	1,368.48	1,274.17	324.89	2,642.65	627.28	1,312.84
	f) Foreign exchange loss/(gain)	1,929.69	(279.50)	584.52	1,650.19	1,093.64	746.25
	Total expenses	35,360.84	28,871.65	22,914.49	64,232.49	45,193.31	95,106.51
3	Profit / (loss) before exceptional items and taxes (1-2)	(4,625.81)	2,616.73	(3,893.71)	(2,009.08)	(3,639.65)	(2,526.17)
4	Exceptional items, net (Refer Note 8)	-	-	-	-	(634.66)	(634.66)
5	Profit / (loss) before tax (3+4)	(4,625.81)	2,616.73	(3,893.71)	(2,009.08)	(4,274.31)	(3,160.83)
6	Tax expense	-	-	-	-	-	-
7	Net Profit / (loss) for the period / year (5-6)	(4,625.81)	2,616.73	(3,893.71)	(2,009.08)	(4,274.31)	(3,160.83)
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)	(19.07)	(13.59)	1.88	(32.66)	3.37	(14.45)
	Income tax impact	-	-	-	-	-	-
9	Total comprehensive income (7+8)	(4,644.88)	2,603.14	(3,891.83)	(2,041.74)	(4,270.94)	(3,175.28)
10	Paid-up Equity Share Capital (Face Value Rs.10/- per Equity Share)	5,997.18	5,997.18	5,994.50	5,997.18	5,994.50	5,997.18
11	Other equity						(9,503.80)
12	Earnings per share						
	a) Basic (Rs)	(7.71)	4.36	(6.50)	(3.35)	(7.13)	(5.27)
	b) Diluted (Rs)	(7.70)	4.36	(6.49)	(3.35)	(7.12)	(5.26)
	See accompanying notes to the Financial Results	Not Annualised					

Notes to the Statement of Unaudited Standalone Financial Results - September 30, 2019

1 Statement of Assets and Liabilities

(Rupees in millions, if otherwise stated)

Particulars	Unaudited As at 30-Sep-19	Audited As at 31-Mar-19
A ASSETS		
1 Non-current assets		
(a) Property, plant and equipment	15,988.03	15,908.93
(b) Right of use assets	68,921.77	-
(c) Other intangible assets	162.75	128.73
(d) Investments in subsidiaries	0.35	0.30
(e) Financial assets		
(i) Investments	0.50	0.24
(ii) Loans	322.78	332.54
(iii) Other financial assets	12,801.09	11,344.23
(f) Non-current tax assets	443.24	343.18
(g) Other non-current assets	6,956.56	6,270.82
Sub-total: Non-current assets	105,597.07	34,328.97
2 Current Assets		
(a) Inventories	1,518.73	1,373.24
(b) Financial assets		
(i) Investments	53.77	3.63
(ii) Trade receivables	1,757.77	1,353.37
(iii) Other receivables	8,620.83	5,791.00
(iv) Cash and cash equivalents	863.24	649.47
(v) Bank balances other than (iv) above	-	129.50
(vi) Other financial assets	1,780.10	1,031.92
(c) Other current assets	2,340.66	3,289.82
Sub-total: Current assets	16,935.10	13,621.95
TOTAL - ASSETS	122,532.17	47,950.92
B EQUITY AND LIABILITIES		
1 Equity		
(a) Share capital	5,997.18	5,997.18
(b) Other equity	(14,503.99)	(9,503.80)
Sub-total: Equity	(8,506.81)	(3,506.62)
2 Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	4,997.35	5,566.28
(ii) Trade payables	-	77.65
(iii) Lease liabilities	61,512.57	-
(b) Long-term provisions	5,460.37	4,289.76
(c) Other non-current liabilities	161.26	5,298.35
Sub-total: Non-current liabilities	72,131.55	15,232.04
3 Current liabilities		
(a) Financial liabilities		
(i) Borrowings	4,176.25	4,179.44
(ii) Trade payables		
a. Total outstanding dues of micro and small enterprises;	95.94	188.50
b. Total outstanding dues of creditors other than micro and small enterprises	10,506.85	10,324.52
(iii) Lease liabilities	17,245.33	-
(iv) Other current financial liabilities	1,691.66	1,621.86
(b) Short-term provisions	4,765.94	2,786.52
(c) Other current liabilities	20,425.46	17,124.66
Sub-total: Current liabilities	58,907.43	36,225.50
TOTAL - EQUITY AND LIABILITIES	122,532.17	47,950.92

