



# Spreading Wings



MORE  
CONNECTIVITY



MORE  
ENTERTAINMENT



MORE  
DELIGHT

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To read this report online or to download, please visit  
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#### Forward-Looking Statements

This annual report may contain 'forward-looking statements' that are based on our current expectations, assumptions, estimates and projections about the Company, our industry, economic conditions in the markets in which we operate, and certain other matters. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as 'anticipate', 'believe', 'estimate', 'expect', 'intend', 'will', 'project', 'seek', 'should' and similar expressions. Those statements include, among other things, the discussions of our business strategy and expectations concerning our market position, future operations, margins, profitability, liquidity and capital resources. These statements are subject to known and unknown risks, uncertainties and other factors, which may cause actual results or outcomes to differ materially from those implied by the forward-looking statements. Important factors that may cause actual results or outcomes to differ from those implied by the forward-looking statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, fluctuations in foreign exchange rates, our ability to manage growth, intense competition in aviation sector including those factors which may affect our cost advantage, wage fluctuations, our ability to attract and retain highly skilled professionals, time and cost overruns on various parameters, our ability to manage international operations, reduced demand for air travel, liability for damages, withdrawal or expiration of governmental fiscal incentives, political instability, legal restrictions on raising capital or general economic conditions affecting our industry. In light of these and other uncertainties, you should not conclude that the results or outcomes referred to in any of the forward-looking statements will be achieved. All forward-looking statements included in this annual report are based on information available to us on the date hereof, and we do not undertake to update these forward-looking statements unless required to do so by law.



# SpiceJet has been a story of extraordinary transformation.

From being on the verge of shutdown, to turning around operations, consolidating our position and establishing our market presence, we have come a long way.

We are today connecting India and several international locations unlike any other. Our 535 daily operational flights cover 185 routes across 58 destinations, including several underserved routes. Our inspiring innovation is ensuring safe, comfortable and superior flying experience. Our technology and people competencies are enabling industry leading performance.

5 years on since this, we are now committed more than ever to spread our wings and take flying experience to a whole new level. We are enabling unmatched connectivity for our guests by continuously adding new locations and connecting them seamlessly to expansive international network of partner airline by leveraging relationships. We are capitalising on our operational capabilities to induct aircraft and skilled manpower at record speed as we scale our operations. We are investing in freighter business to provide unmatched delivery experience as we look to add a new dimension to our operations.

**At SpiceJet, we  
are Spreading  
Wings for  
more  
connectivity,  
more  
entertainment  
and more  
delight!**

## SpiceJet: India's Favourite Airline

SpiceJet is India's second-largest airline in terms of domestic passenger volume and the largest in terms of regional connectivity. We are driven by the vision of making flying accessible and enjoyable to all. We are doing this by consistently adding more destinations, expanding our fleet and employing better technologies and passenger-friendly people to deliver impeccable customer service. Our operational excellence is enabling us to deliver sustained on-time performance and achieve passenger load factor of over 90% for a continuous 48 months in a row.

### More with SpiceJet

#### Cost effective fleet


**48**

mainline Boeing  
fleet for key  
destinations

**27**

Q400 for  
regional  
connectivity

**1**

Boeing 737 for  
cargo services

**7.07**

Average Fleet age

#### Strong management team


**23**

years of  
average senior  
management  
experience

CMD Mr. Ajay  
Singh, a pioneer  
of low-cost  
aviation in India

#### Leader in regional connectivity


**42**

daily UDAN  
flights

**12**

operational  
regional  
destinations

#### Stable and diversified revenue streams

##### Primary

Passenger air travel



##### Ancillary

Preferred seating, Spice Max, Insurance, Meals, Spice Vacations, Lounge, Visa, Cab, Cargo, Onboard Merchandise

#### Increased market presence


**13.7%**

domestic market  
share

**9.1%**

international  
market share

#### Proven low-cost model


**92%**

load factor

**12.2**

hours  
average aircraft  
utilisation  
(Boeing and  
Q400)

