

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 AND HALF YEAR ENDED 30TH SEPTEMBER, 2014

Amount (₹ in lakhs)

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1.	Income from Operations						
	a. Income from Operations (Net)	440,276	433,407	378,823	873,683	756,701	1,599,470
	b. Other Operating Income (Refer Note 2)	36,949	35,157	40,647	72,106	63,284	130,719
	Total Income from Operations	477,225	468,564	419,470	945,789	819,985	1,730,189
2.	Expenses						
	a. Aircraft Fuel Expenses	184,595	180,477	181,080	365,072	335,419	717,542
	b. Aircraft Lease Rentals	43,176	41,855	42,855	85,031	79,203	167,610
	c. Employees Remuneration and Benefits	50,394	51,003	43,733	101,397	88,610	189,959
	d. Depreciation and Amortisation (Refer Note 3)	19,334	18,632	22,339	37,966	43,187	87,575
	e. Selling and Distribution Expenses	49,655	40,942	37,278	90,597	69,474	144,829
	f. Other Expenses	156,710	147,403	157,777	304,113	280,922	658,714
	Total Expenses	503,864	480,312	485,062	984,176	896,815	1,966,229
3.	(Loss) from Operations before Other Income, Finance Cost and Exceptional Items (1-2)	(26,639)	(11,748)	(65,592)	(38,387)	(76,830)	(236,040)
4.	Other Income : (Refer Note 4)	24,347	5,502	7,307	29,849	13,227	41,158
5.	(Loss) from Operations before Finance Cost and Exceptional Items (3+4)	(2,292)	(6,246)	(58,285)	(8,538)	(63,603)	(194,882)
6.	Finance Cost (Net)	21,227	19,429	25,005	40,656	48,418	99,716
7.	(Loss) after Finance Cost but before Exceptional Items (5-6)	(23,519)	(25,675)	(83,290)	(49,194)	(112,021)	(294,598)
8.	Exceptional Items : (Refer Note 5)						
	a. Contribution receivable from Lessors towards maintenance	-	3,910	-	3,910	-	-
	b. Unrealised Exchange Gain / (Loss)	-	-	(5,921)	-	(13,556)	(3,137)
	c. Provision for diminution in value of Investment in Subsidiary	-	-	-	-	-	(70,000)
	d. Surplus from Slump Sale of 'Jet Privilege' Frequent Flyer Programme	30,501	-	-	30,501	-	-
	e. Marked to Market - Derivatives	-	-	110	-	938	938
9.	Profit / (Loss) from Ordinary Activities before Tax (7+8)	6,982	(21,765)	(89,101)	(14,783)	(124,639)	(366,797)
10.	Tax Expense :						
	Current Tax	-	-	-	-	-	(12)
	Short / (Excess) Tax Provisions (Net) for Earlier Years	-	-	-	-	-	(12)
11.	Profit / (Loss) from Ordinary Activities after Tax (9-10)	6,982	(21,765)	(89,101)	(14,783)	(124,639)	(366,785)
12.	Extraordinary Item	-	-	-	-	-	-
13.	Net Profit / (Loss)	6,982	(21,765)	(89,101)	(14,783)	(124,639)	(366,785)
14.	Paid up Equity Share Capital (Face Value of Rupees 10/- each)	11,360	11,360	8,633	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)	6.15	(19.16)	(103.20)	(13.01)	(144.37)	(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	21,583,503	55,662,718
	Percentage of holding (%)	49%	49%	25%	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	64,750,508	57,934,665
	- Percentage of Total Promoters and Promoter Group Shareholding (%)	100%	100%	100%	100%	100%	100%
	- Percentage of Total Share Capital of Company (%)	51%	51%	75%	51%	75%	51%
B	INVESTOR COMPLAINTS						
	Opening	NIL					
	Received during the quarter	69					
	Disposed off during the quarter	69					
	Remaining unresolved at the end of the quarter	NIL					

UNAUDITED STANDALONE SEGMENTWISE REVENUE, RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 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			Half Year Ended		Year Ended
	30.09.2014 (Unaudited)	30.06.2014 (Unaudited)	30.09.2013 (Unaudited)	30.09.2014 (Unaudited)	30.09.2013 (Unaudited)	31.03.2014 (Audited)
Segment Revenue : (Primarily Passenger, Cargo, Excess Baggage and Leasing of Aircraft)						
Domestic	167,987	184,039	161,618	352,026	332,586	719,695
International	309,238	284,525	257,852	593,763	487,399	1,010,494
Total	477,225	468,564	419,470	945,789	819,985	1,730,189
Segmental Result :						
Domestic	85,611	98,870	72,264	184,481	165,780	360,202
International	153,142	138,762	116,951	291,904	225,087	456,086
Total	238,753	237,632	189,215	476,385	390,867	816,288
Less : Finance Cost	21,227	19,429	25,005	40,656	48,418	99,716
Depreciation and Amortisation	19,334	18,632	22,339	37,966	43,187	87,575
Other Unallocable Expenditure	246,058	230,748	232,468	476,806	424,510	964,753
Add : Other Unallocable Revenue	24,347	5,502	7,307	29,849	13,227	41,158
Add : Exceptional Items (Net)	30,501	3,910	(5,811)	34,411	(12,618)	(72,199)
Profit / (Loss) before tax	6,982	(21,765)	(89,101)	(14,783)	(124,639)	(366,797)
Less : Taxes	-	-	-	-	-	(12)
Profit / (Loss) after Tax	6,982	(21,765)	(89,101)	(14,783)	(124,639)	(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.

