



SpiceJet
Investor Presentation
Q4 FY20



Disclaimer



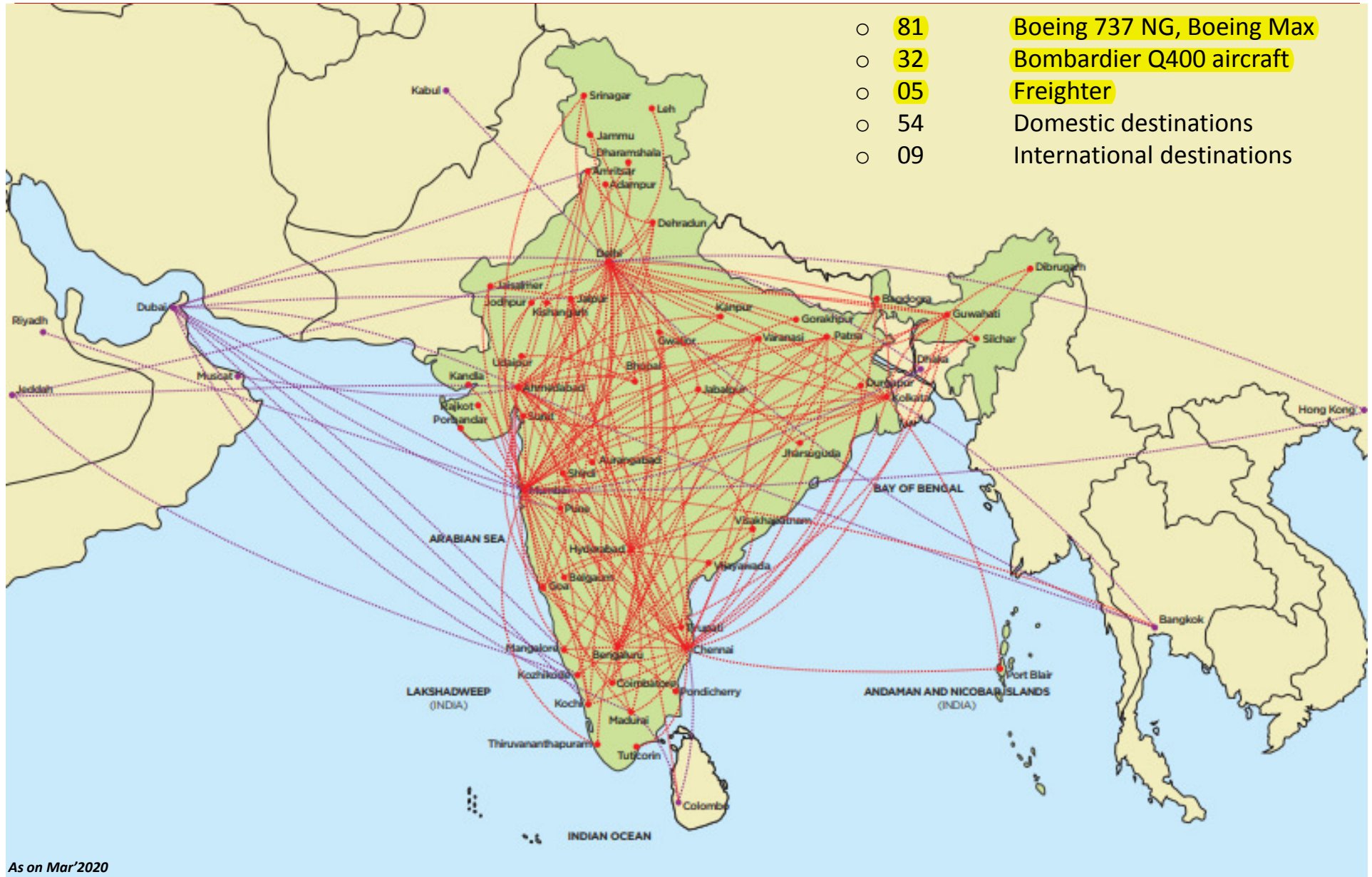
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Operation snapshot



As on Mar'2020



QUARTER HIGHLIGHTS

Q4 FY20



Management Comments



SpiceJet posts a loss in Q4 on weak demand & suspension of flight operations due to COVID-19

Reports 19% growth in revenue against the same quarter last year

Full year of MAX grounding inflates costs, impacts bottom line

Non cash loss of INR 473.4 crore for the Quarter due to Ind-AS 116

For the Quarter ending March 2020

- Capacity (in terms of seat kilometre) up by 23%
- Operating loss of INR 333.7 crore. Non-cash Ind-AS 116 impact of INR 473.4 crore. Net loss of INR 807.1 crore compared to net profit of INR 56.3 crore in the same period last year
- Revenue from operations increased by 13% in spite of weak demand due to COVID-19
- Revenue from cargo increased by 94%
- Registers industry's highest domestic load factor of 90%

For the year ending March 2020

- EBITDAR profit of INR 1,636.8 crore
- Reports a net loss of INR 934.8 crore in FY2020; without forex impact under Ind-AS 116, net loss would have been INR 237.8 crore
- Passenger capacity up by 40%; substantial increase in cargo capacity
- Operating income up by 36%
- Aircraft fleet at 114 as on March 31, 2020
- Registers domestic load factor of 92%; clocked 90% plus PLF for a record 58 successive months till February'20.



Management Comments, contd..



Key highlights

- Added 38 aircraft to fleet. Operated 570 average daily passenger flights before COVID-19.
- Inducted 100th aircraft, a Boeing 737, in May 2019
- Secured premium slots at key metros and international flying rights
- Consolidated airport operations in Mumbai at Terminal 2
- Added five 90-seater Q400 aircraft taking Bombardier fleet size to 32
- Signed definitive codeshare agreement with Emirates
- Actively using Ras Al-Khaimah airport as a hub for cargo operations
- Likely return to service of the MAX in first quarter of CY2021 to be a big boost; will add operationally efficient aircraft to fleet

Current Highlights

- Designated as an Indian scheduled carrier to operate to US and UK; to operate its first long-haul flight from Amsterdam on August 1, 2020
- Has operated over 450 charter flights to repatriate over 75,000 Indian nationals stranded abroad
- SpiceJet is now India's largest air cargo company. Since the lockdown began, the airline has carried around 26,000 tonnes of cargo on more than 4650 flights
- Cargo network spans over 63 domestic and 41 international destinations
- Played a key role in transporting COVID-19 related medical and essential supplies during the lockdown period
- Launched air ambulance service through a 100% subsidiary
- Converted three Q400 passenger aircraft into freighters. Freighter fleet stands at eight as of July 2020

Gurugram, July 29, 2020: SpiceJet, India's favourite airline and the biggest air cargo operator, reported a net loss of INR [807.1] crore in the fourth quarter of FY20 (that includes a non-cash loss of INR 473.4 crore due to forex loss on restatement of lease liability due to Ind-AS 116) against a profit of INR 56.3 crore in the same quarter of the previous year as business was adversely impacted due to the COVID-19 pandemic and the nation-wide lockdown that resulted in suspension of flight operations. The airline reported a net loss of INR 934.8 crore in FY 2020 (that includes a non-cash loss of INR 697.0 crore due to forex loss on restatement of lease liability due to Ind-AS 116).



Management Comments, contd..



Operating revenues were at INR 2,863.9 crore for the reported quarter and INR 12,358.6 crore for the fiscal 2020. On an EBITDA basis, loss was INR 223.6 crore for the reported quarter and profit of INR 1,273.9 crore for the fiscal 2020. On an EBITDAR basis, the loss is INR 90.9 crore for the reported quarter and profit of INR 1,636.8 crore for the fiscal 2020.

FY2020 posed multiple unprecedented challenges such as the COVID-19 pandemic and the world-wide grounding of the Boeing 737 MAX which led to the overnight grounding of SpiceJet's MAX fleet. On the grounded Boeing 737 MAX aircraft, the Company continues to incur various costs with respect to these aircraft and during this quarter ended March 30, 2020 on account of its inability to undertake revenue operations, the Company has recognized INR 134.5 crore towards aircraft and supplemental lease rentals and other identified expenses, as Other Income for the reported quarter. This is a part recognition of the total reimbursements, on which the Company is working with the aircraft manufacturer, towards various ascertained costs and losses incurred by the Company on this aircraft.

Ajay Singh, Chairman and Managing Director, SpiceJet, said, "Two key factors that adversely impacted our performance and bottom line was the COVID-19 pandemic that started affecting demand adversely from mid-February and grounding of the 737 MAX, which has been out of service for over a year now. Despite the year long grounding of the MAX aircraft, SpiceJet ran a profitable operation till COVID hit demand from mid-February. Indian and the global aviation industry are going through the toughest-ever phase in aviation history. We at SpiceJet have constantly adapted to the changing economic environment and I am happy that our cargo operations have performed very well. I am confident that things will only improve in the times to come. We remain cautious but optimistic about the future."

In terms of operational parameters, SpiceJet had the best passenger load factor amongst all airlines in the country during the quarter and the year. The average domestic load factor for the quarter was 90% while for fiscal 2020 it was 92%. For 58 months-in-a-row, SpiceJet has flown with over 90% load factors in the Indian aviation market.



Management Comments, contd..



Key business updates

After 13 years of being an integral part of SpiceJet, our CFO, Kiran Koteswar, has decided to pursue an exciting opportunity overseas. He will remain with SpiceJet till August 31, 2020, and for a transition thereafter.

Since April 1, 2019, the airline has added 38 aircraft which included 737s, Q400s and freighters as it celebrated the big milestone of inducting its 100th aircraft – a Boeing 737.