Notes to the Statement of Unaudited Standalone Financial Results - September 30, 2019
2. Cash Flow Statement for the half year ended September 30, 2019

		(Rupees in millions, if otherwise stated)	
		For the half year ended	
Particulars		30-Sep-19	30-Sep-18
		(Unaudited)	(Unaudited)
Cash flow from operating activities			
Loss before tax and exceptional items		(2,009.08)	(3,639.65)
Adjustments to reconcile profit before tax and exceptional items to net cash flows:			
Depreciation and Amortisation expense		8,135.47	1,279.25
Provision for doubtful claims / advances		17.96	80.00
Loss on disposal of PPE (net) / assets written off		1.29	0.19
Provision for litigations		-	-
Advances / debts written off		18.63	49.50
Share-based payment expense		65.44	42.76
Provision for aircraft redelivery		200.44	76.01
Liabilities / provision no longer required written back		(246.38)	(166.77)
Interest accretion on financial liabilities measured at amortised cost		2,172.84	41.87
Interest income from financial assets measured at amortised cost		(165.12)	(46.77)
Profit on sale of aircraft and engines under sale and lease-back arrangement		-	(42.62)
Net gain on financial assets measured at fair value through profit or loss ('FVTPL')		(0.14)	(6.01)
Finance income		(220.91)	(318.95)
Finance costs		469.80	585.41
Translation loss on monetary assets and liabilities		1,811.11	367.43
Operating profit before working capital changes		10,251.35	(1,698.35)
Movements in working capital :			
(Increase) / Decrease in trade and other receivables		(3,090.01)	(350.36)
(Increase) / Decrease in inventories		(145.49)	(164.42)
(Increase) / Decrease in other financial assets		(1,696.53)	(675.06)
(Increase) / Decrease in other assets		440.05	(394.32)
Increase / (Decrease) in trade payables		154.21	2,553.60
Increase / (Decrease) in other financial liabilities		72.83	(27.66)
Increase / (Decrease) in other liabilities		3,926.61	1,670.81
Increase / (Decrease) in provisions		1,869.18	2,015.82
Cash generated from operations		11,782.20	2,930.07
Income taxes received / (paid) (net of refunds)		(100.06)	(74.62)
Net cash flow from / (used in) operating activities	A	11,682.14	2,855.45
Cash flow from investing activities			
Purchase of PPE and capital work in progress (including capital advances)		(1,619.82)	(4,906.52)
Proceeds from sale of PPE		1.61	0.67
Investment in subsidiary		(0.05)	-
Loans to subsidiary		(10.24)	(16.42)
Purchase of investments		(4,910.00)	(4,054.00)
Proceeds from sale of investments		4,859.74	4,573.04
Proceeds from maturity of bank deposits		129.50	271.00
Margin money deposits placed		(2,712.10)	(955.30)
Margin money deposits withdrawn		2,635.31	-
Finance income		85.24	263.16
Net cash from / (used in) investing activities	B	(1,540.81)	(4,824.37)
Cash flow from financing activities			
Proceeds from short-term borrowings		5,327.71	6,815.17
Repayment of short-term borrowings		(5,330.90)	(5,171.33)
Repayment of lease liability		(8,911.05)	-
Proceeds from long-term borrowings		-	750.00
Repayment of long-term borrowings		(532.88)	(307.65)
Finance costs		(472.83)	(594.18)
Net cash (used in) / from financing activities	C	(9,919.95)	1,492.01
Net increase / (decrease) in cash and cash equivalents	(A+B+C)	221.38	(476.91)
Effects of exchange difference on cash and cash equivalents held in foreign currency		(7.61)	(125.33)
Cash and cash equivalents at the beginning of the year		649.47	1,186.71
Cash and cash equivalents at the end of the year		863.24	584.47
Notes :			
Components of cash and cash equivalents			
On current accounts		762.29	562.51
On deposit accounts		44.88	0.33
Cash on hand		56.07	21.63
		863.24	584.47
See accompanying notes forming part of the financial results.			

