

Partnering towards a brighter future

*Jet Airways (India) Limited
Annual Report 2014*



JET AIRWAYS 

18 Codeshare Partners

26 Frequent Flier Partners

149 Interline Partners

99 Interline eTicketing Partners

46 Through Check-in Partners

It's how we connect you across the globe.

Codeshare Partners

Frequent Flier Partners



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Letter from the Chairman



Dear Shareholders,

Financial Year 2013-14 was an exceptionally challenging one for the Indian aviation sector. The Indian economy recorded a lower GDP growth rate of 4.7%. Currency volatility and devaluation of the Indian Rupee further exacerbated the situation, leading to a drop in discretionary travel. Consequently, passenger load factors across our industry were under pressure and domestic passenger growth slowed to 4.8%.

In this challenging environment, your Company managed to maintain revenues, though costs were hit due to depreciation of the Indian Rupee (of over 11%), higher aviation turbine fuel ("ATF") rates and increased airport levies.

Your Company has been consolidating its domestic network with a focus on strengthening its presence in key markets. Your Company has also been regularly adding international routes, besides embarking upon systematic improvement of its products across all classes of travel. Further, your Company has been strongly focused on improving its cost structure, including re-negotiating existing contracts with vendors, and has charted a plan to return to sustainable profitability and growth, whose targets are imminently achievable. Your Company has also taken steps to retire its high cost debt and further plans are on the anvil to reduce its borrowing costs.

During the Financial Year, your Company received all requisite Government and regulatory approvals for Etihad Airways PJSC's strategic investment of ₹ 2,058 crores towards a 24% equity stake in your Company. An additional amount of ₹ 859 crores was also invested by Etihad Airways towards a 50.1% equity investment in your Company's Frequent Flyer Program- JetPrivilege, demonstrating a wider commitment to a comprehensive and long term strategic partnership. This partnership between the two airlines will be mutually beneficial across all areas, including network growth, revenue enhancement, operational synergies and cost improvement.

Consequently, your Company will progressively expand its operations to Abu Dhabi, connecting more and more points in India directly with international flights. New flights from four additional cities - Kochi, Chennai, Bengaluru and Hyderabad - were added to Abu Dhabi during the Financial Year. During the course of the current year and beyond, more and more cities in India will be connected, offering passengers from various points in India direct, international connectivity with an Indian airline. Your Company will complement these services with its own operations beyond Abu Dhabi, thereby offering Indian passengers seamless connectivity onwards, to points in North America and other destinations in the Middle East. Services through Abu Dhabi to 2 such cities - Dammam and Kuwait - have already started in the Financial Year. Complementing this programme will be seamless, global connectivity through Etihad Airways' large and expanding network to destinations in Africa, Europe, North and South America and the Middle East. In this way, the two airlines will combine to offer our passengers the choice of an unparalleled global network, supplemented with integrated offerings such as frequent flier miles, lounges, check-in and baggage handling. With recently received regulatory approvals in place, the two airlines will also now harmonize their sales strategy, thus offering agents, corporates and passengers across markets and segments, combined products for every need. This integrated approach will help your Company significantly improve revenues from code-share agreements with not only Etihad Airways but also with its other partners.

At the same time, your Company remains focused on developing its home hubs at Mumbai and Delhi. International operations continue to expand from these cities, with connectivity available from across India using your Company's domestic network. An example of this is the recent commencement of non-stop services between Mumbai and Paris. In the coming year, your Company will continue to roll out new non-stop frequencies between India and markets such as Doha, Dubai, Colombo, Bangkok and will start services to new markets such as Ho Chi Minh City in Vietnam. Indian hubs will continue to form the largest and most significant part of your Company's network with regularly expanding reach across domestic and international markets.

With a constant focus on using innovative technology towards creating enhanced passenger value, your Company launched its state-of-the-art mobile applications for Android, iOS and Blackberry devices. These applications provide passengers with options to book tickets, manage their JetPrivilege account, check flight status, avail special offers and much more.



Your Company also introduced the option of booking JetEscapes Holidays on its website www.jetairways.com to provide leisure travelers a seamless experience in booking all inclusive holiday packages at their convenience.

In the coming year, your Company will implement a highly enhanced self check-in service across its web, kiosk and mobile platforms that will allow passengers to “check-in on the go”. Your Company also aims to improve its online user experience with a revamp of its current website and infrastructure, with a view to provide a whole new passenger experience using contemporary technology. In our endeavor to increase our distribution spread and reach out to new passenger segments using technology, we will also be launching a digital platform focused on small and medium enterprises.

According to the International Air Transport Association’s forecast for 2012-16, India’s domestic air travel market is expected to be among the top five globally, experiencing the second highest growth rate over the same period. Estimates suggest that domestic traffic in India will reach 160-180 Million passengers annually over the next decade and international traffic will exceed 80 Million annual passengers, up from the current annual volume of 60 Million domestic and 40 Million international passengers. However, this growth will come with challenges. In spite of strong passenger growth, the domestic airline market is currently struggling with overcapacity and high costs. Growing competition will further challenge us, and our priority will be to be disciplined and focused in this environment. Our goal is to return to profitability and deliver sustained value to our Shareholders. All growth opportunities that meet this objective will be rigorously evaluated and implemented with a disciplined focus on costs. Our effort will be to build around the core strengths of our brand, network and partnerships, and relentlessly improve in other areas to become the first choice for our passengers, travel community associates, family members, partners and Shareholders.

With a new Government in India, we look forward to economic reforms, including structural changes in the aviation sector, gathering further momentum. Aviation is a core infrastructure sector and progressive policies to address the burden of high taxes on ATF and the increasing airport related levies will substantially facilitate the viability of the industry. Aviation is an enabler of economic growth, and good airports and stronger connectivity, supported by lower infrastructure costs will facilitate the objective of developing 100 cities. Stronger economic growth also has a multiplier effect on air traffic growth, and will pave the way for sustainable and profitable growth for the aviation sector in the long term.

In the coming year, the priorities for your Company are clear. We will continue to strongly focus on our passengers and judiciously grow both the domestic and international businesses. We will seek revenue and cost synergies leveraging our partnership with Etihad Airways and continue to drive business improvements and cost optimization programs. This way, your Company will be ready to face the new competition and harness the expected growth in the coming years.

The Management and employees of your Company have worked very hard through these challenging times and continue to demonstrate their unswerving commitment to improving the business performance of your Company. Their unstinted support to building a sustainable and stronger airline, even while taking tough decisions in the short term, is the foundation that will enable your Company to become a profitable airline in the years to come.

