

## **Report on Corporate Governance**

**Pursuant to Part C of Schedule V the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

### **1. About the Company**

Jet Airways (India) Limited (the 'Company'), an airline company, is engaged in the business of providing air transport services in India and abroad. On May 05, 1993 it commenced its operations as an air taxi operator with a fleet of four-leased Boeing 737-300 a/c and in Jan 1995 was granted scheduled airline status. In March 2004, the Corporate Debtor commenced its first international flight (Chennai - Colombo) and in Feb 2005, it got listed on Indian exchanges.

#### **Financial Distress and Initiation of Insolvency Proceedings**

Due to financial distress and insufficiency of funds, the Company was unable to service its scheduled debt and was forced to suspend its operations on April 17, 2019. Further, Corporate Insolvency Resolution Process ("CIRP") under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("IBC") read with Rule 4 of Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016, was initiated against the Company by an order dated June 20, 2019 of the Hon'ble National Company Law Tribunal, Mumbai Bench ("Hon'ble NCLT"). Pursuant to this Court Order, Mr. Ashish Chhawchharia was appointed as the Interim Resolution Professional of the Company and subsequently was appointed as the Resolution Professional ("RP") by the Committee of Creditors ("CoC") at the first meeting of the Committee of Creditors held on July 16, 2019.

The members are hereby also informed that the Directors, CEO, CFO, CS including other top management personnel had resigned from the Company before commencement of CIRP i.e. June 20, 2019.

In absence of the top management officials and requisite personnel, this report is based on the information gathered by the Resolution Professional and the remaining employees of Asset Preservation Team, basis the adequate systems and processes that existed in the Company to monitor and ensure compliances with provisions of applicable general laws, including labour laws, acts and regulations to the Company. The report attached is for the purpose of compliance and discharging the duties under the CIRP, as governed by the Code.

### **2. Company's philosophy on Corporate Governance**

The Corporate Governance Structure of the Company is vested with the Board of Directors ("the Board"). The Board is responsible for the management, direction and performance of the Company as well as to provide an independent view of the Company's Management while discharging its objectives.

A detailed report on implementation of Corporate Governance is set out below.

#### **Board of Directors ("Board")**

##### **Composition of the Board**

The Board of Directors as on March 31, 2019, comprised of six Directors of which two were Non-Executive Directors and one Whole Time Director and three Independent Directors.

Details of the directors resigned during the Financial Year 2018-19:

S. No.	Name of Director	Designation	Date of cessation
1.	Mr. Srinivasan Vishvanathan	Independent Director	09 <sup>th</sup> August 2018
2.	Mr. Vikram Mehta	Independent Director	09 <sup>th</sup> November 2018
3.	Mr. Ranjan Mathai	Independent Director	22 <sup>nd</sup> November 2018
4.	Mr. Harsh Mohan	Non-Executive Director	30 <sup>th</sup> November 2018
5.	Mr. Naresh Goyal	Chairman	25 <sup>th</sup> March 2019
6.	Mrs. Anita Goyal	Non-Executive Director	25 <sup>th</sup> March 2019
7.	Mr. Kevin Knight	Non-Executive Director	25 <sup>th</sup> March 2019

None of the Directors holds office in more than twenty Companies and in more than ten public Companies. None of the Independent Directors serves as an Independent Director in more than seven listed Companies. The Whole Time Director of the Company does not serve as Independent Director in any listed Company.

The Independent Directors have confirmed that they satisfy the criteria prescribed for an Independent Director as prescribed under the provisions of the Act and the Listing Regulations.

The names and categories of Directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting, as also the number of Directorships and Committee positions held by them in public limited Companies are given below:

Director	Category	No. of Board Meetings attended during 18-19	Attendance at AGM held on 09.08.2018	No. of Directorships in other companies* (As on 31.03.2019)	No. of Committee positions# (As on 31.03.2019)	
					Chairman	Member
Mr. Naresh Goyal (Chairman)	Non-Executive Non-Independent	11	Yes	1	NIL	NIL
Mr. Ranjan Mathai	Non-Executive – Independent	7	Yes	4	2	6
Mr. Vikram Mehta	Non-Executive – Independent	6	Yes	6	3	8
Mr. Srinivasan Vishvanathan	Non-Executive – Independent	4	Yes	2	2	4
Ms. Rajshree Pathy	Non-Executive – Independent	1	Yes	9	1	2
Mrs. Anita Goyal	Non-Executive Non-Independent	11	Yes	0	0	2
Mr. Gaurang Shetty	Whole Time Director	12	Yes	1	0	1
Mr. Harsh Mohan	Non-Executive Non-Independent	7	Yes	0	0	2

Mr. Kevin Nolan Knight	Non-Executive Non-Independent	11	Yes	0	0	1
Mr. Ashok Chawla	Non-Executive – Independent	9	Yes	2	12	8
Dr. Nasim	Non-Executive Non-Independent	11	Yes	0	0	1
Mr. Sharad Sharma	Non-Executive – Independent	6	No	2	0	0
Mr. Robin Kamark	Non-Executive Non-Independent	4	No	0	0	0

\* Excludes Directorships in Jet Airways (India) Ltd. Also excludes in Associations, Private Limited Companies, Foreign Companies, Government Bodies and Companies registered under Section 8 of the Companies Act, 2013 ('the Act').

# Only Audit Committee and Stakeholders Relationship Committee of Indian Public Companies have been considered for committee positions.

The Company held nine Board Meetings during the financial year 2018-19 and the gap between two Meetings did not exceed one hundred and twenty days. The dates on which the Board Meetings were held were:

S. No.	Dates of board meeting	S.No.	Dates of board meeting
1.	11 <sup>th</sup> April 2018	7.	01 <sup>st</sup> October 2018
2.	07 <sup>th</sup> May 2018	8.	12 <sup>th</sup> November 2018
3.	23 <sup>rd</sup> May 2018	9.	20 <sup>th</sup> December 2018
4.	06 <sup>th</sup> July 2018	10.	14 <sup>th</sup> March, 2019
5.	09 <sup>th</sup> August 2018	11.	5 <sup>th</sup> March, 2019
6.	27 <sup>th</sup> August 2018	12.	25 <sup>th</sup> March, 2019

### Meeting of Independent Directors

During the year 2018-19, one separate meetings of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management were held on August 22, 2018 as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25(3) of the Listing Regulations. At the Meetings the Independent Directors:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of the Managing Director and Non-Executive Directors; and
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The attendance of the Independent Directors at their Meetings is as follows:

S. No.	Name of Independent Director	No. of Meetings attended
1.	Mr. Ashok Chawla	1
2.	Mr. Ranjan Mathai	1
3.	Mr. Vikram Mehta	1
4.	Ms. Rajshree Pathy	1

## Shareholding

Except Mr. Naresh Goyal and Mrs. Anita Goyal, none of the other Non-executive Directors has any other pecuniary interest in the Company. Shareholding of the Non-executive Directors in the Company is enumerated in the table below:

Name	Number of Shares of RS. 10/- each held in the Company	% of Total Paid-up Equity Capital
Mr. Naresh Goyal	57,933,665	51.00
Mrs. Anita Goyal	1,000	Negligible

## Notes:

Except for Mr. Naresh Goyal and Mrs. Anita Goyal, none of the Directors hold any shares in the Company.

## Familiarization program for Independent Directors

The Company has conducted the familiarization program for Independent Directors appointed during the year. The Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth, to acclimatize them with the processes, businesses and functionalities of the Company and to assist them in performing their role as Independent Directors of the Company.

## Board Procedure

The annual calendar of Board Meetings is tentatively agreed upon at the beginning of each year. Additionally, Board Meetings are convened to transact special business, as and when necessary. The prescribed quorum was present for all the Meetings. When necessary resolutions are also circulated to the Board for approval.

Video conferencing or other audio-visual facilities are provided to the Directors who are not able to attend meetings physically, for participating in the Meetings, in case of exigencies or urgencies, resolutions are passed by circulation as well.

In addition to the information as enumerated in Regulation 17 of the Listing Regulations, the Directors are presented with information on various matters related to the operations of the Company in a manner appropriate to enable them to effectively discharge their duties, especially those requiring deliberation at the highest level. Where it is not practicable to provide the relevant information as a part of the Agenda Papers, the same is tabled at the Meeting.

Presentations are also made to the Board by functional heads on various issues concerning the Company. The Directors also have independent access to the Senior Management at all times.

## **Board Training and Induction**

At the time of appointing an Independent Director, a formal letter of appointment is given, which, inter alia, explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the compliances required from him under the Act, the Listing Regulations and other relevant regulations and their affirmation taken with respect to the same.

### **3. Committees of Board**

To focus effectively on specific issues, the Board has constituted five Committees of the Board viz.: Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and the Risk Management Committee. All of these Committees of the Board are constituted as per the provisions of the Act and the Listing Regulations.

The Company Secretary acts as the Secretary to all these Committees.

The Minutes of the Meetings of the above Committees are placed before the Board for discussions / noting.

#### **A. Audit Committee of the Board (Audit Committee)**

The Audit Committee oversees the existence of an effective internal control system to ensure that:

- Safeguarding of assets and adequacy of provisions for all liabilities;
- Reliability of financial and other management information and adequacy of disclosures;
- Compliance with all relevant statutes.

The Audit Committee also acts as a link between the Statutory Auditors, Internal Auditors and the Board.

#### **I. Term of reference**

The Audit Committee functions according to its Charter, which is in line with the provisions of Regulation 18 of the Listing Regulations read with Section 177 of the Act, that defines its composition, authority, responsibility and reporting functions.

The Terms of reference of the Audit Committee are briefly enumerated below:

- Oversight of the Company's financial reporting process and disclosure of its financial information, to ensure that the financial statements are materially correct, sufficient & credible.
- Discuss and review with the management and auditors the annual / quarterly financial statements and auditor's report before submission to the Board.
- Provide recommendations to the Board related to the appointment, re-appointment, remuneration and terms of appointment of the auditors of the Company.
- Review and monitor the auditor's independence and performance and effectiveness of the audit process.

- Hold timely discussions with external/ statutory auditors regarding the nature and scope of Audit as well as post-Audit discussion / review for ascertaining any area of concern prior to commencement of audit.
- Review and suitably reply to the report(s) forwarded by the auditors on the matters where the auditors have sufficient reasons to believe that an offence involving fraud, is being or has been committed against the Company by officers or employees of the Company.
- Review management letters / letters of internal control weaknesses issued by statutory auditors.
- Evaluation of Internal financial controls.
- Evaluate on a regular basis the adequacy of risk management systems.
- Whistle Blower / Vigil Mechanism.
- The Committee shall maintain an oversight of the adequacy/functioning of the whistle blowing/ vigil mechanism. It shall review the Company's arrangements for its employees, stakeholders and Directors to raise concerns, in confidence, about possible wrongdoing in the Company on matters including those related to ethics, compliance, financial reporting, accounting and auditing.
- The Committee shall ensure that these arrangements allow independent investigation of such matters and appropriate follow up action.
- The whistle blower / vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee on appropriate or exceptional cases.
- Review the reasons for substantial defaults in the payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors. Review the valuation of undertakings or assets of the Company, wherever it is necessary.
- Review the financial statements, in particular, the investments made by the unlisted subsidiary companies.
- Review the statement of significant related party transactions submitted by the management, including the 'significant' criteria / thresholds decided by the Management.
- Provide approval or any subsequent modification of transactions of the Company with related parties.

During the year under review, the Audit Committee reviewed key audit findings covering operational, financial and compliance areas. Management personnel also presented the risk mitigation plan to the Committee.

During the year, there have not been any instances where the recommendations of the Audit Committee have not been accepted by the Board.

## **II. Committee Composition and Meetings**

The composition of the Audit Committee is in accordance with the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations. All the Audit Committee members are financially literate and possess the required financial management expertise. The Chairman of the Audit Committee is an Independent Director.

The Whole Time Director, the Chief Executive Officer, Chief Finance Officer, executives from Finance, Internal Audit Departments and representatives of the Statutory Auditors have attended the Audit Committee meetings by invitation.

The Audit Committee met eight times during the financial year, the dates of the meeting mentioned below and the gap between any two Meetings did not exceed one hundred and twenty days.

S. No.	Dates of Audit Committee meeting	S. No.	Dates of Audit Committee meeting
1.	07 <sup>th</sup> May 2018	5.	27 <sup>th</sup> August 2018
2.	22 <sup>nd</sup> May 2018	6.	12 <sup>th</sup> November 2018
3.	23 <sup>rd</sup> May 2018	7.	20 <sup>th</sup> December 2018
4.	06 <sup>th</sup> July 2018	8.	14 <sup>th</sup> February, 2019

The composition of the Audit Committee and the details of Meetings attended by the Directors during the year are given below:

Name of Member	Category	No. of Meetings attended during 2018-19
Mr. Srinivasan Vishvanathan, Chairman	Non-Executive Independent Director	4
Mr. Sharad Sharma	Non-Executive Independent Director	3
Mr. Ashok Chawla	Non-Executive Independent Director	7
Mr. Harsh Mohan	Non-Executive Non-Independent Director	6
Mr. Vikram Mehta	Non-Executive Independent Director	5

The Company Secretary attended all the above Meetings.

The prescribed Quorum was present for all the meetings.

## **B. Nomination and Remuneration Committee**

### **I. Terms of reference**

The Nomination and Remuneration Committee functions according to its Charter, which is in line with the provisions of Regulation 19 of the Listing Regulations read with Section 178 of the Act that defines its composition, authority, responsibility and reporting functions.

The purpose of Nomination and Remuneration Committee is to identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and carry out evaluation of every Director's performance.

### **Nomination Activities:**

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.

- (b) Formulation of criteria for evaluation of Independent Directors and the Board. Additionally the Committee may also oversee the performance review process of the KMP and the executive team of the Company.
- (c) Devising a policy on Board diversity.
- (d) Oversee familiarization programs for Directors.
- (e) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

#### **Remuneration Activities:**

- (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and Chief Executive Officer to run the company successfully
- (b) Annually review the Chief Executive Officer (CEO) remuneration package and performance indicator as set by the Board
- (c) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (d) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

## **II. Committee Composition and Meetings**

The Nomination and Remuneration Committee is constituted in accordance with the provisions of Regulation 19 of the Listing Regulations and the provisions of Section 178(1) of the Act.

During the financial year 2018-19, the Nomination and Remuneration Committee met four times on the following dates:

S. No.	Dates of the meeting
1.	07 <sup>th</sup> May 2018
2.	23 <sup>rd</sup> May 2018
3.	06 <sup>th</sup> July 2018
4.	14 <sup>th</sup> February 2019

The composition of the Nomination and Remuneration Committee and the details of Meetings attended by the Directors during the year are given below:

Name of Member	Category	No. of Meetings attended during 2018-19
Mr. Ranjan Mathai, Chairman	Non-Executive Independent Director	3
Mr. Srinivasan Vishvanathan	Non-Executive Independent Director	3
Mr. Ashok Chawla	Non-Executive Independent Director	3
Mr. Nazim Zaidi	Non-Executive	1



	Independent Director	
Ms. Rajshree Pathy	Non-Executive Independent Director	3
Mr. Vikram Mehta	Non-Executive Independent Director	3
Mr. Harsh Mohan	Non-Executive Non-Independent Director	3

The Company Secretary attended all the above Meetings.

### III. Remuneration Policy

#### 1. For Non-Executive Directors

The Non-Executive Directors are uniformly paid a Sitting Fee for attending Meetings of the Board and Committees. The Company has not paid any commission to the Independent Directors for the FY 2018-19.

No stock options have been granted to the Non-Executive Directors by the Company.

#### Sitting Fees

The Non-Executive Directors are paid Sitting Fees of Rs. 100,000 for each Board and Mandatory Committee Meeting attended by them.

Details of remuneration paid to Non-Executive Directors for the financial year 2018-19 are as follows:

Director Name	Sitting Fees Paid (Amount in Rs.)
Mr. Nazim Zaidi	10,00,000
Mr. Sharad Sharma	9,00,000
Mrs. Anita Goyal	3,00,000
Mr. Srinivasan Vishvanathan	11,00,000
Mr. Vikram Mehta	18,50,000
Ms. Rajshree Pathy	9,00,000
Mr. Ranjan Mathai	14,50,000
Mr. Ashok Chawla	20,00,000

Note: Mr. Naresh Goyal, have written to the Company stating that they do not want to receive any sitting fees from the Company.

Please refer to the disclosure on Related Party Transactions in the Notes to Accounts for details of transactions in which Mr. Naresh Goyal is concerned or interested.

#### C. Stakeholder's Relationship Committee

The Stakeholder's Relationship Committee functions according to its Charter, which is in line with the provisions of Regulation 20 of the Listing Regulations read with Section 178 of the Act that defines its composition, authority, responsibility and reporting functions.

The Company has constituted a Stakeholder's Relationship Committee to specifically focus on the redressal of the Shareholders' / Investors' complaints and grievances and to note the transfers etc. of shares.

## I. Terms of reference

The brief terms of reference of the Stakeholder's Relationship Committee are as follows

- To receive the report of the Registrar and Share Transfer Agent about investors' complaints and grievances and follow up for necessary action taken for redressal thereof;
- To review the existing "Investor Redressal System" and suggest measures for improvement in investor relations;
- To note the transfer / transmission / transposition / re-materialisation / dematerialization of shares and consolidation / splitting of folios as approved by the persons duly authorized by the Board of Directors in this regard and the issue of share certificates in exchange for sub-divided, consolidated, defaced, torn, etc.;
- To review the Shareholding Pattern of the Company and the changes therein;
- To appoint and remove Registrars and Share Transfer Agent, decide the terms and conditions, remuneration, service charge / fees and review their performance;
- Consider and resolve the grievances of security holders of the Company including complaints related to transfer of securities, non-receipt of annual report/declared dividends/notices/ balance sheet

## II. Committee Composition and Meetings

The Stakeholder's Relationship Committee met four times during the financial year i.e. on the dates mentioned below:

S. No.	Dates of the meeting
1.	22 <sup>nd</sup> May 2018
2.	09 <sup>th</sup> August 2018
3.	12 <sup>th</sup> November 2018
4.	14 <sup>th</sup> February 2019

The composition of the Stakeholder's Relationship Committee and the details of the Meetings attended by the Directors during the year are given below:

Name of Member	Category	No. of Meetings attended during 2018-19
Mr. Vikram Mehta, Chairman	Non-Executive Independent Director	2
Mr. Ranjan Mathai	Non-Executive Independent Director	3
Mr. Gaurang Shetty	Wholetime Director	4
Mrs. Anita Goyal	Non-Executive Non- Independent Director	3
Mr. Sharad Sharma	Non-Executive Independent Director	1

## III. Name and designation of Compliance Officer

Mr. Kuldeep Sharma, Company Secretary, has been appointed the Compliance Officer under Regulation 6 of the Listing Regulations. The Company Secretary resigned from his position w.e.f. May 14, 2019.

#### IV. Details of Shareholders' complaints / queries

The details of Shareholders' complaints during the financial year 2018-19 are as follows:

Status of Complaints	Number of Complaints
Pending as of 1 <sup>st</sup> April, 2018	Nil
Received during the financial year 2018-19	32
Disposed of during the financial year 2018-19	32
Pending as of 31 <sup>st</sup> March, 2019	Nil

Investor complaints are given top priority by the Company and are promptly addressed by the Registrar and Share Transfer Agent, KFinTech Technologies Private Limited, who strive to attend to all investor complaints within 48 hours of receipt. All investors' grievances / correspondences received during the financial year 2018-19 have been attended to.

#### D. Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility Committee has been constituted under Section 135 of the Act. The Company Secretary acts as the Secretary to the Committee. No meeting was held during the FY 2018-19.

The composition of the CSR Committee and the details of the Meeting attended by the Directors during the year are given below:

Name of Member	Category	No. of Meetings attended during 2018-19
Ms. Rajshree Pathy, Chairperson	Non-Executive Independent Director	0
Mr. Gaurang Shetty	Wholetime Director	0
Mrs. Anita Goyal	Non-Executive Non-Independent Director	0

#### E. Risk Management Committee

As per Regulation 21 of the Listing Regulations, the top 100 companies by market capitalization at the end of the immediately preceding financial year are required to constitute a Risk Management Committee.

The Company does not fall into the aforesaid category and is accordingly not required to have a Risk Management Committee. However, given the size and scale of Company's operations the Board, at its meeting held on 28 October 2015, decided to constitute a Risk Management Committee to monitor and review the risk management plan of the Company. The composition of the Risk Management Committee is as follows:

Name of Member	Category
Mr. Ashok Chawla	Non-Executive Independent Director

Dr. Nasim Zaidi	Non-Executive Non- Independent Director
Mr. Amit Agarwal	Chief Financial Officer

No meeting of the Risk Management Committee was held during the year 2018-19

The Company Secretary acts as the Secretary to the Committee.

#### **F. Proceeds from Private Placement Issues**

During the year under review, the Company did not issue any securities by way of private placement.

#### **4. General Body Meetings**

##### **a. Location and time of the last three Annual General Meetings:**

Financial Year	Venue	Date and Time
2017-18 (26th AGM)	Y. B. Chavan Auditorium, General Jagannath Bhosale Marg, Nariman Point, Mumbai 400021	9th August 2018 at 2.30 p.m.
2016-17 (25th AGM)	Y. B. Chavan Centre, General Jangannath Bhosle Road, Nariman Point, Opposite Mantralaya, Mumbai – 400 021	11 September 2017 at 2.30 p.m.
2015-16 (24th AGM)	Bhaidas Maganlal Sabhagriha, Juhu Vile Parle Development Scheme, Bhaktivendanta Swami Marg, Vile Parle (West), Mumbai – 400 056	27 December 2016 at 2:30 p.m.

##### **b. Special Resolutions passed in the previous three Annual General Meetings:**

Annual General Meeting held on	Subject
9th August 2018 (26th AGM)	<ul style="list-style-type: none"> <li>➤ Appointment of Mr. Ashok Chawla as an Independent Director</li> <li>➤ Appointment of Mr. Sharad Sharma as an Independent Director</li> <li>➤ Appointment of Dr. Nasim Zaidi as a Director</li> <li>➤ Appointment of Mr. Harsh Mohan as a Director</li> <li>➤ Appointment of Mr. Kevin Nolan Knight as a Director</li> </ul>
11 September 2017 (25th AGM)	<ul style="list-style-type: none"> <li>➤ Re-appointment of Mr. Gaurang Shetty as Whole Time Director</li> </ul>
27 December 2016 (24th AGM)	<ul style="list-style-type: none"> <li>➤ Increase in remuneration of Mr. Gaurang Shetty, Whole Time Director.</li> </ul>

##### **c. Resolutions passed during the year through Postal Ballot:**

The Company did not pass any Resolutions by Postal Ballot during the financial year.

There is no immediate proposal for passing any resolution through Postal Ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

## 5. Means of Communication

Newspapers: The Company publishes the statement of financial results (quarterly / half yearly / annual) in prominent newspapers such as Loksatta and Financial Express. For the period 2018-19, quarterly results up to 3<sup>rd</sup> quarter (i.e. up to December 31, 2018) was published in the newspaper and due to financial crisis and non-availability of requisite personnel and other adequate resources, financial results for 4<sup>th</sup> quarter were not prepared and published.

Financial results for the year ended March 31, 2019 prepared by Resolution Professional, Notices released and other insolvency process related information about the Company are also available on the Company's website <http://jetairways.com/insolvencyproceedings/>.

The Company has designated the following e-mail id exclusively for investor services: companysecretary@jetairways.com.

## 6. General Shareholder Information:

### i. Annual General Meeting

**Date, time and venue:** June 08, 2021 at 10:00 AM through Video Conferencing

### ii. Financial Year : April 01, 2018 to March 31, 2019

### iii. Dates of Book Closure: Tuesday, June 01, 2021 to Tuesday, June 08, 2021 (both days inclusive) for the purpose of the Twenty Seventh Annual General Meeting.

### iv. Dividend Payment Date: Not applicable as the Board of Directors has not recommended any dividend for the financial year 2018-19.

### v. Listing on the Stock Exchanges

The Company's Equity Shares are listed on the following Stock Exchanges having nation-wide trading terminals:

#### National Stock Exchange of India Limited (NSE)

"Exchange Plaza", Bandra-Kurla  
Complex, Bandra (East), Mumbai-400 051

#### BSE Limited (BSE)

P. J. Towers, Dalal Street, Fort  
Mumbai-400 001

The Listing Fee for the financial year 2018-19 has been paid to both the Stock Exchanges.

### vi. Stock Code

Name	Code	Reuters	Bloomberg
National Stock Exchange of India Limited	JETAIRWAYS-EQ	JET.NS	JETIN:IN
BSE Limited	532617	JET.BO / JETQF.BO	
International Securities Identification Number (ISIN)	INE802G01018		

**vii. Market price data (high, low during each month in the financial year 2018-19)**

Month	BSE		NSE	
	High	Low	High	Low
	(INR.)	(INR.)	(INR.)	(INR.)
Apr-18	650.50	592.50	651.40	592.00
May-18	646.55	376.60	646.50	370.05
Jun-18	422.50	327.30	422.65	327.70
Jul-18	359.50	296.60	360.00	296.20
Aug-18	333.50	261.50	333.80	258.00
Sep-18	288.45	173.15	288.60	173.15
Oct-18	243.15	163.00	243.25	162.80
Nov-18	357.00	214.00	366.95	214.45
Dec-18	316.00	240.10	314.80	240.00
Jan-19	312.00	332.60	313.50	232.15
Feb-19	281.50	203.90	281.80	203.50
Mar-19	286.70	213.95	287.00	213.35

**ix. Registrar and Share Transfer Agent**

Share transfers, dividend payment and all other investor related matters are attended to and processed by the Registrar and Share Transfer Agent, KFinTech Technologies Private Limited at the following address:

**Head Office (Hyderabad)**

Selenium Tower B, Plot No. 31-32, Gachibowli

Financial District, Nanakramguda

Hyderabad 500 008

Time: 9:00 a.m. to 5:30 p.m. (Monday to Friday)

Phone: +91 40 6716 1500 Fax: +91 40 2342 0814

Email: [evoting@kfintech.com](mailto:evoting@kfintech.com)

Website: <https://evoting.kfintech.com>

Contact Person - Mr. S. V. Raju - Deputy General Manager

**x. Share Transfer System**

99.99% of the Equity Shares of the Company are held in the dematerialized form. Transfers of these Shares take place electronically through the depositories with no involvement of the Company or the Company's Registrar and Share Transfer Agent, KFinTech Technologies Private Limited (RTA).

All requests for dematerialization of securities are processed and confirmation is given to the depositories within 15 days from the date of receipt.

As regards transfer of Shares held in physical form, the transfer documents can be lodged with the Company's RTA at the above-mentioned address or at the Registered Office of the Company.

Transfers of Shares in physical form are approved by the Authorised Officials of the Company and the

Share Certificates are dispatched within an average period of 15-20 days from the date of receipt of request, provided the relevant documents are complete in all respects.

A summary of transfer / transmission of securities of the Company so approved by the Authorised Officials of the Company is placed at every Meeting of the Stakeholders Relationship Committee.

The Company obtains from a Company Secretary in Practice a certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations on a half-yearly basis and files a copy of the said certificate with the Stock Exchanges.

There were no transfers of Shares in physical form during the financial year 2018-19.

**xi. Distribution of Shareholding as on March 31, 2019**

Category (Shares)	No. of Holders	% To Holders	No. of Shares	% To Equity
1 – 500	1,40,944	96.64	77,68,699	6.84
501 - 1,000	2,820	1.93	22,09,058	1.94
1,001 - 1,500	719	0.49	9,02,742	0.79
1,501 - 2,000	429	0.29	7,86,506	0.69
2,001 - 2,500	185	0.13	4,18,964	0.37
2,501 - 3,000	152	0.10	4,27,070	0.38
3,001 - 3,500	90	0.06	2,95,889	0.26
3,501 - 4,000	79	0.05	3,03,673	0.27
4,001 - 4,500	38	0.03	1,63,093	0.14
4,501 - 5,000	61	0.04	2,98,529	0.26
5,001 - 10,000	165	0.11	11,97,928	1.05
10,001 - 20,000	72	0.05	10,09,494	0.89
20,001 - 30,000	31	0.02	7,52,116	0.66
30,001 - 40,000	10	0.01	3,57,562	0.31
40,001 - 50,000	12	0.01	5,46,545	0.48
50,001 and above	41	0.03	9,61,59,515	84.65
<b>TOTAL:</b>	<b>1,45,848</b>	<b>100.00</b>	<b>11,35,97,383</b>	<b>100.00</b>

**xii. Dematerialization of Shares and Liquidity**

As per the directions of SEBI, Equity Shares of the Company can be traded by investors through the Stock Exchanges only in dematerialised form. The Company has arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), to facilitate holding and trading of Company's Equity Shares in dematerialised form. 99.99% of the Company's Equity Shares are held in dematerialised form.