Notes to the Statement of Unaudited Standalone Financial Results - September 30, 2019

3. The standalone financial results for the quarter ended September 30, 2019 and year to date from April 1, 2019 to September 30, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 13, 2019 and subject to a limited review by the statutory auditors. The Statement of cash flows for the corresponding period from April 01, 2018 to September 30, 2018, as reported in these unaudited standalone financial results have been approved by the Board of Directors of the Company, but have not been subjected to review.
4. Effective April 1, 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). As a consequence:
 - a. On April 1, 2019 (transition date), the Company has recognised lease liability measured at the present value of the remaining lease payments, and Right-of-Use (ROU) asset at its carrying amount net of any incentives (including sale-and-lease back gains) received as if the standard had been applied since the lease commencement date, and discounted using the lessee's incremental borrowing rate as at April 1, 2019.
 - b. As permitted by Ind AS 116, comparatives for the year ended March 31, 2019, quarter ended September 30, 2018 and year to date from April 1, 2018 to September 30, 2018 have not been restated, and the Company has elected not to apply the requirements of that standard to leases that are either short-term or for which the underlying asset is determined to be low value.
 - c. In the statement of profit and loss, the nature of expenses in respect of leases has changed from lease rent in the earlier periods to depreciation cost on the ROU asset and finance cost on lease liability as per Ind AS 116.

On transition, the impact of adopting Ind AS 116 on the Company's financial results for the quarter ended September 30, 2019 and year to date from April 1, 2019 to September 30, 2019 is as follows:

Particulars	Quarter ended September 30, 2019	Year to date September 30, 2019
Impact on profits:		
Depreciation is higher by	3,721.90	6,822.35
Finance cost is higher by	1,074.60	2,104.38
Foreign exchange gain on restatement of lease liability	1,797.30	1,477.26
Rent expense is lower by	(4,791.00)	(8,857.57)
Net impact on loss before tax	1,802.80	1,546.42

5. 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.
6. 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 together, ("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.3,290.89 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 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"), which pronounced its award on July 20, 2018 (the "Award"). In terms of the Award, the Company was required to (a) refund an amount of approximately Rs.3,082.19 million to the counterparty, (b) explore the possibility of allotting preference shares in respect of approximately Rs.2,708.70 million, failing which, refund such amount to the counterparty, and (c) pay interest calculated to be Rs.924.66 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.5,790.89 million, continue to be carried as current liabilities without prejudice to the rights of the Company under law. Further, the Company was entitled to receive from the counterparty, under the said Award, an amount of Rs.290.00 million of past interest/servicing charges. During the quarter ended March 31, 2019, the Court has ordered release of Rs 2,500 million, out of the amount deposited by the Company, to the counterparty, subject to certain conditions as enumerated by the Court in its order. Further, pursuant

Notes to the Statement of Unaudited Standalone Financial Results - September 30, 2019

to an order of the Court dated September 20, 2019, the Company has remitted a further Rs 580 million out of the guarantee placed with the Court, to the counterparty, in October 2019. Also refer Note 7 below.

The Company, its present promoter and the counterparties have challenged various aspects of the Award, including the above-mentioned interest obligations and rights, petitions for which have been admitted by the Court and notices issued, as a result of which the matter is currently sub-judice. In view of the foregoing, and pending outcome of the aforesaid challenges at the Court, management is of the view that it is not possible to determine the effects of any such obligations and rights (including any additional/consequential obligations and rights). Accordingly, no adjustments have been made in this regard, to these results.

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 current status of the matter as described above, no further effect on this matter to the dilutive earnings per share calculations has been considered.

7. The effects of the matter stated in Note 6 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, are not likely to 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. The auditors have drawn an emphasis of matter in their report, in respect of the matters stated in notes 6 and 7 above.
8. Exceptional items (Net) in respect of year to date from April 1, 2018 to September 30, 2018 and year ended March 31, 2019, of Rs.634.66 million in the statement of unaudited financial results represent the net effect of (a) the interest payable of Rs.924.66 million and (b) interest/servicing charges receivable, of Rs.290.00 million, mentioned in Note 6 above, arising from the Award discussed therein. The Company's accounting for the above-mentioned amount of Rs.634.66 million, net, is without prejudice to the rights and remedies the Company may have in the matter discussed in Note 6 above.
9. Following the worldwide grounding during March 2019 of Boeing 737 MAX aircraft, the Company's fleet of thirteen Boeing 737 MAX aircraft continues to be grounded. Despite its inability to undertake revenue operations, the Company continues to incur various costs and losses with respect to these aircraft. As a result of the above, the Company is in the process of determining the costs and losses (including opportunity losses) incurred by it, and has initiated the process of seeking reimbursements and claims from the aircraft manufacturer. While the Company continues to work with the aircraft manufacturer to address the above, based on its assessment and legal advice obtained by the Company, management is confident of a favourable outcome with regard to these reimbursements and claims. Consequently, and without in any manner limiting or prejudicing the legal and commercial rights of the Company towards its claims in this regard, certain costs (including, inter alia, aircraft and supplemental lease rentals and certain other identified expenses relating to the Boeing 737 Max aircraft) aggregating Rs 2,908.52 (including Rs 1,767.12 million recorded in the quarter ended September 30, 2019), have been recognised as other income during the half-year ended September 30, 2019. The auditors have qualified their limited review report in this regard.
10. The Company has been consistently profitable for the previous three financial years up to the financial year 2017-18, and incurred net losses of Rs 3,160.83 million for the year ended March 31, 2019, and Rs. 2,009.08 million for the year to date from April 1, 2019 to September 30, 2019, as a result of which the negative net worth of Rs 14,852 million as at March 31, 2015 has reduced to Rs 8,507.02 million as at September 30, 2019 (after considering adjustments on account of Ind AS 116 implementation – Refer note 4 above). The earlier position of higher negative net worth and consequent net current liabilities was the result of historical factors. Further, the loss for the year ended March 31, 2019 and year to date from April 1, 2019 to September 30, 2019 is primarily driven by adverse foreign exchange rates and fuel prices. As a result of various operational, commercial and financial measures implemented over the last four years, the Company has significantly improved its liquidity position, and generated operating cash flows during that period. Further, macroeconomic factors are expected to improve having regard to industry outlook in the markets in which the Company operates. Based on business plans and cash flow projections, which consider various recurring and other events including aircraft maintenance costs based on contractual obligations and current maintenance conditions, 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.
11. Non-current assets include, Rs. 1,952.86 million paid under protest (including Rs 282.60 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, 2019.

