

JET AIRWAYS (INDIA) LIMITED

Regd. Office : Siroya Centre, Sahar Airport Road, Andheri (East), Mumbai - 400 099.

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2014

Amount (₹ in lakhs)

Sr. No.	Particulars	Quarter Ended			Year Ended
		30.06.2014 (Unaudited)	31.03.2014 Audited (Refer Note 2)	30.06.2013 (Unaudited)	31.03.2014 (Audited)
1.	Income from Operations				
	a. Income from Operations (Net)	433,407	419,828	377,878	1,599,470
	b. Other Operating Income (Refer Note 3)	35,157	36,789	22,637	130,719
	Total Income from Operations	468,564	456,617	400,515	1,730,189
2.	Expenses				
	a. Aircraft Fuel Expenses	180,477	190,639	154,339	717,542
	b. Aircraft Lease Rentals	41,855	46,040	36,348	167,610
	c. Employees Remuneration and Benefits	51,003	52,976	44,877	189,959
	d. Depreciation and Amortisation (Refer Note 4)	18,632	21,433	20,848	87,575
	e. Selling and Distribution Expenses	40,942	40,287	32,196	144,829
	f. Other Expenses	147,403	241,846	123,145	658,714
	Total Expenses	480,312	593,221	411,753	1,966,229
3.	(Loss) from Operations before Other Income, Finance Cost and Exceptional Items (1-2)	(11,748)	(136,604)	(11,238)	(236,040)
4.	Other Income : (Refer Note 5)	5,502	11,200	5,920	41,158
5.	(Loss) from Operations before Finance Cost and Exceptional Items (3+4)	(6,246)	(125,404)	(5,318)	(194,882)
6.	Finance Cost (Net)	19,429	28,273	23,413	99,716
7.	(Loss) after Finance Cost but before Exceptional Items (5-6)	(25,675)	(153,677)	(28,731)	(294,598)
8.	Exceptional Items : (Refer Note 6)				
	a. Contribution receivable from Lessors towards maintenance	3,910	-	-	-
	b. Unrealised Exchange Gain / (Loss)	-	8,308	(7,635)	(3,137)
	c. Provision for diminution in value of Investment in Subsidiary	-	(70,000)	-	(70,000)
	d. Marked to Market - Derivatives	-	-	828	938
9.	(Loss) from Ordinary Activities before Tax (7+8)	(21,765)	(215,369)	(35,538)	(366,797)
10.	Tax Expense :				
	Current Tax	-	(12)	-	(12)
	Short / (Excess) Tax Provisions (Net) for Earlier Years	-	(12)	-	(12)
11.	(Loss) from Ordinary Activities after Tax (9-10)	(21,765)	(215,357)	(35,538)	(366,785)
12.	Extraordinary Item	-	-	-	-
13.	Net (Loss)	(21,765)	(215,357)	(35,538)	(366,785)
14.	Paid up Equity Share Capital (Face Value of Rupees 10/- each)	11,360	11,360	8,633	11,360
15.	Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year)				(265,674)
16.	Basic and Diluted EPS before and after Extraordinary Item (in Rupees) * (Face Value of Rupees 10/- each)	(19.16)	(189.58)	(41.16)	(381.30)

* Not annualised in respect of Quarterly Results

A PARTICULARS OF SHAREHOLDING				
17. Public Shareholding				
Number of Shares (Face Value of Rupees 10/- each)	55,662,718	55,662,718	21,583,503	55,662,718
Percentage of holding (%)	49%	49%	25%	49%
18. Promoters and Promoter Group Shareholding				
a) Pledged / Encumbered				
- Number of Shares	-	-	-	-
- Percentage of Total Promoters and Promoter Group Shareholding (%)	-	-	-	-
- Percentage of Total Share Capital of Company (%)	-	-	-	-
b) Non - Encumbered				
- Number of Shares	57,934,665	57,934,665	64,750,508	57,934,665
- Percentage of Total Promoters and Promoter Group Shareholding (%)	100%	100%	100%	100%
- Percentage of Total Share Capital of Company (%)	51%	51%	75%	51%

B INVESTOR COMPLAINTS				
Opening	NIL			
Received during the quarter	7			
Disposed off during the quarter	7			
Remaining unresolved at the end of the quarter	NIL			

UNAUDITED STANDALONE SEGMENTWISE REVENUE, RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2014
The Company, considering its higher level of international operations and internal financial reporting based on geographic segment, has identified geographic segment as primary segment. The geographic segment consists of: a) Domestic (air transportation within India) b) International (air transportation outside India).