The details of Equity Shares held in dematerialised and in physical form as on March 31, 2019 are given hereunder:

Particulars of Equity Shares	Equity Shares of RS. 10 each	
	Number	% of total
<b>Dematerialized form</b>		
NSDL	10,62,21,022	93.51
CDSL	73,76,162	6.49
<b>Sub-total</b>		
<b>Physical form</b>	<b>199</b>	<b>0.00</b>
<b>Total</b>	<b>11,35,97,383</b>	<b>100.00</b>

The Shares of the Company are traded on the Stock Exchanges.

**xiii. Reconciliation of Share Capital Audit**

M/s. T. M. Khumri & Co., Company Secretaries, conduct a Reconciliation of Share Capital Audit every quarter to reconcile the total admitted capital with NSDL and CDSL and total issued and listed capital of the Company. The Audit Reports for all the quarters of the financial year ended March 31, 2019, confirm that the total Issued / Paid-up Capital of the Company is in agreement with the total number of Equity Shares in physical form and the total number of Equity Shares in dematerialised form held with NSDL and CDSL.

**xiv. Commodity price risk or foreign exchange risk and hedging activities:**

During the year, the Company has managed foreign exchange risk and commodity risk to the extent considered necessary. The details of foreign currency exposure are disclosed in Note No.43 (iii) to the Standalone Financial Statements.

**xv. Outstanding GDRs / ADRs / Warrants or any convertible instruments**

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments, till date.

**xvi. Plant locations**

The Company operates from various offices and airports in India and abroad and occupies Hangars at Mumbai and Delhi to provide repairs and maintenance services for aircraft and components. The Company also has Ground Support Departments at various airports.

**xvii. Address for correspondence**

Postal address	Contact Details
Jet Airways (India) Limited Global One, 3rd floor 252, LBS Marg Kurla (West) Mumbai – 400 070	<b>E-mail:</b> companysecretary@jetairways.com <b>Website:</b> jetairways.com/insolvencyproceedings/
Attn.: Mr. C. P. Varghese Investor Relations Officer	



## 7. Other Disclosures:

- a. Details of related party transactions as per requirement of Indian Accounting Standard 24 are disclosed in Note 47 to the Standalone Financial Statements for the year ended March 31, 2019. A statement of these transactions up to 3<sup>rd</sup> quarter (i.e. up to December 31, 2018) was also placed before the Audit Committee and the Board, from time to time. None of the transactions with any of the related parties was in conflict with the interests of the Company. All transactions with related parties are negotiated on an arms' length basis and are intended to further the interests of the Company's business.
- b. The Company has not entered into any materially significant transaction with the Promoters, Directors or the Management, their subsidiaries or relatives, etc. that may have a potential conflict with the interests of the Company at large. The Register of Contracts containing the transactions in which Directors are interested is regularly placed before the Board for its noting / approval.
- c. With regard to matters related to capital markets, due to non-availability of the Board / top management personnel, there have been multiple instances of non-compliance by the Company, penalties or restriction imposed on the Company by the Stock Exchanges, Securities and Exchange Board of India or any statutory authority.
- d. The Board is responsible for ensuring that the rules are in place to avoid conflicts of interest by the Board Members. The Company had adopted the Code of Business Conduct and Ethics for the Members of the Board and Senior Management ('Code') as required under Regulation 26 of the Listing Regulations, which was applicable to Directors and Management Personnel. If such an interest exists, the Members were required to make disclosure to the Board and to abstain from discussion, voting or otherwise influencing the decision on any matter in which the concerned Director has or may have such interest. However, all the board members resigned by June 17, 2019 (prior to initiation of CIRP).

- e. CEO / CFO Certification

A Certificate from the Chief Executive Officer and Chief Financial Officer up to December 2018 (3<sup>rd</sup> Quarter) on reporting and the internal controls over financial reporting for the financial year ended March 31, 2019, was placed before the Board. In addition, as required by Regulation 17(8) of the Listing Regulations, Certificates on the quarterly financial results were placed before the Board.

- f. Risk Management

The Company has laid down procedures to inform the Board about the Risk Assessment and Minimization, which are periodically reviewed by the Audit Committee and the Board. The Company has constituted Risk Management Committee to review the risks that the Company is exposed to as part of its business.

- g. Disclosure of Accounting Treatment

Your Company has followed all applicable Indian Accounting Standards while preparing the financial statements.

h. Policy for reporting illegal or unethical behavior (Whistle Blower Policy)

Pursuant to Section 177(9) and (10) of the Act and Regulation 22 of Listing Regulations, the Company has in place a Whistle-Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behavior, actual or suspected fraud or violation of the Company's Code of Business Conduct and Ethics. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee.

i. Code of Conduct for Prevention of Insider Trading

The Company has adopted the Code of internal procedures and conduct for regulating, monitoring and reporting trading by insiders as prescribed under SEBI (Prohibition of Insider Trading) Regulations, 2015. The Company Secretary, who is the Compliance Officer, is responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of price sensitive information, pre-clearance of trades, approval of trading plans, monitoring of trades and implementation of the Code under the overall supervision of the Board. All Directors and employees in the Vice President grade & above and other Designated Employees who are privy to unpublished price sensitive information of the Company are governed by this Code.

Mr. Kuldeep Sharma, Company Secretary, was the Compliance Officer. The Company had also adopted a Code of Corporate Disclosure Practices for Prevention of Insider Trading to ensure timely and adequate disclosure of price sensitive information.

**8. Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account:**

At the time of the Company's Initial Public Offer (IPO) in 2005, there were instances where the Shares allotted could not be credited to the demat accounts of the allottees due to various reasons, for e.g. invalid demat account, incorrect DP ID/Client ID, etc. Consequently, the said Shares were transferred to an Escrow Account.

A demat account for holding these unclaimed Shares has been opened with Karvy Stock Broking Limited in the name and style of "Jet Airways (India) Limited-Unclaimed Shares Demat Suspense Account". The details of the Shares held in the aforesaid demat account are as follows:

Type of Security	As on 1st April, 2018		Shares transferred during the year		Balance as on 31st March, 2019	
	Number of		Number of		Number of	
	Cases	Shares	Cases	Shares	Cases	Shares
Equity Shares	62	700	0	0	62	700

The voting rights on these Shares shall remain frozen till the rightful owner of such Shares claims them.

Note: The information give hereinabove is as on March 31, 2019, unless otherwise stated.

**9. Compliance with the Code of Conduct and Ethics:**

All the Members of the Board and the Senior Management personnel have affirmed their compliance with the said Code.

As informed above, Directors, CEO, CFO, CS including other top management personnel had resigned from the Company before commencement of CIRP i.e. June 20, 2019 so declaration on compliance with the Code of Conduct and Ethics duly signed by the Chief Executive Officer is available up to 3<sup>rd</sup> Quarter (i.e. December 2018) and not available for subsequent period (fourth Quarter).

Mumbai  
May 15, 2021

Sd/-  
**Rajesh Prasad**  
Chief Strategy Officer  
Jet Airways (India) Limited

**JET AIRWAYS (INDIA) LTD.**

**Annexure I**

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone)**

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019  
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] (Standalone)

Sr. No.	Particulars	Audited Figures (Rs. In Lakhs)	
		(As reported before adjusting for qualifications)	(After adjusting for qualifications)
1	Turnover / Total income	2,31,411	Not Determinable
2	Total Expenditure	2,14,161	
3	Net Profit/(Loss)	(953,852)	
4	Earnings Per Share (Rs)	487.31	
5	Total Assets	1,111,329	
6	Total Liabilities	2,380,868	
7	Net Worth	(1,269,539)	
8	Any other financial item(s) (as felt appropriate by the management)	None	

**II. Audit Qualification (each audit qualification separately):**

a.	Details of Audit Qualification:	<p>1. As explained in Note 1 to the financial statements, all the directors of the company, Chief Executive Officer, Chief Financial Officer and Company Secretary had resigned from their positions in the Company prior to commencement of the Corporate Insolvency Resolution Process ('CIRP') on 20 June 2019. Upon commencement of the CIRP, the powers of the Board of Directors of the Company stand suspended and are exercised by the Resolution Professional ('RP'). Due to absence of the Chief Financial Officer, Company Secretary and other officials who were primarily responsible for book closure process and financial reporting, the RP and remaining employees of Asset Preservation Team (APT) made all practical and reasonable efforts from time to time to gather details to prepare these financial statements. Since these financial statements belong to the period when the affairs of the Company were being managed and governed by the erstwhile Board of Directors of the Company, these financial statements have been prepared with the same 'basis of preparation' as adopted by the erstwhile Board of Directors as enumerated upon the Board under Section 134 (5) of the Companies Act, 2013 and related regulations, while highlighting/addressing any material departures as per current conditions and events which occurred subsequent to the balance sheet date. While signing the aforesaid financial statements, the RP has relied on the representations and statements made by existing staff/heads of department and accounts, finance &amp; tax team of the company. We have been given to understand that RP has signed the attached financial statements solely for the purpose of compliance and discharging his duty under the CIRP, governed by the Insolvency and Bankruptcy Code, 2016 (the 'Code').</p>
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	<p>2. As mentioned in Note 53 to the financial statements, pursuant to commencement of CIRP of the Company under Insolvency and Bankruptcy Code, 2016, there are various claims submitted by the financial creditors, operational creditors, employees and other creditors to the RP. The overall obligations and liabilities including interest on loans and the principal amount of loans shall be determined upon the successful resolution of the company. Pending final outcome of the CIRP, no accounting impact in the books of accounts has been made in respect of excess or short claims or non-receipts of claims for operational and financial creditors. Hence, consequential impact, if any, is currently not ascertainable and we are unable to comment on possible financial impacts of the same.</p> <p>3. As stated in Note 61 of the financial statements, we understand that various regulatory authorities / lenders are currently carrying out their investigation which remains unconcluded at this stage. We are therefore unable to determine if these investigations would have any impact on these financial statements.</p> <p>4. We are unable to comment on the necessary adjustment / disclosure / recoverability in these financial statements in relation to :-</p> <p>a. Certain audit samples relating to Expenses for the year amounting to Rs. 10,026 lakhs, in the view of non-availability of necessary supporting's.</p> <p>b. Certain Letter of Credit (LC's) held by Lessor/Vendor which were invoked by them as at 31st March, 2019 amounting to Rs. 65,361 lakhs and shown under Note 15 of the financial statements under Security Deposits, in view of the pending outcome of their claims submitted under CIRP.</p> <p>c. Certain Letter of Credit (LC's) held by Lessor/Vendor which were invoked by them as at 31st March, 2019 amounting to Rs. 17,044 lakhs and shown under Note 17 of the financial statements under Advances to Vendors, in view of the pending outcome of their claims submitted under CIRP.</p> <p>5. We have been informed by Resolution Professional that certain information including the minutes of meetings of the Committee of Creditors and the outcome of certain procedures carried out as a part of the CIRP are confidential in nature and could not be shared with anyone other than the Committee of Creditors and NCLT. Accordingly, we are unable to comment on the possible financial impact, presentation and disclosures, if any, that may arise if we have been provided access to those information.</p>
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		<p>6. As stated in note 57 of the financial statements, no impairment assessment of tangible and intangible assets has been carried out as at 31st March 2019. Therefore, we are unable to comment on the consequential impairment, if any, that is required to be made in the carrying value of property, plant and equipment and intangible assets.</p> <p>7. As stated in note 56 of the financial statements, due to non-availability of an external valuation of Investment made by the company in Jet Privilege Private Limited (JPPL) amounting to Rs. 69,522 lakhs shown under Note 7 and based on assessment of JPPL Management about their change in business model, no impairment assessment has been done by the Company. Therefore, we are unable to comment on the consequential impairment, if any, that is required to be made in the carrying value of investments in JPPL.</p> <p>8. Due to Non-availability of certified list of Related Parties from the Company and transactions details and confirmations from the said related parties, we are unable to comment on the disclosures made by the company in Note 47 of the standalone Ind AS financial statements.</p> <p>9. Claim receivable from lessors amounting to Rs. 5,850 lakhs (Net of Provision of Rs. 33,381 lakhs) as shown under Note 16 would be dealt accordingly through the CIRP Mechanism along-with their claims which they have filed on company for their dues. Due to non-availability of confirmations from lessors and pending final outcome of CIRP, we are unable to comment on the realisability of such claims made by the Company from lessors.</p> <p>10. As stated in note 10(i) of the financial statements, advances given to Boeing Co by the Company against their future aircraft delivery, amounting to Rs. 50,011 lakhs as shown under Note 10 in Capital Advances would be dealt accordingly through the CIRP Mechanism along-with their claims filed on the Company for their dues. Due to non-availability of confirmations from Boeing and considering the breach of conditions made by the Company relating to payment schedule as specified in the agreements and pending final outcome of CIRP, we are unable to comment on the realisability of such advances given by the Company.</p> <p>11. As stated in note 4(C) of the financial statements, Leasehold improvements on leased aircraft amounting to Rs. 5,222 lakhs as shown under Note 4, leased aircraft which was subsequently taken away by the lessors, would be adjusted as a part of CIRP along-with their claims which they have filed on the Company for their dues. Hence, no adjustments need to be carried at this stage. Pending Final outcome of CIRP, we are unable to comment on the carrying value of the leasehold improvements on the leased aircraft.</p>
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		<p>12. Considering the material uncertainty regarding Company's ability to continue as a going concern as described in Note 52 of the financial statements :-</p> <p>a. We are unable to comment on the realisability/usage of the stores and spares amounting to Rs. 36,938 lakhs (Net of Provision of Rs. 146 lakhs) as shown in Note 11 of these standalone Ind AS financial statements.</p> <p>b. We are unable to comment on the realisability for assets held for sale amounting to Rs. 172,891 lakhs as shown in these standalone Ind AS financial statements.</p> <p>13. Due to non-availability of direct/indirect confirmation and considering into subsequent realisations pertaining to trade receivables amounting to Rs. 10,722 lakhs (Net of Provision of Rs. 16,889 lakhs) included in Note 12 of these financial statements, we are unable to comment on the carrying value of such trade receivables and their consequential impact (if any) arising on account of pending reconciliations, on these financial statements.</p> <p>14. Due to non-availability of returns filed by the company with regulatory authorities, we are unable to comment on the recoverability of Rs. 802 lakhs pertaining to Overseas-VAT Receivable as included in Note 17 under Balance with Government Authorities of these financial statements.</p> <p>15. Material uncertainty related to Going Concern</p> <p>We refer to Note 52 of the financial statements; the Company continues to incur losses resulting in its net-worth being fully eroded and its current liabilities exceeding current assets by Rs. 1,613,570 lakhs as at March 31, 2019. Further, the operations of the Company are temporarily suspended from 18th April, 2019 till date and the Company is undergoing the Corporate Insolvency Resolution Process as explained in detail in the note referred to above. These conditions along with the matters described in the section of Basis for Disclaimer of opinion in our report indicate the existence of material uncertainties that cast significant doubt on the Company's ability to continue as a going concern.</p> <p>The Resolution Professional has prepared these financial statements using going concern basis of accounting based on their assessment of the successful outcome of the ongoing Corporate Insolvency Resolution Process and accordingly no adjustments have been made to the carrying value of the assets and liabilities and their presentation and classification in the Balance Sheet.</p> <p>In absence of sufficient and appropriate audit evidence, we are unable to comment as to whether the going concern basis for preparation of these financial statements taken by the Resolution Professional is appropriate.</p>
b.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion	Disclaimer of Opinion



	/ Adverse Opinion	
c.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	First Time
d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Applicable
e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
	(i) Management's estimation on the impact of audit qualification:	Not Determinable
	(ii) If management is unable to estimate the impact, reasons for the same:	<p>1. With Respect to II(a)1 above Management view is set out in note no 1 of the standalone financial statements, which is reproduced below:</p> <p>Note 1 : Jet Airways (India) Limited (the 'Company' or 'corporate debtor') is a public limited company incorporated in India. The Company commenced its operations on 5 May 1993. The principal activities of the Company comprise scheduled air transportation which includes carriage of passengers &amp; cargo and provision of related allied services.</p> <p>Due to financial crisis, operations of the Company were temporarily put to suspension from 18 April 2019. And subsequently, upon application filed by lenders led by State Bank of India, the Company was admitted to Corporate Insolvency Resolution Process (CIRP) vide Order dated 20 June 2019 of hon'ble National Company Law Tribunal (NCLT), Mumbai bench and Mr. Ashish Chhawchharia was appointed as Interim Resolution Professional (IRP) of the Company (also termed as 'Corporate Debtor') and was subsequently confirmed as the resolution professional ("RP") under the provisions of Insolvency and Bankruptcy Code, 2016 (As amended and hereinafter referred to as the 'Code') and Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (as amended) (hereinafter referred to as 'CIRP Regulations').</p> <p>The Company's Act 2013 (as amended) (the 'Act') under section 134 (1) states that the financial statement shall be approved by the Board of Directors and thereafter signed on behalf of the Board by the chairperson of the company where he is authorised by the Board or by two directors out of which one shall be managing director, if any, and the Chief Executive Officer (CEO), the Chief Financial Officer (CFO) and the company secretary of the company, wherever they are appointed, for submission to the auditor for his report thereon. Further section 134 (5) of the Act mentions following points under the purview of the Directors' Responsibility -(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;</p> <p>(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;</p> <p>(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for</p>





	<p>safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;</p> <p>(d) the directors had prepared the annual accounts on a going concern basis; and</p> <p>(e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.</p> <p>These financial statements of the Company for the year ended 31 March 2019 pertains to period prior to commencement of the CIRP on 20 June 2019. All the directors of the Company, CEO, CFO and Company Secretary had resigned from their positions in the Company prior to commencement of the CIRP. Upon commencement of the CIRP, the powers of the Board of Directors of the Company stand suspended and are exercised by the Resolution Professional. Due to absence of the Chief Financial Officer, Company Secretary and other officials who were primarily responsible for book closure process and financial reporting, the Resolution Professional and employees who were part of Asset Preservation Team (APT) made all practical and reasonable efforts from time to time to gather details to prepare these financial statements and despite various challenges and complex circumstances tried to put in best possible efforts to provide information required by the auditors for the purpose of carrying out the audit of the financial statements of the company.</p> <p>These financial statements have been signed by the Resolution Professional (RP) while exercising the powers of the Board of Directors of the Company which has been conferred upon him in terms of the provisions of Section 17 of the Insolvency and Bankruptcy Code 2016. Resolution Professional has signed these financial statements in good faith, solely for the purpose of compliance and discharging his duty under the Corporate Insolvency Resolution Process, governed by the Insolvency and Bankruptcy Code, 2016. Since these financial statements belong to the period when the affairs of the Company were being managed and governed by the erstwhile Board of Directors of the Company, these financial statements have been prepared with the same 'basis of preparation' as adopted by the erstwhile Board of Directors as enumerated upon the Board under Section 134 (5) of the Companies Act, 2013 and related regulations, while highlighting/addressing any material departures as per current conditions and events which occurred subsequent to the balance sheet date. While signing the aforesaid financial statements, the Resolution Professional (RP) has relied on the representations and statements made by existing staff/heads of department and accounts, finance &amp; tax team of the company.</p> <p>2. With Respect to II(a)2 above Management view is set out in note no 53 of the standalone financial statements, which is as below</p> <p>As mentioned in note 52 above, the Company was admitted under Corporate Insolvency Resolution Process vide Order of Hon'ble NCLT dated 20 June 2019. As part of the Corporate Insolvency Resolution Process, creditors of the company were called upon to submit their claims to the resolution professional (RP) in terms of the applicable provisions of the Insolvency and Bankruptcy Code, 2016 (IBC). Claims submitted by creditors are being compiled and verified by the RP and updated status is uploaded on the website of the company. Based on the last updated list of creditors (Version 6) a summary is provided as under</p>
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Sl No.	Category of Creditor	Summary of Claim Received		Summary of Claim Admitted	
		No. of Claims	In INR (Lakhs)	No. of Claims	In INR (Lakhs)
1	Financial Creditor - Banking, Financial Institution & Other	38	1,122.930	33	823,206
2	Operational Creditor (Other than Workmen and Employees)	5,935	2,355.249	5,700	656,844
3	Operational Creditor (Only Workmen and Employees)	2,558	-	2,518	-
4	Authorized Representative of Workmen and Employees	11,532	84.480	11,530	81,195
5	Other Creditors (Other than Financial Creditors and Operational Creditors)	452	111.697	434	269
6	Operational Creditors Claim Filed by Dutch Administrator	80	7.786	69	4,935

The amount of claim admitted by the RP may be different than the amount reflecting in the financial statements of the Company as on 31 March 2019. Pending final outcome of the CIRP, there is uncertainty with respect to final determination of these claims at which the same would get crystallized and hence no adjustment has been made in these financial statements for the differential amount, if any.

3. With Respect to II(a)3 above Management view is set out in note no 61 of the standalone financial statements, which is reproduced below

**Note 61 Regulatory Enquiries/ Investigation Audit by Lenders**

Subsequent to year end, Company has received regulatory enquiries/notices/summons from various Government Authorities like Serious Fraud Investigation Office (SFIO), Enforcement Directorate (ED), GST Mumbai and Income Tax Department and lenders also have initiated investigation audit. Pending outcome of the ongoing investigations/enquiries, no impact of the same has been considered in these financial statements as of now.

4. With Respect to II(a)4 above Management view is set out in following notes of the standalone financial statements, which is reproduced below

Point 4(a) management view is that the operations of the company was suspended since April 18, 2019 further due to non payment of salary and wages, most of the employees were not reporting to work and the offices also remained closed. With the employees in charge of the process being unavailable, the supportings could not be produced to the auditors for verification. However the above expenses were incurred by the company in the normal course of business, and wherever payments have been made are through normal banking channels.

**Point 4(b)**

**Note 60 : LC's Invoked by Vendor/Lessor – Security deposit**

The Letter of Credit's provided as security deposit to vendor's that have been invoked by the vendor or lessor before March 31, 2019 of USD 94,513,955.63 (Approx. ₹ 65,361 Lakhs) is included as security deposit in the books of the company as of March 31, 2019. These vendors or lessors have also submitted claim under CIRP. Pending outcome of the CIRP no adjustment to such amount classified as security deposit, has been carried out in these financial



		<p>statements.</p> <p>Point 4(c)</p> <p>Note 59: LC's Invoked by Vendor/Lessor – Advance to Vendor The Letter of Credit's provided as advance to vendor's that have been invoked by the vendor or lessor before March 31, 2019 of USD 24,646,293.50 (Approx. ₹ 17,044 Lakhs) is included as advance to vendor in the books of the company as of March 31, 2019. These lessors have also submitted claim under CIRP. Pending outcome of the CIRP no adjustment to such amount classified as advance to vendor, has been carried out in these financial statements.</p> <p>5. With Respect to II(a)5 above Management view is</p> <p>That certain information relating to CIRP including the minutes of meetings of the Committee of Creditors and the outcome of certain procedures carried out as a part of the CIRP are confidential in nature and could not be shared with anyone other than the Committee of Creditors (CoC) and NCLT. However, the stock exchange continues to remain informed about key outcomes of the meetings of the CoC.</p> <p>6. With Respect to II(a)6 above Management view is set out in note no 57 of the standalone financial statements, which is reproduced below</p> <p>Note 57 :</p> <p>Due to suspension of operations, pending outcome of the CIRP and significant uncertainty about future economic outlook of the aviation industry, it is not feasible to determine the amount of impairment, if any, which would have been required to be done in the net book value of the Aircraft, engines and spare parts classified as tangible assets and intangible assets in 'Property, Plant &amp; Equipment' in note 4 and note 6 of these financial statements.</p> <p>Also Subsequent to the year end, due to suspension of the operations by the Company, inventory to the value of Rs.18,270 lakh which is in possession of third party, have been adjusted by vendors against their dues. These adjustments by the vendors will be dealt/contested as per the provisions of Insolvency and Bankruptcy code, 2016, further since these adjustment took place due to suspension of operations by the company subsequent to the year end, no adjustment of the same has been considered in these financial statements.</p> <p>7. With Respect to II(a)7 above Management view is set out in note no 56 of the standalone financial statements, which is reproduced below</p> <p>Note 56 : Investment in Jet Privilege Private Limited (JPPL) External valuation for JPPL has not been conducted in the current year as the business plan for JPPL is in a flux given substantial dependency on the outcome of the IBC proceeding of Jet Airways (India) Ltd. Due to suspension of operations of Jet Airways in April 2019, there has been a reduction in revenue of JPPL. Based on assessment of JPPL's management, they are in the process of developing alternate channels and new line of business from which JPPL's reward program could grow. However, considering significant uncertainty in the future projections about revenue of JPPL, it was not feasible to determine</p>
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	<p>impact of impairment if any for Company's investment in JPPL as included in note no 7 of these financial statements.</p> <p>8. With Respect to II(a)8 above Management view is</p> <p>Since all the directors, CFO and Company Secretary had left the Company before commencement of CIRP, and necessary declarations by the directors have not been shared and hence the certified list of related party could not be provided to the auditors.</p> <p>9. With Respect to II(a)9 above Management view is set out in note no 55 of the standalone financial statements, which are as below</p> <p>Note 55 : Contribution Receivable from Lessor/Future Claim Receivable In the case of 'claim receivables from lessors' provision has been made to the extent where the company has not filed a claim for repair expenses with the lessor. Further due to commencement of CIRP, subsequent to year end, Lessors have submitted the claims to Resolution Professional for outstanding lease rentals and other incidental expenses. These claims received from the lessor will be dealt as per the provisions of Insolvency and Bankruptcy code, 2016 and depending upon terms of agreements, subsequent to year end, Claims of Vendors received during CIRP have been either adjusted against the claim and/or remaining amount has been considered as not recoverable, resulting into Nil balance receivable on account of 'Claim receivable from lessor'.</p> <p>10. With Respect to II(a)10 above Management view is set out in note no 10(i) of the standalone financial statements, which is reproduced below</p> <p>Note 10 (i) The company had paid an advance of INR 50,011 Lakh to 'The Boeing Company' (Boeing) under the agreement for purchase of 225 aircraft of Boeing 737. Boeing B737 aircraft were grounded worldwide due to technical issues from March 2019 onwards, before the scheduled delivery of the aircraft under the purchase agreement, further Boeing vide letter dated 22 May 2019 has suspended the agreement, the RP is in process of taking further steps to safeguard the interest of Jet Airways w.r.t the agreement for purchase of 225 aircraft of Boeing 737 Pending outcome of the CIRP no adjustment to such amount classified as capital advances, has been carried out in these financial statements.</p> <p>11. With Respect to II(a) 11 above Management view is set out in note no 4c of the standalone financial statements, which is reproduced below</p> <p>Note 4 C. Improvement on Leased Aircraft As on 31 March 2019 the corporate debtor being operational was in physical possession of 22 aircraft that were under operational lease, subsequently these aircraft have been deregistered and are no longer in the Company's possession. Improvement of leased aircraft of ₹ 5,222 lakhs is related to expense incurred on these aircraft. Given that these aircraft were in</p>
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possession of the Company as on 31 March 2019 and since CIRP outcome is still awaited, no adjustment with respect to value of Improvement on Leased Aircraft has been done in the books of accounts as on 31 March 2019.

12. With Respect to II(a)12 above Management view is set out in following notes of the standalone financial statements, which is reproduced below Point 12 (a)

Note 57: Due to suspension of operations, pending outcome of the CIRP and significant uncertainty about future economic outlook of the aviation industry, it is not feasible to determine the amount of impairment, if any, which would have been required to be done in the net book value of the Aircraft, engines and spare parts classified as tangible assets and Intangible assets in 'Property, Plant & Equipment' in note 4 and note 6 of these financial statements. Also Subsequent to the year end due to suspension of the operations by the Company, inventory to the value of Rs.18,270 lakh which is in possession of third party, have been adjusted by vendors against their dues. These adjustments by the vendors will be dealt/contested as per the provisions of Insolvency and Bankruptcy code, 2016, further since these adjustment took place due to suspension of operations by the Company which was subsequent to the year end, no adjustment of the same has been considered in these financial statements.