Notes to the Statement of Unaudited Standalone Financial Results - September 30, 2019

12. 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 13, 2019

Sd/-
Ajay Singh
Chairman and Managing Director



SPICEJET LIMITED

Regd Office : Indira Gandhi International Airport, Terminal 1D, New Delhi 110 037

CIN: L51909DL1984PLC288239

E-mail: investors@spicejet.com | Website: www.spicejet.com

Telephone: +91 124 391 3939 | Facsimile: +91 124 391 3888

Statement of Unaudited Consolidated Financial Results for the quarter ended and half year ended September 30, 2019

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

S.No.	Particulars	Quarter ended			Half Year ended		Year ended
		Unaudited 30-Sep-19	Unaudited 30-Jun-19	Unaudited 30-Sep-18	Unaudited 30-Sep-19	Unaudited 30-Sep-18	Audited 31-Mar-19
1	Revenue from contracts with customers						
	a) Revenue from operations	27,615.09	29,225.40	18,440.82	56,840.49	40,295.56	88,945.03
	b) Other operating revenues	865.02	803.08	325.84	1,668.10	687.02	2,269.72
	Total revenue from operations	28,480.11	30,028.48	18,766.66	58,508.59	40,982.58	91,214.75
	Other income (refer note 9)	2,282.56	1,467.76	272.73	3,750.32	601.66	1,447.80
	Total income	30,762.67	31,496.24	19,039.39	62,258.91	41,584.24	92,662.55
2	Expenses						
	a) Operating expenses						
	- Aircraft fuel	11,620.96	10,284.29	8,450.73	21,905.25	16,575.17	34,452.52
	- Aircraft lease rentals	632.54	645.81	2,754.86	1,278.35	5,530.58	12,967.16
	- Airport charges	2,924.40	2,424.70	1,789.66	5,349.10	3,559.04	7,520.83
	- Aircraft maintenance costs	5,156.85	4,529.04	3,582.89	9,685.89	7,010.81	14,990.56
	- Purchase of stock-in-trade	20.32	4.63	0.16	24.95	3.15	3.88
	- Changes in inventory of stock-in-trade	-	-	(28.11)	-	4.52	135.03
	- Other operating costs	1,191.83	991.35	673.63	2,183.18	1,330.39	3,017.70
	b) Employee benefits expense	3,960.82	3,540.81	2,530.64	7,501.63	5,017.59	10,584.24
	c) Depreciation and amortisation expenses	4,363.48	3,773.51	648.98	8,136.99	1,280.21	2,563.54
	d) Other expenses	2,205.62	1,678.36	1,553.71	3,883.98	3,130.11	6,757.00
	e) Finance costs	1,368.32	1,274.34	324.89	2,642.66	627.28	1,313.03
	f) Foreign exchange loss/(gain)	1,929.69	(279.50)	584.52	1,650.19	1,093.64	746.25
	Total expenses	35,374.83	28,867.34	22,866.56	64,242.17	45,162.49	95,051.74
3	Profit / (loss) before exceptional items and taxes (1-2)	(4,612.16)	2,628.90	(3,827.17)	(1,983.26)	(3,578.25)	(2,389.19)
4	Exceptional items, net (Refer Note 8)	-	-	-	-	(634.66)	(634.66)
5	Profit / (loss) before tax (3+4)	(4,612.16)	2,628.90	(3,827.17)	(1,983.26)	(4,212.91)	(3,023.85)
6	Tax expense	-	-	-	-	-	(0.26)
7	Net Profit / (loss) for the period / year (5-6)	(4,612.16)	2,628.90	(3,827.17)	(1,983.26)	(4,212.91)	(3,024.11)
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)	(19.07)	(13.59)	1.88	(32.66)	3.37	(14.45)
	Income tax impact	-	-	-	-	-	-
9	Total comprehensive income (7+8)	(4,631.23)	2,615.31	(3,825.29)	(2,015.92)	(4,209.54)	(3,038.56)
10	Net profit for the year attributable to:						
	- Owners of the Company	(4,612.16)	2,628.90	(3,827.17)	(1,983.26)	(4,212.91)	(3,024.11)
	- Non-controlling interests	-	-	-	-	-	-
11	Other comprehensive income for the year attributable to:						
	- Owners of the Company	(19.07)	(13.59)	1.88	(32.66)	3.37	(14.45)
	- Non-controlling interests	-	-	-	-	-	-
12	Total comprehensive income for the year attributable to:						
	- Owners of the Company	(4,631.23)	2,615.31	(3,825.29)	(2,015.92)	(4,209.54)	(3,038.56)
	- Non-controlling interests	-	-	-	-	-	-
13	Paid-up Equity Share Capital (Face Value Rs.10/- per Equity Share)	5,997.23	5,997.23	5,994.50	5,997.23	5,994.50	5,997.18
14	Other equity						(9,496.82)
15	Earnings per share						
	a) Basic (Rs)	(7.69)	4.38	(6.38)	(3.31)	(7.03)	(5.04)
	b) Diluted (Rs)	(7.68)	4.38	(6.38)	(3.30)	(7.02)	(5.04)
	See accompanying notes to the Financial Results	Not Annualised					