Particulars	Amount (₹ in lakhs)			
	Quarter Ended			Year Ended
	30.06.2014 (Unaudited)	31.03.2014 Audited (Refer Note 2)	30.06.2013 (Unaudited)	31.03.2014 (Audited)
Segment Revenue : (Primarily Passenger, Cargo, Excess Baggage and Leasing of Aircraft)				
Domestic	184,039	195,754	170,969	719,695
International	284,525	260,863	229,546	1,010,494
Total	468,564	456,617	400,515	1,730,189
Segmental Result :				
Domestic	98,870	98,993	93,516	360,202
International	138,762	115,221	108,136	456,086
Total	237,632	214,214	201,652	816,288
Less : Finance Cost	19,429	28,273	23,413	99,716
Depreciation and Amortisation	18,632	21,433	20,848	87,575
Other Unallocable Expenditure	230,748	329,385	192,042	964,753
Add : Other Unallocable Revenue	5,502	11,200	5,920	41,158
Add : Exceptional Items (Net)	3,910	(61,692)	(6,807)	(72,199)
(Loss) before tax	(21,765)	(215,369)	(35,538)	(366,797)
Less : Taxes	-	(12)	-	(12)
(Loss) after Tax	(21,765)	(215,357)	(35,538)	(366,785)

Note : The Company believes that it is not practical to identify fixed assets used in the Company's business or liabilities contracted, to any of the reportable segments, as the fixed assets are used interchangeably between segments. Accordingly, no disclosure relating to total segment assets and liabilities have been made.

- Notes :**
- The above results have been reviewed by the Audit Committee and thereafter were approved and taken on record by the Board of Directors at its Meeting held on 11th August, 2014.
 - The figures for the quarter ended 31st March, 2014 are balancing figures between audited figures in respect of the full financial year ended 31st March, 2014 and published year to date figures up to the third quarter ended 31st December, 2013.
 - Other Operating Income includes :
Income from leasing of Aircraft and Engine, for the Quarter ended 30th June, 2014 of ₹ 20,281 lakhs. The corresponding income for the Quarter ended 30th June, 2013 was ₹ 11,334 lakhs. The corresponding income for the Quarter and Year ended 31st March, 2014 were ₹ 18,876 lakhs and ₹ 68,723 lakhs respectively.
 - Pursuant to the Company adopting the useful life of fixed assets as indicated in part C of Schedule II of the Companies Act, 2013 coming in to effect from 1st April, 2014, the depreciation charge for the quarter ended 30th June' 2014 is lower (net) by Rs. 2,606 lakhs and the adjustment to accumulated balance of retained earnings (deficit) is Rs. 2,861 lakhs.
 - Other Income includes :
Profit on Sale and Leaseback of Engine during the Quarter and Year ended 30th June, 2014 of ₹ Nil lakhs. The corresponding Profit on Sale and Leaseback of Engine for the Quarter ended 30th June, 2013 was ₹ Nil lakhs. Profit on Sale and Leaseback of Engine for the Quarter and Year ended 31st March, 2014 were ₹ Nil lakhs and ₹ 2,981 lakhs respectively.

6 a) Pursuant to a "Power by the Hour" (PBTH) engine maintenance arrangement entered into by the Company with a service provider for its B777 Aircraft engines, the PBTH cost are being charged to the Statement of Profit and Loss and the variable rentals payable to the Lessors, based on maintenance plan, are being recognised as "Receivable From Lessors". Based on a joint validation of the Company's maintenance plan with the service provider, the Company has recognised the expected refunds of variable rentals till 31st March, 2014 as "Contribution receivable from Lessors towards maintenance".

b) Unrealised exchange Gain / (Loss) refers to the notional Gain / (Loss) arising out of the restatement of the unhedged portion of foreign currency monetary assets and liabilities (other than asset backed borrowings) up to 31st March, 2014. Further, in line with the Notification dated 29th December, 2011 issued by the Ministry of Corporate Affairs, the Company exercised the option given in the paragraph 46A of Accounting Standard - 11 "The Effects of Changes in foreign exchange rates". Accordingly, the Company has, with effect from April 1, 2011, amortised the foreign exchange loss incurred on long term foreign currency monetary items over the balance period of such long term foreign currency monetary items. The amortised portion of foreign exchange Gain / (Loss) (net) incurred on long term foreign currency monetary items for the Quarter ended 30th June, 2014 is ₹ (1,937) lakhs. For the quarter ended 30th June, 2013 it was ₹ (227) lakhs. The corresponding amount for the Quarter and Year ended 31st March, 2014 were ₹ (3,482) lakhs and ₹ (2,876) lakhs respectively. The unamortised portion carried forward as on 30th June, 2014 is ₹ 3,617 lakhs (₹ 4,690 lakhs for the Year ended 31st March, 2014).