Point 12(b)

Note 4(a) : As the CIRP is ongoing and in the absence of any alternate resolutions as of 31 March 2019, the same aircrafts are continued to be classified as 'Assets held for sale'. The financial creditors have submitted claims under CIRP related to these assets, and the claims will be dealt as per the IBC 2016 guidelines. (Refer Note 53)

13. With Respect to II(a)13 above Management view is

Subsequent to the year end, due to suspension of the operations by the Company, debtors have adjusted the receivables against their claims. These adjustments by the debtors will be dealt/contested as per the provisions of Insolvency and Bankruptcy code, 2016, further since these adjustment took place due to suspension of operations by the Company which was subsequent to the year end, no adjustment of the same has been considered in these financial statements.

14. With Respect to II(a)14 above Management view is

There is no provision required as at the year end. Subsequent to the year end, due to suspension of the operations by the company, VAT reclaim to the value of Rs.493 lakh has been provided for in the books, which is related to reclaim amount in overseas countries, where VAT returns were filed through the local tax consultant and local personnel at the station. Since these adjustment took place due to suspension of operations by the Company which was subsequent to the year end, given that the engagement with local



tax consultants was not renewed and VAT returns were not filed, no adjustment of the same has been considered in these financial statements.

15. With Respect to above Management view as under

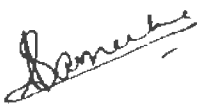

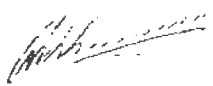
The Company has incurred losses during the year and has negative net worth as at 31 March 2019 that may create uncertainties. Operations of the Company were temporarily suspended from 18 April 2019, the aircraft under operating lease arrangement were returned back to the respective lessors, currently the Company does not possess any aircraft under operating lease arrangement.

As mentioned in note 1 above, subsequent to year end, upon an application filed by State Bank of India, Company was admitted to Corporate Insolvency Resolution Process (CIRP) by Order of Hon'ble National Company Law Tribunal (NCLT), Mumbai dated 20 June 2019. Upon commencement of CIRP, the powers of the Board of Directors of the Company stand suspended and management of Company / corporate debtor vest in the Interim Resolution Professional/ Resolution Professional. The Interim resolution professional/ Resolution Professional (RP) is expected to make every endeavour to protect and preserve the value of the property of the corporate debtor and manage the operations of the corporate debtor as a going concern. RP is expected to conduct the CIRP, invite claims from various creditors of the Company by way of public announcement and also invite prospective resolution applicants to submit Resolution Plans. To conduct the CIRP and to preserve and protect the value of assets of the Company, Resolution professional has put together the Asset preservation team comprising of certain employees of the Company. Further the RP has initiated various measures to take custody and control of the company's asset and for recovery of the Company's assets where it is in possession of third party. As per requirements of the 'Code' and 'CIRP Regulations' Resolution Professional has invited expression of interest (Eoi) from prospective Resolution Applicants (PRAs) to submit the Resolution Plan for the Company. 270 days of CIRP were completed on 31 March 2020, however, considering reasons as discussed in the 9th meeting of the CoC on 12 March 2020, the hon'ble NCLT, vide its Order dated 18 March 2020, had allowed further extension of the CIRP period until 13 June 2020. Timelines to submit Eoi were extended as approved by Committee of Creditors (CoC) on the basis of interest expressed by interested PRAs. Last date to submit Resolution Plan as per fourth round of Eoi was on 28 May 2020, and the Resolution Professional has declared the final list of resolution Applicants on 13 June 2020. The last date for submission of resolution plan was 11 July 2020, which has been extended further until 21 July 2020. Further as per the direction of the Hon'ble Supreme Court via order dated 23 March 2020 and thereafter the Hon'ble NCLAT order dated 30 March 2020, the period lost on account of COVID19 Lockdown will be excluded from the ongoing CIRP timeline, for all companies under CIRP. Resolution plans have been received from two resolution applicants on 21 July 2020, which are currently under evaluation. Pending outcome of the CIRP, financial statements of the Company have been prepared on going concern basis.



(iii)	Auditors'	Impact Not Determinable
Comments on (i) or (ii) above:		

III. Signatories:

<p>For DTS &amp; Associates LLP Chartered Accountants ICAI FRN:142412W/W-100595</p>   <p>Saurabh Pamecha Partner ICAI MN: 126551</p>	<p>For and on behalf of Jet Airways (India) Ltd.</p>  <p>Ashish Chhawchharia (Resolution Professional)</p>
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Place : Mumbai  
Date : July 28, 2020

# **D T S & Associates LLP**

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### **INDEPENDENT AUDITORS' REPORT**

**To The Members of Jet Airways (India) Limited**

**Report on the Audit of Standalone Ind AS Financial Statements**

#### **Disclaimer of Opinion**

We were engaged to audit the accompanying standalone Ind AS financial statements ("financial statements") of Jet Airways (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

We do not express an opinion on the accompanying financial statements of the Company. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these standalone Ind AS financial statements.

#### **Basis for Disclaimer of Opinion**

1. As explained in Note 1 to the financial statements, all the directors of the company, Chief Executive Officer, Chief Financial Officer and Company Secretary had resigned from their positions in the Company prior to commencement of the Corporate Insolvency Resolution Process ('CIRP') on 20 June 2019. Upon commencement of the CIRP, the powers of the Board of Directors of the Company stand suspended and are exercised by the Resolution Professional ('RP'). Due to absence of the Chief Financial Officer, Company Secretary and other officials who were primarily responsible for book closure process and financial reporting, the RP and remaining employees of Asset Preservation Team (APT) made all practical and reasonable efforts from time to time to gather details to prepare these financial statements. Since these financial statements belong to the period when the affairs of the Company were being managed and governed by the erstwhile Board of Directors of the Company, these financial statements have been prepared with the same 'basis of preparation' as adopted by the erstwhile Board of Directors as enumerated upon the Board under Section 134 (5) of the Companies Act, 2013 and related regulations, while highlighting/addressing any material departures as per current conditions and events which occurred subsequent to the balance sheet date. While signing the aforesaid financial statements, the RP has relied on the representations and statements made by existing staff/heads of department and accounts, finance & tax team of the company. We have been given to understand that RP has signed the attached financial statements solely for the purpose of compliance and discharging his duty under the CIRP, governed by the Insolvency and Bankruptcy Code, 2016 (the 'Code').





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2. As mentioned in Note 53 to the financial statements, pursuant to commencement of CIRP of the Company under Insolvency and Bankruptcy Code, 2016, there are various claims submitted by the financial creditors, operational creditors, employees and other creditors to the RP. The overall obligations and liabilities including interest on loans and the principal amount of loans shall be determined upon the successful resolution of the company. Pending final outcome of the CIRP, no accounting impact in the books of accounts has been made in respect of excess or short claims or non-receipts of claims for operational and financial creditors. Hence, consequential impact, if any, is currently not ascertainable and we are unable to comment on possible financial impacts of the same.
3. As stated in Note 61 of the financial statements, we understand that various regulatory authorities / lenders are currently carrying out their investigation which remains unconcluded at this stage. We are therefore unable to determine if these investigations would have any impact on these financial statements.
4. We are unable to comment on the necessary adjustment / disclosure / recoverability in these financial statements in relation to : -
  - a. Certain audit samples relating to Expenses for the year amounting to Rs. 10,026 lakhs, in the view of non-availability of necessary supporting's.
  - b. Certain Letter of Credit (LC's) held by Lessor/Vendor which were invoked by them as at 31<sup>st</sup> March, 2019 amounting to Rs. 65,361 lakhs and shown under Note 15 of the financial statements under Security Deposits , in view of the pending outcome of their claims submitted under CIRP.
  - c. Certain Letter of Credit (LC's) held by Lessor/Vendor which were invoked by them as at 31<sup>st</sup> March, 2019 amounting to Rs. 17,044 lakhs and shown under Note 17 of the financial statements under Advances to Vendors , in view of the pending outcome of their claims submitted under CIRP.
5. We have been informed by Resolution Professional that certain information including the minutes of meetings of the Committee of Creditors and the outcome of certain procedures carried out as a part of the CIRP are confidential in nature and could not be shared with anyone other than the Committee of Creditors and NCLT. Accordingly, we are unable to comment on the possible financial impact, presentation and disclosures, if any, that may arise if we have been provided access to those information.
6. As stated in note 57 of the financial statements, no impairment assessment of tangible and intangible assets has been carried out as at 31st March 2019. Therefore, we are unable to comment on the consequential impairment, if any, that is required to be made in the carrying value of property, plant and equipment and intangible assets.



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7. As stated in note 56 of the financial statements, due to non-availability of an external valuation of Investment made by the company in Jet Privilege Private Limited (JPPL) amounting to Rs. 69,522 lakhs shown under Note 7 and based on assessment of JPPL Management about their change in business model, no impairment assessment has been done by the Company. Therefore, we are unable to comment on the consequential impairment, if any, that is required to be made in the carrying value of Investments in JPPL.
8. Due to Non-availability of certified list of Related Parties from the Company and transactions details and confirmations from the said related parties, we are unable to comment on the disclosures made by the company in Note 47 of the standalone Ind AS financial statements.
9. Claim receivable from lessors amounting to Rs. 5,850 lakhs (Net of Provision of Rs. 33,381 lakhs) as shown under Note 16 would be dealt accordingly through the CIRP Mechanism along-with their claims which they have filed on company for their dues. Due to non-availability of confirmations from lessors and pending final outcome of CIRP, we are unable to comment on the realisability of such claims made by the Company from lessors.
10. As stated in note 10(i) of the financial statements, advances given to Boeing Co by the Company against their future aircraft delivery, amounting to Rs. 50,011 lakhs as shown under Note 10 in Capital Advances would be dealt accordingly through the CIRP Mechanism along-with their claims filed on the Company for their dues. Due to non-availability of confirmations from Boeing and considering the breach of conditions made by the Company relating to payment schedule as specified in the agreements and pending final outcome of CIRP, we are unable to comment on the realisability of such advances given by the Company.
11. As stated in note 4(C) of the financial statements, Leasehold improvements on leased aircraft amounting to Rs. 5,222 lakhs as shown under Note 4, leased aircraft which was subsequently taken away by the lessors, would be adjusted as a part of CIRP along-with their claims which they have filed on the Company for their dues. Hence, no adjustments need to be carried at this stage. Pending Final outcome of CIRP, we are unable to comment on the carrying value of the leasehold improvements on the leased aircraft.
12. Considering the material uncertainty regarding Company's ability to continue as a going concern as described in Note 52 of the financial statements : -
  - a. We are unable to comment on the realisability/usage of the stores and spares amounting to Rs. 36,938 lakhs (Net of Provision of Rs. 146 lakhs) as shown in Note 11 of these standalone Ind AS financial statements.
  - b. We are unable to comment on the realisability for assets held for sale amounting to Rs. 172,891 lakhs as shown in these standalone Ind AS financial statements.



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13. Due to non-availability of direct/indirect confirmation and considering into subsequent realisations pertaining to trade receivables amounting to Rs. 10,722 lakhs (Net of Provision of Rs. 16,889 lakhs) included in Note 12 of these financial statements, we are unable to comment on the carrying value of such trade receivables and their consequential impact (if any) arising on account of pending reconciliations, on these financial statements.
14. Due to non-availability of returns filed by the company with regulatory authorities, we are unable to comment on the recoverability of Rs. 802 lakhs pertaining to Overseas-VAT Receivable as included in Note 17 under Balance with Government Authorities of these financial statements.

### **Material uncertainty related to Going Concern**

We refer to Note 52 of the financial statements; the Company continues to incur losses resulting in its net-worth being fully eroded and its current liabilities exceeding current assets by Rs. 1,613,570 lakhs as at March 31, 2019. Further, the operations of the Company are temporarily suspended from 18th April, 2019 till date and the Company is undergoing the Corporate Insolvency Resolution Process as explained in detail in the note referred to above. These conditions along with the matters described in the section of Basis for Disclaimer of opinion in our report indicate the existence of material uncertainties that cast significant doubt on the Company's ability to continue as a going concern.

The Resolution Professional has prepared these financial statements using going concern basis of accounting based on their assessment of the successful outcome of the ongoing Corporate Insolvency Resolution Process and accordingly no adjustments have been made to the carrying value of the assets and liabilities and their presentation and classification in the Balance Sheet.

In absence of sufficient and appropriate audit evidence, we are unable to comment as to whether the going concern basis for preparation of these financial statements taken by the Resolution Professional is appropriate.

### **Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements**

The Company has been under the Corporate Insolvency Resolution Process ('CIRP') under the provisions of the Insolvency and Bankruptcy Code, 2016 ('the Code') vide order dated June 20, 2019 passed by the National Company Law Tribunal ('NCLT'). The powers of the Board of Directors stand suspended as per Section 17 of the Code and such powers are being exercised by the Resolution Professional (RP) appointed by the NCLT by the said order under the provisions of the Code. As per Section 20 of the Code, the management and operations of the Company were being managed by Resolution Professional Mr. Ashish Chhawchharia upon commencement of CIRP.

The management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of financial statements that give a true and fair view of the state of affairs, loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

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This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statement, Management is responsible for assessing the Company's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Under section 20 of the code, it is incumbent upon Resolution Professional to manage the operations of the company as going concern upon initiation of CIRP and the financial statement which have been prepared on going concern basis have been considered by the Resolution Professional accordingly.

The Management is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Standalone Ind AS Financial Statements**

Our responsibility is to conduct an audit of the Company's standalone Ind AS financial statements in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these standalone Ind AS financial statements.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order which is subject to the possible effect of the matters described in the Basis for Disclaimer of Opinion section above and the Basis of Disclaimer Opinion in our separate Report on the Internal Controls over Financial Reporting.



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2. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable that:

- a) As described in the Basis for Disclaimer of Opinion section above, we have sought but were unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion section above, we are unable to state whether proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Shareholders' Equity dealt with by this Report are in agreement with the relevant books of account.
- d) Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion section above, we are unable to state whether; the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
- e) The matter described in the Basis for Disclaimer of Opinion section above and in the Material uncertainty related to Going Concern section above, in our opinion, may have an adverse effect on the functioning of the Company.
- f) We have not received any written representations from the directors as on March 31, 2019 with regard to disqualification from being appointed as a director in terms of Section 164(2) of the Act.
- g) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Disclaimer of Opinion section above.
- h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses disclaimer opinion on the Company's internal financial controls over financial reporting for the reasons stated therein.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- j) Other than the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph above, with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

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- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements;
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

**For D T S & ASSOCIATES LLP**

**Chartered Accountants**

(Firm's Registration No. 142412W/W100595)



**Saurabh Pamecha**

**Partner**

Membership No. 126551

Mumbai, July 28, 2020

UDIN No.

**20126SSIAAAF04826**



# **D T S & Associates LLP**

## **Chartered Accountants**

### **ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date and to be read subject to the possible effects of the matters described in the Basis for Disclaimer of Opinion section above and the Basis of Disclaimer Opinion in our separate Report on the Internal Controls over Financial Reporting)

i) In respect of its fixed assets:

a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) We have been informed that company has a program of verification of fixed assets in a phased manner. However, during the year no physical verification was conducted. Hence, we are unable to comment as to whether there would be any material discrepancies had such verification was conducted. In our opinion, the frequency of verification is not satisfactory, having regard to the size of the Company and nature of its business.

c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed, transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is lessee in the agreement.

ii) As per the information and explanation given to us, the inventories (excluding stock lying with third parties) have been physically verified during the period by the erstwhile management at reasonable intervals. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is reasonable. Discrepancies noticed on physical verification of the inventories between the physical inventories and book records were not material, having regard to the size of the operations of the Company and the same have been properly dealt with. In respect of inventory lying with third parties, we have not received any confirmations from such parties.

iii) According to the information and explanations given to us, the Company during the year has not granted any loan to parties covered in the register maintained under section 189 of the Act. Further, the Company granted unsecured loan to a wholly owned subsidiary in earlier years and the outstanding balance as at March 31, 2019 is Rs. Nil (Net of Provision of Rs. 2,44,362 lakh). In respect of these loans :





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- a. The terms and conditions of the loans granted to wholly owned subsidiary, in our opinion, prima facie not prejudicial to the Company's Interest.
  - b. Loan given till March 31, 2014 is interest free and loan given thereafter is interest bearing and is repayable in the financial year 2019-2020.
  - c. There is no overdue amount in excess of Rs. 1 lakh remaining outstanding as at the balance sheet date.
- iv) In our opinion and according to the information and explanations given to us, there are no loans, guarantees or securities granted in respect of which provisions of Section 185 and 186 of the Act are applicable to the Company. The Company has complied with the provision of section 186 of the Act in respect of the investment made.
- v) As per the Ministry of Corporate Affairs notification dated 31st March, 2014, the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted are not applicable to the Company and hence reporting under Clause 3(v) of the Order is not applicable.
- vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of the services/activities rendered by the Company and hence reporting under clause 3(vi) of the order is not applicable.
- vii) According to the information and explanations given to us in respect of statutory dues:
- a) The Company has not been regularly depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Customs Duty, Cess and other material statutory dues where applicable, to it with the appropriate authorities. There were no arrears in respect of said statutory dues as at March 31, 2019 for a period of more than six months from the date they became payable except in respect of interest on service tax of Rs. 6,342 lakh for the period 2012-13 to 2014-15.
  - b) According to the information and explanations given to us, there are no material dues of duty of excise, sales tax and value added tax which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanation given to us, the following dues of Income-Tax, Service Tax and Duty of Customs have not been deposited by the Company as on March 31, 2019 on account of disputes :-





# D T S & Associates LLP

## Chartered Accountants

Name of the statute	Nature of dues	Period to which the amount relates	Forum where dispute is pending	Amount not deposited on account of demand (Rs in lakhs)
Inland Air Travel and Tax Rules, 1989	Interest & Penalty*	2003-04	Delhi High Court	321
Customs Act 1962	Custom Duty	2010-2011 to 2013-2014	Commissioner of Customs (Appeals)	106
Customs Act 1962	Custom Duty	2009-2010 to 2014-2015 and 2016-2017	Commissioner of Customs	5,424
Customs Act 1962	Custom Duty*	2006-2007 to 2013-2014 and 2017-18	The Customs, Excise and Service Tax Appellate Tribunal	2,365
Finance Act 1994	Service Tax and GST	2003-2004 to 2005-2006	Supreme Court of India	361
	Service Tax and GST *	2004-2005 to 2014-2015	The Customs, Excise and Service Tax Appellate Tribunal	43,377
	Service Tax and GST*	2004-2005, 2005-2006 and 2008-2009 to 2016-2017	Commissioner of Central Excise	2,29,723
	Service Tax and GST *	2014-2015	Commissioner of Central Excise(Appeals)	23
Income Tax Act 1961	Income Tax	2008-2009 and 2012-13 to 2016-17	Commissioner of Income Tax(Appeals)	2,391
	Income Tax	2002-03 and 2008-09	Income Tax Appellate Tribunal	332
	Income Tax	2006-2007	Bombay High Court	233
	Income Tax	2006-2007 to 2016-2017	Commissioner of Income Tax	2,147

\*Amount paid/deposit for IATT interest and penalty Rs. 105 lakhs, Service tax (CESTAT) Rs. 587 lakhs, Service Tax (commissioner of central excise) Rs. 500 lakhs, Service Tax (commissioner of central excise (Appeal) Rs. 2 Lakhs and Custom duty (CESTAT) Rs. 84 lakhs , commissioner of customs (Appeal) Rs. 39,500 lakh.

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# D T S & Associates LLP

## Chartered Accountants

- viii) In our opinion and according to the information and explanations given to us, the Company has defaulted in the repayment of loans or borrowings to banks, financial institutions and dues to debenture holders during the year ended March 31, 2019 as mentioned below. The Company does not have loans or borrowings from Government.

**A. In respect of Loan from Banks :-**

(Rs. In lakhs)

Sr.No.	Particulars	Amount of Default as at the balance sheet date (Principal)	Period of Default (In Days)	Amount of Default as at the balance sheet date (Interest)	Period of Default (In Days)	Remarks
1	HSBC	96,817	4-21	2,609	4-21	
2	Syndicate Bank	476	1	171	1	
3	Canara Bank	19,186	27-60	691	1-60	
4	Yes Bank	24,588	1-52	560	1	
5	State Bank of India	-	-	148	1	
6	ICICI Bank Ltd.	4,214	77	22	1	
7	HDFC Bank Ltd.	-	-	1,243	60	
8	Barclays Bank PLC	3,099	5-13	102	5-13	Finance Lease (Aircraft)
9	DVB Bank AG	972	13	218	13	
10	ING Bank NV	2,920	3	565	3	

**B. In respect of Debentures :-**

(Rs. In lakhs)

Amount of Default as at the balance sheet date (Principal)	Period of Default	Amount of Default as at the balance sheet date (Interest)	Period of Default (No. of Days)	Remarks
-	-	3,952	4	

- ix) In our opinion and according to the information and explanations given to us, the company has utilized the money raised by way of term loans during the year for the purpose for which they were raised. The Company has not raised any money by way of Initial public offer or further public offer (including debt instruments).



# **D T S & Associates LLP**

## **Chartered Accountants**

- x) Except for the possible effects of the matter described in paragraph 3 of the Basis for Disclaimer of Opinion section on which we are unable to comment, in our opinion and to the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi) In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii) Except for the possible effects of the matter described in paragraph 8 of the Basis for Disclaimer of Opinion section on which we are unable to comment, in our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
- xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into non-cash transactions with its directors or directors of its subsidiary or associate companies or persons connected with them and hence provisions of section 192 of the Act are not applicable.
- xvi) In our opinion and according to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **D T S & ASSOCIATES LLP**  
Chartered Accountants  
(Firm's Registration No. 142412W/W100595)



**Saurabh Pamecha**  
**Partner**

Membership No. 126551  
Mumbai, July 28, 2020

UDIN No. **20126SSIAAAAF04826**



# **D T S & Associates LLP**

## **Chartered Accountants**

### **ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT**

**(Referred to in paragraph 2(h) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)**

#### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Jet Airways (India) Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's erstwhile management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013. The said responsibilities have been conferred upon to Resolution Professional upon commencement of CIRP.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of erstwhile management and erstwhile directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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# **D T S & Associates LLP**

## **Chartered Accountants**

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Basis for Disclaimer Opinion**

The system of internal financial controls over financial reporting with regard to the Company were not made available to us to enable us to determine if the Company has established adequate internal financial control over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2019, due to reasons as stated in Note 63 of the financial statements.

### **Disclaimer Opinion**

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of these standalone Ind AS financial statements of the Company, and the disclaimer has affected our opinion on the standalone Ind AS financial statements of the Company and we have issued a disclaimer of opinion on these standalone Ind AS financial statements.

For **D T S & ASSOCIATES LLP**

Chartered Accountants

(Firm's Registration No. 142412W/W100595)



**Saurabh Pamecha**

**Partner**

Membership No. 126551

Mumbai, July 28, 2020

UDIN No. **20126551AAAAF04826**



## Standalone Balance Sheet as at 31 March 2019

(All Amounts in ₹ Lakhs, unless otherwise stated)

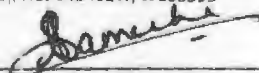
Particulars	Notes	As at 31 March 2019	As at 31 March 2018
<b>I. ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	4	265,141	289,127
(b) Capital work-in-progress	4	-	2,474
(c) Investment Property	5	12,551	69,727
(d) Other Intangible assets	6	630	1,950
(e) Financial Assets			
(i) Investments	7	69,617	69,670
(ii) Loans	8	2,112	7,170
(iii) Other Financial assets	9	-	14,252
(f) Income tax assets		21,044	13,204
(g) Other non-current assets	10	2,372	74,369
<b>Total Non-Current assets</b>		<b>519,467</b>	<b>541,943</b>
<b>Current Assets</b>			
(a) Inventories	11	44,111	48,110
(b) Financial Assets			
(i) Trade receivables	12	41,711	127,935
(ii) Cash and cash equivalents	13	20,393	32,050
(iii) Other Bank balances	14	90,576	103,994
(iv) Loans	15	127,501	2,698
(v) Other Financial assets	16	18,194	112,708
(c) Other current assets	17	76,485	104,959
(d) Assets held for sale	4	172,891	172,891
<b>Total current assets</b>		<b>991,862</b>	<b>705,345</b>
<b>TOTAL ASSETS</b>		<b>1,511,329</b>	<b>1,247,288</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Share capital	18	11,360	11,360
(b) Other equity	19	(1,180,899)	(735,560)
<b>Total equity</b>		<b>(1,169,539)</b>	<b>(724,200)</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	20	76,526	508,556
(ii) Other financial liabilities	21	892	841
(b) Provisions	22	44,582	42,210
(c) Other non-current liabilities	23	53,436	3,791
<b>Total non-current liabilities</b>		<b>175,436</b>	<b>555,398</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	24	159,619	20,956
(ii) Trade payables	25	970,483	640,498
(iii) Other financial liabilities	26	554,137	318,864
(b) Provisions	27	7,475	4,266
(c) Other current liabilities	28	513,718	431,506
<b>Total Current liabilities</b>		<b>2,205,432</b>	<b>1,416,090</b>
<b>Total liabilities</b>		<b>2,380,868</b>	<b>1,971,488</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,111,329</b>	<b>1,247,288</b>
Significant accounting policies	1-3		
The accompanying notes are an integral part of the Financial Statements	4-53		

As per our attached report of even date

For DTS &amp; Associates LLP

Chartered Accountants

Firm's Registration No: 142412W/W100595

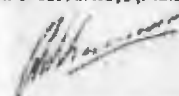


Saurabh Pamecha

Partner

Membership No. 126551

For and on behalf of Jet Airways (India) Ltd.


Ashish Chhawchharia  
(Resolution Professional)Date: 28 July, 2020  
Place: Mumbai

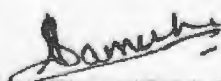
## Standalone Statement of Profit and Loss for the Year Ended 31 March 2019

(All Amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	2018-19	2017-18
<b>Revenue</b>			
Revenue from Operations	29	2,305,741	2,328,653
Other income	30	21,670	67,184
<b>Total Income</b>		<b>2,33,411</b>	<b>2,395,837</b>
<b>Expenses</b>			
Aircraft Fuel Expenses		868,058	695,325
Aircraft and Engines Lease Rentals		274,352	231,621
Employee Benefit Expenses	31	311,485	299,535
Finance cost	32	9,163	84,286
Depreciation and Amortization Expenses	33	44,223	62,057
Selling and Distribution Expenses	34	23,710	282,632
Other Expenses	35	9,81,170	817,143
<b>Total Expenses</b>		<b>2,81,161</b>	<b>2,472,599</b>
<b>(Loss)/Profit before exceptional items and tax</b>		<b>(48,750)</b>	<b>(76,762)</b>
Exceptional Items	36 & 55	(71,825)	-
<b>(Loss) before Tax</b>		<b>(55,575)</b>	<b>(76,762)</b>
<b>Tax expense:</b>			
- Current Tax	37	-	-
<b>(Loss)/Profit for the year</b>		<b>(55,575)</b>	<b>(76,762)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
- Re-measurement of Defined Benefit Plans		(277)	149
- Income tax related to above mentioned items		-	-
<b>Other comprehensive income for the year</b>		<b>(277)</b>	<b>149</b>
<b>Total comprehensive income/ (loss) for the year</b>		<b>(55,852)</b>	<b>(76,613)</b>
<b>Earnings per equity share of face value ₹ 10 each</b>			
Basic & Diluted (In ₹) - Before Exceptional	38	(424.97)	(67.57)
Basic & Diluted (In ₹) - After Exceptional	38	(487.31)	(67.57)
Significant accounting policies	1 - 3		
The accompanying notes are an integral part of the Financial Statements	4-63		

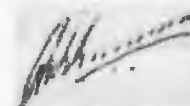
As per our attached report of even date

For DTS & Associates LLP  
Chartered Accountants  
Firm's Registration No: 142412W/W100595



Saurabh Pamecha  
Partner  
Membership No. 126551

For and on behalf of Jet Airways (India) Ltd.