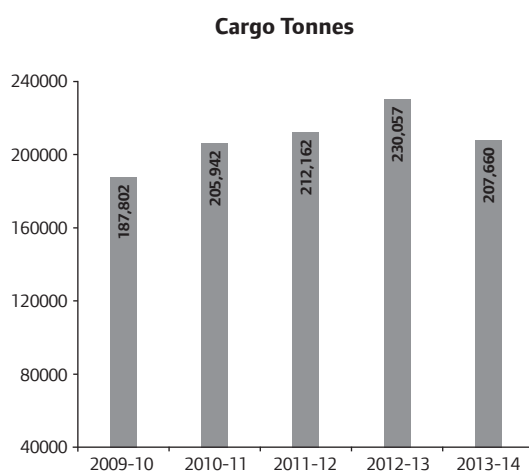
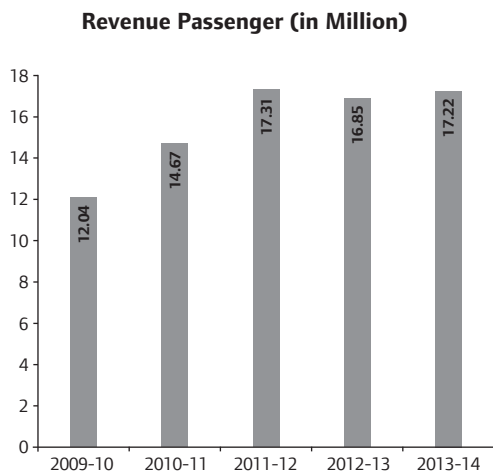
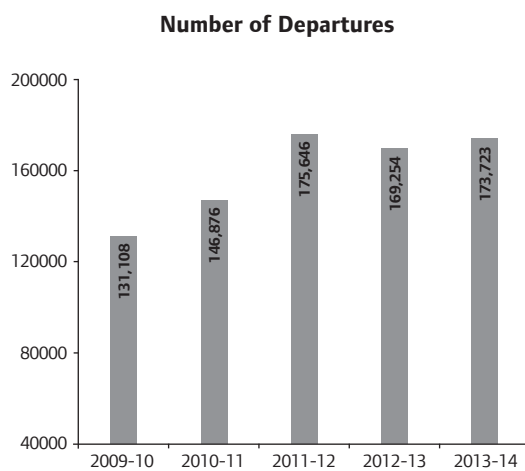
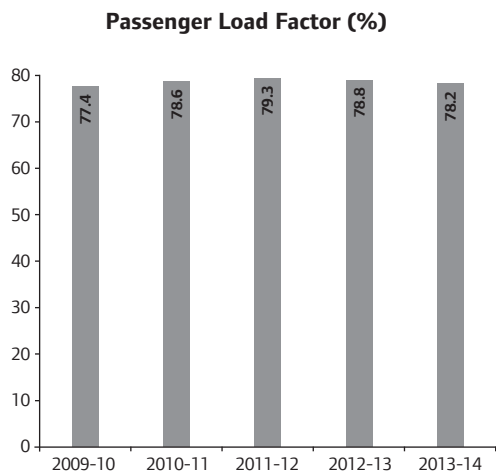
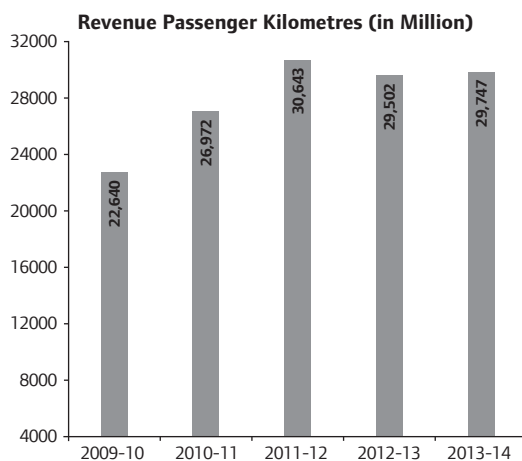
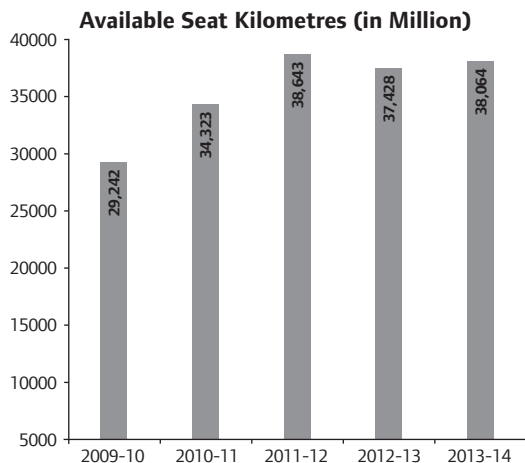
To conclude, I would like to personally thank the 20.5 Million passengers, who have flown with us during the year ended 31st March, 2014 and the shareholders who have continued to repose their faith in us. I am grateful to the banks for their continuing support to your Company during the Financial Year. I am equally thankful to our vendor partners who have supported us by restructuring some of the contracts to provide us the necessary headroom to implement our profitability initiatives. I also wish to sincerely thank each and every member of the Management and the staff of Jet Airways for their loyalty, dedication and hard work that has helped your Company steer through these difficult times.

With kind regards,

Naresh Goyal
Chairman



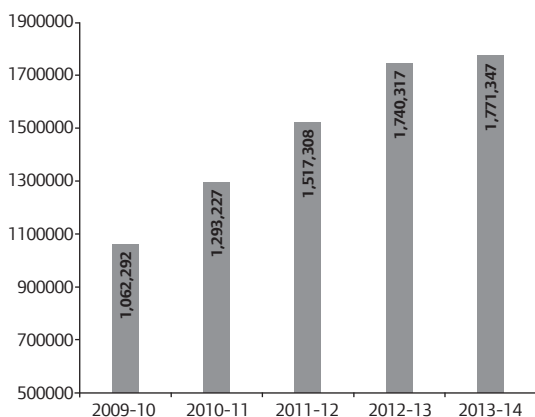
Operating Highlights



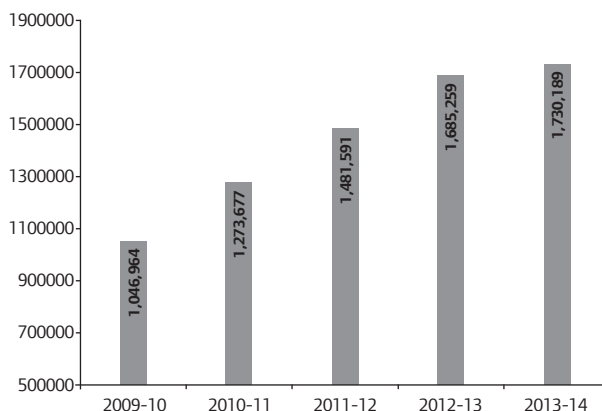


Financial Highlights

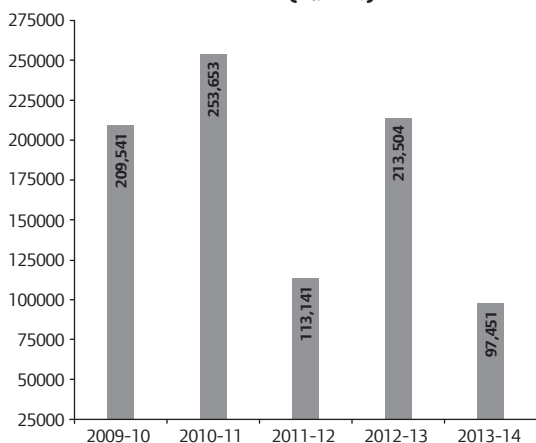
Income (Lakh ₹)



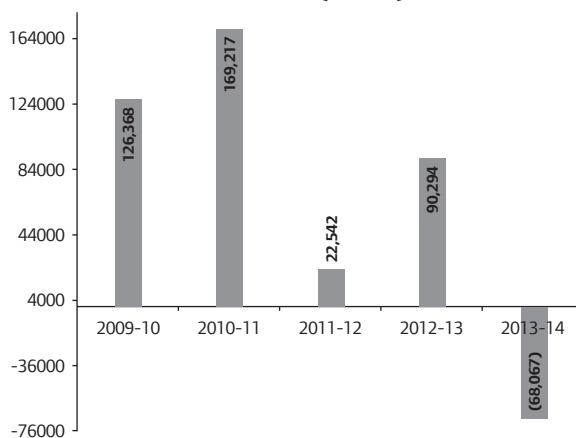
Operating Revenue (Lakh ₹)



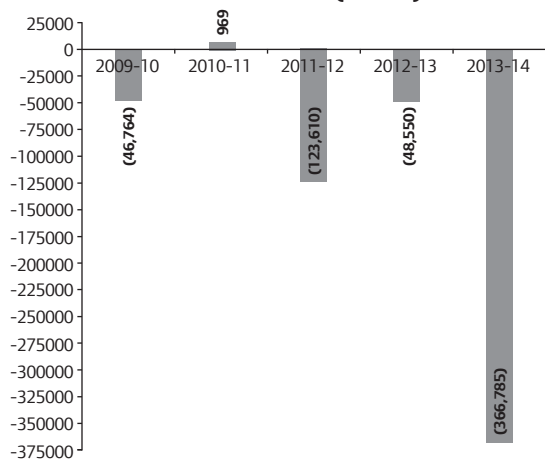
EBTDAR (Lakh ₹)



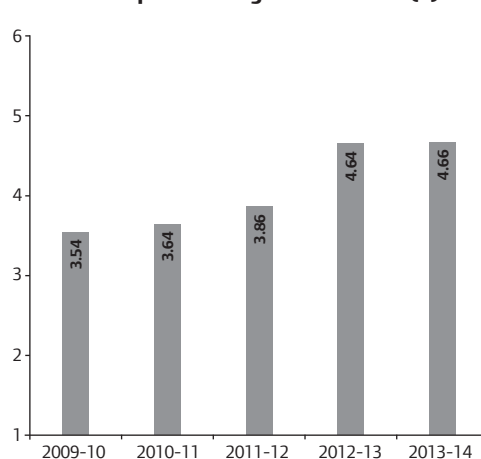
EBTDA (Lakh ₹)



Profit After Tax (Lakh ₹)



Revenue per Passenger Kilometres (₹)





Corporate Information

Board of Directors

Mr. Naresh Goyal	Chairman
Mr. James Hogan	
Mr. James Rigney	
Mr. Javed Akhtar	
Mr. I. M. Kadri	
Mr. Aman Mehta	
Mr. Gaurang Shetty	Director and Manager

Company Secretary

Mr. Arun Kanakal	Company Secretary & Associate Legal Counsel
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Statutory Auditors

Deloitte Haskins & Sells LLP
Chaturvedi & Shah

Legal Advisors

Gagrats

Registered Office

Siroya Centre
Sahar Airport Road
Andheri (East)
Mumbai 400 099

Registrar & Share Transfer Agent

Karvy Computershare Private Limited
Plot No. 17-24
Vittal Rao Nagar, Madhapur
Hyderabad 500 081
Tel : +91 40 2342 0818
Fax : +91 40 2342 0814
Email : einward.ris@karvy.com
Contact Person :
Mr. S. V. Raju – Assistant General Manager

Bankers

Abhu Dhabi Commercial Bank
Allahabad Bank
AXIS Bank Limited
Banca Popolare Di Milano
Bank of America N.A.
Bank of Baroda
Bank of India
Barclays Bank Plc
Canara Bank
Citibank N.A.
Corporation Bank
DBS Bank Limited
DVB Bank SE
First National Bank
HDFC Bank Limited
ICICI Bank Limited
IDBI Bank Limited
Indian Overseas Bank
ING Belgium SA / N.V.
JP Morgan Chase, N.A.
Kotak Mahindra Bank Limited
Lloyds Bank (formerly known as Bank of Scotland Plc)
Punjab National Bank
Standard Chartered Bank Plc
State Bank of India
Syndicate Bank
The Hong Kong & Shanghai Banking Corporation Limited
The Royal Bank Of Scotland N.V. (formerly known as ABN AMRO Bank)
Yes Bank



Notice

Notice is hereby given that the Twenty Second Annual General Meeting of the Members of Jet Airways (India) Limited will be held at Bhaidas Maganlal Sabhagriha, Juhu Vile Parle Development Scheme, Bhaktivendanta Swami Marg, Vile Parle (West), Mumbai - 400 056 on Monday, 11th August, 2014, at 3.30 p.m. to transact the following business:-

ORDINARY BUSINESS:

Adoption of audited Annual Accounts and Reports of the Auditors and Directors

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss for the year ended on that date together with the Reports of the Auditors and the Directors thereon.

