



# **25<sup>th</sup> Annual Report**

**2008 - 2009**

## **SpiceJet Limited**

## **Board of Directors**

Mr. Ajay Singh

Mr. Atul Sharma

Mr. B. S. Kansagra

Mr. Kishore Gupta

Mr. Mukkaram Jan

Mr. Ranjeet Nabha (w.e.f. 17.02.2009)

Mr. Tom Ronell (w.e.f. 29.08.2008)

Mr. Vijay Kumar

## **Compliance Officer**

Mr. A. K. Maheshwary  
Vice President (Legal) & Company Secretary

## **Registered Office**

Near Steel Gate Bus Stop,  
Terminal-I,  
Indira Gandhi International Airport,  
New Delhi-110037

## **Corporate Office**

319, Udyog Vihar  
Phase-IV, Gurgaon, Haryana

## **Bankers**

Allahabad Bank  
Citibank N.A.  
HDFC Bank Ltd.  
HSBC  
ICICI Bank Ltd.

## **Registrar & Share Transfer Agents**

Karvy Computershare Private Limited  
Karvy House, 46, Avenue 4,  
Street no. 1, Banjara Hills  
Hyderabad-500034

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## SpiceJet Limited

Registered Office: Near Steel Gate Bus Stop, Terminal-I, Indira Gandhi International Airport, New Delhi-110037

### **NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE TWENTY FIFTH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF SPICEJET LIMITED WILL BE HELD ON WEDNESDAY, THE 23RD DAY OF DECEMBER, 2009 AT 11 A.M. AT THE AIR FORCE AUDITORIUM, SUBROTO PARK, NEW DELHI TO TRANSACT THE FOLLOWING BUSINESS:**

#### **Ordinary Business**

1. To consider and adopt the Balance Sheet as at March 31, 2009, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Vijay Kumar, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a director in place of Mr. Kishore Gupta, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint M/s Walker, Chandiok & Company, Chartered Accountants, retiring auditors, as the Auditors of the Company, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

#### **Special Business**

5. To consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

“Resolved that Mr. Ranjeet Nabha, in respect of whom the Company has received a notice pursuant to the provisions of Section 257 of the Companies Act, 1956 proposing his candidature to the office of director, be and is hereby appointed as director of the Company liable to retire by rotation.”

6. To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

“Resolved that pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or enactments thereof for the time being in force), the provisions of the Articles of Association of the Company, the Listing Agreement(s) entered into by the Company with Stock Exchange(s), where the shares of the Company are listed and in accordance with the applicable guidelines issued by Securities and Exchange Board of India (“SEBI”), Reserve Bank of India (“RBI”), Government of India (“GOI”) or any other authority and clarifications thereon issued from time to time, if any, and

subject to all such statutory, regulatory and government approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company and/ or duly authorised Committee of the Board of Directors of the Company (hereinafter referred to as the "**Board**"), the consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot up to 230,000 equity shares of the face value of Rs.10 each of an aggregate nominal amount of up to Rs.2,300,000 at such price (including premium) as may be determined in accordance with Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 to Sanjay Aggarwal, on preferential basis, in one or more tranches and on such terms and conditions as the Board may deem fit.

Resolved further that the relevant date for calculating the issue price of the equity shares in terms of the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 shall be November 23, 2009.

Resolved further that the Board be and is hereby authorized to apply for and get the equity listed on the Stock Exchange(s), where the equity shares of the Company are listed and the equity shares so allotted shall rank pari-passu in all respect with the existing equity shares of the Company.

Resolved further that for the purpose of giving effect to the above resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer, issue, allotment, listing and utilisation of the proceeds and to finalise and execute all deeds, documents and writings as may be necessary, proper, desirable or expedient as it may deem fit without being required to seek any further consent or approval of the shareholders of the Company to the intent that the shareholders shall be deemed to have given their approval thereto by the authority of this resolution.

Resolved further that the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any person as it may deem fit to give effect to this resolution."

7. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"Resolved that pursuant to the provisions of Section 81(1A), and all other applicable provisions, if any, of the Companies Act, 1956, (the Act), the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (hereinafter referred to as "SEBI Guidelines") or any statutory modification(s) or re-enactment of the Act or the SEBI Guidelines, provisions of any other applicable laws or regulations and listing agreement(s) entered into by the Company with the stock exchanges where the securities of the Company are listed and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions and which may be agreed to and accepted by the Board of Directors of the Company (hereinafter referred to as the Board, which term shall be deemed to include any

Committee, including the Compensation Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution), the consent of the Company be and is hereby accorded to the Board to create, grant, offer, issue and allot at any time to or to the benefit of person(s) who are in permanent employment of the Company, whether in India or outside (hereinafter referred to as "the Employees") additional options under the existing "**Employee Stock Option Scheme - 2007**" (hereinafter referred to as the "**ESOS - 2007**" or the "**Scheme**") of the Company, exercisable into not more than 13,983,750 equity shares of Rs.10 each of the Company, in one or more tranches, and on such terms and conditions as may be decided from time to time by the Board in accordance with the provisions of the law or guidelines issued by relevant authorities thereby increasing the aggregate number of options from existing 6,016,250 to 20,000,000.

Resolved further that in case of any corporate action(s) such as rights issues, bonus issues, merger, demerger, amalgamation, sale of division and any other form of corporate restructuring, if any additional equity shares are issued by the Company to the option grantees for the purpose of making a fair and reasonable adjustment to the options granted earlier, the above ceiling of 20,000,000 equity shares of Rs.10 each shall be deemed to be increased to the extent of such additional equity shares issued in a manner that total value of the shares under the Scheme remains the same after the corporate action(s).

Resolved further that the Board be and is hereby authorised to issue and allot Equity shares upon exercise of options from time to time in accordance with the Scheme and such Equity Shares shall rank pari passu in all respects with the existing equity shares of the Company.

Resolved further that in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the Scheme shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs.10 per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees.

Resolved further that the Board be and is hereby authorised to take necessary steps for listing of the securities allotted under the Scheme on the stock exchanges where the securities of the Company are listed as per the provisions of the listing agreement(s) with the concerned stock exchanges, the guidelines and other applicable laws and regulations.

Resolved further that the Board be and is hereby authorized to make modifications, changes, variations, alterations or revisions in the Scheme as it may deem fit, from time to time in conformity with the provisions of the Companies Act, 1956, the Memorandum and Articles of Association of the Company, SEBI Guidelines and any other applicable laws unless such variation, amendment, modification or alteration is detrimental to the interests of the present and future employees of the Company.

Resolved further that for the purpose of giving effect to the above resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things (including delegation of authority to officers of the Company) as it may, in its absolute discretion, deem necessary, expedient or proper and to settle any questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of the Securities without requiring further consent or approval of the shareholders of the Company."

8. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“Resolved that pursuant to the provisions of Section 81(1A), and all other applicable provisions, if any, of the Companies Act, 1956, (the Act), the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (hereinafter referred to as “SEBI Guidelines”) or any statutory modification(s) or re-enactment of the Act or the SEBI Guidelines, provisions of any other applicable laws or regulations and listing agreement(s) entered into by the Company with the stock exchanges where the securities of the Company are listed and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions and which may be agreed to and accepted by the Board of Directors of the Company (hereinafter referred to as the Board, which term shall be deemed to include any Committee, including the Compensation Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution), the consent of the Company be and is hereby accorded to extend the benefits of “**Employee Stock Option Scheme - 2007**” (hereinafter referred to as the “**ESOS - 2007**” or the “**Scheme**”) proposed in the resolution under items no.7 of this Notice to and for the benefit of Mr. Sanjay Aggarwal, Chief Executive Officer of the Company on such terms and conditions as may be decided by the Board including grant of such number of options as to exceed 1%, but not exceeding 3%, of the present issued equity share capital (excluding outstanding convertible instruments) of the Company as of the date hereof.

Resolved further that for the purpose of giving effect to the above resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things (including delegation of authority to officers of the Company) as it may, in its absolute discretion, deem necessary, expedient or proper and to settle any questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of the Securities without requiring further consent or approval of the shareholders of the Company.”