#### Growing relationship

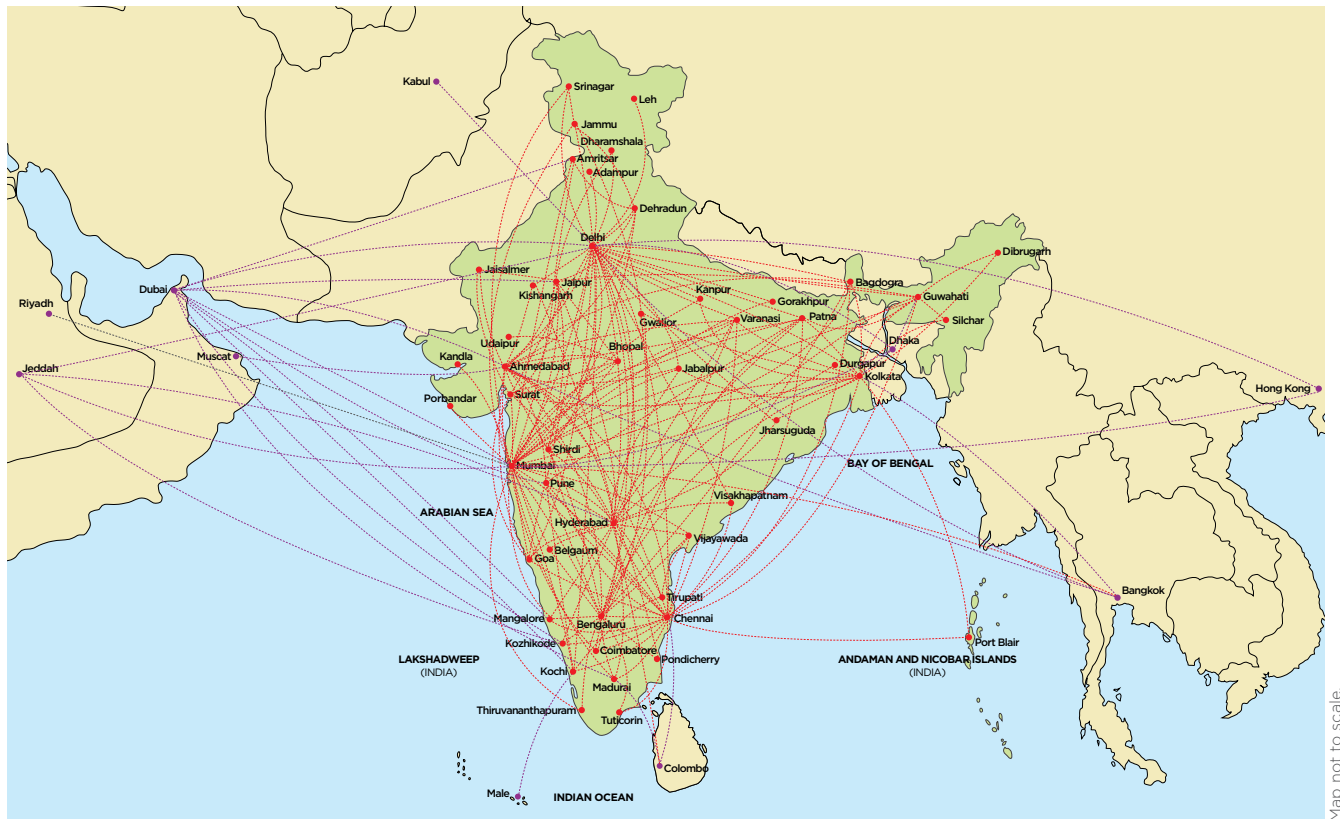
MoU with Emirates for  
Interline and codeshare  
agreement



Appointed Amadeus as first global  
distribution partner that gives Amadeus'  
global network of travel sellers access  
to the airline's range of fares and prices  
through the Amadeus Travel Platform

Data as on March 31, 2019.