SpiceJet consolidated its position at Mumbai Airport by shifting its operations from the Domestic Terminal (T1) to the state-of-the-art Terminal 2 (T2) at Chhatrapati Shivaji Maharaj International Airport.

During the lockdown, SpiceJet played a key role in keeping the country's supply chain intact. On April 7, 2020, SpiceJet operated the India's first cargo-on-seat flight carrying vital supplies in passenger cabin and belly space. Since then, the airline has been regularly deploying its B737 and Q400 passenger aircraft to carry cargo in the passenger cabin.

SpiceJet, the country's largest cargo operator, has transported around 26,000 tonnes of cargo on more than 4650 flights since the lockdown began on March 25. SpiceXpress, SpiceJet's dedicated cargo arm, in addition to handling its regular cargo business, also transported surgical supplies, sanitizers, face masks, coronavirus rapid test kits, IR thermometers etc. and providing doorstep deliveries of essential supplies, medicines and medical equipment to various cities in India during the lockdown period. The airline also helped Indian farmers maintain continuity of supply chains by operating special cargo flights to take farm produce, fresh fruit and vegetables to various domestic and international destinations.

SpiceXpress's international cargo network now spans over 41 international destinations that include Almaty, Abu Dhabi, Baghdad, Bahrain, Bangkok, Bishkek, Cambodia, Cairo, Cebu, Chad, Colombo, Dhaka, Doha, Dubai, Guangzhou, Ho Chi Minh, Hong Kong, Huangzhou, Incheon, Jakarta, Kabul, Kathmandu, Khartoum, Kyrgyzstan, Kuala Lumpur, Kuwait, Male, Myanmar, Shanghai, Singapore, Sharjah, Sulaymaniyah, Tashkent, Ukraine, among others.

Pioneer of India's 'Marine Krishi Udaan', the airline introduced dedicated freighter services to boost India's shrimp farming in February 2020. Through SpiceXpress, the airline deployed its Boeing 737 aircraft on Chennai-Visakhapatnam and Surat-Kolkata routes, becoming the first to connect the cities through a freighter route.



Management Comments, contd..



About SpiceJet Ltd

SpiceJet is India's favourite airline that has made flying affordable for more Indians than ever before. The airline has a fleet of 74 Boeing 737, 29 Bombardier Q-400s, eight B737 & Bombardier Q-400 freighters and is the country's largest regional player operating 49 daily flights under UDAN or the Regional Connectivity Scheme. The majority of the airline's fleet offers SpiceMax, the most spacious economy class seating in India.

The airline also operates a dedicated air cargo service under the brand name SpiceXpress offering safe, on-time, efficient and seamless cargo connectivity across India and on international routes.

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Results



Statement of Audited Standalone Financial Results for the quarter and year to date March 31, 2020

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

S.No.	Particulars	Quarter ended			Year ended	
		31-Mar-20 (Refer note 3)	31-Dec-19 Unaudited	31-Mar-19 (Refer note 3)	31-Mar-20 Audited	31-Mar-19 Audited
1	Revenue from contracts with customers					
	a) Revenue from operations	27,755.95	35,334.64	24,775.71	119,896.13	88,862.82
	b) Other operating revenues	882.63	1,136.67	536.80	3,690.28	2,269.72
	Total revenue from operations	28,638.58	36,471.31	25,312.51	123,586.41	91,132.54
	Other income (refer note 9)	1,934.83	2,796.09	405.84	8,477.81	1,447.80
	Total income	30,573.41	39,267.40	25,718.35	132,064.22	92,580.34
2	Expenses					
	a) Operating expenses					
	- Aircraft fuel	10,849.57	13,407.21	8,194.00	46,162.03	34,452.52
	- Aircraft lease rentals	1,326.81	1,024.55	4,004.85	3,629.71	12,967.16
	- Airport charges	2,833.69	3,263.64	2,063.12	11,445.82	7,520.54
	- Aircraft maintenance costs	5,701.69	6,276.44	4,182.14	21,717.45	15,042.62
	- Other operating costs	1,345.55	1,315.80	901.51	4,844.53	3,017.70
	b) Employee benefits expense	3,700.26	4,059.48	2,860.00	15,257.76	10,570.07
	c) Depreciation and amortisation expenses	4,557.25	4,646.62	668.94	17,339.34	2,562.25
	d) Other expenses	2,067.13	2,350.36	1,927.38	8,269.06	6,914.56
	e) Finance costs	1,419.97	1,387.46	278.52	5,450.08	1,312.84
	f) Foreign exchange loss/(gain) (refer note 12)	4,842.25	803.61	75.03	7,296.05	746.25
	Total expenses	38,644.17	38,535.17	25,155.49	141,411.83	95,106.51
3	Profit / (loss) before exceptional items and taxes (1-2)	(8,070.76)	732.23	562.86	(9,347.61)	(2,526.17)
4	Exceptional items, net (Refer Note 8)	-	-	-	-	(634.66)
5	Profit / (loss) before tax (3+4)	(8,070.76)	732.23	562.86	(9,347.61)	(3,160.83)



Results, contd..



Statement of Audited Standalone Financial Results for the quarter and year to date March 31, 2020

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

S.No.	Particulars	Quarter ended			Year ended	
		31-Mar-20 (Refer note 3)	31-Dec-19 Unaudited	31-Mar-19 (Refer note 3)	31-Mar-20 Audited	31-Mar-19 Audited
6	Tax expense	-	-	-	-	-
7	Net Profit / (loss) for the period / year (5-6)	(8,070.76)	732.23	562.86	(9,347.61)	(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)	(1.81)	1.98	(8.72)	(32.49)	(14.45)
	Income tax impact	-	-	-	-	-
9	Total comprehensive income (7+8)	(8,072.57)	734.21	554.14	(9,380.10)	(3,175.28)
10	Paid-up Equity Share Capital (Face Value Rs.10/- per Equity Share)	6,000.76	5,997.18	5,997.18	6,000.76	5,997.18
11	Other equity				(21,793.41)	(9,503.80)
12	Earnings per share					
	a) Basic (Rs)	(13.45)	1.22	0.94	(15.58)	(5.27)
	b) Diluted (Rs)	(13.45)	1.22	0.94	(15.58)	(5.27)
		Not Annualised				
	See accompanying notes to the Financial Results					



Results, contd..



Notes to the Statement of Audited Standalone Financial Results - March 31, 2020

1 Statement of Assets and Liabilities

(Rupees in millions, if otherwise stated)

Particulars	Audited As at 31-Mar-20	Audited As at 31-Mar-19
A ASSETS		
1 Non-current assets		
(a) Property, plant and equipment	16,129.70	15,908.93
(b) Right of use assets	70,506.67	-
(c) Other intangible assets	173.16	128.73
(d) Investments in subsidiaries	0.70	0.30
(e) Financial assets		
(i) Investments	0.50	0.24
(ii) Loans	330.40	332.54
(iii) Other financial assets	11,585.05	11,344.23
(f) Non-current tax assets	669.94	343.18
(g) Other non-current assets (refer note 14)	8,004.12	6,270.82
Sub-total: Non-current assets	107,400.24	34,328.97
2 Current Assets		
(a) Inventories	1,775.87	1,373.24
(b) Financial assets		
(i) Investments	3.89	3.63
(ii) Trade receivables	2,916.64	1,471.96
(iii) Other receivables	12,541.60	5,791.00
(iv) Cash and cash equivalents	281.55	649.47
(v) Bank balances other than (iv) above	120.22	129.50
(vi) Other financial assets	2,391.71	1,031.92
(c) Other current assets	2,236.49	3,289.82
Sub-total: Current assets	22,267.97	13,740.54
TOTAL - ASSETS	129,668.21	48,069.51



Results, contd..



Notes to the Statement of Audited Standalone Financial Results - March 31, 2020		
1 Statement of Assets and Liabilities		
(Rupees in millions, if otherwise stated)		
Particulars	Audited As at 31-Mar-20	Audited As at 31-Mar-19
B EQUITY AND LIABILITIES		
1 Equity		
(a) Share capital	6,000.76	5,997.18
(b) Other equity	(21,793.41)	(9,503.80)
Sub-total: Equity	(15,792.65)	(3,506.62)
2 Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	4,593.03	5,566.28
(ii) Trade payables	-	77.65
(iii) Lease liabilities	67,931.93	-
(b) Long-term provisions	6,284.80	4,289.76
(c) Other non-current liabilities	152.72	5,298.35
Sub-total: Non-current liabilities	78,962.48	15,232.04
3 Current liabilities		
(a) Financial liabilities		
(i) Borrowings	4,144.38	4,179.44
(ii) Trade payables		
a. Total outstanding dues of micro and small enterprises;	174.84	188.50
b. Total outstanding dues of creditors other than micro and small enterprises	17,196.30	10,941.50
(iii) Lease liabilities	21,599.61	-
(iv) Other current financial liabilities	2,797.48	1,621.86
(b) Short-term provisions	4,761.75	2,169.54
(c) Other current liabilities	15,824.02	17,243.25
Sub-total: Current liabilities	66,498.38	36,344.09
TOTAL - EQUITY AND LIABILITIES	129,668.21	48,069.51



Results, contd..