Re-appointment of a Director

2. To appoint a Director in place of Mr. Gaurang Shetty (DIN 01293134), who retires by rotation, and being eligible, offers himself for re-appointment.

Re-appointment of Statutory Auditors

3. To re-appoint Deloitte Haskins & Sells LLP having Registration Number 117366W / W-100018 and Chaturvedi & Shah having Registration Number 101720W, as the Joint Statutory Auditors of the Company to hold office from the conclusion of the Twenty Second Annual General Meeting till the conclusion of the Twenty Third Annual General Meeting of the Company and to fix their remuneration.

“RESOLVED THAT pursuant to Section 139 and other applicable provisions of the Companies Act, 2013, and the rules framed thereunder as amended from time to time, Deloitte Haskins & Sells LLP, Chartered Accountants, (Registration Number 117366W / W-100018) and Chaturvedi & Shah, Chartered Accountants, (Registration Number 101720W) be and are hereby re-appointed as the Joint Statutory Auditors of the Company to hold office from the conclusion of the Twenty Second Annual General Meeting till the conclusion of the Twenty Third Annual General Meeting and the Board of Directors of the Company be and is hereby authorised to fix their remuneration.”

SPECIAL BUSINESS:

4. Appointment of Mr. James R. Hogan as a Director

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 161 and any other applicable provisions of the Companies Act, 2013, and the rules made thereunder (including any statutory modification or re-enactment for the time being in force), Mr. James R. Hogan (DIN: 06540486), who was appointed by the Board of Directors as an Additional Director with effect from 20th November, 2013 and who holds Office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice from a Member under Section 160 of the Companies Act, 2013, proposing his candidature for the Office of Director, be and is hereby appointed as a Director of the Company and shall be liable to retire by rotation.”

5. Appointment of Mr. James D. Rigney as a Director

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 161 and any other applicable provisions of the Companies Act, 2013, and the rules made thereunder (including any statutory modification or re-enactment for the time being in force), Mr. James D. Rigney (DIN: 06540653), who was appointed by the Board of Directors as an Additional Director with effect from 20th November, 2013 and who holds Office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice from a Member under Section 160 of the Companies Act, 2013, proposing his candidature for the Office of Director, be and is hereby appointed as a Director of the Company and shall be liable to retire by rotation.”

6. Appointment of Mr. Javed Akhtar as an Independent Director

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:



Notice (Contd.)

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, and the rules made thereunder (including any statutory modification or re-enactment for the time being in force) read with Schedule IV of the Companies Act, 2013, Mr. Javed Akhtar (DIN 00112984), in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a period of one year till the conclusion of the Twenty Third Annual General Meeting of the Company.”

7. Appointment of Mr. I. M. Kadri as an Independent Director

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, and the rules made thereunder (including any statutory modification or re-enactment for the time being in force) read with Schedule IV of the Companies Act, 2013, Mr. I. M. Kadri (DIN 00081694), in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a period of one year till the conclusion of the Twenty Third Annual General Meeting of the Company.”

8. Appointment of Mr. Aman Mehta as an Independent Director

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, and the rules made thereunder (including any statutory modification or re-enactment for the time being in force) read with Schedule IV of the Companies Act, 2013, Mr. Aman Mehta (DIN 00009364), in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a period of one year till the conclusion of the Twenty Third Annual General Meeting of the Company.”

By Order of the Board of Directors

Jet Airways (India) Limited

Sd/-

Arun Kanakal

Company Secretary & Associate Legal Counsel

Registered Office:

Siroya Centre

Sahar Airport Road

Andheri (East)

Mumbai - 400 099

CIN: L99999MH1992PLC066213

Email: companysecretary@jetairways.com

Phone. No. +91 22 6121 1000

Fax No. +91 22 6121 1950

Mumbai

27th May, 2014



Notice (Contd.)

Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/ authority, as applicable. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. Proxies, in order to be effective, must be duly filled, stamped, signed and deposited at the Registered Office of the Company not later than 48 hours before the commencement of the Meeting.
3. Deloitte Haskins & Sells (DHS), (ICAI Firm Registration No. 117366W), Chartered Accountants (CAs), Mumbai were appointed as the statutory auditors of the Company for Financial Year 2013-14 at the Annual General Meeting (AGM) of the Company held on 8th August, 2013. DHS converted itself into a Limited Liability Partnership (LLP) under the provisions of the Limited Liability Partnership Act, 2008 and is now known as Deloitte Haskins & Sells LLP (DHS LLP) with effect from 20th November, 2013. In terms of the Ministry of Corporate Affairs, Government of India, General Circular No. 9/2013 dated 30th April, 2013, if a firm of CAs, being an auditor in a company under the Companies Act, 1956, is converted into an LLP, then such an LLP would be deemed to be the auditor of the said company. The Board of Directors of the Company has taken due note of this change. Accordingly, the audit of the Company for Financial Year 2013-14 was conducted by DHS LLP.

In view of the above, DHS LLP, being eligible for re-appointment and based on the recommendation of the Audit Committee, the Board of Directors has, at its meeting held on 27th May, 2014, proposed the appointment of DHS LLP as the joint statutory auditors of the Company alongwith Chaturvedi & Shah, Chartered Accountants, for a period of one year to hold office from the conclusion of the Twenty Second Annual General Meeting till the conclusion of the Twenty Third Annual General Meeting of the Company to be held in the year 2015.

4. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business given in this Notice is annexed hereto.
5. Profile(s) of the Director(s) seeking appointment / re-appointment, as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges, is annexed to this Notice.
6. Corporate Members intending to send their authorised representatives to attend the Twenty Second Annual General Meeting are requested to send a duly certified copy of their Board Resolution authorising their representatives to attend and vote at the said Annual General Meeting.
7. Members who hold shares in dematerialised form are requested to write their DP ID and Client ID number(s) and those who hold share(s) in physical form are requested to write their Folio Number(s) in the attendance slip for attending the Meeting to facilitate identification of membership at the Meeting
8. Members / Proxies / Representatives are requested to bring the enclosed Attendance Slip, duly filled in, for attending the Meeting.
9. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, **29th July, 2014 to Monday, 11th August, 2014**, both days inclusive, for the purpose of the Twenty Second Annual General Meeting.
10. Members are requested to send the advice about change in address / any other details to the Company's Registrar and Transfer Agent, Karvy Computershare Private Limited in respect of Equity Shares held in physical form and to their respective Depository Participants in respect of Equity Shares held in dematerialised form.

For any assistance or information about transfer of shares, dividend, etc. you may contact the Company's Registrar and Transfer Agent, Karvy Computershare Private Limited, at:

Karvy Computershare Private Limited
[UNIT: Jet Airways (India) Limited]
Plot No. 17 - 24, Vittal Rao Nagar
Madhapur, Hyderabad 500 081

Time: 9:00 a.m. to 5:30 p.m. (Monday to Friday)
Phone: +91 40 2342 0818 Fax: +91 40 2342 0814

Email: einward.ris@karvy.com
Website: www.karvy.com



Notice (Contd.)

Members are requested to inform their telephone numbers and e-mail addresses to facilitate prompt action and communication.

11. As a measure of austerity, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report to the Meeting.
12. Members who wish to obtain information concerning the Accounts or Operations of the Company may send their queries at least 7 days before the Annual General Meeting, to the Company Secretary, at the Registered Office of the Company or by email to companysecretary@jetairways.com
13. All documents referred to in the Notice and Explanatory Statement annexed thereto are available for inspection at the Registered Office of the Company between 10 a.m. and 12 noon on all working days of the Company till the date of the Twenty Second Annual General Meeting.
14. Pursuant to the provisions of Sections 205A and 205C of the Companies Act, 1956, the dividend which remains unclaimed / unpaid for a period of seven years from the date of transfer to the respective unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government.
15. Unclaimed dividend for the Financial Year 2005-06 amounting to ₹ 594,270 has been transferred to the IEPF in November 2013.
16. Unclaimed dividend for the Financial Year 2006-07, is still lying in the unpaid dividend accounts of the Company. Members, who have not encashed the dividend warrants for the said Financial Year, are requested to contact the Company's Registrar and Share Transfer Agent, Karvy Computershare Private Limited, at the earliest.