## More Connectivity with SpiceJet



# 111

Fleet size

# 535

Daily flights

# 62

Destinations

- 53 domestic
- 9 international

### Domestic

Adampur, Amritsar, Ahmedabad, Aurangabad®, Bhopal, Bengaluru, Belgaum, Bagdogra, Chennai, Coimbatore, Dharamshala, Dehradun, Delhi, Dibrugarh, Durgapur, Gorakhpur, Guwahati, Goa, Gwalior, Hyderabad, Jammu, Jaisalmer, Jaipur, Jharsuguda, Jabalpur, Jodhpur\*, Kishangarh, Kandla, Kanpur, Kozhikode, Kolkata, Kochi, Leh, Mangalore, Madurai, Mumbai, Pune, Patna, Pondicherry, Port Blair, Pakyong\*, Porbandar, Rajahmundry\*, Srinagar, Surat, Shirdi, Silchar, Thiruvananthapuram, Tuticorin, Tirupati, Udaipur, Varanasi, Vijayawada, Visakhapatnam

### International

Bangkok, Dubai, Muscat, Kabul\*, Hong Kong, Colombo, Male, Dhaka, Riyadh#, Jeddah

© Effective October 8, 2019.

\* Operations to be restarted soon.

# Effective August 15, 2019.

Data as on July 31, 2019

# More Performance in a Challenging Year

## Operational Performance: FY 2018-19

### 81%

Average on-time performance

### 90%

Passenger load factor

### 10%

Growth in passengers carried in FY 2018-19 to 19.90 million

### 80

New routes introduced in FY 2018-19

### SpiceXpress

Dedicated freighter services launched

### 14%

Growth in capacity (ASKM)

## Financial Performance: FY 2018-19 vs FY 2017-18

### 18%

Growth in total income from operations

### 16%

Growth in passenger revenue

### 3%

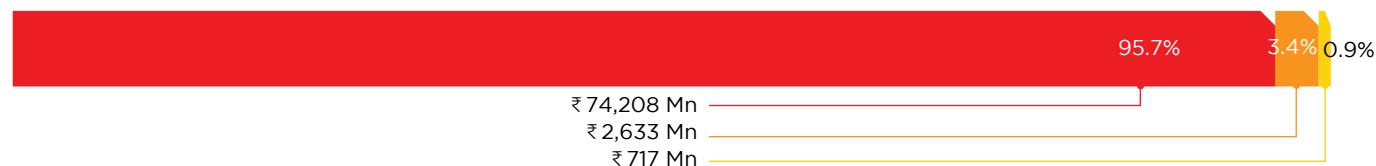
Growth in passenger yield (revenue per seat kilometre)

## Operating Revenue break-up

FY 2018-19



FY 2017-18



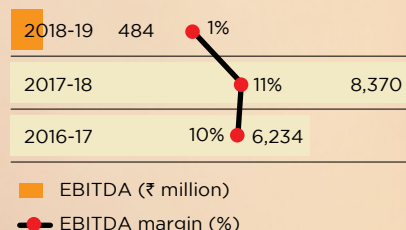
■ Pax Revenue 
 ■ Cargo Revenue 
 ■ Other Operating Revenue

### Net Revenue from Operations

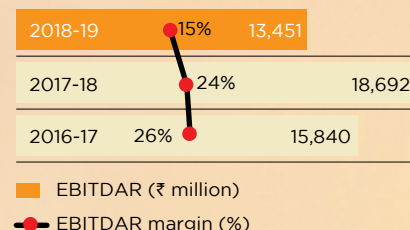
₹ Mn

2018-19	91,133
2017-18	77,557
2016-17	61,913

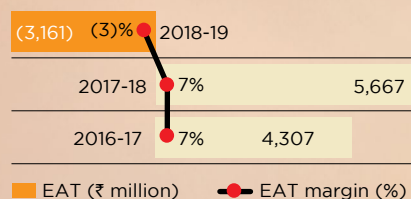
### EBITDA & EBITDA margin



### EBITDAR & EBITDAR margin



### EAT & EAT margin



### Net Debt

₹ Mn

2018-19	10,319
2017-18	11,569
2016-17	10,881

### Net Debt:Equity

2018-19	(2.94)
2017-18	(26.93)
2016-17	(1.79)