2. Cash Flow Statement for the year ended March 31, 2020		(Rupees in millions, if otherwise stated)	
Particulars		Standalone	
		For the year ended	
		31-Mar-20	31-Mar-19
		(Audited)	(Audited)
Cash flow from operating activities			
Loss before tax and exceptional items		(9,347.61)	(2,526.17)
Adjustments to reconcile profit before tax and exceptional items to net cash flows:			
Depreciation and Amortisation expense		17,339.34	2,562.25
Provision for doubtful claims / advances		131.63	239.63
Loss on disposal of PPE (net) / assets written off		196.40	20.02
Provision for litigations		13.50	9.51
Advances / debts written off		75.29	225.35
Share-based payment expense		117.15	85.52
Provision for aircraft maintenance		5,097.80	5,400.86
Provision for aircraft redelivery		1,241.79	267.58
Liabilities / provision no longer required written back		(402.31)	(369.78)
Interest accretion on financial liabilities measured at amortised cost		4,393.26	88.35
Interest income from financial assets measured at amortised cost		(165.12)	(96.16)
Profit on sale of aircraft and engines under sale and lease-back arrangement		-	(243.99)
Net (gain) / loss on financial assets measured at fair value through profit or loss (FVTPL)		(0.21)	12.39
Finance income		(703.12)	(864.90)
Finance costs		1,056.82	1,312.84
Translation loss on monetary assets and liabilities		7,128.16	123.34
Operating profit before working capital changes		26,172.77	6,246.64
Movements in working capital :			
(Increase) / Decrease in trade and other receivables		(7,596.05)	(5,772.01)
(Increase) / Decrease in inventories		(402.63)	(129.56)
(Increase) / Decrease in other financial assets		(1,714.40)	(1,044.76)
(Increase) / Decrease in other assets		85.15	(1,402.31)
Increase / (Decrease) in trade payables		1,052.58	(1,119.61)
Increase / (Decrease) in other financial liabilities		253.13	53.47
Increase / (Decrease) in other liabilities		(801.96)	6,457.57
Increase / (Decrease) in provisions		1,696.05	1,326.43
Cash generated from operations		18,744.65	4,615.86
Income taxes received / (paid) (net of refunds)		(326.76)	(52.55)
Net cash flow from / (used in) operating activities	A	18,417.89	4,563.31



Results, contd..



2. Cash Flow Statement for the year ended March 31, 2020		(Rupees in millions, if otherwise stated)	
Particulars		Standalone	
		For the year ended	
		31-Mar-20	31-Mar-19
		(Audited)	(Audited)
Cash flow from investing activities			
Purchase of PPE and capital work in progress (including capital advances)		(2,744.25)	(2,002.39)
Proceeds from sale of PPE		32.40	3.71
Investment in subsidiary		(0.40)	-
Loans to subsidiary		(17.86)	(44.92)
(Purchase) / Proceeds from sale of investments		(0.31)	996.60
Investments in bank deposits		9.28	141.50
Deposit with Delhi High Court		(577.98)	(109.04)
Margin money deposits placed		(441.43)	(5,746.18)
Margin money deposits withdrawn		1,354.38	4,414.46
Finance income		599.21	891.22
Net cash from / (used in) investing activities	B	(1,786.96)	(1,455.04)
Cash flow from financing activities			
Proceeds from issue of shares on exercise of stock options		3.58	2.68
Proceeds from short-term borrowings		170.47	642.90
Repayment of lease liability		(15,064.17)	-
Repayment of long-term borrowings		(1,140.26)	(2,947.16)
Finance costs		(1,012.12)	(1,335.76)
Net cash (used in) / from financing activities	C	(17,042.49)	(3,637.34)
Net increase / (decrease) in cash and cash equivalents	(A+B+C)	(411.57)	(529.07)
Effects of exchange difference on cash and cash equivalents held in foreign currency		43.65	(8.17)
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		281.55	649.47
Notes :			
Components of cash and cash equivalents			
On current accounts		205.07	592.25
On deposit accounts		0.30	15.88
Cash on hand		76.18	41.34
		281.55	649.47



Results, contd..



3. The standalone financial results for the quarter and year ended March 31, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on July 29, 2020. The standalone financial results for the quarter ended March 31, 2020 and March 31, 2019, are the balancing figures between audited figures of the respective full financial year and the published unaudited year to date up to the third quarter of the respective financial year which were subjected to limited review by the statutory auditors.

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. On account of adoption of Ind AS 116, as at April 1, 2019, the retained earnings have been reduced by Rs 3,022.89 million.

b) As permitted by Ind AS 116, comparatives for the quarter and year ended March 31, 2019 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 and year ended March 31, 2020 is as follows:

Particulars	Quarter ended March 31, 2020	Year ended March 31, 2020
Impact:		
Depreciation is higher by	3,944.08	14,787.72
Finance cost is higher by	1,123.89	4,345.76
Foreign exchange loss on restatement of lease liability	4,733.54	6,970.19
Rent expense is lower by	(5,385.40)	(19,469.71)
Net impact on loss before tax	4,416.11	6,633.95



Results, contd..



5. Earlier, the Company had considered "Air Transport Services" as the only segment of the Company. During the year, based on the relative significance of, and focus on, freighter-related and associated operations, and the consequent changes to the nature of internal reporting provided to the chief operating decision maker, management has reassessed the Company's segments. Accordingly, operating segments of the Company are Air Transport Services and Freightler and Logistics Services. Air Transport Services includes, inter alia, passenger transport and ancillary cargo operations arising from passenger aircraft operations. Accordingly, segment information provided in these results, including in respect of comparative periods, is based on such operating segments described above.

Particulars	(Rs in millions)				
	Quarter ended			Year ended	
	Mar 31 2020 (Refer note 3)	(Unaudited) Dec 31 2019	Mar 31 2019 (Refer note 3)	(Audited) Mar 31 2020	(Audited) Mar 31 2019
Segment Revenue					
a. Air transport services	27,960.50	35,908.03	25,140.84	121,780.16	90,720.72
b. Freightler and Logistics Services	678.08	563.28	171.67	1,806.25	411.82
Total	28,638.58	36,471.31	25,312.51	123,586.41	91,132.54
Segment Results (After exceptional items)					
a. Air transport services	(7,474.94)	1,150.58	606.56	(8,005.64)	(3,103.93)
b. Freightler and Logistics Services	(595.82)	(418.35)	(43.70)	(1,341.97)	(56.90)
Total	(8,070.76)	732.23	562.86	(9,347.61)	(3,160.83)
Segment Assets					
a. Air transport services	124,125.56	122,303.84	47,614.21	124,125.56	47,614.21
b. Freightler and Logistics Services	5,542.65	5,698.83	455.30	5,542.65	455.30
Total	129,668.21	128,002.67	48,069.51	129,668.21	48,069.51
Segment Liabilities					
a. Air transport services	139,912.11	130,368.36	51,514.72	139,912.11	51,514.72
b. Freightler and Logistics Services	5,548.75	5,368.32	61.41	5,548.75	61.41
Total	145,460.86	135,736.68	51,576.13	145,460.86	51,576.13



Results, contd..



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. Segment assets and segment liabilities in respect of comparative periods have been disclosed to the extent relevant information has been identified of even date. Such disclosures will be updated if and when additional information is determined, in due course.

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 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.



Results, contd..



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 the year ended March 31, 2019, of Rs.634.66 million in the statement of audited 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 due to technical reasons, 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 with respect to these aircraft. As a result of the above, and the uncertainty in timing of return to operations of these aircraft, the Company has initiated the process of claims on the aircraft manufacturer towards costs and losses, which are currently under discussion. 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 to Rs 6,718.04 million (including Rs 1,345.34 million recorded in the quarter ended March 31, 2020), have been recognised as other income during the year ended March 31, 2020. Further, the related foreign exchange gain on restatement of these balances for the quarter and year ended March 31, 2020 amount to Rs. 367.04 million and Rs 427.30 million respectively. Based on current stage of discussions with, and considering the interim offer of compensation received from, the aircraft manufacturer, its own assessment and legal advice obtained by the Company, management is confident of collection of the above income recognised by the Company. The auditors have qualified their report on the financial results in this regard.



Results, contd..



10. The COVID-19 pandemic (declared as such by the World Health Organisation on March 11, 2020), has contributed to a significant decline and volatility, and a significant decrease in economic activity, in global and Indian markets. The Indian government announced a strict lockdown in India to contain the spread of the virus till May 31, 2020, which has been extended by certain states, with varying levels of relaxations. This has led to significant disruptions and dislocations for individuals and businesses and has had consequential impact of grounding the passenger airline operations. The Company is required to adhere to various regulatory restrictions, which impact its operations and may have their own additional financial implications. As per Government guidelines, the Company had stopped all passenger travel from March 25, 2020 to May 24, 2020. The Company has also renegotiated / is renegotiating various operating contracts (including, in particular, contracts with aircraft lessors), and has reassessed their maintenance provisions (having regard to contractual obligations and current maintenance conditions), based on the anticipated scale of operations in the immediate future, and the Company's expectations of the timing of re-introduction of Boeing 737 Max aircraft into its operations. Further, the Company has assessed its liquidity position for the next one year and of the recoverability and carrying values of its assets as at the balance sheet date. Management is confident that they have considered all anticipated impacts arising from the Covid-19 pandemic on the Company's business, and where relevant, have accounted for the same in these results. However, the full extent of impact of the COVID-19 pandemic on the Company's operations, and financial metrics will depend on future developments across the geographies that the Company operates in, and the governmental, regulatory and the Company's responses thereto, which are highly uncertain and incapable of estimation at this time. The impact of the COVID 19 pandemic on the financial position and its financial performance might be different from that estimated as at the date of approval of these results. The auditors have drawn an emphasis of matter in their report in this regard.

11. The Company had a negative net worth of Rs 14,852 million as at March 31, 2015, after which it had been consistently profitable for three financial years up to 2017-18. However, due to net losses of Rs 3,160.83 million for the year ended March 31, 2019, and Rs. 9,347.61 million for the year ended March 31, 2020 (after considering the impact of the matter in note 9 above), the Company's negative net worth stands at Rs 15,792.65 million as at March 31, 2020 (after considering adjustments on account of Ind AS 116 implementation – Refer note 4 above, and foreign exchange losses including those referred to in Note 12 below).