By order of the Board of Director

A. K. Maheshwary  
Vice President  
(Legal) & Company Secretary

Place: Gurgaon, Haryana

Date: November 13, 2009

**Notes:**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. However, the instrument appointing proxy should be deposited at the Registered Office of the Company not less than forty-eight (48) hours before the commencement of the Annual General Meeting.



2. The Register of Shareholder and Transfer Books of the Company will remain closed from December 18, 2009 to December 25, 2009 (both days inclusive).
3. Shareholders who hold shares in dematerialised form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting.
4. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during office hours on all working days, except Saturday/ Sunday and other holidays, between 1:00 p.m. and 3:00 p.m. upto the date of Annual General Meeting.
5. Corporate shareholders/ Trusts/ Societies are requested to send a duly certified copy of the Board/ Managing Committee Resolution authorising their representative to attend and vote at the Meeting.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Shareholders desiring any information as regards the Accounts are requested to write to the Company in advance so as to enable the Management to keep the information ready at the Annual General Meeting.
8. Shareholders are requested to carry their copy of Annual Report in the Meeting as the Annual Report will not be distributed at the venue of AGM.

#### **9. Re-appointment of Directors:**

At the ensuing Annual General Meeting, Mr. Vijay Kumar and Mr. Kishore Gupta retire by rotation and are eligible for re-appointment. Information pertaining to these directors in terms of Clause 49 of the Listing Agreement with Bombay Stock Exchange Limited is as follows:

- a) **Mr. Vijay Kumar**, aged about 61 years is an Electrical Engineer and presently runs his own business and has vast experience in general business management. Mr. Kumar was appointed as director on the Board of the Company with effect from June 1, 2001. Mr. Kumar is also the Managing Director of Sidh Master Batches Private Limited. Mr. Kumar is also a member of Investor Relations Committee of SpiceJet Limited. He does not hold any equity shares of the Company.
- b) **Mr. Kishore Gupta**, aged about 50 years is a Science Graduate and fellow of the Institute of Cost and Works Accountants of India. He has practiced in the field of business and corporate advice by profession and has extensive experience in business management. Mr. Gupta was appointed as director on the Board of the Company with effect from November 27, 2000. Mr. Gupta is a member of Company's Audit Committee. Mr. Gupta is also a director on the board of Royal Holdings Services Limited. Mr. Gupta does not hold any equity shares of SpiceJet Limited.

The Explanatory Statement for item nos. 5-8 to the accompanying Notice set out hereinabove is as under.

#### **ITEM NO. 5**

WL Ross & Co. LLC has nominated Mr. Ranjeet Nabha as director on the Board, subject to provisions of Section 260 of the Companies Act, 1956 and Articles of Association of the Company, who shall be liable to retire by rotation and further subject to removal by WL Ross & Co. LLC. Mr. Ranjeet Nabha holds office only upto the date of forthcoming Annual General Meeting of the Company and is eligible for appointment as director. The Company has received notice under Section 257 of the Companies Act, 1956, in respect of Mr. Ranjeet Nabha, proposing his appointment as directors of the Company, alongwith the requisite deposit.



- (a) **Mr. Ranjeet Nabha** aged about 44 years has a background in Management from The Tuck School of Business at Dartmouth. He is the Managing Director and Chief Executive Officer of WL Ross India at WL Ross & Co. LLC and manages the Indian investment arm of WL Ross & Co. LLC. He has held the position of Chairman and CEO at Voicemate and has previously worked with J.P. Morgan & Co. Inc as Vice President and has also worked at S. G. Warburg & Co. and Deloitte & Touche.

Mr. Nabha was appointed on the Board of the Company with effect from February 17, 2009. Mr. Ranjeet does not hold any equity shares of SpiceJet Limited.

The Directors recommend the resolution for your approval.

None of the Directors of the Company, except Mr. Ranjeet Nabha is in any way concerned or interested in the resolution.