Notes to the Statement of Unaudited Consolidated Financial Results - September 30, 2019

1 Statement of Assets and Liabilities

(Rupees in millions, if otherwise stated)

Particulars	Unaudited As at 30-Sep-19	Audited As at 31-Mar-19
A ASSETS		
1 Non-current assets		
(a) Property, plant and equipment	16,214.85	16,128.85
(b) Right of use assets	68,932.74	-
(c) Other intangible assets	162.76	128.74
(d) Financial assets		
(i) Investments	0.50	0.24
(ii) Loans	-	-
(iii) Other financial assets	12,804.07	11,349.21
(e) Non-current tax assets	448.18	348.12
(f) Other non-current assets	6,980.42	6,277.17
Sub-total: Non-current assets	105,543.52	34,232.33
2 Current Assets		
(a) Inventories	1,558.73	1,413.24
(b) Financial assets		
(i) Investments	53.77	3.63
(ii) Trade receivables	1,757.85	1,353.37
(iii) Other receivables	8,620.83	5,791.00
(iv) Cash and cash equivalents	873.03	667.61
(v) Bank balances other than (iv) above	-	129.50
(vi) Other financial assets	1,780.22	1,042.64
(c) Other current assets	2,388.47	3,294.58
Sub-total: Current assets	17,032.90	13,695.57
TOTAL - ASSETS	122,576.42	47,927.90
B EQUITY AND LIABILITIES		
1 Equity		
(a) Share capital	5,997.23	5,997.18
(b) Other equity	(14,471.89)	(9,496.82)
Equity attributable to the owners of the Company	(8,474.66)	(3,499.64)
(c) Non-controlling interests	-	-
Sub-total: Equity	(8,474.66)	(3,499.64)
2 Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	4,997.35	5,566.28
(ii) Trade payables	-	77.65
(iii) Lease liabilities	61,524.38	-
(b) Long-term provisions	5,460.37	4,289.76
(c) Other non-current liabilities	161.26	5,298.35
Sub-total: Non-current liabilities	72,143.36	15,232.04
3 Current liabilities		
(a) Financial liabilities		
(i) Borrowings	4,176.25	4,179.44
(ii) Trade payables		
a. Total outstanding dues of micro and small enterprises;	95.94	188.50
b. Total outstanding dues of creditors other than micro and small enterprises	10,495.81	10,293.28
(iii) Lease liabilities	17,245.33	-
(iv) Other current financial liabilities	1,693.87	1,621.84
(b) Short-term provisions	4,766.55	2,787.12
(c) Other current liabilities	20,433.97	17,125.32
Sub-total: Current liabilities	58,907.72	36,195.50
TOTAL - EQUITY AND LIABILITIES	122,576.42	47,927.90