The losses for the year ended March 31, 2019 and March 31, 2020 have been primarily driven by adverse foreign exchange rates, fuel prices, and pricing pressures, and the early impact of COVID-19 in the period February-March 2020. On account of its operational and financial position, and the impact of the ongoing COVID-19 pandemic (refer note 10), the Company has deferred 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 and based on necessary estimates and assumptions. However, it is not practically possible to determine the amount of all such costs or any penalties or other similar consequences resulting from contractual or regulatory non-compliances. Management is confident that they will be able to negotiate settlements in order to minimise / avoid any or further penalties. In view of the foregoing, no amounts of such penalties have been recorded in these financial results.



Results, contd..



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, management and employee compensation revisions, renegotiation of contracts and other cost control measures, to help the Company establish consistent profitable operations and cash flows in the future. Further, improvements in certain macroeconomic factors relevant to the Company's business and operations, the resumption of airline operations (which includes the Company's expectations of the timing of re-introduction of Boeing 737 Max aircraft into its operations), as well as the renegotiations with vendors discussed in Note 10 above, are expected to increase operational efficiency and support cash-profitable operations. The Company also continues to remain confident of compensation in respect of the matter discussed in Note 9 above. Based on the foregoing and their effect on business plans and cash flow projections, management is of the view that the Company will be able to achieve 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 be able to continue as a going concern for the foreseeable future. The auditors have drawn an emphasis of matter in their report in this regard.

12. Foreign exchange loss for the quarter and year ended March 31, 2020 includes Rs. 4,733.54 million and Rs.6,970.19 million respectively, pertaining to foreign exchange loss on restatement of lease liability arising from the implementation of Ind-AS 116 (refer Note 4 above).

13. During the quarter, 500,000 stock options were granted to employees and 357,943 stock options exercised by eligible employees. The total outstanding stock options as at March 31, 2020 is 2,050,039.

14. Other non-current assets as at March 31, 2020 include Rs. 2,369.53 million paid under protest (including Rs 175.92 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 March 31, 2020.

15. 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: July 29, 2020

Ajay Singh
Chairman and Managing Director



Executive Summary



	Amt in INR million (Qtrly)		
	CY	LY	FAV/-ADV
Capacity(ASKM)	7,650	6,231	23%
Profit & Loss summary			
Total Income from operations	28,639	25,313	13%
Other Income	1,935	406	377%
Expenses	38,644	25,155	-54%
EBITDAR	(909)	5,233	-117%
EBITDA	(2,236)	1,228	-282%
EAT (<i>without exceptional items</i>)	(8,071)	563	-1534%
Exceptional items	-	-	-
EAT (<i>with exceptional items</i>)	(8,071)	563	-1534%
Key Performance Indices *			
Revenue / ASKM	4.00	4.13	-3%
Expenses / ASKM	5.05	4.04	-25%
EBITDAR margin	-3%	20%	-23.2 bps
EBITDA margin	-7%	5%	-12.1 bps
EAT margin (<i>without exceptional items</i>)	-26%	2%	-28.6 bps

* Excludes exceptional items

CY: Current year ; LY: Last year ; ASKM: Available seat kilometers ; RPKM: Revenue passenger kilometers ;
 RASK: Revenue per ASKM ; CASK: Cost per ASKM



Revenue Breakup



Amt in INR million (Qtrly)

	CY	LY	FAV/-ADV
Capacity(ASKM)	7,650	6,231	23%
Revenue details			
PAX Revenue	23,919	22,503	6%
Ancillary Revenue	3,225	2,150	50%
Other Operating Revenue	1,495	660	126%
Other Income	1,935	406	377%
Total	30,573	25,718	19%
Key Performance Indices			
Load Factor (RPKM/ASKM)	88%	91%	-3.4 bps
Fare (Pax rev/Pax)	4,064	4,181	-3%
Total RASK	4.00	4.13	-3%
PAX RASK	3.13	3.61	-13%
Other RASK	0.87	0.52	69%



Expense Breakup



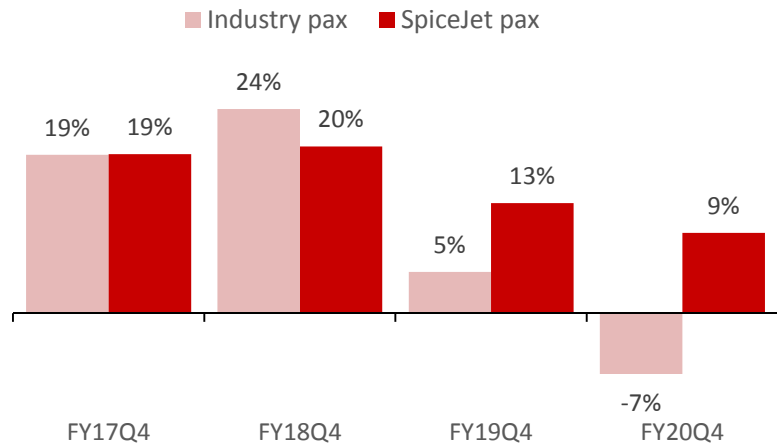
Amt in INR million (Qtrly)

	CY	LY	FAV/-ADV
Capacity(ASKM)	7,650	6,231	23%
Expense details			
Aircraft Fuel	10,850	8,194	-32%
Aircraft Lease Rentals	1,327	4,005	67%
Airport Charges	2,834	2,063	-37%
Aircraft Maintenance	5,702	4,182	-36%
Other Operating Costs	1,346	902	-49%
Employee Benefits Expense	3,700	2,860	-29%
Depreciation and Amortisation Expense	4,557	669	-581%
Other Expenses	2,067	1,927	-7%
Finance Costs	1,420	279	-410%
Foreign exchange (gain)/loss	4,842	75	-6354%
Total Expenses	38,644	25,155	-54%
Key Performance Indices			
Total CASK	5.05	4.04	-25%
Fuel CASK	1.42	1.32	-8%
Foreign Exchange CASK	0.63	0.01	-5156%
Other CASK	3.00	2.71	-11%

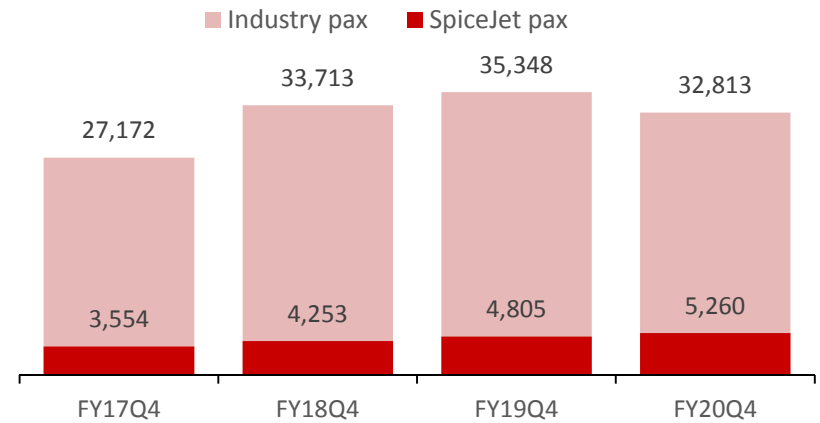
* Excludes exceptional items



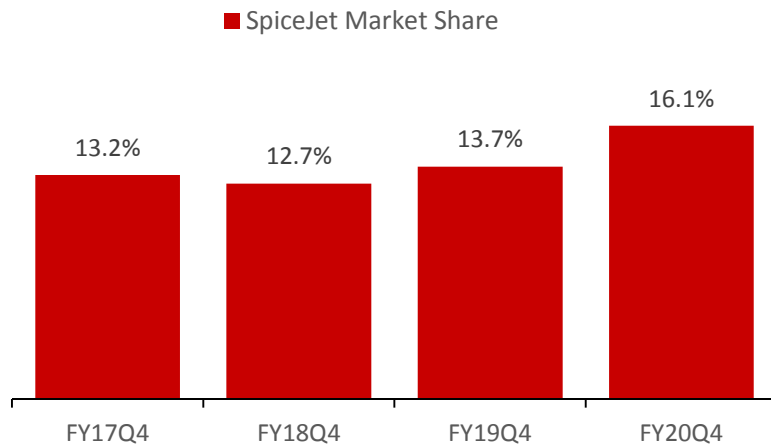
Aviation Market (Domestic)



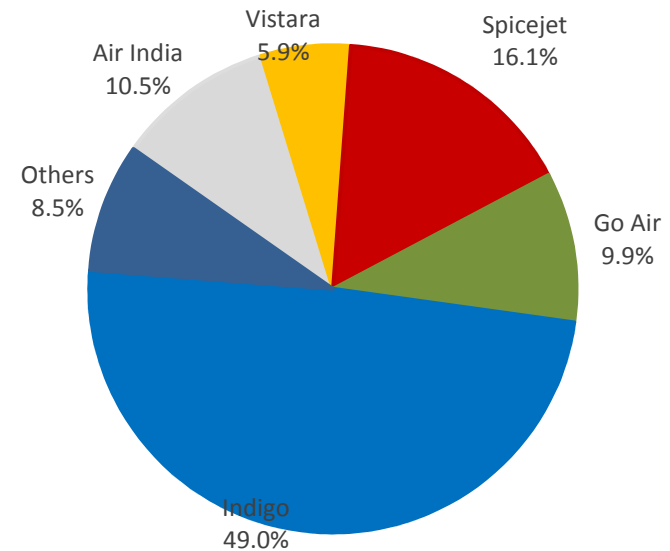
% Passenger growth (YoY)