### Available seat kilometre

Mn

2018-19	22,317
2017-18	19,510
2016-17	16,438

### Revenue passenger kilometre

Mn

2018-19	20,504
2017-18	18,254
2016-17	15,056

### No. of passengers

Mn

2018-19	19.90
2017-18	18.09
2016-17	14.91





## Message from the Chairman



Dear Shareholders,

In May 2019, SpiceJet turned fourteen years young and I feel extremely happy about the glorious journey we have traversed over the last fourteen years. In May 2005, when we commenced our operations, low-cost airline model was still an emerging concept in India. However, we dared to dream big, challenged ourselves to push beyond our limits, broke every barrier that came our way, innovated at every step and today we are proud to stand as India's favourite airline. Fourteen years of flying high and ready to Spread Our Wings.

The year gone by in many ways has been a launch-pad year for SpiceJet towards its future objectives. We not only successfully navigated several industry-wide disruptions and cost head-winds to make a strong recovery in the performance, but also undertook multiple business strengthening initiatives.

The year started off on a challenging note for the Indian aviation industry. The fuel prices peaked, and rupee depreciated, resulting in significant increase in fuel costs and foreign exchange losses. The crises deepened further with the worldwide grounding of the Boeing 737 MAX fleet and cessation of operations of another full service carrier in India which significantly impacted the capacity in the market. Having said that, the good thing is that the passenger volumes remained strong and the prospects better amidst rising per capita income and increasing shift of passengers to air travel.



Obviously, these external factors impacted our performance, but I am happy with the agility with which our team responded. For us, the rise in fuel costs and rupee depreciation during the year resulted in a cost escalation of ₹ 6,958 million and ₹ 2,854 million respectively. This translated into a loss of ₹ 4,275 million in the most critical quarters. Despite this, we posted a strong recovery in the last two quarters, narrowing down our loss to ₹ 3,161 million for the full FY 2018-19. This recovery was despite the unprecedented challenge of our thirteen Boeing 737 MAX aircraft being grounded to which we responded swiftly by inducting additional aircraft along with rationalising and optimising the existing fleet. This just goes on to exemplify the strength of our operations to scale up and our unrelenting focus towards passenger services.

Our efforts led to income from operations growing by 18% from ₹ 77,557 million in FY 2017-18 to ₹ 91,133 million in FY 2018-19 with a capacity increase of 14%. Alongside, we continued to maintain industry leading operational performance on the back of on-going initiatives to enhance efficiency by upgrading technology, hiring efficient manpower and training them. On the operational front, we have achieved a feat which is unparalleled in global aviation history. SpiceJet has flown for 48 months-in-a-row with highest loads in India firmly establishing our standing as the country's favourite airline.

In another strategic move, we progressed with our aggressive expansion plan across both domestic and international network. As a part of international expansion strategy, we entered into a Memorandum of Understanding with Emirates, one of the world's largest airline to integrate our operations through codeshare and interline arrangements. This move will immensely benefit the passengers of both airlines and will significantly boost operating revenues. It will enable our passengers to enjoy seamless connectivity to Emirates' vast network across Europe, Africa, America and the Middle East.

With our continued focus to expand international reach, in March 2019, SpiceJet became member of the prestigious International Air Transport Association (IATA), making it the first low-cost carrier in India to join the global trade association of the airline industry representing over 290 airlines. IATA membership will further enable us to inculcate global best practices and innovations and provide our passengers with a world-class experience each and every time they fly with us. IATA also provides us a platform to closely work and collaborate with other airline members and expand our network through codeshares and agreements with partner airlines.