Notes to the Statement of Unaudited Consolidated Financial Results - September 30, 2019
2. Cash Flow Statement for the half year ended September 30, 2019

		(Rupees in millions, if otherwise stated)	
		For the half year ended	
Particulars		30-Sep-19	30-Sep-18
		(Unaudited)	(Unaudited)
Cash flow from operating activities			
Loss before tax and exceptional items		(1,983.26)	(3,578.25)
Adjustments to reconcile profit before tax and exceptional items to net cash flows:			
Depreciation and Amortisation expense		8,136.99	1,280.21
Provision for doubtful claims / advances		17.96	-
Loss on disposal of PPE (net) / assets written off		1.29	0.19
Provision for litigations		-	-
Advances / debts written off		18.63	49.50
Share-based payment expense		65.44	42.76
Provision for aircraft redelivery		200.44	76.01
Liabilities / provision no longer required written back		(246.38)	(166.77)
Interest accretion on financial liabilities measured at amortised cost		2,172.84	41.87
Interest income from financial assets measured at amortised cost		(165.12)	(46.77)
Profit on sale of aircraft and engines under sale and lease-back arrangement		-	(42.62)
Net gain on financial assets measured at fair value through profit or loss (FVTPL)		(0.14)	(6.01)
Finance income		(221.05)	(318.95)
Finance costs		469.80	585.41
Translation loss on monetary assets and liabilities		1,810.92	367.43
Operating profit before working capital changes		10,278.36	(1,715.99)
Movements in working capital :			
(Increase) / Decrease in trade and other receivables		(3,090.09)	(353.82)
(Increase) / Decrease in inventories		(145.49)	(159.90)
(Increase) / Decrease in other financial assets		(1,673.57)	(700.28)
(Increase) / Decrease in other assets		377.00	(429.76)
Increase / (Decrease) in trade payables		174.41	2,571.93
Increase / (Decrease) in other financial liabilities		75.04	(27.70)
Increase / (Decrease) in other liabilities		3,934.46	1,668.91
Increase / (Decrease) in provisions		1,869.19	2,015.93
Cash generated from operations		11,799.31	2,869.33
Income taxes received / (paid) (net of refunds)		(100.06)	(74.62)
Net cash flow from / (used in) operating activities	A	11,699.25	2,794.71
Cash flow from investing activities			
Purchase of PPE and capital work in progress (including capital advances)		(1,645.13)	(4,906.99)
Proceeds from sale of PPE		1.61	1.61
Purchase of investments		(4,910.00)	(4,054.00)
Proceeds from sale of investments		4,859.74	4,573.04
Proceeds from maturity of bank deposits		129.50	271.00
Margin money deposits placed		(2,712.10)	(955.30)
Margin money deposits withdrawn		2,635.31	-
Finance income		75.02	303.45
Net cash from / (used in) investing activities	B	(1,566.05)	(4,767.19)
Cash flow from financing activities			
Proceeds from short-term borrowings		5,327.71	6,815.17
Repayment from short-term borrowings		(5,330.90)	(5,171.33)
Repayment of lease liability		(8,911.29)	-
Proceeds from long-term borrowings		-	750.00
Repayment of long-term borrowings		(532.88)	(307.65)
Finance costs		(472.81)	(594.58)
Net cash (used in) / from financing activities	C	(9,920.17)	1,491.61
Net increase / (decrease) in cash and cash equivalents	(A+B+C)	213.03	(480.87)
Effects of exchange difference on cash and cash equivalents held in foreign currency		(7.61)	(125.33)
Cash and cash equivalents at the beginning of the year		667.61	1,199.51
Cash and cash equivalents at the end of the year		873.03	593.31
Notes :			
Components of cash and cash equivalents			
On current accounts		772.08	571.35
On deposit accounts		44.88	0.33
Cash on hand		56.07	21.63
		873.03	593.31
See accompanying notes forming part of the financial results.			