Passenger in thousands



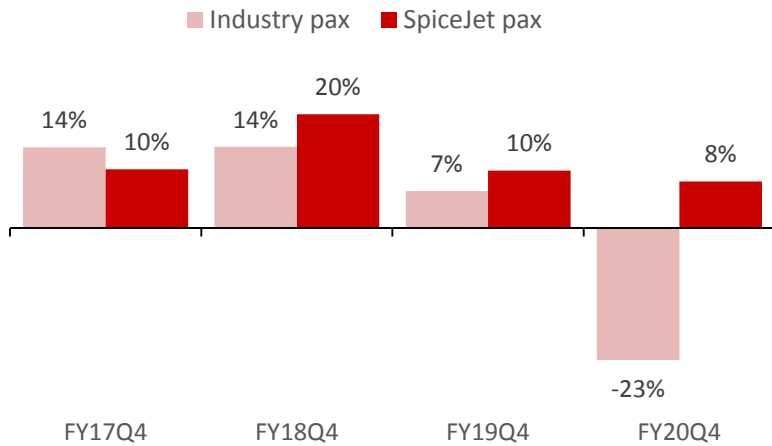
% Domestic market – quarter ending



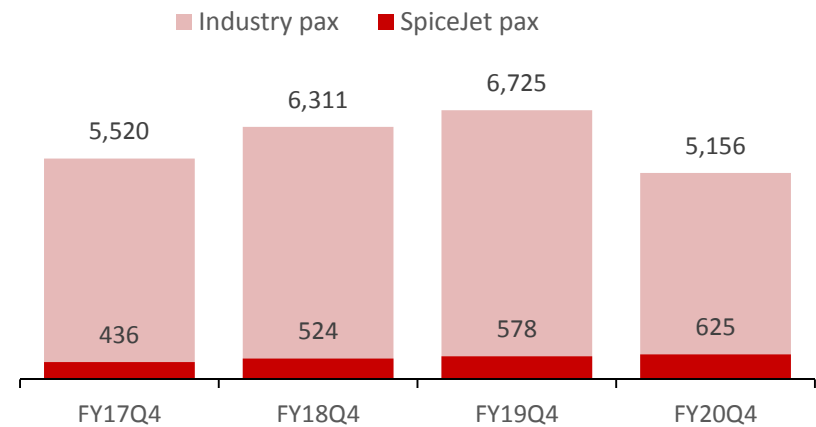
Source: DGCA Statistics



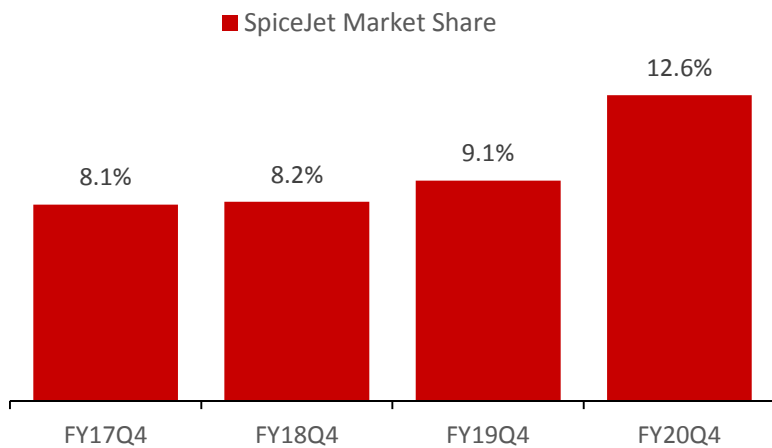
Aviation Market (International)



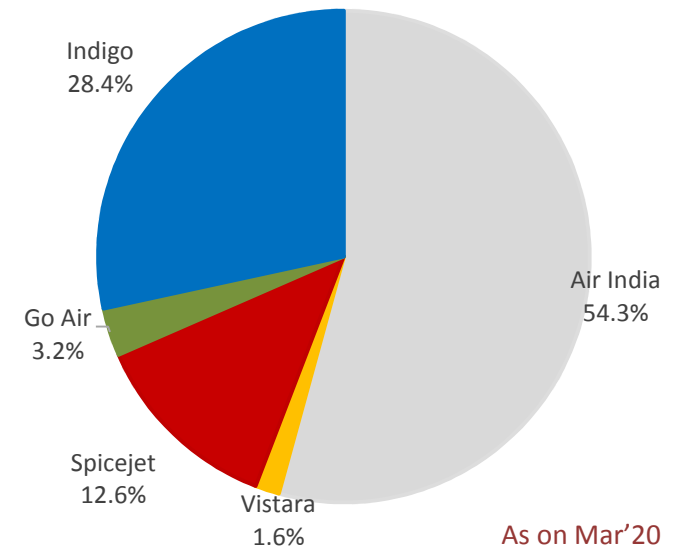
% Passenger growth (YoY)



Passenger in thousands



% International market – quarter ending



As on Mar'20

Source: DGCA Statistics

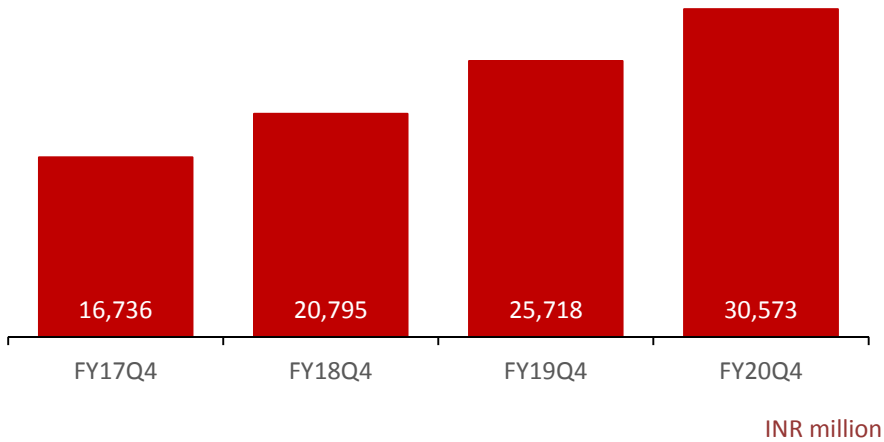


Financial Highlights

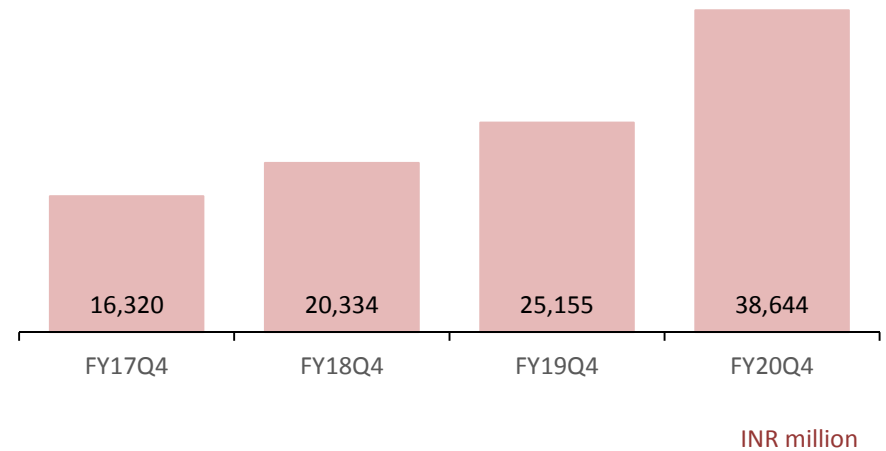
(Excludes exceptional items)