STATEMENT OF ASSETS AND LIABILITIES

Particulars	Standalone	
	Half Year Ended	Year Ended
	30.09.2014 (Unaudited)	31.03.2014 (Audited)
A EQUITY AND LIABILITIES		
Shareholders' Funds		
(a) Share Capital	11,360	11,360
(b) Reserves and Surplus	(253,944)	(234,137)
Sub-total - Shareholders' Funds	(242,584)	(222,777)
Non-current liabilities		
(a) Long-Term Borrowings	660,506	654,607
(b) Deferred Tax Liabilities (net)	-	-
(c) Other Long-Term Liabilities	140,594	36,500
(d) Long-Term Provisions	21,935	21,426
Sub-total - Non-Current Liabilities	823,035	712,533
Current Liabilities		
(a) Short-Term Borrowings	137,310	203,972
(b) Trade Payables	547,227	484,046
(c) Other Current Liabilities	663,847	645,185
(d) Short-Term Provisions	4,375	13,953
Sub-total - Current Liabilities	1,352,759	1,347,156
TOTAL - EQUITY AND LIABILITIES	1,933,210	1,836,912
B ASSETS		
Non-Current Assets		
(a) Fixed Assets	946,616	963,496
(b) Non-Current Investments	164,117	164,121
(c) Long-Term Loans and Advances	338,987	309,839
Sub-total - Non-Current Assets	1,449,720	1,437,456
Current Assets		
(a) Inventories	85,978	80,376
(b) Trade Receivables	141,863	120,922
(c) Cash and Cash Equivalents	154,232	114,541
(d) Short-Term Loans and Advances	101,417	83,617
Sub-total - Current Assets	483,490	399,456
TOTAL - ASSETS	1,933,210	1,836,912

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 07th November, 2014.
- Other Operating Income includes :
Income from leasing of Aircraft and Engine, for the Quarter and Half Year ended 30th September, 2014 are ₹ 24,653 lakhs and ₹ 44,934 lakhs respectively. The corresponding income for the Quarter and Half Year ended 30th September, 2013 were ₹ 22,042 lakhs and ₹ 33,376 lakhs respectively. The income for the Quarter ended 30th June, 2014 was ₹ 20,281 lakhs. The income for the Year ended 31st March, 2014 was ₹ 68,723 lakhs.

3. 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 and Half Year Ended 30th September, 2014 is lower (net) by ₹ 5,329 lakhs and ₹ 7,935 lakhs respectively. The corresponding amount for the Quarter ended 30th June, 2014 was ₹ 2,606 lakhs. The adjustment to accumulated balance of retained earnings (deficit) is ₹ 2,861 lakhs.

4. Other Income includes :

Profit on Sale and Leaseback of Aircraft and Engine during the Quarter and Half Year ended 30th September, 2014 of ₹ 6,357 lakhs. The corresponding Profit on Sale and Leaseback of Engine for the Quarter and Half Year ended 30th September, 2013 was ₹ Nil lakhs. The income for Quarter ended 30th June, 2014 was ₹ Nil lakhs. Profit on Sale and Leaseback of Engine for the Year ended 31st March, 2014 was ₹ 2,981 lakhs.

5 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 1st April, 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 and Half Year ended 30th September, 2014 are ₹ (1,081) lakhs and ₹ (3,019) lakhs respectively. For the Quarter ended 30th June, 2014 it was ₹ (1,937) lakhs. The corresponding amount for the Quarter and Half Year ended 30th September, 2013 were ₹ 1,903 lakhs and ₹ 1,676 lakhs respectively. For the Year ended 31st March, 2014 it was ₹ (2,876) lakhs. The unamortised portion carried forward as on 30th September, 2014 is ₹ 6,853 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 loans amounting to ₹ 202,414 lakhs as on 30th September, 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 September, 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 no additional provision is required to be recognised as at 30th September, 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.

d) 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 total consideration of ₹ 119,378 lakhs. Upon completion of the balance pending matters, the Company, having regard to the terms and conditions under the agreements for such sale, has recognized a surplus of ₹ 30,501 Lakhs during the Quarter and Half Year ended 30th September, 2014 under "Exceptional Items" and an amount of ₹ 10,231 lakhs under "Other Income". Further, an amount of ₹ 112,309 Lakhs will be credited to income in subsequent periods proportionately on fulfillment of the underlying commitments / obligations as stipulated in the said agreements.

6. 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.

7. 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.

8. 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