Unclaimed dividend for the Financial Year 2006-07, is due for transfer to the IEPF in the year 2014. Kindly note that no claim shall lie against the Company or the IEPF after such transfer.

17. Members who have not registered their e-mail addresses so far are requested to register their e-mail address with their respective DPs for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
18. In accordance with Section 101 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014, the Annual Report (Audited Financial Statements, Directors Report, Auditors Report etc.) is being sent to the shareholders in electronic form to the email address registered with their Depository Participant (in case of electronic shareholding)/the Company's Registrar and Share Transfer Agents (in case of physical shareholding). We, therefore request and encourage you to register your email ID in the records of your Depository Participant (in case of electronic holding)/the Company's Registrar and Share Transfer Agents (in case of physical shareholding) mentioning your folio no./demat account details.

However, in case you wish to receive the above shareholder communication in paper form, you may write to the Company's Registrar and Share Transfer Agents, Karvy Computershare Private Limited, Unit: Jet Airways (India) Limited, Plot No. 17 to 24, Vittalrao Nagar, Madhapur, Hyderabad 500 081, or send an email at einward.ris@karvy.com mentioning your folio no./demat account details.

The Members are requested to write to the Registrar and Share Transfer Agents regarding transfer of shares and for resolving grievances

19. E-Voting:
 - I. The Company is pleased to provide E-voting facility through Karvy Computershare Private Limited, for all shareholders of the Company to enable them to cast their votes electronically on the items mentioned in this notice of the 22nd Annual General Meeting of the Company. The Company has appointed Taizoon M. Khumri, Practicing Company Secretary (COP No. 88) of T. M. Khumri & Co., Company Secretaries, Mumbai as the Scrutinizer for conducting the e-voting process in a fair and transparent manner. E-voting is optional. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company. The instructions for E-Voting are as under:
 - (i) To use the following URL for e-voting:
From Karvy website: <http://evoting.karvy.com>



Notice (Contd.)

- (ii) Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e 11th July, 2014, may cast their vote electronically.
 - (iii) Enter the login credentials [i.e., user id and password mentioned in the attendance slip of the AGM]. Your Folio No/DP ID Client ID will be your user ID. However, if you have already registered with Karvy for e-voting, you can use your existing user ID and password.
 - (iv) After entering the details appropriately, click on LOGIN.
 - (v) You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile, email etc on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) You need to login again with the new credentials.
 - (vii) On successful login, the system will prompt you to select the EVENT i.e., Jet Airways.
 - (viii) On the voting page, enter the number of shares as on the cut-off date under FOR/AGAINST or alternately you may enter partially any number in FOR and partially in AGAINST but the total number in FOR/AGAINST taken together should not exceed the total shareholding. You may also choose the option ABSTAIN.
 - (ix) Members holding multiple folios / demat account shall choose the voting process separately for each folios / demat account.
 - (x) Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, shareholders can login any number of times till they have voted on the resolution.
 - (xi) Once the vote on the resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to cstaizonkhumri@gmail.com with a copy marked to evoting@karvy.com.
 - (xiii) The e-voting period commences on Tuesday, 5th August, 2014 (9:00 A.M.) and ends on Thursday, 7th August, 2014, (5.30 P.M.). During this period Members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 11th July, 2014, may cast their vote electronically. The e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. Further, the shareholders who have cast their vote electronically shall not be able debarred from participation in the AGM, however, he shall not be able to vote in the AGM again and his earlier vote cast through electronic means shall be treated as final.
 - (xiv) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <http://evoting.karvy.com> or contact Karvy Computershare Private Limited at Tel No. 1800 345 4001 (toll free).
- II. The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company. The Results on resolutions shall be declared on or after the AGM of the Company and shall be deemed to be passed on the date of the AGM. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.jetairways.com and on the website of Karvy within two days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.
- III. Poll will also be conducted at the AGM and any Member who has not cast his vote through e-voting facility, may attend the AGM and cast his vote.



EXPLANATORY STATEMENT

As required by Section 102 (1) of the Companies Act, 2013, in respect of the items of Special Business mentioned in the Notice.

Item No. 4 & 5

As per the Shareholders Agreement dated 24th April, 2013 and as amended, entered into *inter alia* between the Company and Etihad Airways PJSC ('Etihad') and the promoters, Etihad has the right to appoint two directors on the Board of the Company.

At the Board Meeting held on 20th November, 2013, Mr. James Hogan and Mr. James Rigney who were nominated by Etihad were appointed as Additional Directors on the Board of the Company. Their appointment ceases on the date of the Twenty Second Annual General Meeting.

The Company has received a notice from Member alongwith a deposit of Rupees Two Lakhs proposing the appointment of Mr. Hogan and Mr. Rigney.

A profile of Mr. Hogan and Mr. Rigney is given as an annexure to this Notice. The Board recommends the appointment of Mr. Hogan and Mr. Rigney as Directors.

Except Mr. Hogan and Mr. Rigney, none of the Directors or Key Managerial Personnel or any of their relatives is concerned or interested in respect of the resolution as set out at Items No. 4 and 5.

Item No. 6, 7 & 8

Mr. Javed Akhtar, Mr. I. M. Kadri and Mr. Aman Mehta are Non-Executive Independent Directors of the Company. It is proposed to appoint Mr. Javed Akhtar, Mr. I. M. Kadri and Mr. Aman Mehta as Independent Directors of the Company under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office till the next Annual General Meeting.

Mr. Javed Akhtar, Mr. I. M. Kadri and Mr. Aman Mehta are not disqualified from being appointed as Independent Directors in terms of Section 164 of the Companies Act, 2013 and have given their consent to act as the Directors of the Company.

The Company has received notices in writing from a Member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Mr. Javed Akhtar, Mr. I. M. Kadri and Mr. Aman Mehta for the office of Directors of the Company.

The Company has also received declarations from Mr. Javed Akhtar, Mr. I. M. Kadri and Mr. Aman Mehta that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

Brief resumes of Mr. Javed Akhtar, Mr. I. M. Kadri and Mr. Aman Mehta, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges form part of this Notice.

In the opinion of the Board, Mr. Javed Akhtar, Mr. I. M. Kadri and Mr. Aman Mehta fulfills the conditions specified in the Companies Act, 2013, and the rules made there under for their appointment as Independent Directors of the Company and they are independent of the Management. A copy of the draft letters of appointments of Mr. Javed Akhtar, Mr. I. M. Kadri and Mr. Aman Mehta as the Independent Directors setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that the continued association of Mr. Javed Akhtar, Mr. I. M. Kadri and Mr. Aman Mehta would be of immense benefit to the Company and it is desirable to continue to avail their services as the Independent Directors.



EXPLANATORY STATEMENT *(Contd.)*

Accordingly, the Board recommends the resolution in relation to the appointment of Mr. Javed Akhtar, Mr. I. M. Kadri and Mr. Aman Mehta as Independent directors for the approval of the shareholders of the Company.

Except Mr. Javed Akhtar, Mr. I. M. Kadri and Mr. Aman Mehta, none of the Directors or Key Managerial Personnel or any of their relatives is concerned or interested, financially or otherwise in the resolution set out at Items No. 6, 7 and 8.

This Explanatory statement may be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

By Order of the Board of Directors

Jet Airways (India) Limited

Sd/-

Arun Kanakal

Company Secretary & Associate Legal Counsel

Registered Office:

Siroya Centre

Sahar Airport Road

Andheri (East)

Mumbai - 400 099

CIN: L99999MH1992PLC066213

Email: companysecretary@jetairways.com

Phone. No. +91 22 6121 1000

Fax No. +91 22 6121 1950

Mumbai

27th May, 2014



Profiles of the Directors being appointed / re-appointed at the Twenty Second Annual General Meeting

Mr. Gaurang Shetty

Mr. Gaurang Shetty (DIN: 01293134) graduated with Bachelors of Science Degree.

Mr. Shetty, an Indian national, joined the Company in 1996 as General Manager – Marketing and was promoted to Vice President – Marketing in 2004. Currently, Mr. Shetty is Senior Vice President – Commercial. Prior to joining the Company, he was with British Airways as its Marketing Manager – South Asia. He is currently responsible for Customer Services, Cargo, Cabin Crew and Marketing departments

He is a Director on Board of Jet Lite (India) Limited and is also a Member of its Audit Committee.

Mr. I. M. Kadri

Mr. I. M. Kadri (DIN: 00081694) holds a Bachelors degree in Engineering from Pune University.

Mr. Kadri, is a member of the Council of Architecture, New Delhi and a Fellow of the Indian Institute of Architects and a fellow of the Indian Institute of Interior Design. Mr. Kadri set up his practice as an architect in 1960 and is actively involved with the problems relating to rebuilding of dilapidated buildings in Mumbai and exploring technological solutions for mass housing schemes.