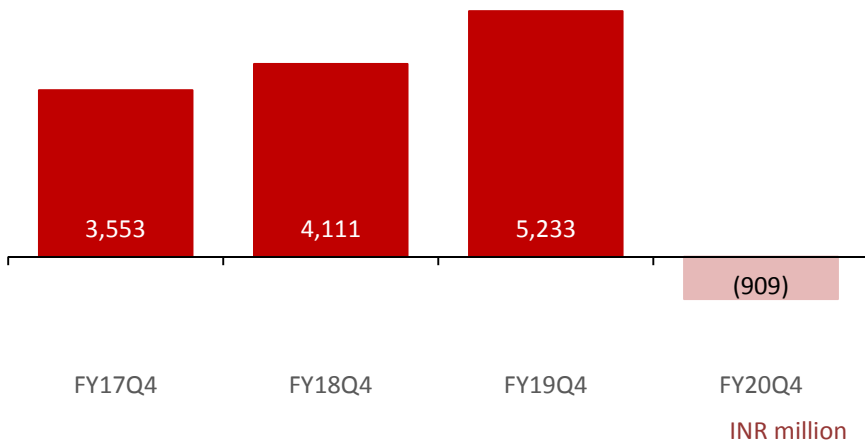
Total Revenue



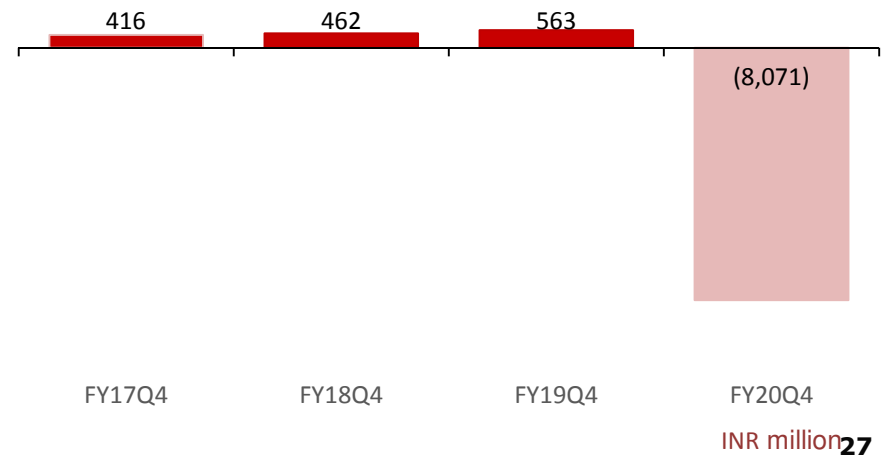
Total Expenses



EBITDAR



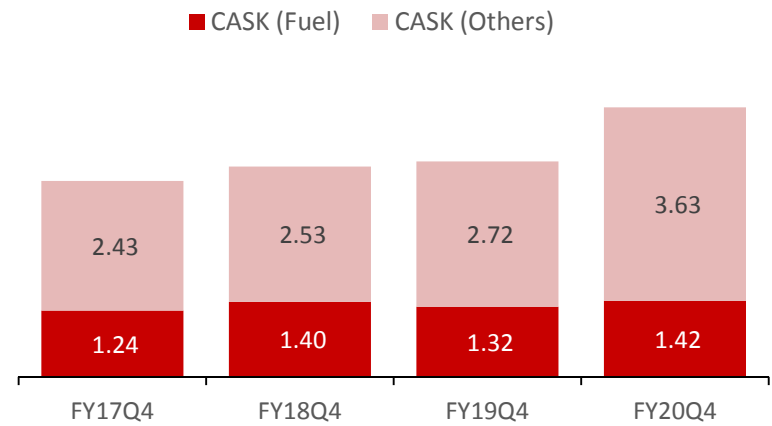
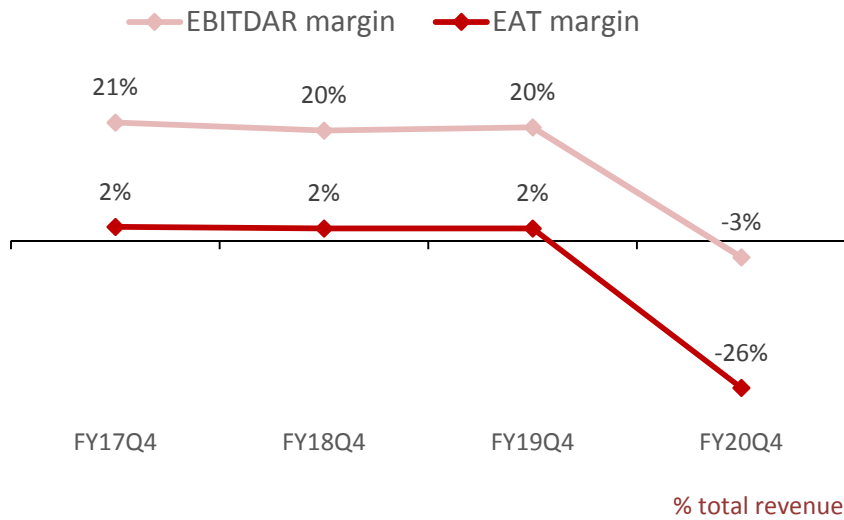
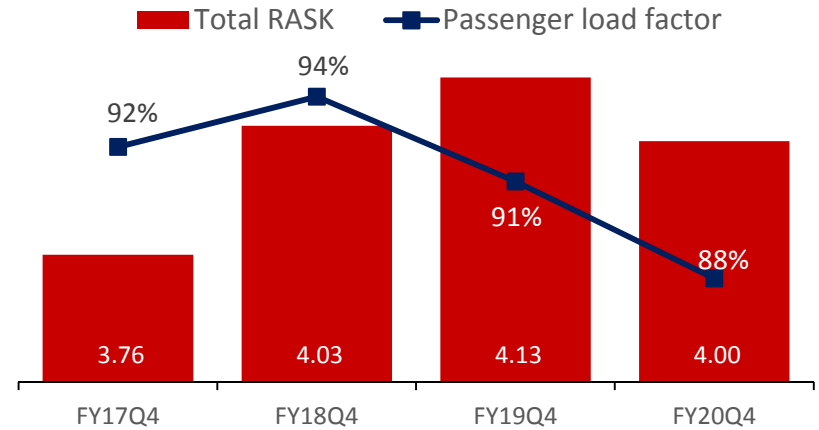
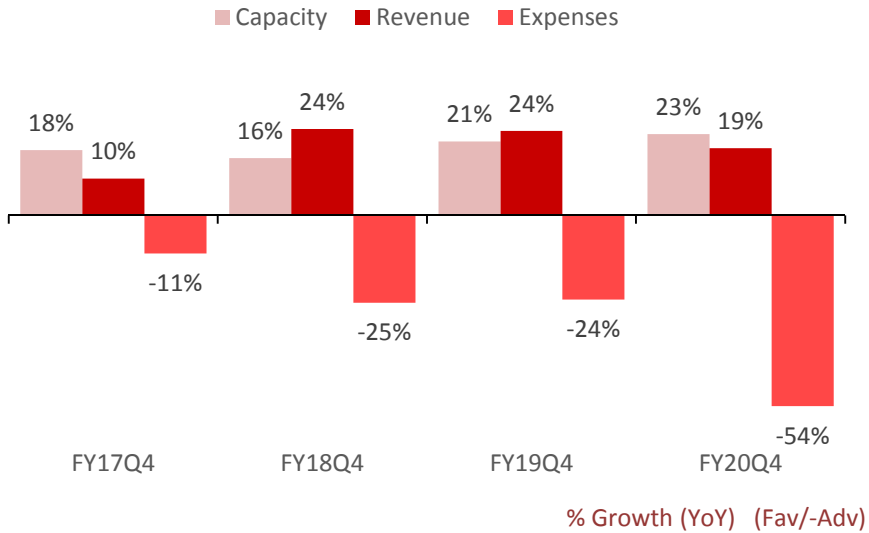
EAT





Key Indicators

(Excludes exceptional items)



INR



YEARLY HIGHLIGHTS

FY20



Executive Summary



Amt in INR million (annually)

	CY	LY	FAV/-ADV
Capacity(ASKM)	31,334	22,321	40%
Profit & Loss summary			
Total Income from operations	123,586	91,133	36%
Other Income	8,478	1,448	486%
Expenses	141,412	95,107	-49%
EBITDAR	16,368	13,451	22%
EBITDA	12,739	484	-2532%
EAT (<i>without exceptional items</i>)	(9,348)	(2,526)	-270%
Exceptional items	-	(635)	
EAT (<i>with exceptional items</i>)	(9,348)	(3,161)	-196%
Key Performance Indices *			
Revenue / ASKM	4.21	4.15	2%
Expenses / ASKM	4.51	4.26	-5.9%
EBITDAR margin	12%	15%	-2.1 bps
EBITDA margin	10%	1%	9.1 bps
EAT margin (<i>without exceptional items</i>)	-7%	-3%	-4.3 bps

* Excludes exceptional items

CY: Current year ; LY: Last year ; ASKM: Available seat kilometers ; RPKM: Revenue passenger kilometers ;
RASK: Revenue per ASKM ; CASK: Cost per ASKM



Revenue Breakup



Amt in INR million (annually)

	CY	LY	FAV/-ADV
Capacity(ASKM)	31,334	22,321	40%
Revenue details			
PAX Revenue	106,196	80,311	32%
Ancillary Revenue	12,159	8,311	46%
Other Operating Revenue	5,231	2,510	108%
Other Income	8,478	1,448	486%
Total	132,064	92,580	43%
Key Performance Indices			
Load Factor (RPKM/ASKM)	90%	92%	-2.3 bps
Fare (Pax rev/Pax)	4,285	4,037	6%
Total RASK	4.21	4.15	2%
PAX RASK	3.39	3.60	-6%
Other RASK	0.83	0.55	50%



Expense Breakup



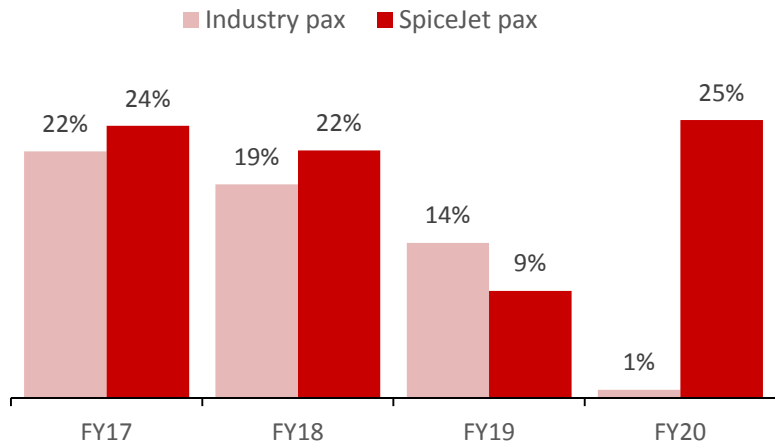
Amt in INR million (annually)

	CY	LY	FAV/-ADV
Capacity(ASKM)	31,334	22,321	40%
Expense details			
Aircraft Fuel	46,162	34,453	-34%
Aircraft Lease Rentals	3,630	12,967	72%
Airport Charges	11,446	7,521	-52%
Aircraft Maintenance	21,717	15,043	-44%
Other Operating Costs	4,845	3,018	-61%
Employee Benefits Expense	15,258	10,570	-44%
Depreciation and Amortisation Expense	17,339	2,562	-577%
Other Expenses	8,269	6,915	-20%
Finance Costs	5,450	1,313	-315%
Foreign exchange (gain)/loss	7,296	746	-878%
Total Expenses	141,412	95,107	-49%
Key Performance Indices *			
Total CASK	4.51	4.26	-5.9%
Fuel CASK	1.47	1.54	5%
Foreign Exchange CASK	0.23	0.03	-596%
Other CASK	2.81	2.68	-5%