Ashish Chhawchharia  
(Resolution Professional)

Date: 28 July, 2020  
Place: Mumbai



## Standalone Cash Flow Statement for the Year Ended 31 March 2019

(All Amounts in ₹ Lakhs, unless otherwise stated)			
Particulars	2018-19	2017-18	
<b>Cash flow from operating activities</b>			
Loss before tax	(553,575)	(76,762)	
Adjustments for:			
Depreciation and amortisation expenses	44,223	62,057	
Mark to market (gain)/loss on embedded derivative	1,468	(210)	
Amortisation of Lease Rent	528	408	
Loss / (Profit) on sale of Property, Plant and Equipment (Net)	5,220	7,818	
Profit on sale of Investments	(2,507)	(345)	
Finance Cost	98,163	84,286	
Interest on Income Tax Refund	-	(618)	
Interest on Bank and Other Deposits	(8,602)	(5,203)	
Guarantee Commission	(494)	(655)	
Discounting of provisions	826	418	
Excess Provision no longer required written back	(596)	(3,769)	
Provision for Compensated Absences and Gratuity	2796	4,421	
Unrealised foreign exchange loss/(gain) (net)	36,902	7,768	
Provision for doubtful debts	3,225	1,879	
Provision for doubtful Advances / Deposits	4,362	4,916	
Provision for diminution in value of investment in Subsidiary	53	-	
Bad Debts written off	37	33	
Recognition upon fulfilment of commitment	-	(30,449)	
Profit on development of leasehold land	-	(11,403)	
Actuarial gain/(loss) on re-measurement of defined benefit obligation	(277)	149	
Provision for contribution receivable from Lessor	37,444	-	
Provision for Claims Receivable from lessors	33,381	-	
Inventory scrapped during the year	299	884	
<b>Operating (loss)/ profit before working capital changes</b>			
Adjustments for	(297,124)	44,623	
Changes in Inventories	3,700	882	
Changes in Trade receivables	80,804	5,689	
Changes in Loans, other financial assets and other assets	(72,050)	(88,960)	
Changes in trade payables, other financial liabilities, provisions and other liabilities	475,893	205,692	
<b>Cash generated from operations</b>			
Direct Taxes (paid)/ Refund	191,223	167,926	
	(7,840)	1,838	
<b>Net cash flow generated from operating activities</b>	183,383	169,764	
<b>Cash Flow from Investing Activities</b>			
Purchase of Property, Plant & equipment, Investment Property and Intangible assets (Incl. Capital Work in Progress)	(28,660)	(89,091)	
Proceeds from sale of Property, Plant & equipment	2,138	1,510	
Purchase of Current Investments	(35,66,798)	(1,320,300)	
Sale of Current Investments	35,67,752	1,374,045	
Investment in Equity Shares of Subsidiary	-	(3)	
Changes in Fixed Deposits with Banks	18,502	(8,978)	
Interest Received on Bank Deposits, Other Loans and Deposits	8,682	6,902	
Dividend on Current Investment	1,553	-	
<b>Net cash generated / (used in) from Investing activities</b>	3,170	(35,915)	
<b>Cash flow from Financing Activities</b>			
Net Increase/(Decrease) in Short Term Loans	138,663	(4,296)	
Proceeds from Long Term Loans during the year	50,000	125,000	
Repayment of Long Term Loans during the year	(291,357)	(193,157)	
Finance cost	(95,516)	(83,043)	
<b>Net cash used in financing activities</b>	(198,210)	(155,496)	
<b>Net change in cash and cash equivalents</b>	(11,657)	(21,647)	
Cash and cash equivalents at beginning of the year (Refer note 1 below)	32,050	53,697	
Cash and cash equivalents at end of the year (Refer note 1 below)	20,393	32,050	

1) Cash and Cash Equivalents for the year ended 31 March 2019 includes Unrealised Gain (net) of ₹ 3,9 Lakhs (31 March 2018 ₹ 2,564 Lakhs) on account of translation of Foreign Currency Bank Balances.





## Standalone Cash Flow Statement for the Year Ended 31 March 2019 (Contd.)

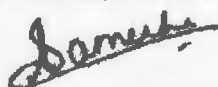
(All Amounts in ₹ Lakhs, unless otherwise stated)

## Change in Liability arising from financing activities

Particulars	31 March 2017	Cash flow	Foreign exchange movement	Expense /Fair value adjustments	31 Mar 2018	Cash flow	Foreign exchange movement	Expense /Fair value adjustments	31 March 2019
Finance lease Obligations (including current portion)	2,80,888	(76,031)	556	-	2,05,413	(77,276)	13,401	-	1,41,538
Term loans including current portion	6,01,632	7,874	2,307	2,133	6,13,946	(1,64,081)	17,469	908	468,242
Short Term borrowings	25,252	(4,269)	-	-	20,956	138,663	-	-	159,619
Interest accrued and due	-	-	-	-	-	10,258	-	-	10,258
Interest accrued but not due	1,237	(83,043)	-	82,904	1,098	(95,516)	-	95,993	1,575
<b>Total</b>	<b>9,09,009</b>	<b>(1,55,496)</b>	<b>2,863</b>	<b>85,037</b>	<b>8,41,413</b>	<b>(1,87,952)</b>	<b>30,870</b>	<b>96,901</b>	<b>7,81,232</b>

As per our attached report of even date

For D T S & Associates LLP  
Chartered Accountants  
Firm's Registration No: 142412W/W100595



Saurabh Parnache  
Partner  
Membership No. 126551

For and on behalf of Jet Airways (India) Ltd.



Azhish Chhanchharia  
(Resolution Professional)

Date: 28 July, 2020  
Place: Mumbai



## Standalone Statement of changes in Equity (SOCIE)

(All Amounts in ₹ Lakhs, unless otherwise stated)

## (a) Equity share capital

Particulars	As at 31 March 2019		As at 31 March 2018	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	113,597,383	11,360	113,597,383	11,360
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the year	113,597,383	11,360	113,597,383	11,360

## (b) Other Equity

Particulars	Reserves & Surplus (Refer Note 19)							Total
	Capital Reserve	Securities Premium Account	Capital Redemption Reserve	Debenture Redemption Reserve	Retained earnings	General Reserve	Other Comprehensive Income	
Balance at March 31, 2017	89	344,253	5,558	5,242	(1,011,006)	2,098	(5,181)	(658,947)
(Loss) for the year	-	-	-	-	(76,762)	-	-	(76,762)
Other comprehensive income for the year (re-measurement of defined benefit plan)	-	-	-	-	-	-	149	149
Total comprehensive income for the year	-	-	-	-	(76,762)	-	(5,032)	76,613
Balance at March 31, 2018	89	344,253	5,558	5,242	(1,087,768)	2,098	(5,032)	(735,560)
(Loss) for the year	-	-	-	-	(55,575)	-	-	(55,575)
Impact of Ind AS 115 – Revenue from contract with customers (Refer note 51)	-	-	-	-	5,513	-	-	8513
Other comprehensive income for the year (re-measurement of defined benefit plan)	-	-	-	-	-	-	(277)	(277)
Total comprehensive income for the year	-	-	-	-	(54,062)	-	-	(54,062)
Balance at March 31, 2019	89	344,253	5,558	5,242	(1,632,830)	2,098	(5,309)	(1,280,899)

As per our attached report of even date

For D T S & Associates LLP  
Chartered Accountants  
Firm's Registration No: 142412W/W100595

For and on behalf of Jet Airways (India) Ltd.

Saurabh Pamecha  
Partner  
Membership No. 126551

Ashish Chhawchharia  
(Resolution Professional)

Date: 28 July, 2020  
Place: Mumbai





## Notes to the Standalone Financial Statements for the Year Ended 31 March 2019

(All Amounts in ₹ Lakhs, unless otherwise stated)

### 1. COMPANY INFORMATION/ OVERVIEW

Jet Airways (India) Limited (the 'Company' or 'corporate debtor') is a public limited company incorporated in India. The Company commenced its operations on 5 May 1993. The principal activities of the Company comprise scheduled air transportation which includes carriage of passengers & cargo and provision of related allied services.

Due to financial crisis, operations of the Company were temporarily put to suspension from 18 April 2019. and subsequently, upon application filed by lenders led by State Bank of India, the Company was admitted to Corporate Insolvency Resolution Process (CIRP) vide Order dated 20 June 2019 of hon'ble National Company Law Tribunal (NCLT), Mumbai bench and Mr. Ashish Chhawchharia was appointed as Interim Resolution Professional (IRP) of the Company (also termed as 'Corporate Debtor') and was subsequently confirmed as the resolution professional ("RP") under the provisions of Insolvency and Bankruptcy Code, 2016 (As amended and hereinafter referred to as the 'Code') and Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (as amended) (hereinafter referred to as 'CIRP Regulations').

The Company's Act 2013 (as amended) (the 'Act') under section 134 (1) states that the financial statement shall be approved by the Board of Directors and thereafter signed on behalf of the Board by the chairperson of the company where he is authorised by the Board or by two directors out of which one shall be managing director, if any, and the Chief Executive Officer (CEO), the Chief Financial Officer (CFO) and the company secretary of the company, wherever they are appointed, for submission to the auditor for his report thereon. Further section 134 (5) of the Act mentions following points under the purview of the Directors' Responsibility - (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

These financial statements of the Company for the year ended 31 March 2019 pertains to period prior to commencement of the CIRP on 20 June 2019. All the directors of the Company, CEO, CFO and Company Secretary had resigned from their positions in the Company prior to commencement of the CIRP. Upon commencement of the CIRP, the powers of the Board of Directors of the Company stand suspended and are exercised by the Resolution Professional. Due to absence of the Chief Financial Officer, Company Secretary and other officials who were primarily responsible for book closure process and financial reporting, the Resolution Professional and employees who were part of Asset Preservation Team (APT) made all practical and reasonable efforts from time to time to gather details to prepare these financial statements and despite various challenges and complex circumstances tried to put in best possible efforts to provide information required by the auditors for the purpose of carrying out the audit of the financial statements of the company.

These financial statements have been signed by the Resolution Professional (RP) while exercising the powers of the Board of Directors of the Company which has been conferred upon him in terms of the provisions of Section 17 of the Insolvency and Bankruptcy Code 2016. Resolution Professional has signed these financial statements in good faith, solely for the purpose of compliance and discharging his duty under the Corporate Insolvency Resolution Process, governed by the Insolvency and Bankruptcy Code, 2016. Since these financial statements belong to the period when the affairs of the Company were being managed and governed by the erstwhile Board of Directors of the Company, these financial statements have been prepared with the same 'basis of preparation' as adopted by the erstwhile Board of Directors as enumerated upon the Board under Section 134 (5) of the Companies Act, 2013 and related regulations, while highlighting/addressing any material departures as per current conditions and events which occurred subsequent to the balance sheet date. While signing the aforesaid financial statements, the Resolution Professional (RP) has relied on the representations and statements made by existing staff/heads of department and accounts, finance & tax team of the company.

The Company's registered office was at Sirova Centre, Sahar Airport Road Andheri (East), Mumbai-400 099, however this premises has been vacated during the period of CIRP and corporate office of the Company is now at Global One, 3rd floor, 252, LBS Marg, Kurla (West), Mumbai - 400 070, however, the same is in the process of being updated in the records of the Registrar of Companies.

### 2. BASIS OF PREPARATION

Since these financial statements belong to the period when the affairs of the Company were being managed and governed by the erstwhile Board of Directors of the Company, the Resolution Professional has continued with the same basis of preparation as adopted by the erstwhile Board of Directors in preparation of financial results for the quarter/period ended 31 March 2018, 30 June 2018, 30 September 2018 and 31 December 2018 and for annual financial statements for the year ended 31 March 2019, while highlighting/addressing any material departures as per current conditions and events occurred subsequent to the Balance sheet.

Certain recognition, measurement & disclosures principles and accounting policies have been applied on the basis of requirements of applicable accounting standards as consistent to earlier years, however, all such recognition, measurement and disclosures in these financial statements and



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other assumptions in basis of preparation of these financial statements should be read together with the note 1 above regarding ongoing Corporate Insolvency Resolution Process of the Company.

### i. Statement of compliance

The financial statements comply with Ind AS as prescribed under section 133 of the Companies Act, 2013 (the "Act"), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, relevant provisions of the Act and other accounting principles generally accepted in India.

### ii. Functional and presentation currency

These financial statements are presented in Indian rupees, the functional currency of the Company. All amounts have been rounded off to two decimal places to the nearest lakh, unless otherwise indicated.

### iii. Basis of measurement

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities (including derivative instrument) that are measured at fair value or amortised cost and assets held for sale measured at the lower of a) carrying amount and b) fair value less cost to sell.

### iv. Going Concern Assumption

The Financial statement have been prepared on going concern basis (Refer Note 52).

### v. Critical accounting estimates and judgements

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit or loss. The actual amounts realised may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about significant areas of estimation/uncertainty and judgements in applying accounting policies that have the most significant effect on the financial statements are as follows:

1. Note 3(B)(iv) – estimate of revenue recognition from "Forward Sales Account"
2. Note 4 - measurement of useful life and residual values of property, plant and equipment and the assessment as to which components of the cost may be capitalized
3. Note 22 - estimation of costs of redelivery and overhaul
4. Note 39 - recognition of deferred tax assets
5. Note 40 - recognition and measurement of defined benefit obligations
6. Note 41 - judgement required to ascertain lease classification
7. Note 42 - measurement of fair values and Expected Credit Loss
8. Note 45 - judgement is required to ascertain whether it is probable or not that an outflow of resources embodying economic benefits will be required to settle the taxation disputes and legal claim.
9. Notes 55 – estimation of future engine maintenance plan

## 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set below have been applied consistently to all periods presented in these financial statements except that due to commencement of the CIRP subsequent to the year end, certain liabilities as of 31 March 2019 have been classified as current, wherever required.

### Current - non-current classification

All assets and liabilities are classified into current and non-current.

#### Assets

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting period; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

#### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting period; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.



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Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

### Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle a period of 12 months for the purpose of classification of assets and liabilities as current and non-current.

## A. Leases

### Leased assets

Leases of property, plant and equipment that transfer to the Company substantially all of the risks and rewards of ownership are classified as finance lease. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities, as appropriate. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets and the depreciation recognised shall be calculated in accordance with Ind AS 16 Property, Plant and Equipment and Ind AS 38 Intangible Assets. If there is no reasonable certainty that the lessee will obtain ownership by the end of the lease term, the asset shall be fully depreciated over the shorter of the lease term and its useful life. Leases in which significant portion of risks and rewards of ownership are not transferred are classified as operating leases.

Lease classification is made at the inception of the lease. Lease classification is changed only if, at any time during the lease, the parties to the lease agreement agree to revise the terms of the lease (without renewing it) in a way that it would have been classified differently, had the changed terms been in effect at inception. The revised agreement involves renegotiation of original terms and conditions and are accounted prospectively over the remaining term of the lease.

### Lease payments

Minimum lease payments made under finance lease are apportioned between the finance costs and the reduction of the outstanding liability. The finance costs is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Lease payments in respect of assets taken on operating lease are charged to the Statement of Profit and Loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with the expected general inflation to compensate the lessor's expected inflationary cost increases.

### Sale and lease back transactions

Gains and losses arising on sale and leaseback transactions resulting in an operating lease and where the sale price is at fair value, are recognised immediately in the Statement of Profit and Loss. Where the sale price is below fair value, any losses are immediately recognised in the Statement of Profit and Loss, except where the loss is compensated for by future lease payments at below market price, it is deferred and amortised in proportion to the lease payments over the initial period for which the asset is expected to be used. Where the sale price is above fair value, the excess over fair value is amortised over the initial period of the lease which coincides with the period for which the asset is expected to be used.

Any excess of sales proceeds over the carrying amount in case a sale and leaseback transaction results in a finance lease, is deferred and amortised over the expected period of use of leased asset in proportion to the depreciation of the leased asset.

### Cash incentive

The Company receives non-refundable incentives in connection with the aircraft to be held under operating lease, the incentives are deferred and reduced from the operating lease rentals on a straight line basis over the initial lease period of the respective aircraft for which the aircraft is expected to be used. In case of return of an aircraft taken on operating lease before the expiry of the lease term, the unamortised balance of deferred incentive is recorded in the Standalone Statement of Profit and Loss.

## B. Revenue (Refer IND AS 115 – Note 51)

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, net of discounts. Revenue is recorded provided the recovery of consideration is probable and determinable.

- Passenger revenue is recognised on flown basis i.e. when the service is rendered, net of discounts given to the passengers, applicable taxes and airport levies such as passenger service fee, user development fee, etc., if any.
- Cargo revenue is recognised when service is rendered i.e. goods are transported, net of airport levies and applicable taxes.
- The sales of tickets / airway bills (sales net of refunds) are initially credited to the "Forward Sales Account". Income recognised as indicated above is reduced from the "Forward Sales Account" and the balance, net of commission and discount thereon, is shown under Other Current Liabilities.
- The unutilised balances in "Forward Sales Account" are recognised as income based on historical statistics, data and management estimates and considering Company's refund policy.
- Lease income on the Aircraft given on operating lease is recognised in the Statement of Profit and Loss on an accrual basis over the period of lease to the extent there is no significant uncertainty about the measurability and ultimate realisation.
- Interest income on financial assets (including deposits with banks) is recognised using the effective interest rate method on a time proportionate basis.



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### C. Lease claim / Incentives (credit)

Claims and credits relating to reimbursement towards operational expenses such as operating lease rentals, aircraft repair and maintenance, etc. are adjusted against such expenses over the estimated period for which these reimbursements pertain. The claims and credits are netted off against related expense arising on the same transaction as it reflects the substance of transaction. Moreover, any claim or credit not related to reimbursement towards operational expenses or used for purchase of goods and services are recognised as income in the Statement of Profit and Loss when a contractual entitlement exists, the amount can be reliably measured and receipt is virtually certain.

### D. Export Incentives

Export incentive available under prevalent scheme is accrued in the year when the right to receive credit as per the terms of the scheme is established in respect of exports made and are accounted to the extent there is no significant uncertainty about the measurability and ultimate utilization of such duty credit.

### E. Commission

As the Company act as a principle, the commission paid / payable on sales including over-riding commission is recognised on flow basis as an expense in the Statement of Profit and Loss

### F. Expenditure

Expenses are accounted for on the accrual basis and provisions are made for all known losses and liabilities.

### G. Foreign currency transactions

The functional currency of the Company has been determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian Rupee.

#### Initial Recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rate prevailing on the date of the transaction or at the average rates that closely approximate the rate at the date of the transaction.

#### Conversion

Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Gains/ (losses) arising on account of realisation/settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the Statement of Profit and Loss. Foreign exchange gains / (losses) arising on translation of foreign currency monetary loans are presented in the Statement of Profit and Loss on net basis. Non-monetary items which are measured in terms of historical cost denominated in a foreign currency are translated using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value denominated in a foreign currency are translated using the exchange rates that existed when the values were determined.

### H. Aircraft Fuel Expenses

Aircraft fuel expenses are recognised in the statement of profit and loss as uplifted and consumed, net off any discounts.

### I. Aircraft Maintenance and Repair Cost

Aircraft Maintenance, Auxiliary Power Unit (APU), Engine Maintenance and Repair Costs are expensed as incurred except with respect to engines/APU which are covered by third party maintenance agreement and these are accounted in accordance with the relevant terms.

The Company has in its fleet aircraft on operating lease. As contractually agreed under the lease contracts, the aircraft have to be redelivered to the lessors at the end of the lease term under stipulated contractual return conditions. The redelivery costs are estimated by management based on historical trends and data, and are recorded in the financial statements in proportion to the expired lease period. These are recorded at the discounted value, where effect of the time value of money is material.

### J. Employee benefits

#### Short-term employee benefits

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employee services up to the end of the reporting period and are measured at an undiscounted amount expected to be paid when the liabilities are settled.

#### Post-employment benefit plans

#### i. Defined contribution plans

The Company pays provident fund contributions to the appropriate government authorities. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefits expense when they are due.

#### ii. Defined benefit plans

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at Retirement, death while in employment or on termination of employment, of an amount based on the respective



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employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The gratuity plan of the Company is unfunded.

The liability recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated by actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost and other costs are included in employee benefit expense in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in "other equity" in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from settlement or curtailments are recognised immediately in Statement of Profit and Loss as past service cost.

### iii. Other long-term employee benefits

Benefits under compensated absences are accounted as other long-term employee benefits. The Company's net obligation in respect of compensated absences is the amount of benefit to be settled in future, that employees have earned in return for their service in the current and previous years. The benefit is discounted to determine its present value. The obligation is measured on the basis of an actuarial valuation using the projected unit credit method. Re-measurement is recognised in Statement of Profit and Loss in the period in which they arise.

### K. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

### L. Income Tax

Income tax expense comprises of current tax and deferred tax.

#### Current tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for unused tax losses, unused tax credits and all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

#### Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they are related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

### M. Inventories

Inventories primarily includes stores and spares and loose tools (other than those which meet the criteria of property, plant and equipment), fuel and in-flight inventories. Inventories are stated at the lower of cost and Net Realizable Value (NRV). Cost of inventories comprise all costs of purchase after deducting non-refundable rebates and discounts and all other costs incurred in bringing the inventories to their present location and condition. Costs of inventories are determined on weighted average basis. Net realizable value represents the estimated selling price for





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inventories less all estimated costs of completion and costs necessary to make the sale. NRV for stores and spares, loose tools and fuel used in rendering of services are not written down below cost except in cases where the price of such materials have declined and it is estimated that the cost of rendering of services will exceed their selling price. Where necessary, due allowance is made for all damaged, obsolete and slow moving items.

### N. Property, plant and equipment

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises: (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate component of property, plant and equipment. The Company has recognised major inspection costs relating to engine and airframe overhauls as separate components for owned aircraft and aircraft taken on finance lease.

Spare parts recognised as Property plant and equipment when it meets the definition of Property, plant and equipment.

The cost of improvements to Leased Properties as well as customs duty / modification cost incurred on Aircraft taken on operating lease, if recognition criteria are met, have been capitalised and disclosed separately as improvement on leased aircraft / improvement on leased property.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Subsequent costs are included in the asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that the future economic benefits associated with expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Statement of Profit and Loss at the time of incurrence.

Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in-progress. Advance paid for acquisition of Property, plant and equipment are disclosed under other non-current assets as capital advances.

#### Depreciation

Depreciable amount for assets is the cost of an asset, less its estimated residual value. Depreciation is provided on a straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Parts that are significant in cost in relation to the total cost of an asset having a different useful life than the remaining asset are depreciated over their respective remaining useful life.

Expenditure incurred on improvements of assets acquired on operating lease is written off evenly over the balance period of the lease. Premium on leasehold land is amortised over the period of lease.

Major inspection costs relating to engine and airframe overhauls are identified as separate components for owned and Leased Aircraft and are depreciated over the expected lives between major overhauls and remaining useful life of the aircraft whichever is lower.

Depreciation has been charged based on the following useful lives:

Asset Head	Estimated Useful Life in Years
Aircraft, engines and spare parts	20
Major inspection and overhaul costs	4-12
Furniture and fixtures and Electrical fittings	10
Data processing equipment	3 and 6
Office equipment	5
Ground support equipment and Plant and equipment	15
Vehicles and ground support vehicles	8
Simulator	15
Building	60



Depreciation is calculated on a pro-rata basis for assets purchased/sold during the year.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

### O. Investment Property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business and that is not occupied by the Company. Investment property is measured initially at cost, including related transaction cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any. All repairs and maintenance cost are expensed when incurred.





Investment property is depreciated using straight line method over its useful life. The useful life has been considered as 60 years as prescribed in Part C of Schedule II to the Companies Act, 2013.

#### P. Intangible assets

Intangible assets that are recognised only if acquired and it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of assets can be measured reliably. Intangible assets are recorded at cost of acquisition including any incidental expenses. Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses if any. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Gains or losses arising from de-recognition of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the other intangible asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

##### Amortisation:

Intangible assets are amortised on straight line basis as follows:

- i. Trademarks are amortised over 10 years.
- ii. Computer software is amortised over a period not exceeding 36 months.



#### Q. Asset Held for Sale

Assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are measured at lower of their carrying amount and fair value less cost to sell. Losses on initial classification as held for sale and subsequent gain and losses on re-measurement are recognized in profit and loss.

Once classified as held for sale, property plant and equipment are no longer depreciated.

#### R. Impairment of Property, plant and equipment and other intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Statement of Profit and Loss.

#### S. Investment in Subsidiaries and Associate

Investment in subsidiaries and associate is carried at cost, less any impairment in the value of investment, in these separate financial statements.

#### T. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

##### Financial assets

##### I. Recognition and initial measurement

All financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets are initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.



ii. Classification

For the purpose of subsequent measurement, the Company classifies financial assets in following categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

A financial asset being 'debt instrument' is measured at the amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

A financial asset being 'debt instrument' is measured at the FVTOCI if both of the following criteria are met:

- The asset is held within the business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

iii. Subsequent measurement

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the Statement of Profit and Loss. Interest income on credit impaired financial assets is recognised on net balance.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the Statement of Profit and Loss.

iv. De-recognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any gain or loss on de-recognition is recognised in the Statement of Profit and Loss.

v. Impairment of financial assets (other than at fair value)

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case those financial assets are measured at lifetime ECL. The changes (incremental or reversal) in loss allowance computed using ECL model, are recognised as an impairment gain or loss in the Statement of Profit and Loss.

Originated credit impaired financial assets are treated differently because the assets are credit impaired at initial recognition. For these assets the Company recognises all changes in the life time ECL since initial recognition as a loss allowance with any changes recognised in statement of profit or loss. A favourable change of such assets create an impairment gain

Financial liabilities

i. Recognition and initial measurement

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

All financial liabilities are initially measured at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the liability.

ii. Classification and subsequent measurement

Financial liabilities are classified as measured at amortised cost or FVTPL.

A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses including any interest expense, are recognised in the Statement of Profit and Loss.



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Financial liabilities other than classified as FVTPL, are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in Statement of Profit and Loss. Any gain or loss on de-recognition is also recognised in the Statement of Profit and Loss.

### III. De-recognition

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

#### Embedded Derivatives

Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and if the economic characteristics and risks of embedded derivative are not closely related to the economic characteristics and risks of the host. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognized in statement of profit or loss.

### U. Fair value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to/ by the Company.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i. Level 1 - Quoted (unadjusted) prices in active markets for identical assets or liabilities
- ii. Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- iii. Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### V. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimate. The expense relating to a provision is presented in the statement of profit and loss.

#### Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

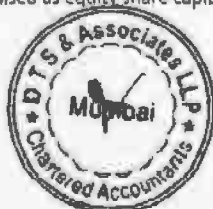
#### Contingent liabilities and assets

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

### W. Share capital

Issuance of ordinary shares are recognised as equity share capital in equity.



**X. Cash and cash equivalents**

Cash and cash equivalents includes cash at banks and on hand, cheques on hand, short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

**Y. Earnings per share:**

Basic earnings per share is computed by dividing net income by the weighted average number of common shares outstanding.

For the purpose of calculating Diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**Z. Recent accounting pronouncements - Standards Issued But Not Effective**

On March 30, 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 – Leases and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from April 01, 2019.

**A) Issue of IND AS 116 – Leases**

Ind AS 116 Leases will replace the existing leases standard, Ind AS 17 Leases. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use (ROU) asset representing its right to use the underlying asset on lease and a lease liability representing its obligation to make lease payments.

The standard is applicable from 1 April 2019. The Company will apply the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (i.e. 1 April 2019). Accordingly, the Company will not restate comparative information; instead, the cumulative effect of initially applying this standard will be recognised as an adjustment to the opening balance of retained earnings as on 1 April 2019. On that date, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount net of incentives received as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at 1 April 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

The Company has used the following practical expedients:

- Single discount rate to a portfolio of leases with reasonably similar characteristics.
- Initial direct cost is excluded from the measurement of the ROU asset at the date of initial application.
- Contracts where the remaining term was less than 12 months on transition date, the Company did not consider the same for computing its ROU asset and a corresponding lease liability.
- On initial application, IndAS 116 will only be applied to contracts that were previously classified as leases.
- The lease term has been determined with the use of hindsight where the contract contains options to extend the lease."

The nature of expenses currently disclosed under aircraft and engine rentals, net and other expenses-rent as per Ind AS 17 will now be presented as per Ind AS 116 in the form of:

- Amortization charge for the ROU asset
- Finance cost from interest accrued on lease liability

Further, this will increase the Company's foreign exchange volatility arising from revaluation of lease liability that is denominated in currency other than Indian Rupees.

The effective date for adoption of Ind AS 116 is financial period beginning on or after 1 April 2019. As the company is currently under CIRP, the impact of IND AS 116 on its financial is not ascertainable at this stage.

**B) Amendment to Existing Standard**

The MCA has also carried out amendments of the following accounting standards

- i. Ind AS 101- First time adoption of Indian Accounting Standards
- ii. Ind AS 103 – Business Combinations
- iii. Ind AS 109 - Financial Instruments
- iv. Ind AS 111 – Joint Arrangements
- v. Ind AS 12 – Income Taxes
- vi. Ind AS 19 – Employee Benefits
- vii. Ind AS 23 – Borrowing Costs
- viii. Ind AS 28 - Investment in Associates and Joint Ventures

Application of above standards are not expected to have any significant impact on the Company's financial statements.