We also appointed Amadeus as our first global distribution partner that gives Amadeus' global network of travel sellers access to the airline's range of fares and prices through the Amadeus Travel Platform. This is the first time SpiceJet is working with a distribution partner to reach out to global travellers and will be able to showcase its products on a global scale, access new markets and partners, and grow its customer base.

During FY 2018-19, we have inducted 19 aircraft (including 1 Freighter) to our fleet and 13 new destinations which include 6 UDAN destinations. Today, we are the largest participant in the regional connectivity scheme providing air connectivity to the remotest corners of India. *Flying for Everyone* has always been the grand vision for SpiceJet and providing affordable air connectivity to our fellow citizens is an achievement we are all very proud of.

With this, SpiceJet is now operational in 53 domestic and 9 international destinations. Our capacity (available seat kilometre) has expanded by 14% resulting in 16% growth in passenger revenue to ₹ 85,784 million.

During the year, we also made a breakthrough in our dedicated freighter services business, SpiceXpress, commercialising operations starting with Guwahati-Hong Kong sector. We have now become the first airline in India to offer end-to-end cargo services and the first globally to connect North East India with South East Asia. The entry into this business exemplifies the strength of our operations in extending competencies of passenger business to cargo services. It provides a whole new dimension to our operation in terms of diversification. We are optimistic of this business as the exponentially growing e-commerce industry in India along with rising demand for faster delivery will see the cargo volume grow manifold. We are presently operating 3 dedicated cargo freighter planes and are strongly focussed on growing this business in the coming years.

Safety remains our utmost priority and earlier in the year the airline received IATA Operational Safety Audit (IOSA) certificate, the benchmark for global safety management in airlines. The IOSA certification is an endorsement of our reputation as one of the safest airlines in the world.

The financial year 2020 is going to be an exciting year for us and will be remembered as a key milestone in the history of SpiceJet. In the first few months, the airline has successfully inducted thirty-five aircraft to its fleet. Nowhere in the world has an airline expanded at this pace, increased capacity and added new stations and flights as SpiceJet has done in the last few months. We successfully minimised the impact of Boeing 737 MAX grounding and reduction of industry capacity. This would not have been possible without the relentless efforts of the regulators and meticulous, untiring and unwavering support of each of our employees.

It has been exciting journey to lead SpiceJet from a near shutdown to being one of the finest airlines in India. We have accomplished many unparalleled feats in the years gone by and perhaps this is the beginning of breaking new barriers as we start to Spread Our Wings...

Warm regards,

**Ajay Singh**

Chairman and Managing Director

More with SpiceJet

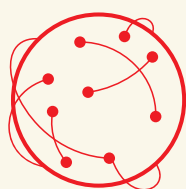
# Widening Connectivity by Leveraging Relationships

Over the years, SpiceJet has worked towards growing its passenger volumes responsibly. The focus now is to utilise these volumes effectively to generate additional revenues and improve passenger experience by leveraging relationships and forging partnerships. In line with this, we have signed a Memorandum of Understanding with Emirates for interline and codeshare partnership. This will allow SpiceJet passengers from across 54 domestic destinations to enjoy seamless connectivity on Emirates' expansive network across America, Europe, Africa and the Middle East.

We have also appointed travel technology solutions provider Amadeus as our global distribution partner. With this, our seat inventory will be available on their platform, enabling us to reach out to new markets and travellers globally.

## How SpiceJet will benefit from leveraging partnership

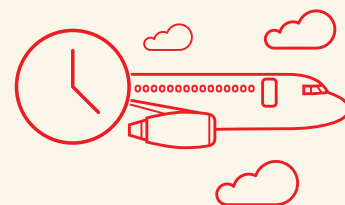
Open new routes and destinations for passengers travelling between India and popular international destination



International connectivity to passengers from regional destinations



Market share and revenue growth



Optimisation in scheduling with minimal transit time between Indian and global destinations