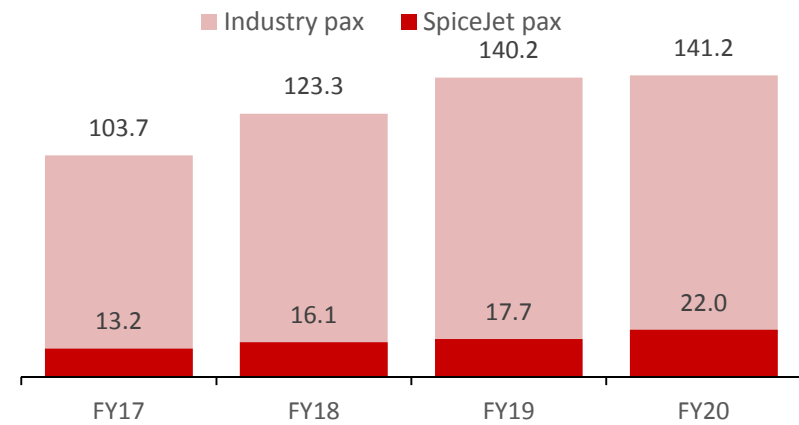
* Excludes exceptional items



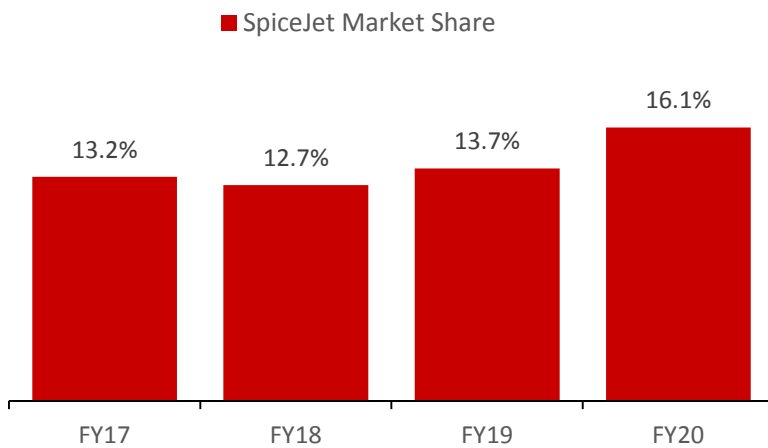
Aviation Market (Domestic)



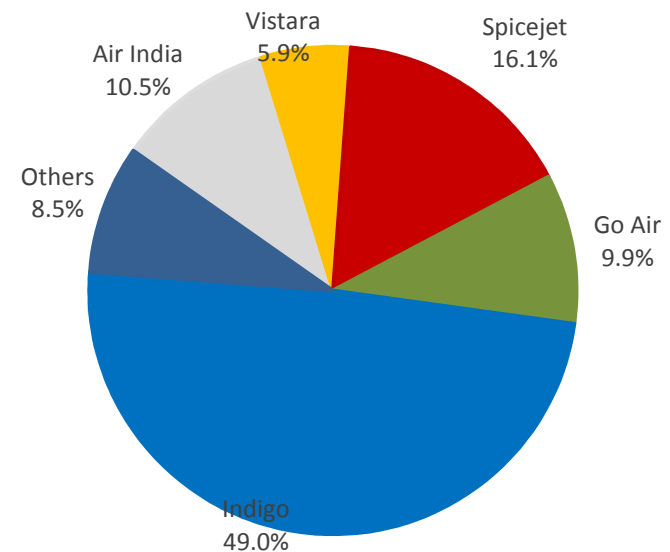
% Passenger growth (YoY)



Passenger in millions



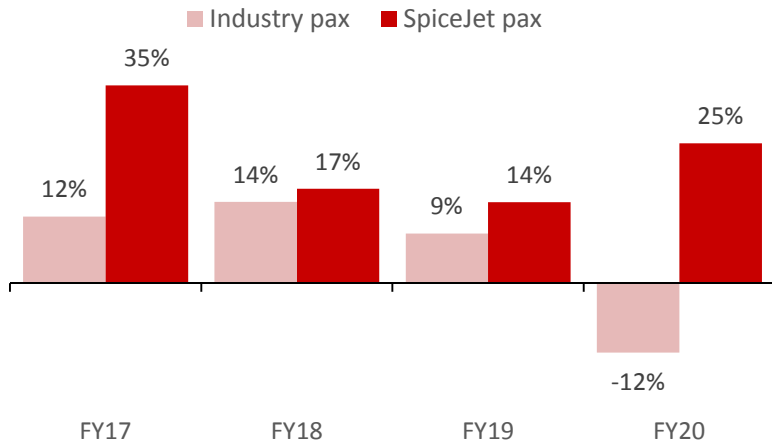
% Domestic market – year ending



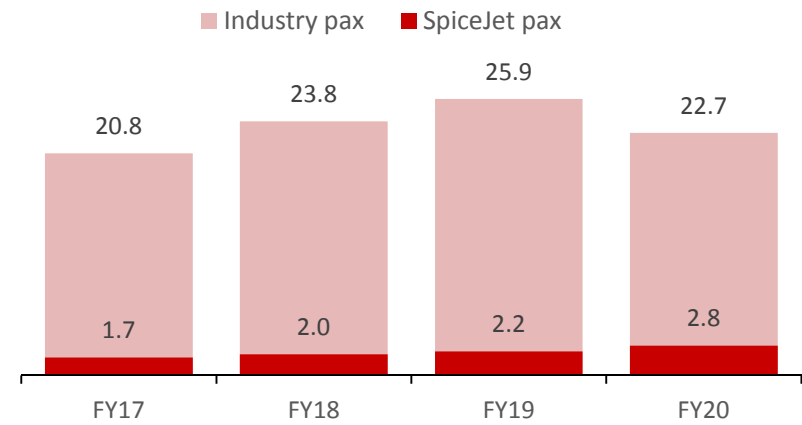
Source: DGCA Statistics



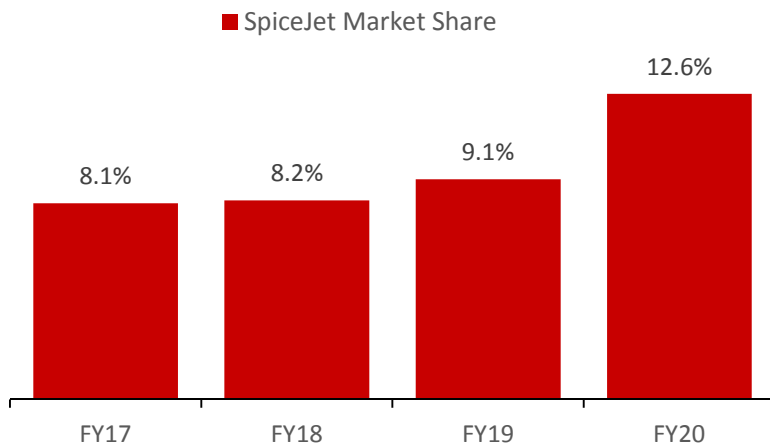
Aviation Market (International)



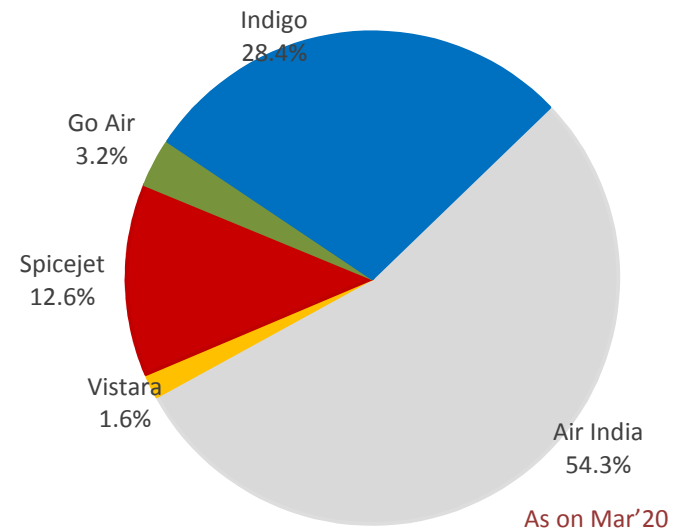
% Passenger growth (YoY)