#### **ITEM NO.6**

Section 81 of the Companies Act, 1956 provides, inter-alia, that when it is proposed to increase the issued capital of a company by allotment of further shares, such further shares shall first be offered to the existing shareholders of the company in the manner laid down in Section 81 unless the shareholders in general meeting decide otherwise by passing a special resolution. Hence, consent of the shareholders by way of Special Resolution is being sought pursuant to the provisions of Section 81(1A) and all other applicable provisions of the Companies Act, 1956 and in terms of the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009 ("**SEBI Guidelines**") and the listing agreement(s) executed by the Company with the Stock Exchange(s) where the Company's shares are listed.

Certain information in relation to the issue of equity shares including the information as required under Chapter VII of the SEBI Guidelines and the terms and conditions of the issue of the equity shares are as under:

#### **Objects of the Issue**

It is proposed to offer, issue and allot to Mr. Sanjay Aggarwal, Chief Executive Officer upto 230,000 equity shares of Rs.10 each on preferential/ private placement basis in terms of his employment. In compliance with Regulation 72(1)(d) of SEBI Guidelines, prior to the allotment of equity shares, the Company shall obtain permanent account number (PAN) of the allottee.

The promoter and directors do not intend to subscribe to this offer.

#### **Pricing of the Issue**

The issue of equity shares on preferential / private placement basis shall be made at a price not less than higher of the following:

- (i) The average of the weekly high and low of the closing prices of the related equity shares quoted on the stock exchange during the six months preceding the relevant date; or
- (ii) The average of the weekly high and low of the closing prices of the related equity shares quoted on a stock exchange during the two weeks preceding the relevant date.

#### **Explanation**

"Relevant date" for this purpose means the date thirty days prior to the date on which the meeting of general body of shareholders is held to consider the proposed preferential issue.

“Stock Exchange” for this purpose shall mean any of the recognised stock exchanges in which the equity shares are listed and in which the highest trading volume in respect of the equity shares of the Company has been recorded during the preceding six months prior to the relevant date.

Accordingly, the Relevant Date for this preferential issue is November 23, 2009.

### **Regulatory Approval(s)**

The Company will comply with relevant FEMA guidelines for the issue of equity shares of the Company.

### **Proposed time within which allotment will be completed**

The proposed allotment of equity shares shall be completed within fifteen days from the date of passing of resolution by the shareholders approving the preferential issue provided that where allotment is pending on account of any approval by any regulatory authority or the Central Government, the proposed allotment of equity shares will be completed within fifteen days from the date of receipt of such approval(s) from the regulatory authority or the Central Government.

### **Lock-in**

As per Regulation 78(2) of the SEBI Guidelines, the equity shares so allotted shall be under lock-in of one year from the date of allotment. The entire pre-preferential holding of allottee(s), if any shall also be under lock-in from the relevant date upto a period of six months from the date of preferential allotment.

### **Shareholding pattern before and after the allotment as on November 13, 2009.**

S. No.	Category	Pre-allotment (as on 13/11/2009)		Post Allotment *	
		No. of shares	% to total	No. of shares	% to total
1	Resident Individuals	50,346,847	20.89%	50,346,847	20.87%
2	Bodies Corporate	54,610,355	22.66%	54,610,355	22.64%
3	Foreign Companies	32,665,836	13.55%	32,665,836	13.54%
4	Promoters	31,077,500	12.89%	31,077,500	12.88%
5	Foreign Institutional Investors	18,798,296	7.80%	18,798,296	7.79%
6	Mutual Funds	25,953,086	10.77%	25,953,086	10.76%
7	Non Resident Indians	10,859,653	4.51%	10,859,653	4.50%
8	Directors	10,000,000	4.15%	10,000,000	4.15%
9	Overseas Corporate Bodies	3,168,500	1.31%	3,168,500	1.31%
10	Others	3,537,087	1.47%	3,537,087	1.47%
11	Foreign Nationals	3,000	0.00%	3,000	0.00%
12	Proposed allottee (Mentioned Hereinafter)	-	0.00%	230,000	0.10%
	<b>Total</b>	<b>241,020,160</b>	<b>100.00%</b>	<b>241,250,160</b>	<b>100.00%</b>