Notes to the Statement of Unaudited Consolidated Financial Results - September 30, 2019

3. The consolidated financial results for the quarter ended September 30, 2019 and half year ended September 30, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 13, 2019 and subject to the limited review by the statutory auditors. The consolidated financial results for the corresponding quarter ended September 30, 2018 and year to date ended September 30, 2018, have been approved by the Board of Directors and have not been subjected to limited review by the auditors (pursuant to option exercised as per Regulation 33 (3) (b) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015).
4. Effective April 1, 2019, the Group adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). As a consequence:
 - a. On April 1, 2019 (transition date), the Group has recognised lease liability measured at the present value of the remaining lease payments, and Right-of-Use (ROU) asset at its carrying amount net of any incentives (including sale-and-lease back gains) received as if the standard had been applied since the lease commencement date, and discounted using the lessee's incremental borrowing rate as at April 1, 2019.
 - b. As permitted by Ind AS 116, comparatives for the year ended March 31, 2019, quarter ended September 30, 2018 and year to date from April 1, 2018 to September 30, 2018 have not been restated, and the Group has elected not to apply the requirements of that standard to leases that are either short-term or for which the underlying asset is determined to be low value.
 - c. In the statement of profit and loss, the nature of expenses in respect of leases has changed from lease rent in the earlier periods to depreciation cost on the ROU asset and finance cost on lease liability as per Ind AS 116.

On transition, the impact of adopting Ind AS 116 on the Group's financial results for the quarter ended September 30, 2019 and year to date from April 1, 2019 to September 30, 2019 is as follows:

Particulars	Quarter ended September 30, 2019	Half-year ended September 30, 2019
Impact on profits:		
Depreciation is higher by	3,722.30	6,823.19
Finance cost is higher by	1,074.76	2,105.06
Foreign exchange gain on restatement of lease liability	1,797.30	1,477.26
Rent expense is lower by	(4,791.44)	(8,860.49)
Net impact of profit before tax	1,802.92	1,545.02

5. Based on the internal reporting provided to the chief operating decision maker, the Consolidated segment information for the group is as follows:

Particulars	Quarter ended			Half-year ended		Year ended
	(Unaudited) Sept 30, 2019	(Unaudited) June 30, 2019	(Unaudited) June 30, 2018	(Unaudited) Sept 30, 2019	(Unaudited) Sept 30, 2019	(Audited) March 31, 2019
Segment Revenue						
a. Air transport services	28,452.56	30,020.68	18,748.05	58,473.24	40,952.00	91,132.50
b. Others	27.55	7.80	18.61	35.35	30.58	82.20
Total	28,480.11	30,028.48	18,766.66	58,508.59	40,982.58	91,214.70
Segment Results						
a. Air transport services	(4,625.81)	2,616.70	(3,893.71)	(2,009.08)	(4,274.40)	(2,828.20)
b. Others	13.65	12.20	66.54	25.85	61.49	(195.80)
Total	(4,612.16)	2,628.90	(3,827.17)	(1,983.23)	(4,212.91)	(3,024.00)

Notes to the Statement of Unaudited Consolidated Financial Results - September 30, 2019

Particulars	Quarter ended			Half-year ended		Year ended
	(Unaudited) Sept 30, 2019	(Unaudited) June 30, 2019	(Unaudited) June 30, 2018	(Unaudited) Sept 30, 2019	(Unaudited) Sept 30, 2019	(Audited) March 31, 2019
Segment Assets						
a. Air transport services	122,225.86	119,405.21	45,170.58	122,225.86	45,170.58	47,627.90
b. Others	350.56	301.30	258.36	350.56	258.36	299.90
Total	122,576.42	119,706.51	45,428.94	122,576.42	45,428.94	47,927.80
Segment Liabilities						
a. Air transport services	131,038.98	123,586.54	50,089.13	131,038.98	50,089.13	51,403.70
b. Others	12.10	18.30	22.25	12.10	22.25	23.70
Total	131,051.08	123,604.84	50,111.38	131,051.08	50,111.38	51,427.40

Segment revenue and expenses, and segment assets and liabilities, represent relevant amounts that are either directly attributable to individual segments, or are attributable to individual segments on a reasonable basis of allocation.