He was also a member of the Steering Committee appointed by the Government of Maharashtra to suggest strategies for solving the housing problems of Mumbai. He is the General Secretary of the prestigious Nehru Centre in Mumbai. Mr. Kadri was awarded a citation in 1993 as an Outstanding Architectural Engineer by the Institution of Engineers in India. He was the Sheriff of Mumbai in 1994.

Mr. Javed Akhtar

Mr. Javed Akhtar (DIN 00112984) holds a Bachelors degree in Arts.

Mr. Akhtar, a nominated Member of the Rajya Sabha, is a well-known scriptwriter, lyricist, poet, activist and is a famous media personality. Mr. Akhtar was awarded the Padma Bhushan in 2007. Mr. Akhtar has won several awards, including the National Award for Best Lyricist five times.

Mr. Akhtar also holds 2,220 Equity Shares of INR 10 each in the Company.

Mr. Aman Mehta

Mr. Aman Mehta (DIN: 00009364) has a Bachelors degree in Economics from Delhi University.

Mr. Aman Mehta, joined The Hong Kong Shanghai Banking Corporation (HSBC) group in 1968. He held several senior positions with HSBC and was appointed Chief Executive Officer of HSBC Asia Pacific in January 1999, a position he held until his retirement in December 2003. Mr. Mehta is also a member of the governing board of the Indian School of Business, Hyderabad. Mr. Mehta serves as an independent director on the boards of several companies in India as well as in UK, Hong Kong and Singapore.

He is also on Board of listed companies like Wockhardt Limited, Tata Consultancy Services Limited, Godrej Consumer Products Limited, Cairn India Limited and Max India Limited.



The details of his committee positions are enumerated in the table below:

Memberships/Chairmanships of Committees in Public Companies of Mr. Mehta (includes only Audit Committee and Investor Grievance and Share Transfer Committees)

Sr. No.	Name of the Company	Name of the Committee	Position (Member/Chairman)
1	Wockhardt Limited	Audit Committee Shareholders / Investors Grievance Committee	Member
2	Godrej Consumer Products Limited	Audit Committee	Member
3	Cairn India Limited	Audit Committee	Chairman
4	Tata Consultancy Services Limited	Audit Committee	Chairman

Mr. James Hogan

Mr. James Hogan (DIN: 06540486) was appointed as an Additional Director of the Company on 20th November, 2013. Mr. James Hogan is the President and Chief Executive of Etihad Airways PSJC since September 2006. He has more than 30 years of travel industry expertise. He is a fellow of the Royal Aeronautical Society and a former Non-executive Director, member of the Board's Audit Committee, of Gallaher Plc. In 2010, he served as the Chairman of the Aviation Travel and Tourism Governors at the World Economic Forum. He currently serves on the Executive Committee of the World Travel and Tourism Council. In June 2011 he was appointed to the International Air Transport Association (IATA) Board of Governors. In 2012 he received the CAPA Airline Executive of the Year Award for excellence and leadership.

Mr. James Rigney

Mr. James Rigney (DIN: 06540653) has Bachelors degree & Master in Business Administration from RMT University, Australia.

Mr. James Rigney was appointed as an Additional Director on the Board of the Company on 20th November, 2013. Mr. James Rigney is a Chief Financial Officer of Etihad Airways PSJC since March 2009. Mr. Rigney's career in aviation has spanned two decades. He joined Etihad Airways from Gulf Air where he was Head of Corporate Strategy. He is responsible for finance, treasury, information technology, supply chain and property at Etihad Airways. A chartered accountant, he holds a Bachelor of Business and an MBA from RMIT University in Melbourne, Australia.



Directors' Report

Dear Members,

Your Directors have pleasure in presenting their Twenty Second Annual Report together with the audited Statement of Accounts for the Financial Year ended 31st March, 2014.

1. Performance highlights

The financial and operating highlights for the year under review, compared with the previous Financial Year, are given below:

Financial highlights

(₹ in lakhs)

Particulars	Standalone for year ended 31 st March		Consolidated for year ended 31 st March	
	2014	2013	2014	2013
GROSS REVENUE	1,771,347	1,740,317	1,944,530	1,940,920
(Loss) / Profit before Interest, Depreciation, Exceptional Items & Tax	(107,307)	145,351	(145,002)	124,894
Finance Costs	99,716	111,898	108,360	119,429
(Loss) / Profit before Depreciation, Exceptional Items & Tax	(207,023)	33,453	(253,362)	5,465
Depreciation	87,575	92,657	87,778	92,935
Loss before Exceptional Items & Tax	(294,598)	(59,204)	(341,140)	(87,470)
Exceptional Items (Net)	(72,199)	10,654	(71,739)	9,612
Loss before Taxation & Adjustments	(366,797)	(48,550)	(412,879)	(77,858)
(Excess) / Provision for Tax	(12)	-	(12)	122
Share of (Loss) in Associate	-	-	(109)	-
Loss after Taxation	(366,785)	(48,550)	(412,976)	(77,980)
Loss brought forward	(244,099)	(195,549)	(392,727)	(314,747)
Amount transferred to Balance Sheet	(610,884)	(244,099)	(805,703)	(392,727)

Note: 1 lakh = 100,000

Operating highlights

Operating parameters	Year ended 31 st March	
	2014	2013
Departures (Number)	173,723	169,254
Available Seat Kilometers (ASKMs) (Million)	38,064	37,428
Revenue Passenger Kilometers (RPKMs) (Million)	29,747	29,502
Passenger Load Factor (%)	78.2	78.8
Revenue Passengers (Number)	17,218,833	16,854,438
Average fleet size	93.0	94.7

2. Dividend

The Board of Directors have not recommended any dividend on the Equity Shares in view of the performance of the Company for the Financial Year ended 31st March, 2014 (Previous year: Nil per Equity Share).

3. Review of Operations

The Company has reported a consolidated Loss After Tax of ₹ 412,976 lakhs in fiscal 2014, but achieved passenger growth of 2 % in the same period. The losses incurred by the Company were essentially due to:

- Depreciating rupee vis-à-vis the US dollar
- Increase in crude oil prices



Directors' Report (Contd.)

- c) Instances of surplus aircraft which were on ground
- d) Non-cash extraordinary write down of ₹ 93,601 lakhs
- e) Impairment of goodwill of ₹ 70,000 lakhs
- f) Frequent, aggressive price war strategy initiated by certain low cost airlines players

The consolidated operating loss excluding non-cash extraordinary write down, impairment of goodwill and cost of surplus aircraft on ground aggregates ₹ 207,518 lakhs.

Your Company, on its part, has taken various initiatives to improve its operating efficiency and revenue earning potential to bring down the breakeven load factor. We are committed to take stringent measures to ensure our success in this challenging and competitive aviation industry. In order to secure long term future, we are taking measures such as putting in place a new network and fleet plan, significant product enhancement and major cost reduction programme. There can be no short-term solutions and these changes will take time to implement.

Your Company is continuously looking at cost reduction initiatives, discontinuing all loss making routes, renegotiating major contracts including aircraft maintenance costs and other efficiency enhancement measures which will help us to bring down costs which are key to overall turnaround of the Company.

Additionally, we are focusing on exploring various avenues to enhance ancillary revenues such as seat select, prepaid excess baggage, prepaid meals, paid lounge access, unaccompanied minors to name a few, through all its distribution channels.

After seeking your approval, your Company transferred its frequent flyer programme to its subsidiary - Jet Privilege Private Limited. Subsequently Jet Privilege Private Limited ceased to be a subsidiary of the Company with effect from 24th March, 2014. This will enable us to better manage our loyalty programme and help customers avail more benefits out of it, including earn and burn on the Etihad Global loyalty programme.

On 20th November 2013, Etihad infused equity of ₹ 2,058 crores (circa US\$ 380 Million) for the acquisition of 24% strategic stake in your Company. The approval accorded by Govt. of India to a number of code share segments between the Company and Etihad Airways PJSC allows a greater access to a number of European and North-American destinations currently not operated by the Company. This will offer Company's customers better international connectivity through either non-stop on Jet's services or through one stop combined with Etihad Airways' partner Airlines' network.

Whilst on one hand, your Company is upgrading and repositioning itself based on its own operational strengths, on the other hand, it will exploit and capitalize on synergies arising from its alliance with Etihad as a strategic partner. Common areas of benefits include joint sourcing of aircraft and equipment, sharing of best practices, co-ordination of flights, leasing of spare aircraft, joint procurement of fuel and other services etc. resulting in cost savings for both the airlines. Through effective renegotiation of contracts, your Company is targeting to achieve major cost savings in excess of USD 100 million.

The domestic traffic in India increased by 5% for Fiscal year 2014. This was a significant improvement as compared to a 5% contraction in the corresponding previous year. Over the next few years, we expect the domestic aviation market to grow at around 2 to 2.5 times of GDP growth. However, there will be short term challenges to grow profitably because of the cost intensive aviation infrastructure in India and the high regulatory operating costs.

The Company carried 172.18 lakhs revenue passengers on its international and domestic services during the year under review. The Company's domestic passenger traffic for the year under review grew by 1% as compared to a reduction of 4% last year while international passenger traffic registered an increase of 6%, as compared to an increase of 0.3% last year.