# Jet Airways (India) Limited

## NOTE 4: PROPERTY, PLANT AND EQUIPMENT

Description	Freehold Land	Leasehold Land	Buildings	Improvement On Leased Aircraft	Plant and Equipment	Furniture and Fixtures	Electrical Fittings	Data Processing Equipment	Ground Support Equipment	Simulators	Vehicles	Gross Ship Vels	Office Equipments	Spare Parts	Aircraft & Engines		Improvement On Leased Property	Total
															Narrow Body	Wide Body		
Gross carrying value																		
Balance as at 31 March 2017	32	-	26	15,388	46	2886	1,881	1,904	5,585	20,585	1,562	9.4	3,837	116,823	58,121	751,864	6,734	1,081,892
Additions	-	-	-	-	7	205	84	1,414	58	8,565	47	21	277	16,150	19,748	288	201	48,725
Deletions/retirement	-	-	-	-	-	(182)	(150)	(270)	(37)	-	(18)	(30)	(248)	(11,071)	(1,240)	-	-	(15,594)
Assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2018	32	-	26	15,388	53	3,049	1,815	2,048	5,606	20,970	1,589	9.4	3,869	119,902	58,917	751,864	6,936	635,981
Additions	-	-	-	625	-	(132)	(331)	135	345	81	73	-	(53)	12,616	378	5,118	4,046	39,119
Deletions / retirements	-	-	-	-	-	(45)	(56)	(187)	(284)	-	(16)	-	(86)	(9,014)	(2,147)	-	-	(11,722)
Balance as at 31 March 2019	32	-	26	16,013	53	2,872	1,328	2,058	5,671	21,051	1,612	9.4	3,730	124,504	66,048	756,982	10,982	649,888
At 31 March 2019	32	-	26	16,013	53	2,872	1,328	2,058	5,671	21,051	1,612	9.4	3,730	124,504	66,048	756,982	10,982	649,888
Accumulated depreciation																		
Balance as at 31 March 2017	-	-	-	(12,257)	(467)	(2,085)	(1,415)	(1,348)	(1,467)	(1,111)	(189)	(1)	(1,058)	(11,410)	(19,721)	(183,657)	(6,218)	(197,449)
Charge for the year	-	-	(1)	(1,798)	(69)	(209)	(171)	(1,030)	(140)	(1,172)	(131)	(4)	(128)	(5,865)	(5,073)	(41,887)	(271)	(59,331)
Deletions/retirement	-	-	-	-	-	41	36	276	34	13	17	-	248	1,015	1,149	-	-	2,745
Assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2018	-	-	(1)	(14,055)	(516)	(2,253)	(1,550)	(1,902)	(1,573)	(1,190)	(192)	(1)	(1,038)	(16,260)	(24,643)	(184,807)	(6,489)	(199,651)
Charge for the year	-	-	-	(1,240)	(70)	(221)	(85)	(1,141)	(156)	(1,190)	(143)	(4)	(204)	(5,973)	(7,265)	(21,488)	(455)	(41,641)
Deletions / retirements	-	-	-	-	-	41	36	277	34	13	16	-	248	1,015	1,149	-	-	2,745
Balance as at 31 March 2019	-	-	(1)	(15,295)	(586)	(2,474)	(1,586)	(3,043)	(1,609)	(1,313)	(219)	(1)	(1,086)	(17,238)	(31,908)	(206,295)	(7,044)	(241,296)
At 31 March 2019	32	-	(1)	(14,730)	217	(2,453)	(1,502)	(5,438)	(1,619)	(18,151)	(211)	(87)	(1086)	(16,929)	(40,420)	(221,990)	(6,945)	(264,285)
Net carrying amount																		
As at 1 April 2018	32	-	25	5,438	287	776	392	1,952	3,126	9,014	875	3	488	66,822	31,873	161,989	428	205,127
As at 31 March 2019	32	-	25	5,213	212	681	418	1,697	3,063	6,880	866	2.7	347	69,010	25,025	147,418	4,013	205,141

\*Refer note 57

### A. Plant and Equipment held under finance lease

The gross and net carrying amounts of aircraft under finance lease included in the above are:

	As at 31 March 2019	As at 31 March 2018
Cost or Deemed cost	764,977	759,834
Accumulated depreciation	(446,642)	(424,954)
Net Carrying amount	318,335	334,880

The above amounts include aircraft classified and disclosed as 'asset held for sale' as at 31 March 2019 and as at 31 March 2018, at net carrying value ₹ 172,891 lakhs (Cost - ₹ 396,543 lakhs and accumulated depreciation - ₹ 223,652 lakhs). As the CIRP is ongoing and in the absence of any alternate resolutions as of 31 March 2019, the same aircraft are continued to be classified as 'Assets held for sale'. The financial creditors have submitted claims under CIRP related to these assets, and the claims will be dealt as per the IBC 2016 guidelines. (Refer Note 53)

### B. Security

Assets having net carrying value of ₹ 416,899 Lakhs (31 March 2018: ₹ 441,251 Lakhs) are pledged as security against the loan availed by the Company.

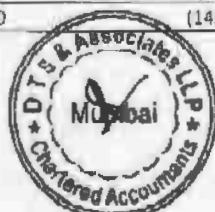
### C. Improvement on Leased Aircraft

As on 31 March 2019 the corporate debtor being operational was in physical possession of 22 aircraft that were under operational lease, subsequently these aircraft have been deregistered and are no longer in the Company's possession. Improvement of leased aircraft of ₹ 5,222 lakhs is related to expense incurred on these aircraft. Given that these aircraft were in possession of the Company as on 31 March 2019 and since CIRP outcome is still awaited, no adjustment with respect to value of improvement on Leased Aircraft has been done in the books of accounts as on 31 March 2019.

### D. Deregistered Finance Leased Aircraft

Aircraft MSNs 35163, 35166, 35161, 35165, transacted on financial lease was registered and in possession with Jet Airways as on 31 March 2019. Subsequently the aircraft with net carrying amount of ₹ 100,196 Lakhs were deregistered due to the default on lease payments. The lessor has filed its claim with respect to unpaid dues and the claims against the above mentioned aircraft will be dealt as per the provisions of Insolvency Bankruptcy code, 2016. Given that the aircraft were in possession of the Company as on 31 March 2019 and since outcome of the ongoing CIRP is still awaited, no adjustment with respect to value of deregistered aircraft improvements has been done in the books of accounts as on 31 March 2019.

MSN No.	Gross Carrying Value	Accumulated Depreciation	Net Carrying Amount	Loan Outstanding
35163	63,810	(37,981)	25,829	26,393
35166	62,581	(37,092)	25,490	26,388
35161	58,653	(34,545)	24,108	22,151
35165	60,744	(35,976)	24,768	31,088
Total	245,790	(145,594)	100,196	106,020



## NOTE 5: INVESTMENT PROPERTY

Description	Total
<b>Gross carrying value</b>	
Balance as at 31 March 2017	0
Addition	70,529
Deletion	-
Balance as at 31 March 2018	70,529
Additions	-
Deletions	-
At 31 March 2019	70,529
<b>Accumulated depreciation</b>	
Balance as at 31 March 2017	-
Depreciation for the year	(802)
Balance as at 31 March 2018	(802)
Charge for the year	(1,176)
Deletions	-
At 31 March 2019	(1,978)
<b>Net carrying amount</b>	
As at 31 March 2018	69,727
As at 31 March 2019	68,551

Carrying value of approx. ₹ 48,270 Lakhs as of 31 March 2019 (31 March 2018: ₹ 48,800 Lakh) is Secured against borrowing. Further, the Company has restriction to sell certain portion of the property till September 2020. (Refer note 58)

Direct operating expenses ₹ 1,893 Lakhs (31 March 2018 ₹ 418 Lakhs) (excluding depreciation) related to investment property have been incurred during the year ended 31 March 2019.

Fair Value

Investment Property	As at 31 March 2019	As at 31 March 2018
Buildings	79,132	79,000

Measurement of fair valuesFor the year ended 31 March 2019

The fair value of investment property has been estimated using the applicable circle rate of ₹ 31,215.45 per square feet on saleable area of 2,53,502 square feet.

For the year ended 31 March 2018

- i. The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The fair value measurement for all of the investment property has been categorised as a level 2 fair value based on the inputs to the valuation technique used.
- ii. Valuation technique: Valuation is done as per income approach (discounted cash flow) method. The following steps were performed to arrive at the value estimate:
  - Developed projections for the Subject Property of potential gross revenue, rent losses and operating expenses during the holding period.
  - Estimated available annual cash flows during the holding period and estimated a terminal value at the end of the holding period that represented the hypothetical sale of the property.
  - Estimated the present value of the annual cash flows and terminal value as of the Estimate Date using a discount rate consistent with the inherent level of risk associated with the property.
  - The main assumptions used for valuing are rental growth rate, rent abatement period, terminal yields and discount rates based on comparable transaction.



# Jet Airways (India) Limited

## Note 6: INTANGIBLE ASSETS

Description	Computer Software	Trademarks	Total
<b>Gross Carrying Value</b>			
Balance as at 31 March 2017	16,240	3,146	19,386
Additions	285	-	285
Deletions	-	-	-
Balance as at 31 March 2018	16,525	3,146	19,671
Additions	111	-	111
Deletions	-	-	-
<b>At 31 March 2019</b>	<b>16,636</b>	<b>3,146</b>	<b>19,782</b>
<b>Accumulated amortisation</b>			
As at 31 March 2017	(12,651)	(3,146)	(15,797)
Amortisation for the year	(1,924)	-	(1,924)
Amortisation on deletions	-	-	-
Balance as at 31 March 2018	(14,575)	(3,146)	(17,721)
Amortisation for the year	(1,431)	-	(1,431)
Amortisation on deletions	-	-	-
<b>At 31 March 2019</b>	<b>(16,006)</b>	<b>(3,146)</b>	<b>(19,152)</b>
<b>Net carrying amount</b>			
As at 31 March 2018	1,950	-	1,950
<b>As at 31 March 2019</b>	<b>630</b>	<b>-</b>	<b>630</b>



## NOTE 7: NON-CURRENT INVESTMENTS

Particulars	As at 1 March 2019	As at 31 March 2018
<b>Non-current Investments</b>		
<b>Investment in equity of subsidiaries - unquoted (at cost)</b>		
796,115,409 Shares (31 March 2018: 796,115,409 Shares) of Jet Lite (India) Limited of ₹ 10 each, including 6 Shares held by its nominees (31 March 2018: 6 shares)	165,755	165,755
Less : Impairment in value of investment	(165,755)	(165,755)
500,000 Shares (31 March 2018: 500,000 Shares) of Airjet Ground Services Limited of ₹10 each (including 6 shares held by its nominees; 31 March 2018: 6 Shares)	50	50
10,000 Shares (31 March 2018: 10,000 Shares) of Airjet Engineering Services Limited of ₹ 10 each (including 6 Share held by its nominees; 31 March 2018 : 6 Shares)	1	1
10,000 Shares (31 March 2018: 10,000 Shares) of Airjet Security and Allied Services Limited of ₹10 each. (including 6 Share held by its nominees; 31 March 2018 : 6 shares)	1	1
10,000 Shares of Airjet Training Services Limited of ₹10 each (31 March 2018: 10,000 shares) (including 6 Share held by its nominees 31 March 2018: 6 Shares)	1	1
Less : Provision for diminution in value of subsidiaries	(53)	-
<b>Investment in equity of Associates unquoted (at cost)</b>		
54,772 (31 March 2018: 54,772) Equity Shares of Jet Privilege Private Limited of ₹10 each. (Refer note 56)	69,522	69,522
<b>Other Investments</b>		
<b>Investment in equity - unquoted</b>		
2,935 (31 March 2018: 3,176) Equity Shares of THB 100 each of Aeronautical Radio of Thailand, a State Enterprise under the Ministry of Transport. The transfer of this investment is restricted to Airline members flying in Thailand	6	6
111 (31 March 2018: 104) Equity Shares in Societe Internationale de Telecommunications Aeronautiques S.C. (S.I.T.A.) of Euro 5 each #	*	*
<b>Investment in Certificate of Deposits</b>		
145,276 (31 March 2018: 145,276) Depository Certificates in SITA Group foundation of USD 1.2 each	89	89
	69,617	69,670
<b>Aggregate amount of unquoted investments:</b>	<b>235,425</b>	<b>235,425</b>
<b>Aggregate amount of Impairment in value of investments</b>	<b>(165,808)</b>	<b>(165,755)</b>

\* ₹ 38,920 (31st March 2018: ₹ 36,127)





## Jet Airways (India) Limited

# These investments have been received free of cost from S.I.T.A S.C and S.I.T.A. Group Foundation for participation in their Computer Reservation System (credited to Capital Reserve to the extent of nominal value of the investments). Transferability of these investments are restricted to other Depository Certificate / Shares holders e.g. Air Transport members, etc.

### NOTE 8: LOANS

Particulars	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good, unless stated otherwise		
Security Deposits (Refer Note (i) below, Note 53)	2,112	7,170
Unsecured considered doubtful		
Loans to Related Party (Refer Note (ii) below)	239,990	240,838
Less: Loss allowance for doubtful loans	(239,990)	(240,838)
	2,112	7,170

i) Security Deposits include deposits to Related Parties at amortised cost of ₹ Nil as of 31 March 2019 (31 March 2018: ₹ 148 Lakhs) placed as deposit with private limited company in which the Company's Director is a Director/Member

ii) Loans to Related Party represents loan given to Jet Lite (India) Limited, a wholly owned subsidiary.

### NOTE 9: OTHER FINANCIAL ASSETS

Particulars	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good, unless stated otherwise		
Fixed Deposits with Banks (Refer Note below)	-	5,084
Interest accrued but not due on above fixed deposits	-	117
Derivative Assets	-	1,468
Contribution receivable from lessors (Refer Note 56)	-	7,583
	-	14,252

Fixed Deposits with Banks represents deposits with Banks under Lien (Refer Note 63).

### NOTE 10: OTHER NON-CURRENT ASSETS

Particulars	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good, unless stated otherwise		
Capital Advances Considered Good (i)	51,779	50,955
Capital Advances Considered Doubtful	8,045	2,835
Less :Provision for Doubtful Advances	(8,045)	(2,835)
Prepaid Expenses	-	1,165
Deferred Guarantee Commission	-	26
Deposit with Service Tax Department	1,093	1,089
Deposit with government authorities (ii)	39,500	21,134
	92,372	74,369

(i)The company had paid an advance of INR 50,011 Lakh to 'The Boeing Company' (Boeing) under the agreement for purchase of 225 aircraft of Boeing 737. Boeing B737 aircraft were grounded worldwide due to technical issues from March 2019 onwards, before the scheduled delivery of the aircraft under the purchase agreement, further Boeing vide letter dated 22 May 2019 has suspended the agreement, the RP is in process of taking further steps to safeguard the interest of Jet Airways w.r.t the agreement for purchase of 225 aircraft of Boeing 737 Pending outcome of the CIRP no adjustment to such amount classified as capital advances, has been carried out in the financial statements.

(ii) Customs duty and Integrated Goods and Service Tax (IGST) paid by the Company 'under protest' on reimport of repaired aircraft engines and certain aircraft parts aggregating to ₹ 39,500 Lakhs (31 March 2018 : ₹ 21,134 Lakhs). The Company has since filed appeals with the appropriate authorities based on the advice received from experts. Pending adjudication, the Company has considered it as recoverable in the financial statement.

### NOTE 11: INVENTORIES

Particulars	As at 31 March 2019	As at 31 March 2018
(Valued at Cost or NRV whichever is less)		
Stores and Spares		
Consumables	37,084	40,591
Less: Prov. for Obsolescence / Slow and Non-Moving Items	(146)	(146)
- Catering / Inflight Inventory	6,622	11,832
Less: Prov. for Obsolescence / Slow and Non-Moving Items	(33)	(4,624)
Fuel	584	457
	44,111	48,110

Above inventory except Fuel is hypothecated against the loan (Refer Note 24 and Note 57)





## Jet Airways (India) Limited

### NOTE 12: TRADE RECEIVABLES

Particulars	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good, unless otherwise stated		
Related Party (Refer note 47)	3,738	3,380
Others		
- Considered Good	37,973	124,555
- Credit Impaired	16,888	13,730
	58,599	141,665
Less: Impairment allowance for doubtful receivables	(16,888)	(13,730)
	41,711	127,935

Above is hypothecated against the loan (Refer Note 24)

### NOTE 13: CASH AND CASH EQUIVALENTS

Particulars	As at 31 March 2019	As at 31 March 2018
Balance with banks :		
Current account (Refer notes below)	20,265	31,894
Cash on hand	128	156
	20,393	32,050

- Current account balance includes ₹ 16,823 Lakhs as at 31 March 2019 (31 March 2018: ₹ 24,888 Lakhs) held in foreign currency.
- It includes an amount of ₹ 2,332 Lakhs as at 31 March 2019 (31 March 2018: ₹ 4,578 Lakhs) held as lien with banks.

### NOTE 14: OTHER BANK BALANCES

Particulars	As at 31 March 2019	As at 31 March 2018
Deposits For Margin Money With Banks with original maturity less than 12 months (Refer Note below)	90,576	103,994
	90,57	103,994

Fixed Deposits with Banks represents deposits with Banks under Lien.

### NOTE 15: LOANS

Particulars	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good, unless stated otherwise		
Security deposits - considered good (Refer note 52 and 60)*	127,50	2,698
Security deposits - considered doubtful	446	446
Less: Provision for doubtful deposits	(446)	(446)
	127,50	2,698

\*Security deposit also includes, amount which was realisable from credit card companies for sale of tickets, which was held by credit card companies to protect their recovery risks due to weak financial conditions of the Company. Subsequent to the year end, due to suspension of the operations by the Company, ₹ 42,047 lakhs classified as security deposits, have been adjusted by Credit Card companies against their dues towards refund and recharge on account of cancellation of tickets booked by passengers. These adjustments by the credit card companies will be dealt/contested as per the provisions of Insolvency and Bankruptcy code, 2016, further since these adjustment took place due to suspension of operations by the Company subsequent to the year end, no adjustment of the same has been considered in these financial statements.

### NOTE 16: OTHER FINANCIAL ASSETS

Particulars	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good, unless stated otherwise		
Unbilled Revenue	11,014	8,551
Interest accrued on deposits and loans and advances	1,33	1,703
Contribution receivable from lessors (Refer Note 55)	37,444	56,450
Less: Provision for contribution receivable from lessor	(37,444)	-
Claims Receivable from lessors/insurer/others (Refer note 55)	39,23	46,004
Less: Provision for claims receivable	(33,381)	-
	18,194	112,708



NOTE 17: OTHER CURRENT ASSETS

Particulars	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good, unless stated otherwise		
Prepaid Expenses	22,000	22,093
Balances with Government Authorities	21,100	53,542
Advance to Vendors; considered good* (Refer note 59)	31,231	27,381
Interest paid as per court order considered doubtful	11,963	11,963
Less: Provision for doubtful advances	(11,963)	(11,963)
Deferred Guarantee Commission	21	52
Other recoverable	2,071	1,891
	<b>76,440</b>	<b>104,959</b>

\*Subsequent to the year end, due to suspension of the operations by the Company, ₹ 5,295 lakh have been adjusted by the Vendors against their dues. These adjustments by the vendors will be dealt/contested as per the provisions of Insolvency and Bankruptcy code, 2016, further since these adjustment took place due to suspension of operations by the Company subsequent to the year end, no adjustment of the same has been considered in these financial statements.

NOTE 18: SHARE CAPITAL

Particulars	As at 31 March 2019	As at 31 March 2018
<b>a. Authorised :</b>		
Equity Shares of ₹ 10 each 180,000,000 (31 March 2018: 180,000,000) Equity shares	18,000	18,000
Preference Shares of ₹ 10 each 20,000,000 (31 March 2018: 20,000,000) Preference shares	2,000	2,000
<b>TOTAL</b>	<b>20,000</b>	<b>20,000</b>
<b>b. Issued and Subscribed and Paid up:</b>		
113,597,383 (31 March 2018: 113,597,383) Equity shares fully paid up	11,360	11,360
<b>TOTAL</b>	<b>11,360</b>	<b>11,360</b>
<b>c. Reconciliation of number of shares outstanding at the beginning and end of the year :</b>		
Equity share :		
Outstanding at the beginning of the year	113,597,383	113,597,383
Outstanding at the end of the year	113,597,383	113,597,383
<b>d. Terms / Rights attached to each classes of shares</b>		
<b>1. Terms / Rights attached to Equity shares</b>		
The Company has only one class of Equity Shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends if any, in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting.		
In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The contribution will be in proportion to the number of equity shares held by the Shareholders.		
<b>e. Shareholders holding more than 5% shares in the company is set out below:</b>		
<b>Equity share</b>	<b>As at 31 March 2019</b>	<b>As at 31 March 2018</b>
	<b>No. of Shares*</b>	<b>No. of Shares</b>
	<b>Percentage of holding</b>	<b>Percentage of Holding</b>
Mr. Naresh Goyal	57,933,665	57,933,665
	51	51
Etihad Airways PJSC	27,263,372	27,263,372
	24	24

\*5.19 percent shares under the name of Mr Naresh Goyal are pledged with SBI, and 26.01 percent of shares under the name of Mr Naresh Goyal are pledged with PNB. PNB has invoked the pledged shares subsequent to the year end.



NOTE 19: OTHER EQUITY

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Reserves and Surplus</b>		
Capital reserve	89	89
Capital Redemption Reserve	5,558	5,558
Securities premium	344,253	344,253
Debenture Redemption Reserve	5,242	5,242
General reserve	2,098	2,098
Retained earnings	1,632,830	(1,087,768)
Other Comprehensive Income	(5,309)	(5,032)
	<b>1,280,899</b>	<b>(735,560)</b>

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Capital reserve</b>		
As per Last Balance Sheet	89	89
Add: Increase/(Decrease) during the year	-	-
<b>Closing Balance</b>	<b>89</b>	<b>89</b>
Capital reserve represents shares held in S.I.T.A. & S.I.T.A group foundation received free of cost		
* During the year the company has received additional shares of ₹ 2,792 for 31 March 2019 (31 March 2018: ₹ 3,232).		
<b>Capital redemption reserve</b>		
As per Last Balance Sheet	5,558	5,558
Increase/(Decrease) during the year	-	-
<b>Closing Balance</b>	<b>5,558</b>	<b>5,558</b>
Capital redemption reserve represents reserve created out of profits for the difference between the face value of the Cumulative Convertible Redeemable Preference Shares (CCRPS) and the fresh equity capital raised as required under law.		
<b>Securities premium</b>		
As per Last Balance Sheet	344,253	344,253
Increase/(Decrease) during the year	-	-
<b>Closing Balance</b>	<b>344,253</b>	<b>344,253</b>
Securities premium represents the premium on issue of equity shares.		
<b>Debenture redemption reserve</b>		
As per Last Balance Sheet	5,242	5,242
Increase/(Decrease) during the year	-	-
<b>Closing Balance</b>	<b>5,242</b>	<b>5,242</b>
Debenture redemption reserve represents reserve created for redeemable non-convertible debentures in accordance with provisions of the Companies Act, 2013. No transfer has been made during the year ended 31 March 2019 since there is a loss.		
<b>General reserve</b>		
As per Last Balance Sheet	2,098	2,098
Increase/(Decrease) during the year	-	-
<b>Closing Balance</b>	<b>2,098</b>	<b>2,098</b>
General reserve represents difference between of revaluation reserve and written down value of assets on opting for Historical cost model as per the Companies (Accounting Standard) Amendment Rules, 2016.		
<b>Retained earnings</b>		
As per Last Balance Sheet	(1,087,768)	(1,011,006)
(Loss) during the year	553,575	(76,762)
Impact of Ind AS 115 – Revenue from contract with customers (Refer note 51)	8,513	-
<b>Closing Balance</b>	<b>(1,632,830)</b>	<b>(1,087,768)</b>
Retained earnings represents accumulated deficit in statement of profit and loss.		
<b>Other comprehensive income – Re-measurement of defined benefit plans (net of Tax)</b>		
As per Last Balance Sheet	(5,032)	(5,181)
Actuarial losses on defined benefit plan for the year (net of tax)	(277)	149
Other Comprehensive income represents actuarial gains / (losses) arising on recognition of defined benefit plans	(5,309)	(5,032)



**NOTE 20: BORROWINGS**

Particulars	As at 31 March 2019	As at 31 March 2018
Non-Convertible Debentures (Refer Note a)	72,931	72,023
<b>Secured</b>		
Term loans from Banks (Refer Note b)	-	279,728
Term loans from Other party (Refer Note b)	3,595	39,779
<b>Unsecured loan</b>		
Term loans from Other party (Refer Note b)	-	10,298
Long Term Maturities of Finance Lease Obligations (Refer Note b)	-	106,728
	76,526	508,556

a. 5,989 Non-Convertible Debentures (NCD) were issued in September 2015 at a face value of ₹ 10,00,000 per debenture. These debentures are redeemable at the end of five years from the date of allotment at a premium of ₹ 70,100 per debenture. These NCDs are unsecured and carry an interest rate of 20.64 % p.a. payable quarterly. This NCD has prepayment option at end of third and fourth year.

b. Refer Note 26 and Note 63

**NOTE 21: OTHER FINANCIAL LIABILITIES**

Particulars	As at 31 March 2019	As at 31 March 2018
Deposit from customers	892	841
	892	841

**NOTE 22: PROVISIONS**

Particulars	As at 31 March 2019	As at 31 March 2018
Provision for employee benefits (Refer note 40)		
Gratuity	18,310	17,429
Compensated Absences	5,322	5,800
<b>Others</b>		
Redelivery Provision (Refer Note below)	20,950	18,981
	44,582	42,210

**Redelivery Provision**

The schedule of provision as required to be disclosed in compliance with Ind AS 37 on 'Provisions, Contingent Liabilities and Contingent Assets' is as under:

Particulars	2018-19	2017-18
Balance as at beginning of the year	19,791	15,415
Provisions created during the year	3,983	3,031
Interest accretion on provisions during the year	2,045	1,575
Amounts Utilised during the year	(3,244)	(299)
Exchange loss / (gain) adjustment	2,562	71
Balance as at end of the year	25,137	19,793

The Company has in its fleet certain aircraft on operating lease. Per the terms of the lease agreements, the aircraft have to be redelivered to the lessors at the end of the lease term in certain stipulated technical condition. Such redelivery conditions would entail costs for technical inspection, maintenance checks, repainting costs prior to its redelivery and the cost of ferrying the aircraft to the location as stipulated in the lease agreements.

The measurement of the provision for redelivery cost includes assumptions primarily relating to expected costs and discount rates commensurate with the expected obligation maturity schedules. An estimate is therefore made to ensure that the provision corresponds to the present value of the expected costs to be borne by the Company. Judgement is exercised by management given the long-term nature of assumptions that go into the determination of the provision.

Expected timing of resulting outflow of economic benefit is financial year 2019-2020 to 2030-2031 on the basis of assumptions and status of aircraft as of 31 March 2019.

Since, the operations of the Company were temporarily suspended from 18 April 2019 the aircraft under operating lease arrangement were subsequently returned back to the respective lessors and are currently not in the possession of the Company. However, given that these aircraft were in possession of the Company as on 31 March 2019, the provision has been classified as current and non-current based on the nature in the books of accounts as on 31 March 2019. Upon initiation of Corporate Insolvency Resolution Process (CIRP) of the Company from 20 June 2019, Lessors have submitted claim (including claim for redelivery of aircraft) under the provisions of the Code. Pending outcome of the CIRP and considering the operations has been suspended on 18 April 2019, no adjustment has been done regarding Redelivery Provision in these financial statements.



## NOTE 23: OTHER NON-CURRENT LIABILITIES

Particulars	As at 31 March 2019	As at 31 March 2018
Advances	53,122	3,079
Deferred Guarantee Commission	314	712
	53,436	3,791

## NOTE 24: BORROWINGS

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Secured:</b>		
Loans repayable on demand from Banks		
Rupee Loan (Refer note (a) and (b) below)	159,619	20,956
	159,619	20,956

- a) Loans aggregating to ₹ 159,619 Lakhs as on 31 March 2019, ₹ 20,956 Lakhs as on 31 March 2018, are secured by way of hypothecation of Inventories (excluding Aircraft fuel), Debtors / Receivables [excluding (i) credit card receivable (ii) IATA - BSP receivables from the Kingdom of Saudi Arabia, United Arab Emirates, Qatar, Oman, Bahrain and Kuwait, collectively called as Gulf receivables (iii) receivables from aircraft subleased but including claim receivables from aircraft lessors] Ground Support Vehicles / Equipment (excluding trucks, jeeps and other motor vehicles), Spares (including engines), Data Processing Equipment, other current assets excluding cash and bank balances and fixed deposits with bank both present and future, the residual Aircraft proceeds and all accounts of the Borrower in which such aircraft proceeds are deposited in relation to existing fleet of 14 aircraft (out of which charge in respect of 3 aircraft is pending creation) on pari-passu basis. The Company has escrowed the entire IATA collection excluding Gulf receivables with the lead bank for facilitating interest servicing and regularisation in case of any irregularity.
- b) The rate of interest for the loans listed in (a) are based on respective Banks' MCLR / LIBOR plus Margin.