- The Group had, in earlier financial years, received amounts aggregating Rs.5,790.9 Million from Mr. Kalanithi Maran and M/s KAL Airways Private Limited together, ("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 Group, the Group was required to secure an amount of Rs.3,290.89 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 Million with the Registrar. The Group 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"), which pronounced its award on July 20, 2018 (the "Award"). In terms of the Award, the Group was required to (a) refund an amount of approximately Rs.3,082.19 million to the counterparty, (b) explore the possibility of allotting preference shares in respect of approximately Rs.2,708.70 million, failing which, refund such amount to the counterparty, and (c) pay interest calculated to be Rs.924.66 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.5,790.89 million, continue to be carried as current liabilities without prejudice to the rights of the Group under law. Further, the Group was entitled to receive from the counterparty, under the said Award, an amount of Rs.290.00 million of past interest/servicing charges. During the quarter ended March 31, 2019, the Court has ordered release of Rs 2,500 million, out of the amount deposited by the Group, to the counterparty, subject to certain conditions as enumerated by the Court in its order. Further, pursuant to an order of the Court dated September 20, 2019, the Group has remitted a further Rs 580 million out of the guarantee placed with the Court, to the counterparty, in October 2019. Also refer Note 7 below.

The Group, its present promoter and the counterparties have challenged various aspects of the Award, including the above-mentioned interest obligations and rights, petitions for which have been admitted by the Court and notices issued, as a result of which the matter is currently sub-judice. In view of the foregoing, and pending outcome of the aforesaid challenges at the Court, management is of the view that it is not possible to determine the effects of any such obligations and rights (including any additional/consequential obligations and rights). Accordingly, no adjustments have been made in this regard, to these results.

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 current status of the matter as described above, no further effect on this matter to the dilutive earnings per share calculations has been considered.

- The effects of the matter stated in Note 6 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, are not likely to have a material impact on the financial results of the Group. Accordingly, no adjustments have been made for any such consequential penal effects in this regard. The auditors have drawn an emphasis of matter in their report, in respect of the matters stated in notes 6 and 7 above.

Notes to the Statement of Unaudited Consolidated Financial Results - September 30, 2019

8. Exceptional items (Net) in respect of year to date from April 1, 2018 to September 30, 2018 and year ended March 31, 2019, of Rs.634.66 million in the statement of unaudited financial results represent the net effect of (a) the interest payable of Rs.924.66 million and (b) interest/servicing charges receivable, of Rs.290.00 million, mentioned in Note 6 above, arising from the Award discussed therein. The Group's accounting for the above-mentioned amount of Rs.634.66 million, net, is without prejudice to the rights and remedies the Group may have in the matter discussed in Note 6 above.
9. Following the worldwide grounding during March 2019 of Boeing 737 MAX aircraft, the Group's fleet of thirteen Boeing 737 MAX aircraft continues to be grounded. Despite its inability to undertake revenue operations, the Group continues to incur various costs and losses with respect to these aircraft. As a result of the above, the Group is in the process of determining the costs and losses (including opportunity losses) incurred by it, and has initiated the process of seeking reimbursements and claims from the aircraft manufacturer. While the Group continues to work with the aircraft manufacturer to address the above, based on its assessment and legal advice obtained by the Group, management is confident of a favourable outcome with regard to these reimbursements and claims. Consequently, and without in any manner limiting or prejudicing the legal and commercial rights of the Group towards its claims in this regard, certain costs (including, inter alia, aircraft and supplemental lease rentals and certain other identified expenses relating to the Boeing 737 Max aircraft) aggregating Rs 2,908.52 (including Rs 1,767.12 million recorded in the quarter ended September 30, 2019), have been recognised as other income during the half-year ended September 30, 2019. The auditors have qualified their limited review report in this regard.
10. The Group has been consistently profitable for the previous three financial years up to the financial year 2017-18, and incurred net losses of Rs 3,023.85 million for the year ended March 31, 2019, and Rs. 1,983.26 million for the year to date from April 1, 2019 to September 30, 2019, as a result of which the negative net worth of Rs 14,852 million as at March 31, 2015 has reduced to Rs 8,474.66 million as at September 30, 2019 (after considering adjustments on account of Ind AS 116 implementation – Refer note 4 above). The earlier position of higher negative net worth and consequent net current liabilities was the result of historical factors. Further, the loss for the year ended March 31, 2019 and year to date from April 1, 2019 to September 30, 2019 is primarily driven by adverse foreign exchange rates and fuel prices. As a result of various operational, commercial and financial measures implemented over the last four years, the Group has significantly improved its liquidity position, and generated operating cash flows during that period. Further, macroeconomic factors are expected to improve having regard to industry outlook in the markets in which the Group operates. Based on business plans and cash flow projections, which consider various recurring and other events including aircraft maintenance costs based on contractual obligations and current maintenance conditions, management is of the view that the Group 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 Group will continue as a going concern for the foreseeable future.
11. Non-current assets include, Rs. 1,952.86 million paid under protest (including Rs 282.60 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, 2019.
12. 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 13, 2019

Sd/-
Ajay Singh
Chairman and Managing Director