The Company ended the financial year with a system-wide seat factor of 78.2%. The seat factor was 70.6% on domestic sectors and 82.2% on the international sectors.



Directors' Report (Contd.)

Details of routes introduced and discontinued during the Financial Year ended 31st March, 2014 are as follows:

Routes	Introduced	Discontinued
Domestic Segment		
Ahmedabad-Jaipur-Ahmedabad	1 st May, 2013	
Goa-Chennai-Goa	1 st May, 2013	
Bengaluru-Vijayawada-Bengaluru	25 th July, 2013	27 th February, 2014
Kochi-Tiruchirappalli-Kochi	25 th July, 2013	27 th February, 2014
Bengaluru-Indore-Bengaluru	27 th October, 2013	
Indore-Vadodara-Indore	15 th January, 2014	
Kochi-Hyderabad-Kochi		4 th April, 2013
Bhopal-Hyderabad-Bhopal		30 th April, 2013
Kolkata-Raipur-Kolkata		30 th April, 2013
Indore-Lucknow-Indore		30 th April, 2013
Indore-Raipur-Indore		30 th April, 2013
Lucknow-Patna-Lucknow		30 th April, 2013
Kolkata-Dimapur-Kolkata		31 st May, 2013
Hyderabad-Vijayawada-Hyderabad		30 th September, 2013
Mumbai-Bhubaneswar-Mumbai		25 th October, 2013
Bengaluru-Bhubaneswar-Bengaluru		26 th October, 2013
Kolkata-Bhubaneswar-Kolkata		26 th October, 2013
Indore-Jaipur-Indore		14 th January, 2014
Jammu-Srinagar-Jammu		14 th January, 2014
Kolkata-Lucknow-Kolkata		28 th February, 2014
Kolkata-Chennai-Kolkata		29 th March, 2014
Hyderabad-Tirupati-Hyderabad		29 th March, 2014
International Segment		
Kochi-Abu Dhabi-Kuwait-Abu Dhabi-Kochi	16 th May, 2013	
Kochi-Dammam-Kochi	15 th January, 2014	
Chennai-Abu Dhabi-Dammam-Abu Dhabi-Chennai	15 th January, 2014	
Hyderabad-Abu Dhabi-Hyderabad	1 st March, 2014	
Bengaluru-Abu Dhabi-Bengaluru	1 st March, 2014	
Chennai-Colombo-Chennai		3 rd January, 2014
Kolkata-Bangkok-Kolkata		31 st March, 2014

Fleet

As on 31st March, 2014, the Company had a fleet of 101 aircraft, comprising 8 Airbus A330-200 aircraft, 4 Airbus A330-300 aircraft, 15 ATR 72-500 aircraft, 3 ATR 72-600 aircraft, 61 Next Generation Boeing 737-700/800/900/900ER aircraft and 10 Boeing 777-300ER aircraft. With an average fleet age of 5.3 years, the airline has one of the youngest aircraft fleets in the world.

Of the 10 Boeing 777-300ER aircraft, 3 aircraft have been sub leased (on a wet lease/ACMI basis) to Turkish Airlines Inc. and 2 aircraft have been sub (dry) leased to Etihad Airways PJSC. Additionally, 3 Airbus A330-200 aircraft have been sub (dry) leased to Etihad Airways PJSC.



Directors' Report (Contd.)

The Company flies to 56 domestic destinations (includes flights operated by Jet Lite (India) Limited, the Company's wholly owned subsidiary) and 20 international destinations.

4. Management Discussion and Analysis

As required by Clause 49 of the Listing Agreement(s) entered into with the Stock Exchanges, a detailed review by the Management of the operations, performance and future outlook of the Company and its business, is presented in a separate section - Management Discussion and Analysis - forming part of this Annual Report.

5. Subsidiary Companies

Jet Lite (India) Limited ('Jet Lite')

Jet Lite (India) Limited is a wholly owned subsidiary which was acquired by the Company on 20th April, 2007.

Jet Lite is a non-material, non-listed subsidiary company as defined under Clause 49 of the Listing Agreement(s) entered into with the Stock Exchanges.

For the Financial Year ended 31st March, 2014, Jet Lite posted a total income of ₹ 176,364 lakhs (2012-13 : ₹ 201,136 lakhs) and a Net Loss of ₹ (42,931) lakhs (2012-13: ₹ (29,532) lakhs). On 24th March, 2014, the 290,000,000 Compulsorily Fully Convertible Non-Cumulative Preference Shares were converted into Equity shares as per the terms of their issue. In view of the loss, the Board of Directors of Jet Lite has not recommended a dividend; neither on the Equity Shares nor on the Compulsorily Fully Convertible Non-Cumulative Preference Shares for the year ended 31st March, 2014 (Previous Year : Nil). The Company continues to support the operations of Jet Lite.

The highlights of the operating performance of Jet Lite for the Financial Year ended 31st March, 2014 are as follows:

Traffic parameters	Year ended 31 st March	
	2014	2013
Departures (Number)	31,986	38,160
Available Seat Kilometers (ASKMs) (Million)	3,937	4,566
Revenue Passenger Kilometers (RPKMs) (Million)	2,862	3,416
Passenger Load Factor (%)	72.7	74.8
Revenue Passengers (Numbers)	3,308,533	3,871,414

As on date, Jet Lite had an all Boeing fleet of 12 aircraft, comprising 5 Boeing 737-700, 5 Boeing 737-800 and 2 Boeing 737-900 ER aircraft.

Jet Privilege Private Limited (JPPL)

For the Financial Year ended 31st March, 2014, JPPL posted a total income of ₹ 574 lakhs (2012-13 : ₹ 159 lakhs) and a Net Loss of ₹ (3,368) lakhs (2012-13: Net Profit of ₹ 103 lakhs).

With a view to unlock the value of the business of operating a frequent flyer, loyalty and points-based reward scheme under the name Jet Privilege Frequent Flyer Programme ("JPFFP") and subsequent to the approval of the Members obtained by way of Postal Ballot, in March 2014, the Company transferred the JPFFP to JPPL on 21st April, 2014,

During the year, the Company and Etihad Airways PJSC agreed to promote the business of JPPL and to invest in JPPL.

Accordingly, fresh shares were *inter alia* allotted to the Company and Etihad Airways PJSC taking their holding to 49.9% and 50.1% respectively in JPPL.

JPPL thus ceased to be a subsidiary of the Company with effect from 24th March, 2014.

Jet Airways Training Academy Private Limited (JATPL)

JATPL continues to be a subsidiary of the Company. For the Financial Year ended 31st March, 2014, JATAPL posted a total income of ₹ NIL lakhs (2012-13 : ₹ NIL lakhs) and a Net Loss of ₹ (1) lakhs (2012-13: ₹ (1) lakhs).

Pursuant to the provisions of Section 212(8) of the Companies Act, 1956, and Circular No. 2/2011 dated 8th February, 2011, issued by the Ministry of Corporate Affairs, the Balance Sheet, Statement of Profit and Loss and other documents of the subsidiary companies are not being attached with this Report. However, a statement containing brief financial details of the Company's subsidiaries is included in the Annual Report.



Directors' Report (Contd.)

The Company will make available copies of the Annual Accounts of the subsidiary companies and the related detailed information, free of cost to Members, on request. The same are also available for inspection at the Registered Office between 10 a.m. and 12 noon on any working day of the Company till the date of the 22nd Annual General Meeting on 11th August, 2014.

The subsidiary companies are managed by their respective Boards. The Company does not have any material unlisted subsidiary and hence is not required to nominate an independent director of the Company on the Board of the subsidiary companies.

6. Consolidated Financial Statements

The audited Consolidated Financial Statements, comprising of the Company and its subsidiaries form part of this Report. The Auditors' Report on the Consolidated Accounts is also attached. The same is unqualified. The Consolidated Accounts have been prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants of India in this regard and the provisions of the Listing Agreement(s) entered into with the Stock Exchanges

7. Conservation of energy, technology absorption and foreign exchange earnings and outgo

Particulars, as prescribed by Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, to the extent applicable to the Company, are given below:

Conservation of Energy

The Company is committed to improving the fuel efficiency of its aircraft operations. Key initiatives in our fuel efficiency improvement program consist of efforts such as Integrated Emissions Management System; renewal of our aircraft fleet to ensure that the aircraft in operation are as technologically advanced and fuel-efficient as possible; Flight operations procedures that reduces fuel burn; route planning procedures to enable our planes fly the most fuel-efficient routes possible; maintenance programs for both airframes and engines that ensure operational efficiency and enhance fuel efficiency and use of lightweight crockery, cargo containers, and other aircraft modifications that minimize the weight of the aircraft.

Our culture of operating fuel efficiency has been embedded since our inception and has been part of the airline's standard operating procedures. Improving fuel efficiency of our aircraft operations has enabled us to offer competitive service to our customers. Improvement in fuel efficiency has been a team effort. Various teams within the Company work on implementing innovative initiatives for improving fuel efficiency. Our efforts have allowed us to operate our aircraft in a highly efficient manner, and to a certain extent, play a part in buffering against adverse conditions such as rising fuel prices. Not only does this save us money, it also helps us to reduce our environmental impact. Energy conservation in our establishments is an ongoing activity. We have ensured that the best practices are in place for preventive maintenance of buildings and equipment. Integrated approach to maintenance and management helps yield ongoing energy savings.