## NOTE 25: TRADE PAYABLES

Particulars	As at 31 March 2019	As at 31 March 2018
Related parties (Refer note 47)	24,843	9,614
Micro and small enterprises (Refer Note below)	559	375
Other than micro and small enterprises	945,078	630,509
	970,480	640,498

Disclosures relating to amounts payable as at the yearend together with interest paid / payable to Micro and Small Enterprises have been made in the accounts, as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent of information available with the Company determined on the basis of intimation received from suppliers regarding their status and the required disclosure is given below:

Particulars	As at 31 March 2019	As at 31 March 2018
a) Principal amount remaining unpaid	59	375
b) Interest due thereon	-	-
c) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
e) Interest accrued and remaining unpaid.	-	-
f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-



NOTE26: OTHER FINANCIAL LIABILITIES

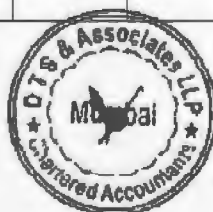
Particulars	As at 31 March 2019	As at 31 March 2018
Current maturities of long-term debt (Refer note below and Note 53)	390,73	212,118
Current maturities of finance lease Obligations(Refer note below and Note 53)	141,538	98,685
Balance with Banks - overdrawn as per books		136
Interest accrued but not due on borrowings	1,575	1,098
Interest accrued and due on borrowings	10,25	-
Deposits from customers / vendors	5,802	5,346
Other payables	4,233	1,481
	554,13	318,864

- (a) Rupee Term Loans of ₹ 127,136 Lakhs as on 31 March 2019 (₹ 161,305 Lakhs as on 31 March 2018) and Foreign Currency Term Loan of Nil as on 31 March 2019 (₹ 7,239 Lakhs as on 31 March 2018) are secured by way of a first pari-passu charge on domestic credit card realization, both present and future. These loans are repayable in monthly instalments by September 2023. Interest rates are based on respective Banks MCLR / LIBOR plus Margin.
- (b) Foreign Currency Term Loans of ₹ 67,128 Lakhs as on 31 March 2019 (₹ 87,657 Lakhs as on 31 March 2018) secured by way of a pari-passu charge on all the current and future international credit card realizations, received into a Trust and Retention Account maintained with the Banks together with a First hypothecation charge on the four flight simulators and an exclusive charge on Fixed Deposits aggregating to ₹ 11,328 Lakhs as on 31 March 2019 (₹ 11,328 Lakhs as on 31 March 2018) with maturity value of ₹ 11,936 Lakhs. These loans are repayable in monthly instalments by December, 2022. Interest rates are based on LIBOR plus Margin.
- (c) Foreign Currency Term Loan of ₹ 53,304 Lakhs as on 31 March 2019 (₹ 140,499 Lakhs as on 31 March 2018) secured by way of First Charge on: (i) IATA BSP receivables from the Kingdom of Saudi Arabia, United Arab Emirates, Qatar, Oman, Bahrain and Kuwait (ii) Revenue Account, Debt Service Reserve Account and Receivable Collection Account, maintained with the lead bank. These loans are repayable in monthly instalments by August, 2021. Interest rates are based on LIBOR plus Margin.
- (d) Rupee Term Loan of ₹ 40,000 Lakhs as on 31 March 2019 (31 March 2018: ₹ 40,000) secured by first charge on a portion of the investment property. This loan is repayable in monthly instalments by August 2022. Interest rates based on Corporate Prime Lending Rate (CPLR) less Margin.
- (e) Demand Loan of ₹ 22,500 Lakhs was secured by way of Fixed deposit of ₹ 25,000 Lakhs placed by Jet Air Private Ltd.
- (f) Foreign Currency Term Loan of ₹ 96,817 Lakhs as on 31 March 2019 (₹ 91,245 Lakhs as on 31 March 2018) is availed against a corporate guarantee given by one of the Shareholder to the lender. In return, the Company has hypothecated one of its B737 Aircraft in favour of that Shareholder, however, creation of pledge on 54,772 shares held in Jet Privilege Private Limited was pending as on March 31, 2019. The loan is repayable by way of a bullet payment in March 2019. Interest rates are based on LIBOR plus margin plus Guarantors margin. During CIRP HSBC has invoked the guarantee provided by Etihad and the same has been updated in the list of creditors (Refer note 53)
- (g) Foreign Currency Term Loan repayable within 40 instalments starting March 2017. Interest rate is linked to LIBOR plus margin thereon payable on monthly basis.
- (h) Finance Lease obligation for six aircraft secured by Corporate Guarantees provided by the Subsidiary Company aggregating to ₹ 23,402 Lakhs equivalent to USD 338.39 Lakhs as on 31 March 2019 (₹ 66,668 Lakhs equivalent to USD 1,023 Lakhs as on 31 March 2018).





Sr. no.	Name of Lender	During the year ended 31st March 2019					
		Principal	No. of days	Interest	No. of days	Terms of Repayment	Security Clause
1	Loan From Bank						
	HSBC - USD 31 mio	21,438	21	-	-	Bullet payment	Corporate Guarantee given by Etihad Airways & in return the Company has hypothecated one of its B737 aircraft in favour of that Shareholder; & pledge on 56,772 shares held in Jet Privilege Private Limited was pending as on 31 March 2019. However creation of Pledge was pending as on March 31, 2019.
	HSBC - USD 109 mio	75,379	4	2,609	4	Bullet payment	Corporate Guarantee given by Etihad Airways & in return the Company has hypothecated one of its B737 aircraft in favour of that Shareholder; & pledge on 56,772 shares held in Jet Privilege Private Limited was pending as on 31 March 2019. However creation of Pledge was pending as on March 31, 2019.
	SYNDICATE Bank - 280 Crs	476	1	171	1	60 monthly installments after a moratorium of 3 Months.	First pari-passu charge on domestic credit card realisation, both present and future
	CANARA Bank - 100 Crs	501	60	181	60	60 monthly installments after a moratorium of 3 Months	First pari-passu charge on domestic credit card realisation, both present and future
	Canara Bank - 100 Crs	500	60	255	60	60 monthly installments after a moratorium of 6 Months	First pari-passu charge on domestic credit card realisation, both present and future
	YES Bank LIMITED - 100 Crs	308	1	121	1	60 monthly installments after a moratorium of 3 Months	First pari-passu charge on domestic credit card realisation, both present and future
	YES Bank LIMITED - 300 Crs	366	1	184	1	60 monthly installments after a moratorium of 6 Months.	First pari-passu charge on domestic credit card realisation, both present and future
	SBI - 225 Crs	-	-	148	1	Bullet payment	Against Jet Air Pvt Ltd FDs
	CANARA BANK - SBLC INVOCATION	18,185	27	245	1	Bullet payment	Hypothecation of Inventories, Debtors/ Receivables, GSE/ SV & Data Processing Equipment
	YES BANK - SBLC INVOCATION	23,914	52	255	1	Bullet payment	Hypothecation of Inventories, Debtors/ Receivables, GSE/ SV & Data Processing Equipment



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	ICICI BANK - SBLC INVOCATION	4,214	77	22	1	Bullet payment	Hypothecation of inventories, Debtors/ Receivables, GSE FSV & Data Processing Equipment
2	Loan From Others						
	HDFC LIMITED Rs 400 00 Crs	-	-	1,243	60	36 monthly installments after a moratorium of 24 Months	BKCM PROPERTY
3	Debenture						
	EA PARTNERS	-	-	3,952	4	Bullet payment	Unsecured NCD
4	Aircraft Loan						
	B777 Acft 6 (MSN 35162)	2,100	5	61	5	Principal & Interest payable every Quarter wise after 6 months from loan date 46 installments	1st charge on Aircraft by Lessor
	B777 Acft 9 (MSN 35161)	972	13	218	13	Principal & Interest payable every Quarter wise immediately over 49 installments	1st charge on Aircraft by Lessor
	B777 Acft 10 (MSN 35165)	2,920	3	565	3	Principal & Interest payable every half year wise immediately 25 installments	1st charge on Aircraft by Lessor
	A330 Acft 5 (MSN 888)	999	13	41	13	Principal & Interest payable every Quarter over 47 installments	1st charge on Aircraft by Lessor
		152,272		10,280			

**NOTE 27: PROVISIONS**

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Provision for employee benefits (Refer note 40)</b>		
Gratuity	1,253	1,135
Compensated Absences	2,022	2,304
<b>Others</b>		
Redelivery Provision (Refer Note 22)	4,185	812
Wealth Tax	15	15
	<b>7,475</b>	<b>4,266</b>

**NOTE28: OTHER CURRENT LIABILITIES**

Particulars	As at 31 March 2019	As at 31 March 2018
Forward Sales (Net) (Passenger / Cargo)	2,84,651	3,58,080
Advance received against Sub lease	6,278	3,790
Deferred Revenue *	167,603	-
Advances from customers	28,976	8,444
Statutory Dues	17,359	50,961
Airport Dues	8,453	9,737
Deferred Guarantee commissions	398	494
	<b>513,718</b>	<b>4,31,506</b>





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\*Advances of ₹ 167,603 lakhs received by the Company as non-refundable incentive under sale and lease back transaction for potential Aircraft which were to be acquired under a separate purchase agreement. Incentives are deferred and reduced from the operating lease rentals on a straight line basis over the initial lease period of the respective aircraft for which the aircraft is expected to be used. In case of return of an aircraft taken on operating lease before the expiry of the lease term, the unamortised balance of deferred incentive is recorded in the Standalone Statement of Profit and Loss. Upon Initiation of Corporate Insolvency Resolution Process (CIRP) of the Company from 20 June 2019, Lessors/Vendors have submitted claim (including claim for such advances) under the provisions of the Code. Pending outcome of the CIRP, no adjustment has been done regarding such advances in these financial statements.

### NOTE29: REVENUE FROM OPERATIONS

Particulars	2018-19	2017-18
<b>A. Sale of Services</b>		
Passenger (Net of Goods and Service Tax)	2,036,031	2,030,988
Cargo (Net of Goods and Service Tax)	185,361	178,914
Excess Baggage	16,867	17,207
	<b>2,238,259</b>	<b>2,227,109</b>
<b>B. Other operating revenue</b>		
Export Incentives	-	5,847
Cancellation charges	44,940	62,010
Revenue from leasing of aircraft	3,006	3,328
Provisions no longer required written back	996	3,769
Other revenue (includes security services, cargo screening, technical certification etc.)	17,846	26,590
	<b>66,882</b>	<b>101,544</b>
	<b>2,305,141</b>	<b>2,328,653</b>

### NOTE 30: OTHER INCOME

Particulars	2018-19	2017-18
Interest on deposits with banks	7,778	5,717
Other Interest (Including interest on income tax refunds)	8	646
Interest on loan to subsidiary	270	58
Unwinding of discount on security deposits	500	400
Guarantee Commission on guarantee given to subsidiary	-	655
Dividend Income	1,553	-
Net gain on sale of current investments	904	345
Profit on sale & leaseback of aircraft	742	-
Mark to market Gain on embedded derivative	-	210
Recognition upon fulfilment of commitment (Refer Note 50)	-	30,449
Profit on development of leasehold land (Refer Note Below)	-	11,403
Other non-operating Income (includes insurance claim, frequent flyer programme, advertisement and other income etc.)	13,789	17,301
	<b>25,610</b>	<b>67,184</b>

Note: The Company had entered into an agreement with Godrej Buildcon Private Limited, Mumbai (GBPL) for the development of its plot of land, situated at Bandra-Kurla Complex, Mumbai, taken on long term lease from MMRDA. The development has since been completed during the previous year ended 31 March 2017. During the year ended 31 March 2018, the Company has recognised an amount of ₹ 11,403 Lakhs in 'Other income' as its share of accrued profit from the said project upon final settlement with Godrej Buildcon Private Limited (GBPL)

### NOTE31: EMPLOYEE BENEFIT EXPENSE

Particulars	2018-19	2017-18
Salaries and wages	296,831	280,135
Contribution to provident and other fund	7,791	7,635
Provision for gratuity	2,773	2,523
Provision for compensated absences	21	2,047
Staff welfare expenses	6,062	7,195
	<b>313,488</b>	<b>299,535</b>

### NOTE32: FINANCE COSTS

Particulars	2018-19	2017-18
Interest on Borrowings measured at amortised cost	67,351	55,326
Finance charges on finance lease obligations measured at amortised cost	6,613	7,550
Other borrowing Costs	22,131	20,649
Others	2,051	561
	<b>98,146</b>	<b>84,286</b>



**NOTE 33: DEPRECIATION AND AMORTIZATION EXPENSES**

Particulars	2018-19	2017-18
Depreciation of property, plant and equipment	41,616	59,331
Depreciation on investment property	1,106	802
Amortisation of intangible assets	1,451	1,924
	44,213	62,057

**NOTE34: SELLING & DISTRIBUTION EXPENSES**

Particulars	2018-19	2017-18
Computerised reservation system cost	135,746	122,841
Commission	86,314	112,020
Cost of miles accrued	-	34,287
Other Selling & distribution expenses	11,620	13,484
	233,710	282,632

**NOTE35: OTHER EXPENSES**

Particulars	2018-19	2017-18
Aircraft & Engine variable rentals	176,914	111,686
Landing, Navigation and other Airport charges	236,579	237,188
Aircraft maintenance	238,574	237,517
Inflight and other pax amenities	84,290	89,856
Repairs and maintenance:		
- Others	9,418	10,055
Rent	12,986	11,416
Rates and taxes	699	719
Aircraft Insurance and other insurance	13,042	9,804
Electricity	1,313	1,311
Communication cost	4,522	4,350
Travelling and subsistence	34,622	30,678
Cargo Handling Charges	25,257	19,137
Loss on sale / write-off of property, plant and equipment (net)	5,982	7,818
Provision for doubtful trade receivables	3,225	1,879
Provision for doubtful advances / deposits to a subsidiary	4,342	4,916
Provision for diminution in the value of investments	53	-
Bad Trade receivables / advances / deposits written off	37	33
MTM Loss on Embedded Derivative	1,468	-
Directors sitting fees	99	56
Non - Claimable GST	39,718	6,372
Net Loss on foreign currency transactions and translations	44,808	4,706
Payment to auditors*	216	224
Miscellaneous expenses (including professional fees, printing & stationery & bank charges etc.)	43,916	27,422
	9,82,173	817,143
* Auditors remuneration (Excluding Service Tax /Goods and Service tax Input Credit)*	2018-19	2017-18
As Auditor		
Audit Fee	118	116
In any other manner		
For other services such as quarterly limited reviews, certificates etc.	94	105
For Reimbursement of expenses	1	3
	213	224

\*Includes fees paid to one of the previous joint auditor.



## NOTE 36: EXCEPTIONAL ITEMS (EXPENSE)/INCOME

Particulars	2018-19	2017-18
Provision for Contribution receivable from Lessor (Refer note 55)	37,414	-
FCR Provision (Refer note below and Note 55)	33,410	-
<b>Total</b>	<b>70,825</b>	<b>-</b>

Note: Pursuant to the expiry of the PBTH Engine Maintenance Agreement with the maintenance service providers as on 31 December 2018 and subsequent failure of negotiations to extend the tenure of the agreement till 31 March 2019 the 'contribution receivable from lessor' have been considered as non-recoverable and has been provided for as on 31 March 2019. In the case of 'claim receivables from lessors' provision has been made to the extent where the company has not filed a claim for repair expenses with the lessor.

## NOTE 37: TAX EXPENSE

## a) Amounts recognised in profit and loss

Particulars	2018-19	2017-18
Current income tax		
Current Year		-
Prior Period excess paid		-
Deferred income tax liability / (asset), net		-
Deferred tax expense		-
<b>Income Tax expense reported in statement of profit and loss</b>		<b>-</b>

## b) Amounts recognised in other comprehensive income

	2018-19			2017-18		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Net Gain / (Loss) on Re-measurements of the defined benefit plans	(277)	-	(277)	149	-	149
	(277)	-	(277)	149	-	149

## c) Reconciliation of tax expense and the accounting profit multiplied by effective tax rate

Particulars	2018-19	2017-18
Accounting Profit/ (loss) before Income Tax	(553,575)	(76,762)
Tax using the Company's domestic tax rate (31 March 2019: 31.20% and 31 March 2018: 30.90%)	172,715	23,719
<b>Tax effect of:</b>		
Non-deductible expenses for tax purpose	(4,319)	25
Tax effect of brought forward losses/unabsorbed depreciation of current year on which no deferred tax asset is recognised	(163,963)	(42,058)
Temporary differences in current year on which no deferred tax asset is recognised	(4,433)	14,452
Deferred tax on Long Term Capital Loss (LTCL)	-	3,289
Others	-	573
<b>Net effective income tax</b>	<b>-</b>	<b>-</b>



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## NOTE 38: EARNINGS PER SHARE (EPS)

### I. (Loss)/Profit attributable to Equity holders

Particulars	2018-19	2017-18
(Loss)/Profit attributable to equity holders :		
Loss)/Profit attributable to equity holders for calculation of basic and diluted earnings before Exceptional Items.	(482,50)	(76,762)
(Loss)/Profit attributable to equity holders for calculation of basic and diluted earnings after Exceptional Items.	(553,575)	(76,762)

### II) Weighted average number of ordinary shares

Particulars	2018-19	2017-18
Weighted average number of equity shares for calculation of basic and diluted EPS	113,597,383	113,597,383
Basic & diluted earnings per share before exceptional items	(424.97)	(67.57)
Basic & diluted earnings per share after exceptional items	(487.51)	(67.57)

## NOTE 39: Components of deferred tax assets and (liabilities) recognised in the balance sheet, statement of Profit and Loss and statement of other comprehensive income

### a) Deferred Tax

Particulars	As at 31 March 2019	As at 31 March 2018
Deferred Tax Liability	(76,888)	(69,676)
Deferred Tax Assets	76,888	69,676
Net Deferred Tax asset / (liability)	-	-

Year ended March 2019	Opening	Recognised in profit or loss	Recognised in OCI	Closing Balance
Property, Plant and equipment	(67,537)	(9,351)	-	(76,888)
Financial Assets	(2,139)	2,139	-	-
Provisions	61,973	(4,293)	-	57,680
Others additions and disallowances (Net)	7,703	11,505	-	19,208
<b>Total</b>	-	-	-	-

Year ended March 2018	Opening	Recognised in profit or loss	Recognised in OCI	Closing Balance
Property, Plant and equipment	(72,394)	4,858	-	(67,537)
Financial Assets	(2,531)	392	-	(2,139)
Provisions	53,742	8,230	-	61,973
Others additions and disallowances (Net)	21,183	(13,480)	-	7,703
<b>Total</b>	-	-	-	-

### b) Unused tax losses, unabsorbed depreciation and temporary differences on which no deferred tax asset is recognised in Balance Sheet

Particulars	31 March 2019	1 March 2018
Unused Tax Losses	1,001,375	522,986
Unabsorbed Tax depreciation	113,311	96,939
Temporary difference	122,499	94,773
<b>Total</b>	1,237,185	714,698

(1) Unabsorbed depreciation does not have any expiry period under the Income Tax Act, 1961.

(2) The tax benefits for the losses would expire if not utilised starting from financial year 2019-20 to 2026-27.

(3) No deferred tax benefit is recognised in the absence of reasonable certainty that taxable income will be generated by the company to offset the losses.



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### NOTE 40: EMPLOYEE BENEFITS

The Company contributes to the following post-employment defined benefit plans in India

#### I. Defined Contribution Plans

The Company makes contributions towards provident fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the appropriate government authorities.

Expenses recognised for defined contribution plans are summarised below:

Particulars	2018-19	2017-18
Contribution to Provident Fund	4,960	4,674
Contribution to F.P.F.	1,858	1,940
Contribution to EDLI	110	110
Contribution to Employees' State Insurance Scheme	233	267
<b>Total</b>	<b>7,161</b>	<b>6,991</b>

#### II. Defined Benefit Plans

The Company provides the annual contributions as a non-funded defined benefit plan for qualifying employees. The scheme provides for payment to vested employees as under:

(a) On normal retirement / early retirement / withdrawal / resignation:

As per the provisions of Payment of Gratuity Act, 1972 with vesting period of 5 years of continuous service.

(b) On death while in service:

As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity was carried out on 31 March 2019 by an actuary. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

#### Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components

Particulars	Defined benefit obligation for the year ended	
	2018-19	2017-18
Opening balance	18,564	17,083
Included in profit or loss		
Current service cost	1,328	1,278
Past service cost	-	-
Interest cost	1,444	1,245
Closing Balance	21,336	19,606
Included in Other Comprehensive Income		
Actuarial loss (gain) arising from re-measurement of defined benefit liability		
Financial assumptions	(23)	(1,136)
Experience adjustment	300	987
	21,613	19,457
Contributions paid by the employer		
Benefits paid	(2,050)	(893)
<b>Closing balance</b>	<b>19,563</b>	<b>18,564</b>

#### Plan assets

Since gratuity plan is non-funded, hence figures in respect of plan assets are NIL.

#### Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

Particulars	2018-19	2017-18
Discount rate	7.79%	7.78%
Salary escalation rate	5.00%	5.00%
Mortality rate	Indian Assured Lives Mortality(2006-08)	Indian Assured Lives Mortality(2006-08)
Rate of Employee Turnover	For service 4 years and below 30.00% p.a. & For service 5 years and above 1.00% p.a.	For service 4 years and below 30.00% p.a. & For service 5 years and above 1.00% p.a.

Assumptions regarding future mortality have been based on published statistics and mortality tables.



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### Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumption, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	2018-19		2017-18	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(2,084)	2,476	(2,036)	2,429
Future salary growth (1% movement)	2,522	(2,153)	2,473	(2,103)
Employee Turnover rate (1% movement)	671	(764)	670	(765)

The sensitivity analysis is based on a change in above assumption while holding all other assumptions constant. The changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied, as has been applied when calculating the provision for defined benefit plan recognised in the Balance Sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous years.

**Risk Exposure:** The defined benefit plan is exposed to a number of risks, the most significant of which are detailed below:

**Change in discount rates:** A decrease in discount yield will increase plan liabilities.

**Mortality table:** The gratuity plan obligations are to provide benefits for the life of the member so increases in life expectancy will result in an increase in plan liabilities.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

#### Expected Future Cash flows

Projected Benefits Payable in Future Years From the Date of Reporting	As at 31 March 2019	As at 31 March 2018
Less than 1 year	1,252	1,136
Between 1 - 2 years	549	538
Between 2 - 5 years	2,381	2,344
Over 5 Years	6,230	5,308

### III. Other long term employee benefits

The obligation of compensated absences (non-funded) for the year ended 31 March 2019, amounting to ₹ 23 Lakhs (31 March 2018 ₹ 2,047 Lakhs) has been recognised in the Statement of Profit and Loss, based on actuarial valuation carried out using the Projected Unit Credit Method.

Since the Company was admitted to Corporate Insolvency Resolution Process (CIRP) by Order of Hon'ble National Company Law Tribunal (NCLT), Mumbai dated 20 June 2019, there have been more than 9000 employees who have resigned from the company. (Please refer Note 52 and Note 53).

#### NOTE 41: LEASES (To be read with Note 52, Note 53 and Note 59)

The Company has entered into Finance and Operating lease agreements. As required under Ind AS 17 on 'Leases', the future minimum lease payments on account of each type of lease are as follows:

##### A. Finance Leases (Aircraft)

Particulars	Future Minimum Lease Payments		Present Value of Future Minimum Lease Payments		Finance Charges	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Not later than one year	145,069	104,199	140,513	98,685	4,556	5,514
Later than one year and not later than five years	1,032	109,746	1,025	106,728	7	3,018
Later than five years	-	-	-	-	-	-
<b>TOTAL</b>	<b>146,101</b>	<b>213,945</b>	<b>141,538</b>	<b>205,413</b>	<b>4563</b>	<b>8,532</b>

The salient features of a Finance Lease Agreement are:

- Option to purchase the aircraft either during the term of the finance lease on payment of the outstanding Principal amount or at the end of the term on payment of a nominal option price.
- In the event of default, the Lessee is responsible for payment of all costs of the Owner including the financing cost and other associated costs. Further a right of repossession is available to the Owner / Lessor.
- The Lessee is responsible for maintaining the Aircraft as well as insuring the same
- The property passes to the lessee, on payment of nominal price at the end of the term.



**B. Operating Leases**

**Leases as lessee**

The Company has taken various residential / commercial premises under cancellable and non-cancellable operating leases. These lease agreements are normally renewed on expiry.

At 31 March the future minimum lease payments under non-cancellable leases are as follow

**a) Commercial Premises and Amenities**

Particulars	2018-19	2017-18
Not later than one year	2,149	1,449
Later than one year and not later than five years	4,592	951
Later than five years	1,435	-
	<b>8,176</b>	<b>2,400</b>

**b) Aircraft and Spare Engines**

Particulars	2018-19	2017-18
Not later than one year	239,072	240,181
Later than one year and not later than five years	542,482	654,481
Later than five years	96,124	75,362
	<b>877,678</b>	<b>970,024</b>

The Salient features of an Operating Lease agreement are:

- Monthly rentals paid in the form of fixed and variable rentals. Variable Lease Rentals are payable at a pre-determined rate based on actual flying hours. Further, these predetermined rates of Variable rentals are subject to fixed annual escalation as stipulated in the respective lease agreements.
- The Lessee neither has an option to buyback nor has an option to renew the leases.
- In case of delayed payments, penal charges are payable as applicable.
- In case of default, in addition to repossession of the aircraft, damages including liquidated damages are payable.
- The Lessee is responsible for maintaining the Aircraft as well as Insuring the same. The Lessee is eligible to claim reimbursement of costs as per the terms of the lease agreement.

**c) Landing Rights**

The future minimum lease payments in respect of Landing Rights, are as follows:

Particulars	As at 31 March 2019	As at 31 March 2018
Not later than one year	1,106	3,646
Later than one year and not later than five years	2,195	3,111
Later than five years	-	-
	<b>3,301</b>	<b>6,757</b>

**d) Details of future minimum lease income in respect of one (1) Aircraft given on non-cancellable Dry Lease as at 31 March as follows:**

Particulars	As at 31 March 2019	As at 31 March 2018
Not later than one year	3,568	3,363
Later than one year and not later than five years	3,975	7,109
Later than five years	-	-
	<b>7,543</b>	<b>10,472</b>

The Salient features of Dry Lease agreements are as under:

- Aircraft are leased without insurance and crew.
- Monthly rentals paid are in the form of fixed and variable rentals. Variable Lease Rentals are payable at a pre-determined rate based on actual flying hours. Further, these predetermined rates of Variable rentals are subject to annual escalation as stipulated in respective lease agreements.
- The Lessee neither has an option to buyback nor has an option to renew the leases. Details of owned Aircraft given on non-cancellable Dry Lease are as under:

Particulars	As at 31 March 2019	As at 31 March 2018
Cost of Acquisition	37,845	37,845
Accumulated Depreciation	24,930	22,431
Depreciation Debited to Statement of Profit and Loss during the year on the above Leased Assets	2,999	2,510
Lease Rental income recognised on Assets Leased during the year	3,566	3,328

The lease rentals recognised in the Statement of Profit and Loss for the year ended 31 March 2019 are ₹ 468,506 Lakhs (31 March 2018 ₹ 358,823 Lakhs).