Passenger in millions



% International market – year ending



Source: DGCA Statistics

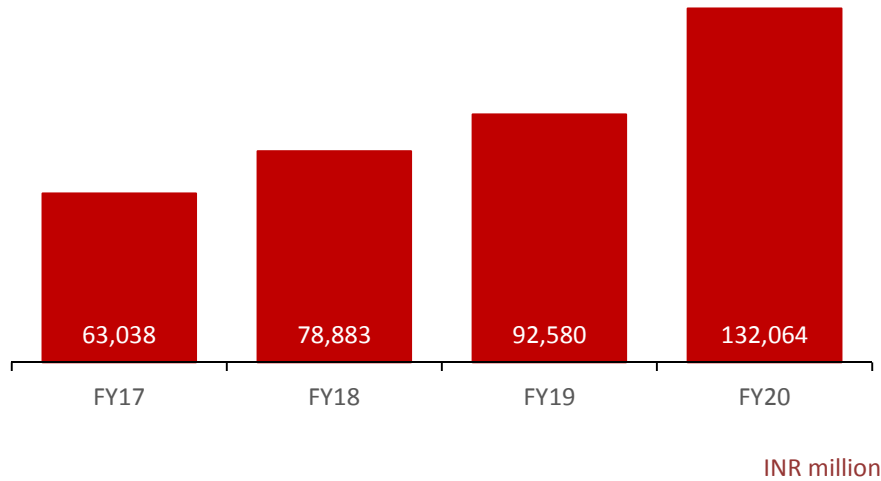


Financial Highlights

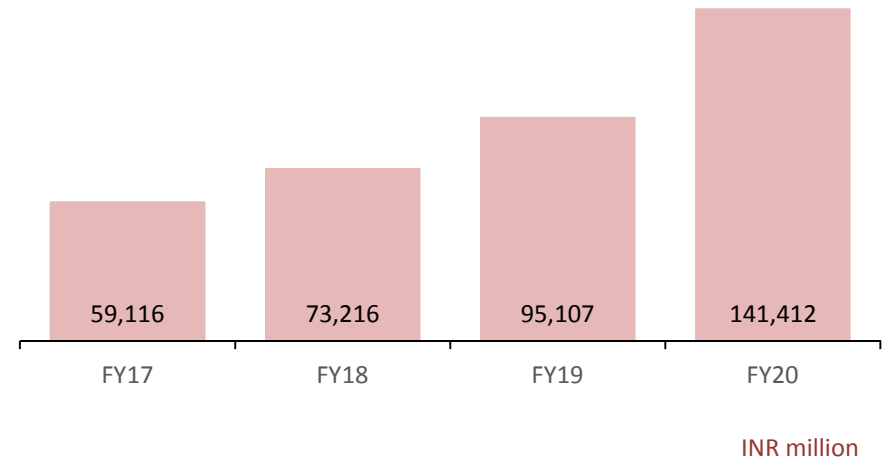
(Excludes exceptional items)



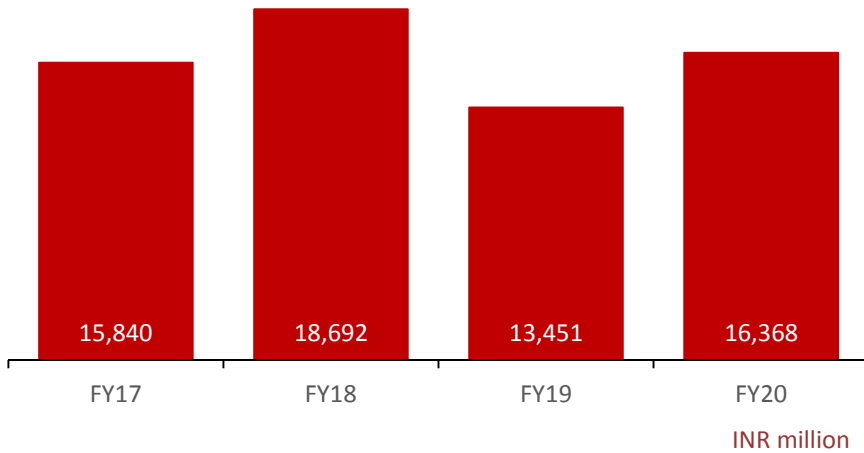
Total Revenue



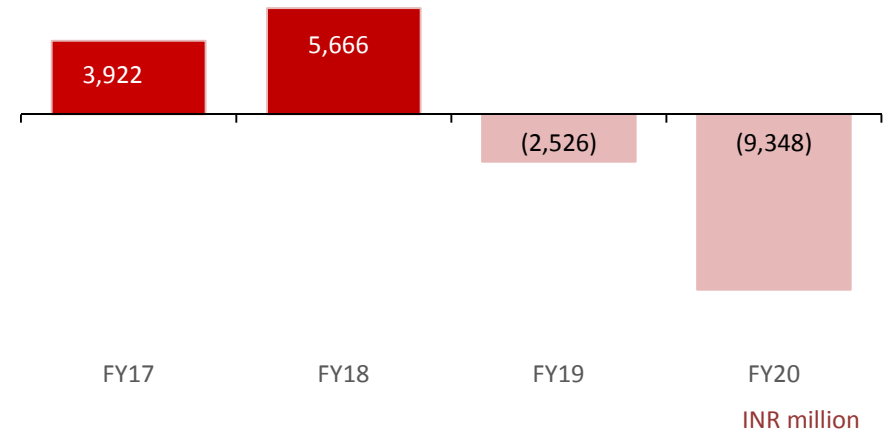
Total Expenses



EBITDAR



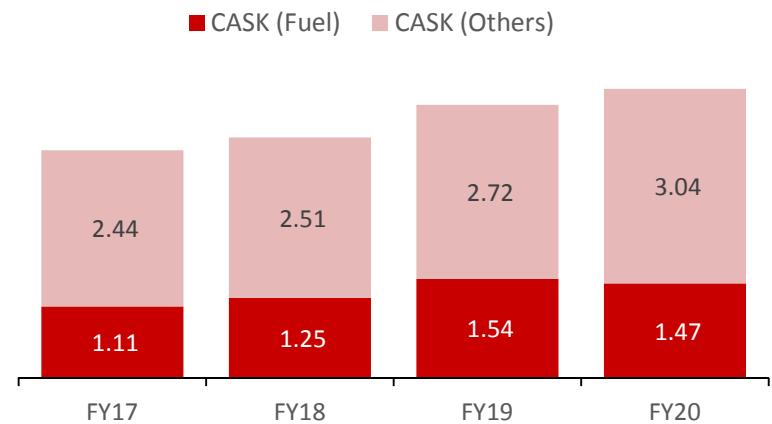
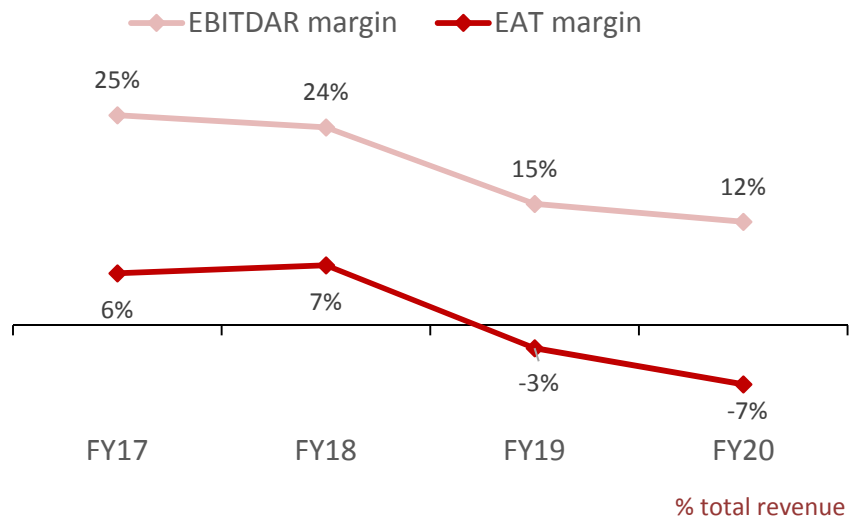
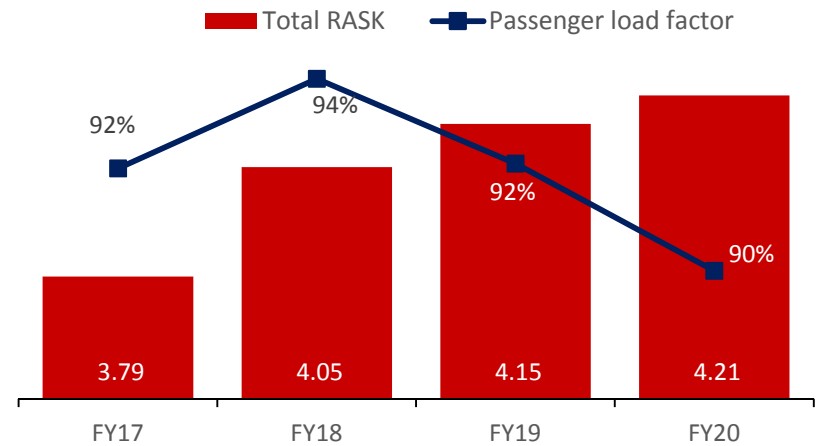
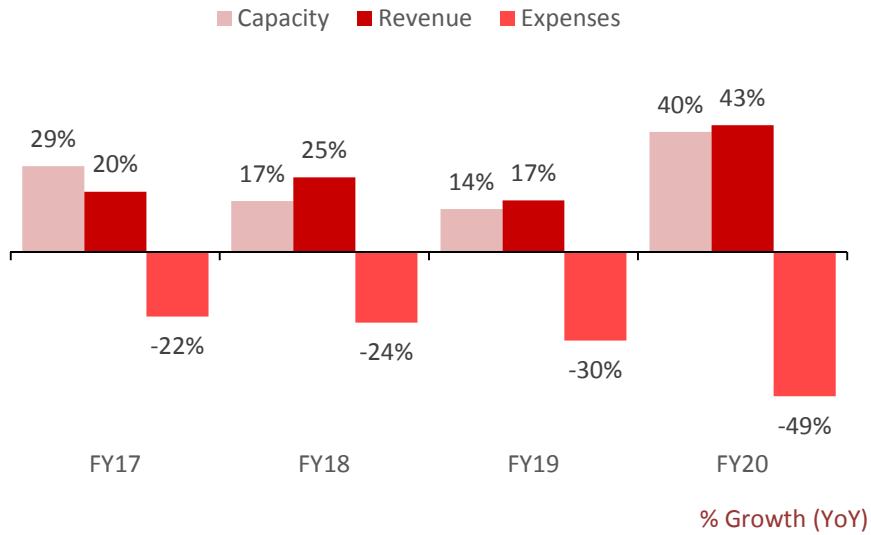
EAT





Key Indicators

(Excludes exceptional items)



INR