Technology absorption

Training of Pilots

Simulator training for pilots operating Boeing 737, Boeing 777 and Airbus 330 aircraft continued to be provided at the Company's Simulator Complex at Mumbai under the supervision of the Company's own instructors. The surplus capacities of the simulators were also used by other airlines both domestic and international airlines thereby generating valuable revenue.

Technology and e-Commerce initiatives

With a constant focus on using innovative technology towards creating enhanced customer value, Jet Airways launched its state of the art mobile app on Android, iOS and Blackberry. The mobile app provides guests with the option to book tickets, manage their JetPrivilege Account, check flight status, avail special offers and more. The company also introduced the option of booking JetEscapes Holidays on jetairways.com to provide leisure travelers a seamless experience to book all inclusive holiday packages at their convenience.

In the coming year the organization will implement a highly enhanced self check-in service across the web and mobile platform that will allow guests to seamlessly check-in on the go. The airline also aims to improve its online user



Directors' Report (Contd.)

experience with a revamp of its current website and infrastructure designed to provide a whole new experience using modern technology.

In June 2013, the Company migrated to Sabre SSCI departure control system. This has many enhanced features compared to the earlier system. We also upgraded the Sabre system to the version that is fully compliant with IATA EMD guidelines. In February 2014 we migrated the international operations to the new T2 terminal of Mumbai airport. The entire migration activity went through smoothly without any issues. We have embarked on a project to completely revamp the IT infrastructure for the Company's website and booking engine. This would result in far better scalability, security and uptime.

Foreign Exchange earnings and outgo

The details of Foreign Exchange earnings and outgo are given under the Notes to Accounts.

8. Environment, Health and Safety (EHS)

The following steps have been taken by the Company towards improvement of environment, health and safety:

1. Education and training employees to be constantly aware about EHS elements.
2. Conduct of EHS campaign & competition, routine participative, communicative and consultative exercises.
3. Monitor of EHS compliance by individual – EHS rules enforcement and compliance, using various audits and reporting tools.
4. Explore technological and engineering interventions to eliminate, reduce and mitigate any EHS related hazards, and endeavor to demonstrate it objectively.
5. Reducing significant EHS risk where "significant" is understood to loss of life, serious personal injury, major environmental impacts, and major damage to assets.
6. Promoting continuous improvement in EHS performance and management systems effectiveness, where "performance" is understood to mean actual measured EHS outcomes/results, and "effectiveness" relates to the ability of the local systems to help reduce business-operating costs or otherwise improve the quality, speed and cost of EHS delivery.

9. Fixed Deposits

The Company has not accepted any Fixed Deposits from the public during the Financial Year ended 31st March, 2014.

10. Corporate Governance

A separate section on Corporate Governance and a certificate from the Auditors on the Corporate Governance requirements as stipulated in Clause 49 of the Listing Agreement(s) entered into with the Stock Exchanges, form part of this Annual Report.

The declaration by the Director and Manager regarding compliance with the Code of Business Conduct and Ethics forms part of the Report on Corporate Governance.

11. Corporate Social Responsibility

The Company runs an in-flight collection programme called 'Magic Box' in association with the non-governmental organisation (NGO), Save the Children India (STCI). The funds raised through the Magic Box programme are utilised for relief work involving natural calamities such as earthquakes as well as education and healthcare for the underprivileged children and women. It also contributes significantly in the fight against trafficking of women and children.

In its constant endeavour to facilitate empowerment of women, the Company organises an in-flight fund raising drive prior to the 8th March each year. The funds collected are donated to select NGOs working primarily for the upliftment and empowerment of underprivileged women.

On the occasion of Children's Day on 14th November each year, the Company organises "Flights of Fantasy" for approximately 100 underprivileged children. Under this unique initiative, these children are introduced to the world of aviation, which is both informative as well as an educational experience for them.



Directors' Report (Contd.)

As required under Section 135 of the Companies Act, 2013, the Board of Directors of the Company has constituted the Corporate Social Responsibility Committee which consists of Mr. Gaurang Shetty, Mr. Javed Akhtar and Mr. Naresh Goyal as its Members.

12. Employees

Your Directors particularly acknowledge the selfless untiring efforts, whole-hearted support and co-operation of the employees at all levels. Our industrial relations continue to be cordial.

The total number of permanent employees of the Company as on 31st March, 2014, was 13,256 (as on 31st March, 2013: 12,082).

Information in accordance with the provisions of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, as amended, forms part of this Annual Report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, this Report and Accounts are being sent to all the Members of the Company, excluding the Statement of Particulars of Employees under Section 217(2A) of the Companies Act, 1956. Members may inspect the said Statement at the Registered Office of the Company between 10 a.m. and 12 noon on any working day of the Company

13. Directors' Responsibility Statement

As required under Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- in the preparation of the Annual Accounts for the year ended 31st March, 2014, the applicable accounting standards have been followed;
- appropriate accounting policies have been selected and applied consistently and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014 and of the loss of the Company for the year ended on that date;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Annual Accounts have been prepared on a going concern basis.

14. Directors

Mr. Gaurang Shetty, Director retires by rotation at the forthcoming Annual General Meeting and being eligible, has offered himself for re-appointment.

The re-appointment of Mr. Gaurang Shetty form part of the Notice of the forthcoming Annual General Meeting and the Resolution is recommended for your approval.

Mr. James Hogan and Mr. James Rigney were appointed as Additional Directors of the Company with effect from 20th November, 2013, and they shall hold office up to the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing appointment of Mr. James Hogan and Mr. James Rigney as Directors of the Company.

The Company has received requisite notices in writing from Members proposing the appointment of Mr. Aman Menta, Mr. Javed Akhtar and Mr. I M Kadri as Independent Directors of the Company.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013, and under Clause 49 of the Listing Agreement with the Stock Exchanges.

The profiles of these Directors, as required by Clause 49 of the Listing Agreement(s) entered into with the Stock Exchanges, are given along with the Notice of the Annual General Meeting.



Directors' Report (Contd.)

15. Auditors

The Statutory Auditors, Deloitte Haskins & Sells LLP, Chartered Accountants, and Chaturvedi & Shah, Chartered Accountants, retire at the forthcoming Annual General Meeting and have confirmed their eligibility and willingness to accept office, if re-appointed. Their re-appointment as the Joint Statutory Auditors for the Financial Year 2014-15, forms part of the Notice of the said Annual General Meeting and the Resolution is recommended for your approval.

16. Acknowledgements

Your Directors place on record their appreciation of the Company's General Sales Agents' and other members of the travel trade for their efforts in furthering the interest of the Company.

Your Directors would like to thank the Government of India especially the Ministry of Civil Aviation, Ministry of Commerce and Industry and Ministry of Finance for having had the foresight to have introduced the historic liberalization measure permitting foreign airlines to invest in the equity of Scheduled and Non Scheduled passenger airlines in India.

Your Directors also take this opportunity to thank the Ministry of Civil Aviation, Government of India, the Directorate General of Civil Aviation, Airports Authority of India, Mumbai International Airport (Private) Limited, Delhi International Airport (Private) Limited, GMR Hyderabad International Airport Limited, Bangalore International Airport Limited, Cochin International Airport Limited and other airport companies for their support and co-operation. Your Directors are also grateful to the Ministry of Finance, Reserve Bank of India, National Stock Exchange of India Limited, BSE Limited, US Exim Bank, Financial Institutions and Banks, Boeing Company, Avion de Transport Regionale, Airbus Industrie, General Electric, CFM and Pratt and Whitney and the lessors of our aircraft and engines for their understanding and look forward to their continued support.

On behalf of the Board of Directors

Naresh Goyal
Chairman

Mumbai
4th July, 2014



Management's Discussion and Analysis of Financial Condition and Results of Operations

1. Industry Structure and Development

Industry wide domestic passenger traffic grew by 5% in the current fiscal, as compared to a 5% decline in the previous fiscal. Despite recent challenges, India is expected to be amongst the fastest growing aviation market in the world over the next two decades.

However, the aviation industry in India has gone through yet another difficult year of operations due to high operating costs and increased price war, resulting in substantial industry wide losses for Fiscal 2014.

With the stabilisation of Indian rupee against the USD in the last few months, the overall outlook for the industry remains positive for the Financial Year 2014-15. The fiscal year is expected to bring new challenges such as spurt in global fuel prices and increase in competition in terms of new airlines.

In light of above, airlines in India remain focused on strict cost controls and further productivity improvement. Persistent efficiency enhancement measures being taken by airlines in the country, improvement in global economy and expectation of a cyclical upswing strengthens our long term optimistic outlook for the industry.

2. Analysis of Operational Performance Fiscal 2014 Compared to Fiscal 2013

Revenues

2.1 Total operating revenues of ₹ 1,730,189 lakhs in Fiscal 2014 compared to ₹ 1,685,259 lakhs in Fiscal 2013 shows an increase of 3% mainly due to increase in capacity by 1.7% and improvement in passenger yield by 2% which was slightly offset by reduction in cargo revenues due to reduced tonnage. Further, our revenues were positively impacted on account of depreciation of Indian Rupee.