## NOTE 42: FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

## A. Accounting classification and fair values

The following table shows the carrying amounts and fair value of financial assets and financial liabilities:

31 March 2019	Fair Value through P/L	Amortised Cost	Total Carrying Values	Total Fair Values
<b>Financial assets</b>				
Cash and cash equivalents	-	20,393	20,393	20,393
Other bank balances	-	90,576	90,576	90,576
Investment in certificate of deposit	-	89	89	89
Investment in equity - unquoted	-	6	6	6
Non-Current loans	-	2,112	2,112	2,112
Current loans	-	127,501	127,501	127,501
Trade and other receivables	-	41,711	41,711	41,711
Other Non-current financial asset	-	-	-	-
Other Current financial asset	-	18,194	18,194	18,194
	-	300,582	300,582	300,582
<b>Financial liabilities</b>				
Long term borrowings	-	3,595	3,595	3,595
Non-convertible debentures	-	72,931	72,931	72,931
Short term borrowings	-	159,619	159,619	159,619
Trade and other payables	-	970,483	970,483	970,483
Other Non-Current financial liabilities	-	892	892	892
Other Current financial liabilities	-	554,578	554,578	554,578
	-	1,762,098	1,762,098	1,762,098

31 March 2018	Fair Value through Profit and Loss	Amortised Cost	Total Carrying Values	Total Fair Values
<b>Financial assets</b>				
Cash and cash equivalents	-	32,050	32,050	32,050
Other bank balances	-	103,994	103,994	103,994
Investment in certificate of deposit	-	89	89	89
Investment in equity - unquoted	-	6	6	6
Non-Current loans	-	7,170	7,170	7,170
Current loans	-	2,698	2,698	2,698
Trade and other receivables	-	127,935	127,935	127,935
Other Non-current financial asset	1,468	12,784	14,252	14,252
Other Current financial asset	-	112,708	112,708	112,708
	1,468	399,434	400,902	400,902
<b>Financial liabilities</b>				
Long term borrowings	-	436,533	436,533	436,533
Non-convertible debentures	-	72,023	72,023	72,023
Short term borrowings	-	20,956	20,956	20,956
Trade and other payables	-	643,333	643,333	643,333
Other Non-Current financial liabilities	-	841	841	841
Other Current financial liabilities	-	318,864	318,864	318,864
	-	1,492,550	1,492,550	1,492,550

## B. Fair value hierarchy

The following tables provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped under Level 1, Level 2 and Level 3 as described in Significant Accounting Policy (Refer note 3):

Particulars	As on 31 March 2019			
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Other Non-current financial asset	-	-	-	-
<b>Total</b>	-	-	-	-

Particulars	As on 31 March 2018			
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Other Non-current financial asset	-	1,468	-	1,468
<b>Total</b>	-	1,468	-	1,468





**Valuation Process:**

1. The Company's borrowings have been contracted at floating rates of interest, which gets reset periodically based on the market movements. Accordingly, the carrying value of such borrowings approximates fair value.
2. The carrying amounts of trade receivables, short term borrowings, trade payables, cash and cash equivalents, other current financial assets, and other current financial liabilities approximates fair value, being short-term in nature.
3. The other non-current financial assets include bank deposits (due for maturity beyond twelve months from the reporting date), interest accrued but not due on bank deposits and contribution receivable from lessors. The carrying value of these are approximately equal to the fair values as on the reporting date.
4. Other Non-current financial asset also includes embedded derivative as regards the value of call option for pre- payment of Debenture, created on the date of transition. The valuation of the same is arrived at after considering average of the following two approaches:
  - (i) Direct method - Differential analysis between the price of a hypothetical non-callable bond and the price of the callable bond as on the Value Analysis Dates
  - (ii) Cost Saving method - Cost saving analysis, based on the interest cost saved on account of the callability feature as on the Value Analysis Dates
5. Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for all financial instruments, the fair value estimates presented above are indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.
6. There have been no transfers between Level 1, Level 2 and Level 3 for the years ended 31st March 2019 and 31st March 2018.

**NOTE 43: FINANCIAL RISK MANAGEMENT**

In the course of its business, the Company is primarily exposed to fluctuations in foreign currency exchange rates, interest rates, Jet fuel rate, liquidity and credit risk, which may adversely impact the fair value of its financial instrument. The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate & credit risks and Jet fuel rate movement. The risk management policy is approved by the Board of Directors. The policy needs to be read in conjunction with Note 1 and Note 2 of the financial statements particularly with respect to the fact that Company is currently under Corporate Insolvency Resolution Process. The risk management framework aims to:

- Ⓐ To set appropriate limits, controls and to monitor the risk and adherence to the means by reliable and up to date information
- Ⓑ To create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.

**1. Credit risk**

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. Financial assets that potentially exposes the Company to Credit risk primarily consist of deposits with banks and receivable from agents selling air tickets and cargo transportation. Company assesses credit quality based on the counterparty's financial position, past experience and other related factors.

The carrying amount of following financial assets represents the maximum credit exposure:

Particulars	As at 31 March 2019	As at 31 March 2018
Trade Receivables	41,711	127,935
Loans	129,613	9,868
Cash & cash equivalents	20,265	31,894
Other bank balances	90,576	103,994
Investments	-	-
Other financial assets	18,194	126,960

**Trade receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers other factors that may influence the credit risk of its customer base viz. the default risk of the industry, country in which customers operate etc.

The sale of passenger and Cargo transportation is largely achieved through International Air Transport Association (IATA) approved sales agents and online sales. All IATA agents have to meet a minimum financial criteria applicable to their country of operation to remain accredited. Adherence to financial criteria is monitored on an ongoing basis by IATA through their Agency Programme. For receivables from the non-IATA agents, the Company manages its credit risk through credit approvals, seeking collaterals, establishing credit limits and continuously monitoring credit worthiness of them to which the company grants credit terms in the normal course of business. The Credit risk associated with such sales agents and the related balances within trade receivables is therefore low and further reduced by their diverse base.

The ageing of the trade receivable is as follows:



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Particulars	Gross Carrying amount	
	As at 31 March 2019	As at 31 March 2018
Neither past due nor impaired	25,188	120,045
Past due 1-90 days	10,145	2,501
Past due 91-180 days	3,641	2,521
Past due more than 180 days	19,626	16,598
	58,599	141,665

On adoption of Ind AS 109, the Company uses expected credit loss model (under simplified approach) to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers.

The provision matrix is as below:

Particulars	Not Due	0 to 90 Days	91 to 180 Days	Beyond 180 Days
Expected loss rate	2%	12%	97%	100%

The Company's exposure to customers is diversified and no single customer contributes to more than 10 % of outstanding trade receivables as at 31 March 2019, 31 March 2018.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

Particulars	Expected credit loss
Balance as at 31 March 2017	12,366
Additional provision recognised	1,879
Provisions not required written back	(515)
Amounts written off	-
Balance as at 31 March 2018	13,730
Additional provision recognised	3,158
Provisions not required written back	-
Amounts written off	-
Balance as at 31 March 2019	16,888

### Loans

The loans primarily represent security deposits placed with aircraft and engine lessors and credit card companies. Such deposits with aircraft and engine lessors will be returned to the Company on redeliveries of the aircraft. The credit risk associated with such deposits is relatively low given the credit standing of these reputed lessors and the diversified lease portfolio. However, due to commencement of CIRP (Refer Note 1 and Note 2), lessors or vendors can file or have filed claims with respect to unpaid dues and may or may not have adjusted the deposits against these claims.

Security Deposit	31 March 2019	31 March 2018
Gross carrying amount	130,059	10,314
Impairment allowance	(446)	(446)
Carrying amount net of impairment provision	129,613	9,868

The movement in the allowance for impairment in respect of Security deposits during the year was as follows:

Particulars	Loss allowances measured at lifetime expected losses*
Balance as at 31 March 2017	855
Amount written off	(409)
Balance as at 31 March 2018	446
Additional provision recognised	-
Provisions not required written back	-
Amounts written off	-
Balance as at 31 March 2019	446

\* Financial assets for which credit risk has increased significantly and not credit-impaired

### Cash and cash equivalents

Credit risk on cash and cash equivalents and bank deposits is limited as such deposits are placed with banks for seeking credit lines.

### Other financial assets

Other financial assets include fixed deposit with maturity date of more than 12 months including interest accrued on fixed deposits, contribution and claim receivables from the aircraft lessors, claims receivable from insurance vendors, unbilled revenue and derivative instrument. The risk associated with deposits placed with banks for seeking credit lines and reputed lessor are low.

### Loan to subsidiary

Non-current financial assets include loan to subsidiary ₹ 239,990 Lakhs as at 31 March 2019 (₹ 40,838 Lakhs: 31 March 2018) are fully impaired as per Ind AS 109 following ECL model.



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The movement in the allowance for impairment in respect of Loan to subsidiary including interest accrued thereon during the year was as follows.

Particulars	Loss allowances measured at lifetime expected losses*
Balance as at 31 March 2017	236,242
Additional provision recognised	4,596
Provisions not required written back	-
Amounts written off	-
Balance as at 31 March 2018	240,838
Additional provision recognised	-
Provisions not required written back	(848)
Amounts written off	-
Balance as at 31 March 2019	239,990

\* Financial assets for which credit risk is originally credit impaired.

### 2. Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company believes that its liquidity position, including total cash and cash equivalent, anticipated internally generated funds from operations (through various initiatives undertaken by the Company in relation to saving cost, optimise revenue management opportunity and enhance ancillary revenue), and its available, revolving credit facility from the Banks along with initiative to raise funds will enable it to meet its future known obligations in the ordinary course of business. Further, the Company believes it has access to financing arrangements, which should enable it to meet its ongoing capital operating, and other liquidity requirements. The Company will continue to consider various leasing or borrowing options to maximize liquidity and supplement cash requirements as necessary.

The Company's liquidity management process as monitored by management, includes the following:

- Day to day funding, managed by monitoring future cash flows to ensure that requirement can be met.
- Maintaining rolling forecasts of the Company's liquidity position on the basis of expected cash flows.
- Maintaining diversified credit lines.
- This note should be read together with Note 1 and Note 2, about commencement of CIRP.



### Exposure to liquidity risk

The following are the remaining contractual undiscounted cash flows of financial liabilities at the reporting date and includes estimated interest payments and excludes the impact of netting agreements.

31 March 2019	Contractual cash flows				
	Carrying amount	Total	within 12 months	1-5 years	More than 5 years
Non-derivative financial liabilities					
Non-Current borrowings					
Term Loan from Banks*	-	-	-	-	-
Term Loan from Others*	10,938	11,193	7,563	3,630	-
Non-convertible Debentures*	73,107	100,291	18,407	81,884	-
Long Term Maturities of Finance Lease Obligation*	-	-	-	-	-
Current borrowings	159,619	169,803	169,803	-	-
Trade payables	970,483	970,483	970,483	-	-
Other non-current financial liability	892	892	-	892	-
Other current financial liabilities	546,631	546,631	546,631	-	-
	1,761,670	1,799,293	1,712,887	86,406	-

31 March 2018	Contractual Cash Flows				
	Carrying amount	Total	Within 12 months	1-5 years	More than 5 years
Non-derivative financial liabilities					
Non-Current borrowings					
Term Loan from Banks*	486,247	554,550	241,528	310,436	2,586
Term Loan from Others*	55,957	69,945	10,435	59,260	-
Non-convertible Debentures*	72,198	105,864	14,425	91,439	-
Long Term Maturities of Finance Lease Obligation*	206,055	213,945	104,119	109,746	-
Current borrowings	20,956	23,332	23,332	-	-
Trade payables	643,333	643,333	643,333	-	-
Other non-current financial liability	841	841	-	841	-
Other current financial liabilities	6,963	6,963	6,963	-	-
	1,482,550	1,618,773	1,044,405	571,722	2,586

\* The amounts include interest accrued and due and interest accrued and not due on borrowing.



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### 3. Market risk

Market risk is the risk that where the fair value or future cash flow of financial instrument fluctuate because of change in market prices – such as fuel price, foreign exchange rates and interest rates. We are exposed to market risk primarily related to fuel price risk, foreign exchange rate risk and interest rate risk.

#### Jet Fuel Price risk

The Company has also in place a risk management policy to address fuel price risk which was reviewed and approved by the Board. The objective of the risk management policy is to recognise and manage fuel risks, implement framework to manage the risk, comply with local guidelines and mitigate its volatility.

#### Currency risk

Currency risk is the risk that the future cash flow of financial instruments will fluctuate because of changes in the foreign exchange rates. Currency risks are hedged by way of natural hedged between foreign currency inflows and outflows as well as by considering derivative option.

#### Exposure to currency risk

The company's exposure to foreign currency risk as at the 31 March 2019, 31 March 2018 expressed are as follows:

	31 March 2019	31 March 2019	31 March 2019
	USD	EURO	Others*
<b>Financial assets</b>			
Cash and cash equivalents	1,682	404	12,871
Loans and advances	87	-	398
Trade and other receivables	19,381	14,048	17,598
Other financial assets	151,089	46	(973)
	172,239	14,498	29,894
<b>Financial liabilities</b>			
Finance lease obligation	152,464	-	-
Long term borrowings	217,249	-	-
Interest Accrued but Not Due on Borrowings	909	-	-
Trade and other payables	694,008	34,253	45,602
Other Financial liabilities	(23,131)	(4,414)	(6,173)
	1,041,499	29,839	(16,126)

	31 March 2018	31 March 2018	31 March 2018
	USD	EURO	Others*
<b>Financial assets</b>			
Cash and cash equivalents	10,707	1,596	12,610
Loans and advances	85	-	327
Trade and other receivables	11,504	16,763	51,759
Other financial assets	70,056	47	648
	92,352	18,406	65,344
<b>Financial liabilities</b>			
Finance lease obligation	205,413	-	-
Long term borrowings	342,804	-	-
Interest Accrued but Not Due on Borrowings	923	-	-
Trade and other payables	349,521	19,515	35,253
Other Financial liabilities	1,180	96	729
	899,841	19,611	35,982

\* Others include mainly AED, GBP, HKD

#### Sensitivity analysis

The impact of a possible strengthening/weakening of the Indian Rupee against below currencies as at 31 March which would affect the measurement of financial instruments denominated in foreign currency and equity and profit or loss are given in the table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.



## Jet Airways (India) Limited

Particulars Effect	Profit or loss	
	Weakening	Strengthening
For the year ended 31 March 2019		
1% movement		
USD	(8,693)	8,693
EUR	(153)	153
Others	460	(460)
	(8,386)	8,386
For the year ended 31 March 2018		
1% movement		
USD	(8,075)	8,075
EUR	(12)	12
Others	294	(294)
	(7,793)	7,793

### Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

### Exposure to interest rate risk

Company's interest rate risk arises mainly from borrowings and finance lease obligations carrying floating interest rate of interest. These obligations expose to cash flow interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

	As at 31 March 2019	As at 31 March 2018
<b>Fixed-rate instruments</b>		
Financial assets	90,576	109,078
Financial liabilities	72,931	72,023
	163,507	181,101
<b>Variable-rate instruments</b>		
Financial liabilities	695,483	768,428
	695,483	768,428
<b>Total</b>	<b>858,990</b>	<b>949,529</b>

### Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Profit or loss	
	50 bp increase	50 bp decrease
<b>31 March 2019</b>		
Variable-rate instruments	(3,477)	3,477
Cash flow sensitivity	(3,477)	3,477
<b>31 March 2018</b>		
Variable-rate instruments	(3,842)	3,842
Cash flow sensitivity	(3,842)	3,842



### NOTE 44: CAPITAL MANAGEMENT

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company's objective for capital management is to manage its capital to safeguard its ability to continue as a going concern, to provide returns to its shareholders, benefits to its other stakeholders and to support the growth of the Company. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investors, creditors and market confidence. The funding requirements are met through operating cash and working capital facilities availed from the banks.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Total equity comprises all components of equity.



## Jet Airways (India) Limited

The Company's adjusted net debt to equity ratio as at 31 March 2019 is as follows.

Security Deposit	As at 31 March 2019	As at 31 March 2018
Non-Current Borrowings	76,526	508,556
Current Borrowings	691,888	331,759
<b>Gross Debt</b>	<b>768,414</b>	<b>840,315</b>
Less: Cash and cash equivalent	20,393	32,050
Less: Other Bank Deposits	-	-
Less: Current Investments	-	-
<b>Adjusted net debt</b>	<b>748,021</b>	<b>808,265</b>
<b>Total Equity</b>	<b>(1,269,539)</b>	<b>(724,200)</b>

\*Adjusted Net debt to equity ratio is not calculated as the total equity value are (-) ve.

This note should be read together with Note 1 and Note 2, about commencement of CIRP. As of 31st March 2019, the company has defaulted on the borrowings. Refer note 26.

### NOTE 45: CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

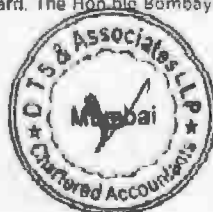
Security Deposit	As at 31 March 2019	As at 31 March 2018
<b>A. Contingent liabilities</b>		
<b>a. Guarantees *</b>		
i. Letters of Credit Outstanding	151,93	312,218
ii. Bank Guarantees outstanding	138,721	127,686
iii. Corporate Guarantee given to Banks and Financial Institutions against credit facilities and to Lessors/ service provider against financial obligations extended to Subsidiary Company.		
- Amount of Guarantee	24,036	17,678
- Outstanding Amounts against the Guarantee	24,036	17,678
<b>b. Claims against the Company not acknowledged as debt **</b>		
i. Service Tax demands in appeals	274,572	122,696
ii. Fringe Benefit Tax demand in appeals	142	142
iii. Pending Civil and Consumer Suits	20,319	12,389
iv. Inland Air Travel Tax demands under appeal	426	426
Amount deposited with the Authorities for the above demands	105	105
v. Customs	7,977	3,010
vi. Income tax demands in appeal	4,576	8,952
vii. Employee State Insurance Corporation	2,999	2,999
viii. IGST paid under Protest (Refer note 10)	39,500	21,134

\*As on 15 June 2020, company had outstanding letter of credit of ₹ 8,664 lakh, company had outstanding bank guarantee of ₹ 254 lakh. The lessors have already taken possession of the aircraft with Jetlite against which the company had provided the corporate guarantee of INR 24,036 lakhs, this guarantee is no longer valid.

\*\*As per the latest list of creditors (version 6- updated as on 13 March 2020) company has received claim amounting to ₹ 12,337 lakhs from tax authorities and ₹ 2,441 lakh from Employee Provident fund authorities. These claims received from the statutory authorities will be dealt as per the provisions of Insolvency and Bankruptcy code, 2016.

k The Company is in receipt of favourable orders in relation to certain service tax, income tax, customs and octroi demands. However, respective tax departments have preferred an appeal against these orders before higher appellate authorities. The amounts involved (excluding interest and penalty thereon, if any, not included in such demands) in these appeals as on 31 March 2019, with respect to service tax, income tax (including FBT), customs and octroi aggregating to ₹ 202,714 Lakhs (31 March 2018: ₹ 202,714 Lakhs), ₹ 14,973 Lakhs (31 March 2018 ₹ 14,917 Lakhs), Nil, (31 March 2018: ₹ 5 Lakhs) and ₹ 2,899 Lakhs (31 March 2018: ₹ 2,899 Lakhs) respectively are not included above as there is no outstanding demand in relation to the same.

x 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 Sahara India Commercial Corporation Limited (SICCL) in four equal interest free instalments by 30 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



## Jet Airways (India) Limited

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 ₹ 1,643 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 immoveable assets and properties in any manner other than in the normal course of the business, stood 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 Hon'ble Supreme Court. The Hon'ble Supreme Court directed the parties to file the Counter and Rejoinder which has since been filed. The Hon'ble 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. The SLPs are still pending to be heard.

- xi Note: The Company is a party to various legal proceedings in the normal course of business and does not expect the outcome of these proceedings to have any adverse effect on its financial conditions, results of operations or cash flows. Further, claims by parties in respect of which the Management have been legally advised that the same are frivolous and not tenable, have not been considered as contingent liabilities as the possibility of an outflow of resources embodying economic benefit is highly remote. (Refer Note 52 and Note 53)
- xii In view of company's admission under CIRP all existing civil legal proceeding will be kept in abeyance.

### B. Commitments

Estimated amount of Contracts remaining to be executed on capital account (net of advances), not recognised as liabilities are as follows:

Particulars	As at 31 March 2019	As at 31 March 2018
Property, Plant and Equipment (Refer note below)*	427	5,250,913
<b>TOTAL</b>	<b>427</b>	<b>5,250,913</b>

For the commitment relating to Lease arrangement refer note 41.

\* The above commitments does not include commitments as stated in financial statements as of 31 March 2018, towards purchase of aircraft agreements entered with Airbus S.A.S (Airbus) for purchase of A330 aircraft and with Boeing for purchase of B737 aircraft for the reasons mentioned herein. These contracts are related to future commitments of the company to purchase aircraft as per purchase agreements entered with Airbus S.A.S (Airbus) for purchase of A330 aircraft and with Boeing for purchase of B737 aircraft, for value of Rs. 54,98,539 lakh as on 31 March 2019. Airbus terminated the A330 purchase agreement on 30 April 2019. The company paid an advance of INR 50,011 Lakh to Boeing under the agreement for purchase of 225 aircraft of Boeing 737. Boeing B737 aircraft were grounded worldwide due to technical issues from March 2019 onwards, before the scheduled delivery of the aircraft under the purchase agreement as the company defaulted in its repayments, further Boeing vide letter dated 22 May 2019 has suspended the agreement, the company is in process of taking further steps to safeguard the interest of the company with respect to the agreement for purchase of 225 aircraft of Boeing 737.

### NOTE 46: SEGMENT REPORTING

#### A. Factors used to identify the entity's reportable segments, including the basis of organisation

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The principal activities of the Company comprise scheduled Air Transportation, which includes carriage of passenger and cargo in Domestic and International sectors.

Accordingly, the Company has two reportable segments as follows:

- Domestic (within India)
- International (outside India)



## Jet Airways (India) Limited

### Segment revenue and expenses:

Revenue and expenses directly attributable to segments are reported based on items that are individually identifiable to that segment, while the remainder of the expenses are categorized as unallocated which are mainly employee remuneration and benefits, other selling and distribution expenses, other expenses, aircraft and engine lease rentals, depreciation / amortisation and finance cost, since these are not specifically allocable to specific segments as the underlying assets / services are used interchangeably. The Company believes that it is not practical to provide segment disclosures relating to these revenue and expenses, and accordingly these expenses are separately disclosed as "unallocated" and directly charged against total revenues

### Segment assets and liabilities:

Assets and liabilities used in the Company's business are not identified to any of the reportable segment as these are used interchangeably between segments. Accordingly, no disclosure relating to total segment assets and liabilities are made.

### B. Information about reportable segments

Particulars	2018-19	2017-18
<b>Revenue</b>		
(Primarily Passenger, Cargo, Excess Baggage and Leasing of Aircraft)		
Domestic	931,440	1,038,037
International	1,374,301	1,290,616
<b>Total</b>	<b>2,305,741</b>	<b>2,328,653</b>
<b>Segment Results</b>		
Domestic	462,661	601,402
International	681,223	708,803
<b>Total</b>	<b>1,143,884</b>	<b>1,310,205</b>
<b>Less:</b>		
Finance Cost	(98,163)	(84,286)
Depreciation and amortization	(44,223)	(62,057)
Other unallocable expenses	(1,580,743)	(1,307,808)
<b>Add:</b>		
Other unallocable revenue	25,670	67,184
<b>(Loss)/Profit before tax</b>	<b>(553,575)</b>	<b>(76,762)</b>
<b>Add/Less:</b>		
Tax expense	-	-
<b>(Loss)/Profit After Tax</b>	<b>(553,575)</b>	<b>(76,762)</b>

### C. Information about major customers

No single customer contributes more than 10% or more of total revenue

### D. Entity wide disclosure

Revenue from external customers	2018-19	2017-18
India	931,440	1,038,037
Asia	710,696	786,652
Europe & Americas	660,039	500,322
Other International Points (including leasing income)	3,566	3,642
<b>Total</b>	<b>2,305,741</b>	<b>2,328,653</b>

International revenue from Overseas point is attributed to the geographical area in which the respective overseas points are located. Other operating revenue is reported based upon the geographical area in which sales are made or services are rendered.





## Jet Airways (India) Limited

### NOTE 47: RELATED PARTY RELATIONSHIPS, TRANSACTIONS AND BALANCES

In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2016 and Companies (Indian Accounting Standards) Amendment Rules, 2017 the required disclosures are given in the table below:

#### List of Related Parties with whom transactions have taken place and Relationships

Sr. No	Name of the Related Party	Nature of Relationship
1.	Naresh Goyal (ceased to be chairman w.e.f. 25 March 2019)	Non-Executive Chairman and Controlling Shareholder of the Company
2.	Etihad Airways PJSC	Enterprise exercising Significant Influence over the Company.
3.	Jet Lite (India) Limited	Wholly Owned Subsidiary Company
4.	Airjet Engineering Services Limited	
5.	Airjet Security and Allied Services Limited	
6.	Airjet Ground Services Limited	
7.	Airjet Training Services Limited	
8.	Jet Privilege Private Limited	Associate Company
9.	Anita Goyal (ceased w.e.f. 25 March 2019)	Relatives of Non-Executive Chairman and controlling shareholder
10.	Nivaan Goyal	
11.	Namrata Goyal	
12.	Gaurang Shetty (ceased w.e.f. 23 April 2019)	Whole-time Director
13.	Jetair Private Limited	Enterprise over which controlling shareholder and his relatives are able to exercise significant influence directly or indirectly.
14.	Kevin Knight (ceased w.e.f. 25 March 2019)	Non-Executive Director
15.	Harsh Mohan (ceased w.e.f. 30 November 2018)	Non-Executive Director
16.	Srinivasan Vishvanathan (ceased to be independent director w.e.f. 09 August 2018)	Non-Executive Director
17.	Vikram Mehta (ceased to be independent director w.e.f. 09 November 2018)	Non-Executive Director
18.	Rajshree Pathy (ceased to be independent director w.e.f. 13 April 2019)	Non-Executive Director
19.	James Reginald Hogan (ceased w.e.f. 7 December 2017)	Non-Executive Director
20.	James Denis Rigney (ceased w.e.f. 12 September 2017)	Non-Executive Director
21.	Javed Akhtar (ceased w.e.f. 30 May 2017)	Independent Director
22.	Dinesh Kumar Mittal (ceased w.e.f. 29 January 2018)	Independent Director
23.	Vinay Dubey (ceased w.e.f. 14 May 2019)	Chief Executive Officer (CEO)
24.	Amit Agarwal (ceased w.e.f. 13 May 2019)	Deputy Chief Executive Officer and Chief Financial Officer (Dy. CEO & CFO)
25.	Mr. Ashok Chawla (11 April 2018 to 17 June 2019)	Independent Director
26.	Dr. Nasim Zaidi (23 May 2018 to 21 April 2019)	Non-Executive Director
27.	Mr. Sharad Sharma (05 September 2018 to 17 June 2019)	Independent Director
28.	Mr. Robin Kamark (01 December 2018 to 16 May 2019)	Non-Executive Director
29.	Ranjan Mathai (Ceased to be independent director w.e.f. 22 November 2018)	Independent Director

\*Company has not received certain disclosure from the director of the company, for the year 2018-19, that are mandatory for compliance with Companies Act 2013.



