

SpiceJet posts \$53m Q2 net loss

- A Monitor Desk Report

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Gurgaon: India's low-cost airline, SpiceJet has announced its financial result for the quarter ending in September. India's financial year runs from April 1 to March 30 the following year, and in 2023 Q2, SpiceJet reported a net loss of \$53.8 million.

The carrier's revenue saw a decline of 27pc compared to the same period last year, dipping from \$234 million to \$170 million in 2023. The airline's Q2 performance is in contrast to its results in Q1, when it reported a profit of \$24.5 million.

[SpiceJet](#) MD Ajay Singh highlighted that the July-September quarter has always been challenging for the aviation industry. He added that this year's Q2 had additional challenges, such as high fuel prices, impacting the company's balance sheet.

Amid news of the carrier's Q2 results, SpiceJet's board has also

approved a fresh round of funding amounting to around \$269 million. The airline will secure this money by allotting shares and warrants to more than 60 entities, including private investors and financial institutions.

The airline said that it will issue 320.8 million equity shares and up to 130 million convertible warrants at ₹50 apiece. Singh said that this money will be used to strengthen SpiceJet's financial position, enhance its operational capabilities, and settle outstanding issues. Mint quotes analyst Gagan Dixit of Elara Capital as saying, "SpiceJet has the advantage of prime slots and a pilot community, both of which are in short supply in India. If they are able to raise even more than ₹1,000 crore (\$120 million), it is a positive move for the airline as they are an established carrier and this will help them in working capital for long-term investments across MRO, sale and leaseback models."

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