c) The Company has equity investment of ₹ 164,500 lakhs in Jet Lite (India) Limited, a wholly owned subsidiary, and has advanced interest free loans amounting to ₹ 194,791 lakhs as on 30th June, 2014 (31st March, 2014 - ₹ 196,392 lakhs) to the said subsidiary. The subsidiary continues to incur losses and show negative net worth as on 30th June, 2014. The Management, based on the recommendations provided by a domain expert, had approved the broad parameters to re-organize the fleet and network between Jet Airways and its wholly owned subsidiary Jet Lite (India) Limited. Considering these parameters, a detailed business plan has since been drawn and an independent valuer, based on these business plans, had valued the equity interest in the subsidiary. The Management had performed a sensitivity analysis as on 31st March, 2014 on the values so arrived and accordingly, made a provision for diminution of ₹ 70,000 lakhs as at 31st March 2014 to fairly reflect the recoverable amount based on a prudent assessment. The Management has revisited the underlying assumptions about future events and the operating parameters considered in the aforementioned business plan and concluded that additional provision is not required to be recognised as at 30th June, 2014.

In view of the significant uncertainty as regards the underlying assumptions about future events and the operating parameters, the same will be periodically monitored and changes to reflect the reliable measurement will be made if the conditions so warrant.

7. The Company had acquired 100% of the shareholding of Sahara Airlines Limited (SAL) (now known as Jet Lite (India) Limited) in April, 2007. As per the Share Purchase Agreement (SPA) as amended by the subsequent Consent Award, the mutually agreed sale consideration was to be paid to the Selling Shareholders (SICCL) in four equal interest free instalments by 30th March, 2011. As a result of certain disputes that arose between the parties, both the parties had filed petitions in the Hon'ble Bombay High Court for breach of SPA as amended by the subsequent Consent Award. The Hon'ble Bombay High Court delivered its Judgment on 4th May, 2011 whereby SICCL's demand for restoration of the original price of ₹ 200,000 lakhs was denied and the Purchase Consideration was sealed at the revised amount of ₹ 145,000 lakhs. However, in its judgment, the Hon'ble Bombay High Court has awarded interest at 9% p.a. on the delayed payments made to SICCL largely on account of ongoing legal dispute. In view of this Order, a sum of ₹ 11,643 lakhs became payable as interest which has been duly discharged by the Company. As a result of this discharge, the undertaking given by the Company in April 2009 for not creating any encumbrance or alienation of its moveable or immovable assets and properties in any manner other than in the normal course of the business, stands released.

Though the Company had complied with the order of the Hon'ble Bombay High Court, based on legal advice, it filed an appeal with the Division Bench of the Hon'ble Bombay High Court contesting the levy of interest. SICCL also filed an appeal with the Division Bench of the Hon'ble Bombay High Court for restoration of the purchase consideration to ₹ 200,000 lakhs and for interest to be awarded at 18% p.a. as against the 9% p.a. awarded by the Hon'ble Bombay High Court.

The Division Bench of the Hon'ble Bombay High Court heard the matter and vide its order dated 17th October, 2011 dismissed both the appeals as being not maintainable in view of jurisdictional issue. The Company has since filed Special Leave Petitions (SLP) before the Hon'ble Supreme Court challenging both the orders of 4th May, 2011 and 17th October, 2011. SICCL had earlier filed a SLP before the Hon'ble Supreme Court for increased compensation and interest.

Both the SLPs, filed by Jet Airways as well as SICCL, came up for hearing before the Supreme Court. The Supreme Court directed the parties to file the Counter and Rejoinder which has since been filed. The Supreme Court also recorded that the statement made by Jet Airways, as recorded in the order dated 6th May, 2011 passed by the Hon'ble Bombay High Court, would continue till further orders.

The Company has filed its Counter Affidavit in the SLPs filed by SICCL and the Hon'ble Supreme Court has granted further time to SICCL to file their Rejoinder.

8. With strategic investment by Etihad Airways PJSC and gradual implementation of the recommendations provided by a domain expert, the Management expects to achieve required operating cash inflows through cost synergies, revenue management, network synergy, leasing out aircraft, etc. These measures coupled with on going initiatives to raise funds are expected to result in sustainable cash flows and accordingly the statement of financial results continue to be prepared on a going concern basis, which contemplates realisation of assets and settlement of liabilities in the normal course of business.

9. The Company has transferred its 'Jet Privilege Frequent Flyer Programme' (JPFFP) undertaking to Jet Privilege Private Limited (JPPL) on 21st April, 2014 as a going concern on a slump sale basis for a consideration of ₹ 119,378 lakhs. In accordance with the terms and conditions of the Slump Sale Agreement and pending implementation of certain commercial aspects of other associated agreements, surplus on the transfer has not been recognised during the quarter under review.

10. Previous period's / year's figures have been regrouped / reclassified wherever necessary to correspond with the current period's classification / disclosure.

**For and on behalf of the Board of Directors
Jet Airways (India) Limited**