**Jet Airways (India) Limited**

	Particulars	2018-19	2017-18
<b>A.</b>	<b>Subsidiary Companies</b>		
<b>a.</b>	<b>Jet Lite (India) Limited :</b>		
	<b>Transactions during the year :</b>		
i.	Other Hire Charges received	389	142
ii.	(Increase) / Decrease in Corporate Guarantee given by the Company on behalf of the Subsidiary Company	(6358)	(1,237)
iii.	Decrease in Corporate Guarantee given by Subsidiary Company on behalf of the Company	43,266	45,112
iv.	Interest Income	270	58
v.	Interline Billing (Net)	112,886	135,089
vi.	Interline Service Charges Received	6,690	8,697
vii.	Interline Service Charges Paid	7	8
viii.	Sale of Engine	-	324
ix.	Loan Given	119,881	133,742
x.	Loan Received back / Adjusted	120,729	128,723
xi.	Provision for Diminution in Value of Investment / Advance	4,362	4,596
	<b>Closing Balance as on 31 March</b>		
1.	Loan and Advances Given (Net of Provision ₹ 239,990 Lakhs for 31 March 2019 (₹ 240,838 Lakhs 31 March 2018))	-	-
2.	Investments in Equity (Net of Provision ₹ 165,755 Lakhs (₹ 165,755 Lakhs 31 March 2018))	-	-
3.	Interest Receivable	-	30
4.	Corporate Guarantee by Company on behalf of Subsidiary Company*	24,036	17,678
5.	Corporate Guarantee given by Subsidiary Company on behalf of the Company #	23,402	66,668
	<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
<b>b.</b>	<b>Airjet Ground Services Limited</b>		
	1) Loan and Advances Repaid	-	2
	2) Investments in Equity (Net off provision ₹ 50 Lakhs)	-	-
	<b>Closing Balance as on 31 March</b>	-	50
	<b>Transactions during the year:</b>		
<b>a.</b>	Provision of Diminution in value of investment	50	
<b>c.</b>	<b>Airjet Engineering Services Limited</b>		
	1) Investment in equity share capital (10,000 shares of 10/- each)	-	1
	2) Investments in Equity ( Net off provision ₹ 1 Lakh)	-	-
	<b>Closing Balance as on 31 March</b>	-	1
	<b>Transactions during the year:</b>		
<b>a.</b>	Provision of Diminution in value of investment	1	
<b>d.</b>	<b>Airjet Security and Allied Services Limited</b>		
	1) Investment in equity share capital (10,000 shares of 10/- each)	-	1
	2) Investments in Equity ( Net off provision ₹ 1 Lakh)	-	-
	<b>Closing Balance as on 31 March</b>	-	1
	<b>Transactions during the year:</b>		
<b>a.</b>	Provision of Diminution in value of investment	1	
<b>e.</b>	<b>Airjet Training Services Limited</b>		
	1. Investment in equity share capital (10,000 shares of 10/- each)	-	1
	2. Investments in Equity ( Net off provision ₹ 1 Lakh)	-	-
	<b>Closing Balance as on 31 March</b>	-	1
	<b>Transactions during the year:</b>		
	Provision of Diminution in value of Investment	1	

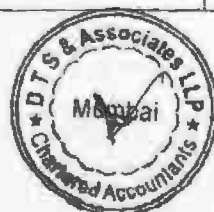
\* Closing Balance of Corporate Guarantee given by Jet Airways (India) Limited represents utilised amount against total guarantee amount of ₹ 24,036 Lakhs (₹ 17,678 Lakhs 31 March 2018).



# Jet Airways (India) Limited

# Closing Balance of Corporate Guarantee given by Subsidiary Company on behalf of Company as at 31 March 2019, represents utilised amount against total guarantee amount of ₹ 492,654 Lakhs (₹ 464,300 Lakhs 31 March 2018). Equivalent to USD 7 124 Lakhs (USD 7,124 Lakhs 31 March 2018).

Particulars	2018-19	2017-18
<b>B. Associate Company</b>		
<b>a. Jet Privilege Private Limited:</b>		
Transactions during the year:		
1. Marketing Services Received – Expense	1,237	1,521
2. Reimbursement of Expenses Received	121	61
3. Sale of Tickets (Net of discount of ₹ 9,601 Lakhs (₹ 9,337 Lakhs 31 March 2018))	19,261	14,557
4. Reimbursement of Expenses	53	-
5. Miles Purchased Expense	37,071	36,345
6. Service Rendered Income	974	1,280
7. Handling Charges Income	1,597	592
8. Advance taken during the year	53,122	-
Closing Balance as on 31 March		
1. Advance Received	55,054	5,764
2. Trade Payable	14,037	3,446
3. Trade Receivables *(₹ 341)	*	-
4. Investments in Equity Shares	69,522	69,522
<b>C. Non-Executive Chairman and controlling Shareholder</b>		
<b>Naresh Goyal</b>		
Share capital	5,793	5,793
<b>D. Remuneration includes remuneration to</b>		
<b>a. Relatives of Non-Executive Chairman and controlling shareholder of Holding Company</b>		
<b>Anita Goyal:</b>		
Directors' sitting fees	3	4
Share Capital	0.1	0.1
<b>Namrata Goyal</b>	23	22
<b>Nivaan Goyal</b>	19	18
<b>b. Whole time Director</b>		
<b>Gaurang Shetty</b>	224	224
<b>c. Chief Executive Officer (CEO)</b>		
<b>Vinay Dube:</b>		
Salary & Perquisites	1,142	1,018
<b>d. Deputy Chief Executive Officer and Chief Financial Officer (Dy. CEO &amp; CFO)</b>		
<b>Amit Agarwal</b>	505	577
<b>e. Enterprise over which controlling shareholder and his relatives are able to exercise significant influence</b>		
<b>Jetair Private Limited</b>		
Transactions during the Year		
Commission	6,874	7,647
Rent Paid	203	200
Reimbursement of Expenses Paid (Staff Costs, Communication Costs etc.)	19	14
Rent Received	3	4
Other Expenses Recovered income	-	2
Deposit Refunded	-	1
Closing Bal as on 31 March		
Deposits for Leased Premises	159	148
Trade Receivables	3	-
Trade Payables	8,642	5,687



## Jet Airways (India) Limited

f.	Enterprise exercising significant influence over the Company		
	<b>Etihad Airways PJSC :</b>		
	<b>Transactions during the year:</b>		
1)	Interline Billing (Net)	1,535	12,322
2)	Miles Accrual income	2,843	2,975
3)	Redeemable miles expense	346	252
4)	Airworthiness Management, Security and other service income	1,982	2,451
5)	Purchase of Parts	-	70
6)	Aircraft lease Rental income	5,779	5,301
7)	Interline Service Charges Received	831	1,994
8)	Lease Rent – Slot	3,650	3,580
9)	Technical, Handling, Lounge and other Services etc	696	1,650
10)	Reimbursement of Expenses Received	232	190
11)	Load and trim Income	-	19
12)	Interline Service Charges Paid	801	1,471
13)	Reimbursement of Expenses Paid	5,520	7,230
14)	Lease charges (expense)	-	117
15)	Sale of parts	-	2
16)	Aircraft Maintenance	9	-
	<b>Closing Balance as on 31 March</b>		
1)	Trade Receivable	3,734	3,380
2)	Trade Payable	2,166	481
3)	Share Capital	2,727	2,727
4)	Corporate Guarantee given on behalf of the Company	96,817	91,245
5)	Advance and Deposit Received	892	841

### Independent Director sitting fees

Name of Director	2018-19	2017-18
Vikram Mehta	19	15
Srinivasan Vishvanathan	11	14
Ranjan Mathai	15	10
Rajshree Pathy	10	8
Dinesh Kumar Mittal	-	5
Anita Goyal	3	-
Sharad Sharma	10	-
Dr. Nasaim Zaidi	11	-
Ashok Chawla	21	-
<b>TOTAL</b>	<b>100</b>	<b>52</b>

### Loans to subsidiaries

Loan of ₹ Nil (Net of provision ₹ 239,990 Lakhs 31 March 2019; ₹ 240,838 Lakhs 31 March 2018) is a loan given to the Subsidiary Company to support its operations and is repayable in March 2020.

### Terms and conditions of transactions with related parties

All transactions with related party are made on the terms equivalent to those that prevail in the firm's length transactions and within the ordinary course of business. Outstanding balances at the year-end are unsecured and settlement occurs in cash.



NOTE 48: ADDITIONAL DISCLOSURES

Particulars	For the year 2019	For the year 2018
<b>C.I.F. Value of Imports :</b>		
Components and Spares	11,108	13,519
Capital Goods	12,299	31,223
<b>TOTAL</b>	<b>23,407</b>	<b>44,742</b>
<b>Earnings in Foreign Currency :</b>		
Passenger and Cargo Revenue (Including excess baggage and cancellation charges)	1,014,991	958,343
Leasing Operations	3,468	3,328
Other Operating and Non-operating Income	27,252	31,923
<b>TOTAL</b>	<b>1,045,711</b>	<b>993,594</b>
<b>Expenditure in Foreign Currency :</b>		
Employee Remuneration and Benefits	10,445	10,547
Aircraft Fuel Expenses	254,570	199,307
Aircraft Maintenance	217,445	215,792
Selling and Distribution Expenses	175,406	175,406
Other Operating Expenses	400,288	309,187
Aircraft / Engine Lease Rentals	274,423	231,621
Lease Rentals-Slot	4,729	3,932
Finance Cost	28,505	26,870
<b>TOTAL</b>	<b>1,365,811</b>	<b>1,172,662</b>

A. Value of Components and Spare Parts Consumed

Particulars	For the year 2019		For the year 2018	
	₹ in Lakhs	%	₹ in Lakhs	%
- Imported	16,812	92.40	12,503	86.55
- Indigenous	1,384	7.60	1,943	13.45
<b>TOTAL</b>	<b>18,196</b>	<b>100</b>	<b>14,446</b>	<b>100</b>



49. MERGER WITH JETLITE (INDIA) LIMITED

The Board of Directors at its meeting held on 2 September 2015 had approved a scheme of merger of Jet Lite (India) Limited, a wholly-owned subsidiary, with the Company ("The Scheme") as per the provisions of Section 391 to 394 of the Companies Act 1956, subject to receipt of requisite approvals. The appointed date, per the terms of the Scheme was 1 April 2015. The Scheme was approved by the Shareholders and Creditors of both the Companies on 22 April 2016. The Hon'ble Bombay High Court had also approved "The Scheme" on 20 October 2016. The Company was awaiting the approval of Ministry of Civil Aviation to "The Scheme".

The Ministry of Civil Aviation has communicated vide their letter dated 24 April 2018 that "The Scheme" has not been approved. Accordingly, "The Scheme" stands revoked, cancelled and had no effect on the financial statements of the Company for the year ended 31 March 2018.

50. Other income

Other Income for the year ended 31 March 2018 includes gain of ₹ 30,449 Lakhs consequent upon the satisfaction of the terms and conditions underlying the agreement for the transfer of 'Jet Privilege Frequent Flyer Programme' (JPFFP) undertaking to Jet Privilege Private Limited (JPPL) on 21 April 2014 as a going concern on a slump sale basis.

51. IND AS 115 Impact

The impact of transition to Ind AS 115 on retained earnings (cumulative effect of contract other than completed contract) as on 1 April, 2018 is ₹ 8,513 lakhs. It represents:

- Recognition of revenue for ancillary services such as modification charges, convenience charges, etc. relating to air transport services upon flown basis which were earlier recognised as revenue on rendering of said service under Ind AS 18 on the basis of transition date, and
- Recognising the expected breakage amount as revenue in proportion to the pattern of rights exercised by the passengers which were recognised upon flown basis under Ind AS 18
- Recognition of some selling and distribution expenses matching to recognition of revenue i.e. on flown basis which were earlier recognised as expense on avallment of such services under Ind AS 18 on the basis of transition date



**Impact of Contract balances under IND AS 115**

Trade receivables are generally unsecured and are derived from revenue earned from customers which are primarily located in India and outside India and also includes receivables from credit card companies (included in security deposit Note no 15). Trade receivables are realizable within a period 2 to 7 working days in the normal circumstances, however as the company is undergoing CIRP, the amount of realization is under dispute or under verification.

Contract liability comprised of consideration from sale of tickets not yet flown, reported as Forward Sales is disclosed under other current liabilities.

Below tables provides particulars where contractual revenue or cashflows arise:

Particulars	31 March 2019
Trade receivables (Refer Note No.12)	41,711
Security deposit (Refer Note No.15)	52,200
Forward sales (Refer Note No. 18)	2,84,651

**52. Going concern**

The Company has incurred losses during the year and has negative net worth as at 31 March 2019 that may create uncertainties. Operations of the Company were temporarily suspended from 18 April 2019, the aircraft under operating lease arrangement were returned back to the respective lessors, currently the Company does not possess any aircraft under operating lease arrangement.

As mentioned in note 1 above, subsequent to year end, upon an application filed by State Bank of India, Company was admitted to Corporate Insolvency Resolution Process (CIRP) by Order of Hon'ble National Company Law Tribunal (NCLT), Mumbai dated 20 June 2019. Upon commencement of CIRP, the powers of the Board of Directors of the Company stand suspended and management of Company / corporate debtor vest in the Interim Resolution Professional/ Resolution Professional. The interim resolution professional/ Resolution Professional (RP) is expected to make every endeavour to protect and preserve the value of the property of the corporate debtor and manage the operations of the corporate debtor as a going concern. RP is expected to conduct the CIRP, invite claims from various creditors of the Company by way of public announcement and also invite prospective resolution applicants to submit Resolution Plans. To conduct the CIRP and to preserve and protect the value of assets of the Company, Resolution Professional has put together the Asset preservation team comprising of certain employees of the Company. Further the RP has initiated various measures to take custody and control of the company's asset and for recovery of the Company's assets where it is in possession of third party. As per requirements of the 'Code' and 'CIRP Regulations' Resolution Professional has invited expression of Interest (Eoi) from prospective Resolution Applicants (PRAs) to submit the Resolution Plan for the Company. 270 days of CIRP were completed on 31 March 2020, however, considering reasons as discussed in the 9th meeting of the CoC on 12 March 2020, the hon'ble NCLT, vide its Order dated 18 March 2020, had allowed further extension of the CIRP period until 13 June 2020. Timelines to submit Eoi were extended as approved by Committee of Creditors (CoC) on the basis of interest expressed by interested PRAs. Last date to submit Resolution Plan as per fourth round of Eoi was on 28 May 2020, and the Resolution Professional has declared the final list of resolution Applicants on 13 June 2020. The last date for submission of resolution plan was 11 July 2020, which has been extended further until 21 July 2020. Further as per the direction of the Hon'ble Supreme Court via order dated 23 March 2020 and thereafter the Hon'ble NCLAT order dated 30 March 2020, the period lost on account of COVID19 Lockdown will be excluded from the ongoing CIRP timeline, for all companies under CIRP. Resolution plans have been received from two resolution applicants on 21 July 2020, which are currently under evaluation. Pending outcome of the CIRP, financial statements of the Company have been prepared on going concern basis.

53. As mentioned in note 52 above, the Company was admitted under Corporate Insolvency Resolution Process vide Order of Hon'ble NCLT dated 20 June 2019. As part of the Corporate Insolvency Resolution Process, creditors of the company were called upon to submit their claims to the resolution professional (RP) in terms of the applicable provisions of the Insolvency and Bankruptcy Code, 2016 (IBC). Claims submitted by creditors are being compiled and verified by the RP and updated status is uploaded on the website of the company. Based on the last updated list of creditors (Version 6) a summary is provided as under.

Sl No.	Category of Creditor	Summary of Claim Received		Summary of Claim Admitted	
		No. of Claims	In INR (Lakhs)	No. of Claims	In INR (Lakhs)
1	Financial Creditor - Banking, Financial Institution & Other	38	1,122,930	33	823,206
2	Operational Creditor (Other than Workmen and Employees)	5,955	2,355,249	5,700	656,844
3	Operational Creditor (Only Workmen and Employees)	2,558	-	2,518	-
4	Authorized Representative of Workmen and Employees	11,532	84,480	11,530	81,195
5	Other Creditors (Other than Financial Creditors and Operational Creditors)	457	111,697	434	269
6	Operational Creditors Claim filed by Dutch Administrator	80	7,786	69	4,935



## Jet Airways (India) Limited

The order dated 20 June 2019 imposes moratorium, in accordance with Section 14 of the Code, and no interest is serviced during the CIRP period on the loan outstanding as of the CIRP commencement date. The amount of claim admitted by the RP may be different than the amount reflecting in the financial statements of the Company as on 31 March 2019. Pending final outcome of the CIRP, no adjustment has been made in these financial statements for the differential amount, if any.

### 54. Particulars of loans, guarantees or investments under Section 186

The operation of the company is classified as "infrastructure facilities" as defined under schedule VI to the Act. Accordingly, the disclosure requirements specified in sub section 4 of section 186 of the Act in respect of loan given, guarantee given or security provided and the related disclosures on purpose/utilization by recipient companies, are not applicable to the Company. Investments are disclosed under note 7. Disclosure required by clause 34 (3) and 53 (f) of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 are as under

Name of the Entity/ Nature of Relationship	Particulars	As at 31 March 2019	As at 31 March 2018	Maximum Balance during March 2019	Maximum Balance during March 2018
Jet Lite (India) Limited (Wholly owned Subsidiary Company)	Loans and Advances	239,990	240,838	249,724	249,724
	Less: Provision for Doubtful advances	(239,990)	(240,838)	-	-
	<b>Net Loans and Advances</b>	-	-	-	-
	Investment	165,755	165,755	165,755	165,755
	Less: Provision for diminution in value of investment	(165,755)	(165,755)	-	-
	<b>Net Investment</b>	-	-	-	-
Jet Airways Training Academy Private Limited- (Wholly owned Subsidiary Company)	Loans and Advances	-	-	-	-
	Less: Provision for Doubtful advances	-	-	-	-
	<b>Net Loans and Advances</b>	-	-	-	-
	Investment	1	1	-	-
	Less: Provision for diminution in value of investment	(1)	-	1	1
	<b>Net Investment</b>	-	1	-	-
Airjet Ground Services Limited (Wholly owned Subsidiary)	Loans and Advances	-	-	-	2
	Less: Provision for Doubtful advances	-	-	-	-
	<b>Net Loans and Advances</b>	-	-	-	-
	Investment	50	50	50	50
	Less: Provision for diminution in value of investment	(50)	-	-	-
	<b>Net Investment</b>	-	50	-	-
Airjet Engineering Services Limited (Wholly owned Subsidiary)	Investment	1	1	1	1
	Less: Provision for diminution in value of investment	(1)	-	-	-
	<b>Net Investment</b>	-	1	-	-
Airjet Security and Allied Services Limited (Wholly owned Subsidiary)	Investment	1	1	1	1
	Less: Provision for diminution in value of investment	(1)	-	-	-
	<b>Net Investment</b>	-	1	-	-
Airjet Training Services Limited (Wholly owned Subsidiary)	Investment	1	1	1	1
	Less: Provision for diminution in value of investment	(1)	-	-	-
	<b>Net Investment</b>	-	1	-	-





**55. Contribution Receivable from Lessor/Future Claim Receivable**

The Company has entered into "Power by the Hour" (PBTH) Engine Maintenance agreements with a Service providers for its Next Generation Boeing 737 Aircraft fleet, ATR Aircraft and Boeing 777 Aircraft fleet for future engine shop visits. Subsequent to such arrangements, the Company expenses out the cost of PBTH at the rate specified in the contract with the service provider to the Statement of Profit and Loss and treats the variable rentals paid to the Lessors as 'Future Claim Receivables' to the extent considered good of recovery for set off against future claims reimbursable by the Lessors on each engine shop visit. In cases where the Company has already incurred maintenance expenses and filed a claim with the lessor the same has been re-categorized from 'future claim/ contribution receivable from lessor' to 'claim receivables from lessors' and remaining amount is continued to be retained and classified as 'Future Claim Receivable/ Contribution Receivable from Lessor'. However, due to expiry of the PBTH Engine Maintenance Agreement with the maintenance service providers as on 31 December 2018 and subsequent failure of negotiations to extend the tenure of the agreement till 31 March 2019 the 'contribution receivable from lessor' have been considered as non recoverable and has been provided for as on 31 March 2019. In the case of 'claim receivables from lessors' provision has been made to the extent where the company has not filed a claim for repair expenses with the lessor. Further due to commencement of CIRP, subsequent to year end, Lessors have submitted the claims to Resolution Professional for outstanding lease rentals and other incidental expenses. These claims received from the lessor will be dealt as per the provisions of Insolvency and Bankruptcy code, 2016 and depending upon terms of agreements, subsequent to year end, Claims of Vendor received during CIRP have been either adjusted against the claim and/or remaining amount has been considered as not recoverable, resulting into Nil balance receivable on account of 'Claim receivable from lessor'.

**56. Investment in Jet Privilege Private Limited (JPPL)**

External valuation for JPPL has not been conducted in the current year as the business plan for JPPL is in a flux given substantial dependency on the outcome of the IBC proceeding of Jet Airways (India) Ltd. Due to suspension of operation of Jet Airways in April 2019, there has been a reduction in revenue of JPPL. Based on assessment of JPPL's management, they are in the process of developing alternate channels and new line of business from which JPPL's reward program could grow. However, considering significant uncertainty in the future projections about revenue of JPPL, it was not feasible to determine impact of impairment if any for Company's investment in JPPL as included in note no 7 of these financial statements.

57. Due to suspension of operations, pending outcome of the CIRP and significant uncertainty about future economic outlook of the aviation industry, it is not feasible to determine the amount of impairment, if any, which would have been required to be done in the net book value of the Aircraft, engines and spare parts classified as tangible assets and intangible assets in 'Property, Plant & Equipment' in note 4 and note 6 of these financial statements. Also Subsequent to the year end, due to suspension of the operations by the Company, inventory to the value of Rs.18,270 lakh which is in possession of third party, have been adjusted by vendors against their dues. These adjustments by the vendors will be dealt/contested as per the provisions of Insolvency and Bankruptcy code, 2016, further since these adjustment took place due to suspension of operations by the Company subsequent to the year end, no adjustment of the same has been considered in these financial statements.

58. The Committee of Creditors of the company in its 10th meeting held on 24 April 2020, passed a resolution for sale of the Immovable Property and distribution of the sale proceeds thereof ("Resolution"), on the conditions and in the manner stated in the Resolution. The Mortgagee granted its consent for sale of the Immovable Property, subject to the conditions set out in the Resolution. The Hon'ble NCLT, by and under its order dated 11 June 2020 has granted consent for sale of the Immovable Property and distribution of proceeds thereof. The Resolution Professional has accordingly initiated necessary steps for the sale of this property. The sale has been concluded on July 13, 2020 and further action with respect to closure of transactions are under progress.

**59. LC's Invoked by Vendor/Lessor – Advance to Vendor**

The Letter of Credit's provided as advance to vendor's that have been invoked by the vendor or lessor before March 31, 2019 of USD 24,646,293.50 (Approx. ₹ 17,044 Lakhs) is included as advance to vendor in the books of the company as of March 31, 2019. These lessors have also submitted claim under CIRP. Pending outcome of the CIRP no adjustment to such amount classified as advance to vendor, has been carried out in these financial statements.

**60. LC's Invoked by Vendor/Lessor – Security deposit**

The Letter of Credit's provided as security deposit to vendor's that have been invoked by the vendor or lessor before March 31, 2019 of USD 94,513,955.63 (Approx. ₹ 65,361 Lakhs) is included as security deposit in the books of the company as of March 31. These vendors or lessors have also submitted claim under CIRP. Pending outcome of the CIRP no adjustment to such amount classified as security deposit, has been carried out in these financial statements.

**61. Regulatory Enquiries/ Investigation Audit by Lenders**

Subsequent to year end, Company has received regulatory enquiries/notices/summons from various Government Authorities like Serious Fraud Investigation Office (SFIO), Enforcement Directorate (ED), GST Mumbai and Income Tax Department and lenders also have initiated investigation audit. Pending outcome of the ongoing investigations/enquiries, no impact of the same has been considered in these financial statements as of now.





## Jet Airways (India) Limited

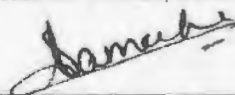
62. Due to resignation and or non-availability of senior personnel of Company and process owner, it was not feasible or practical to provide requisite information for assessment of internal financial control relating to transactions for financial year 2018-19 which pertains to the period prior to appointment of Resolution Professional (To be read in consonance with Note 1).

### 63. Other information

- i. Information with regard to other matters, as required under schedule III to the act is disclosed to the extent applicable to the Company for the financial year.
- ii. The liabilities and assets for the period under review is classified as a "Current" wherever considered appropriate, as the Company has been admitted into the Corporate Insolvency Resolution Process by order of NCLT as on 20 June 2019.
- iii. Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our attached report of even date

For D T S & Associates LLP  
Chartered Accountants  
Firm's Registration No: 142412W/W100595



Saurabh Pamecha  
Partner  
Membership No. 126551

For and on behalf of Jet Airways (India) Ltd.



Ashish Chhawchharia  
(Resolution Professional)

Date: 28 July, 2020  
Place: Mumbai



# CS

**Neha Poddar**

**Company Secretary**

129 Bangur Avenue  
Block "A", Opposite Reliance Fresh  
Kolkata – 700 055  
Phone: + 91 99030 48692  
[csneha.poddar2710@gmail.com](mailto:csneha.poddar2710@gmail.com)

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED March 31, 2019**

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

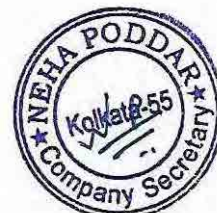
To,  
The Members  
**JET AIRWAYS (INDIA) LIMITED**  
Global One, 3rd floor, 252, LBS Marg,  
Kurla (West), Mumbai – 400070

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Jet Airways (India) Limited** (CIN: L99999MH1992PLC066213) (herein after referred as "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit and as per explanations made by the management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined, the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and produced before us for the financial year ended 31<sup>st</sup> March, 2019, as per the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
- (iii) The Depositories Act, 1996 and the regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT') during the Audit Period.
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;



- (h) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) \*The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) \*The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014;
- (e) \*The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
- (g) \*The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (h) \*The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

\*Not applicable as no event took place under these Regulations during the financial year under review.

- (vi) The Company is engaged in the business of scheduled air transport services. The management has identified and confirmed the following laws as being specifically applicable to the Company;
  - a) Aircraft Act, 1934 and the Rules made thereunder
  - b) Carriage by Air Act, 1972 and the Rules made thereunder;
  - c) The Aircraft (Carriage of Dangerous Goods) Rules, 2003;
  - d) The Regulation, Circular, Requirements', Orders, Notifications, issued by Ministry of Civil Aviation, Bureau of Civil Aviation Security and the Directorate General of Civil Aviation.

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards 1 and 2 as issued and revised by The Institute of Company Secretaries of India from time to time.
- ii. Equity Listing Agreement and Debt Listing Agreement entered with NSE / BSE and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended and made effective from time to time.

During the financial year, the company complied with SEBI LODR quarterly compliances and Companies Act, 2013 applicable Laws and Regulation up to 3rd Quarter (i.e. up to 31 December 2018). During the year ending March 31, 2019, Company was facing financial distress and was unable to service its scheduled debt resultant the company was forced to suspend its operations on April 17, 2019 as a result, the directors, CEO, CFO, CS including other top management personal had resigned. Due to non-availability of requisite personnel and other adequate resources, financial results for 4th quarter were not prepared and published within the prescribed timeline.

In absence of the top management officials and requisite personnel, this report is based on the information gathered by the Resolution Professional and the remaining employees of Asset Preservation Team, basis the adequate systems and processes that existed in the Company to monitor and ensure compliances with provisions of applicable general laws, including labour laws, acts and regulations to the Company.

I further report that the compliance of the applicable financial laws by the company such as direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit.



I report that for the period Prior to December 2018

- a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors with adequate mix of Independent Director's including woman director. The changes in the composition of the Board of Directors that took place during the Audit Period under review were carried out in compliance with the provisions of the Act.
- b. Adequate notice is given to all directors about scheduled Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance; and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c. As per the minutes of Boards and any of its committees duly recorded and signed by the Chairman, the decisions of the Board and committees were unanimous and no dissenting views have been recorded.

Following are the non-compliance followed by the company during the period post December 2018 (For quarter ending March 2019):

- a. Delayed and Non submission of Quarterly report/ Yearly report to the respective Stock exchanges where the company is listed (for jan'19 - mar'19 quarter) under Reg. 33 (3) of the Listing Regulations.
- b. The Company has not submitted Annual Secretarial Compliance Report under Regulation 24A of SEBI LODR,2015 for the aforesaid period

**I further report that** based on review of compliance mechanism established by the Company and on the basis of records of meetings by BOD, the management have adequate systems and processes commensurate with the size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

As informed, the Company has responded to notices for demands, claims, penalties, etc. levied by various statutory/ regulatory authorities and initiated actions for corrective measures, whenever necessary.

This report is to be read with my letter of even date, which is annexed as **Annexure- 1** and forms an integral part of this report.


Place: Kolkata  
Dated: 8<sup>th</sup> September,2020

**NEHA PODDAR**  
(Practicing Company Secretary)  
ACS - 33026 / CP - 12190  
UDIN NO:- A033026B000683269

# CS

***Neha Poddar***

**Company Secretary**

129 Bangur Avenue  
Block "A", Opposite Reliance Fresh  
Kolkata – 700 055  
Phone: + 91 99030 48692  
[csneha.poddar2710@gmail.com](mailto:csneha.poddar2710@gmail.com)

**Annexure – 1**

To,  
The Members  
**JET AIRWAYS (INDIA) LIMITED**  
Global One, 3rd floor, 252, LBS Marg,  
Kurla (West), Mumbai – 400070

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these Secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness appropriateness of financial records and books of accounts of the Company.
4. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test check basis.
5. I believe that the audit evidence and information obtained from the Company's management is adequate and appropriate for me.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata  
Dated: 8<sup>th</sup> September, 2020

  
  
**NEHA PODDAR**  
(Practicing Company Secretary)  
ACS – 33026 / CP – 12190  
UDIN NO:- A033026B000683269