Passenger Revenues

2.2 In Fiscal 2014 passenger revenues were at ₹ 1,450,576 lakhs as compared to ₹ 1,436,867 lakhs in Fiscal 2013. The growth of 1% can be mainly attributed to 2% increase in number of passengers carried whilst the load factor reduced from 78.8% in fiscal 2013 to 78.2% in the current fiscal.

Revenues from Excess Baggage

2.3 Revenues from excess baggage increased by 13.5% to ₹ 15,687 lakhs in Fiscal 2014 from ₹ 13,821 lakhs in Fiscal 2013, primarily resulting from enhanced focus on ancillary revenue.

Revenues from Cargo

2.4 Revenues from carriage of cargo decreased by 3% to ₹ 133,207 lakhs in Fiscal 2014 from ₹ 137,498 lakhs in Fiscal 2013. This was mainly on account of reduction in the cargo tons carried.

Other Operating Income

2.5 Other operating revenues increased by 34.7% to ₹ 130,719 lakhs in Fiscal 2014 from ₹ 97,073 lakhs in Fiscal 2013. The increase was mainly due to higher leasing income and cancellation charges.

Other Income

2.6 Other income decreased by 25% to ₹ 41,158 lakhs in Fiscal 2014, from ₹ 55,058 lakhs in Fiscal 2013. The previous fiscal year included a non-recurring profit on sale of slots at London Heathrow airport.

Expenses

2.7 Our total expenses before exceptional items amounting to ₹ 2,065,945 lakhs in Fiscal 2014 increased by 15% from ₹ 1,799,521 lakhs in Fiscal 2013.

Aircraft Fuel

2.8 Fuel costs increased by 3% to ₹ 717,542 lakhs for Fiscal 2014 from ₹ 699,200 lakhs in Fiscal 2013. This increase was mainly due to Increase in Aviation Turbine Fuel (ATF) rates on account of increase in crude oil prices. The average rate per litre of fuel for domestic and international operations in Fiscal 2014 were higher by 5% and 6%, respectively as compared to Fiscal 2013.



Management's Discussion and Analysis (Contd.)

Other Operating Expenses

2.9 Other Operating Expenses increased by 37% to ₹ 658,714 lakhs for Fiscal 2014 from ₹ 482,276 lakhs in Fiscal 2013 as summarized below:

Other Operating Expenses head	Year Ended 31 st March,		Increase/ (Decrease)
	2014	2013	
	(₹ lakhs)	(₹ lakhs)	(%)
Maintenance and repairs	308,173	186,694	65
Landing, navigation and other airport charges	145,877	127,069	15
Insurance	8,012	7,896	1
General and administrative	196,652	160,617	22
Total	658,714	482,276	37

- The increase in maintenance and repair costs in Fiscal 2014 was essentially due to one-time non-cash provisions aggregating ₹ 93,601 lakhs and impact of Indian Rupee's depreciation vis-à-vis the US dollar.
- The landing & navigation charges were high because of the rate increase for landing charges at key metro airports at the beginning of the current fiscal.
- The increase in general and administrative expenses in Fiscal 2014 over Fiscal 2013 is primarily attributable to:
 - Increase in loss on Foreign exchange fluctuation by ₹ 10,445 lakhs as compared to Fiscal 2013
 - Provision for doubtful deposit / advances of ₹ 11,643 lakhs in current Fiscal as compared to ₹ 319 lakhs in Fiscal 2013.
 - Impact of increase in other costs due to inflationary pressures and depreciation of the Indian rupee as compared to the US dollar.

Employee Remuneration and Benefits

2.10 Expenses with regard to employee remuneration and benefits increased by 23% to ₹ 189,959 lakhs in Fiscal 2014 from ₹ 154,424 lakhs in Fiscal 2013 due to increments given to employees during the beginning of the Fiscal.

Selling and Distribution Costs

2.11 Selling and distribution costs increased by 7% to ₹ 144,829 lakhs for Fiscal 2014 from ₹ 135,856 lakhs for Fiscal 2013 as GDS cost was impacted heavily due to depreciation of Indian Rupee.

Lease Rentals

2.12 Aircraft rentals increased by 36% to ₹ 167,610 lakhs in Fiscal 2014 from ₹ 123,210 lakhs in Fiscal 2013 mainly on account of:

- Net addition of 7 B737-800 and 2 ATR72-600 and full year impact of 4 A330-300 added during the last quarter of Fiscal 2013. Increase in lease rentals due to the aforesaid additions were slightly offset by reduction in 5 ATR72-500 and 2 A330-200 during the current Fiscal.
- There was an adverse impact of exchange rate difference between Indian Rupee and US dollar.

Depreciation

2.13 Depreciation decreased by 5% to ₹ 87,575 lakhs in Fiscal 2014 from ₹ 92,657 lakhs in Fiscal 2013. This was mainly due to full year impact of sale/ sale and lease back of aircrafts effected in Fiscal 2013 and sale of wide body aircraft in current Fiscal.

Interest Expense

2.14 Interest expenses decreased by 11% to ₹ 99,716 lakhs in Fiscal 2014 from ₹ 111,898 lakhs in Fiscal 2013. This is mainly due to repayment of certain high interest bearing loans during the year.



Management's Discussion and Analysis (Contd.)

Exceptional Items

2.15 Exceptional items were at ₹ 72,199 lakhs for Fiscal 2014 as compared to ₹ 10,654 lakhs in Fiscal 2013 as summarized below:

Exceptional items	Year Ended 31 st March,	
	2014	2013
	(₹ lakhs)	(₹ lakhs)
Salary Arrears	-	(15,990)
Mark to market derivatives gain / (loss)	938	2,834
Unrealised exchange gain / (loss)	(3,137)	(5,504)
Provision for diminution in value of Investment in Subsidiary	(70,000)	-
Compensation Credit	-	29,314
Total	72,199	10,654

Profit / (Loss) before Taxation

2.16 Loss before taxation is ₹ 366,797 lakhs in Fiscal 2014 compared to loss of ₹ 48,550 lakhs in Fiscal 2013.

Profit / (Loss) after Taxation

2.17 Loss after taxation was ₹ 366,785 lakhs in Fiscal 2014 compared to loss of ₹ 48,550 lakhs in Fiscal 2013.

3. Initiatives

3.1 E-commerce initiatives

With a constant focus on using innovative technology towards creating enhanced customer value, Jet Airways launched its state of the art mobile app on Android, iOS and Blackberry. The mobile app provides guests with the option to book tickets, manage their JetPrivilege Account, check flight status, avail special offers and more. The company also introduced the option of booking JetEscapes Holidays on jetairways.com to provide leisure travelers a seamless experience to book all inclusive holiday packages at their convenience.

In the coming year the organization will implement a highly enhanced self check-in service across the web and mobile platform that will allow guests to seamlessly check-in on the go. The airline also aims to improve its online user experience with a revamp of its current website and infrastructure designed to provide a whole new experience using modern technology.

3.2 IT initiatives

This year we migrated to Sabre SSCI departure control system, which has many enhanced features compared to the earlier system. We also upgraded the Sabre system to the version that is fully compliant with IATA EMD guidelines. Also, your Company embarked on a project to completely revamp the IT infrastructure for the Jet Airways website and booking engine, which would result in better scalability, security and uptime.

3.3 Ancillary revenue initiatives

Jet Airways is focusing on exploring various avenues of ancillary revenues such as Seat Select, Prepaid excess baggage, Prepaid Meals, Paid Lounge access, Unaccompanied minors to name a few, through all its distribution channels.

3.4 JetPrivilege initiatives

With the aim to further develop JetPrivilege into an award-winning loyalty programme, a separate entity, Jet Privilege Private Limited (JPPL) has been established as an associate company of Jet Airways (India) Limited. The purpose of JPPL is to own, operate and develop JetPrivilege into a broader coalition programme with a focus on India and South Asia Region.

JetPrivilege will continue as the loyalty, rewards and recognition programme of Jet Airways & JetKonnnect, managed and operated by Jet Privilege Private Limited ("JPPL"). Jet Airways will be an anchor partner in the JetPrivilege programme. In creating a broader coalition programme, JetPrivilege is aggressively pursuing new programme partners most notably in retail, lifestyle, telecom, and fuel category to enable such partners to issue JPMiles



Management's Discussion and Analysis (Contd.)

to members for purchase of goods or services or to reward other relevant behaviours, and allow redemption of JPMiles for a wide variety of rewards.

4. Outlook / Restructuring Measures

Etihad acquired 24% stake in your company for a consideration of ₹ 2,058 Crores. This partnership will enable Jet to have combined network of more than 130 routes, which is expected to bring additional feeder traffic from Etihad and its partner airlines to Jet. The revised Network plan will take into account the revenue opportunities which are now available to Jet from about 23 destinations in India to Abu Dhabi.

Jet-Etihad deal will also bring cost synergies in fleet acquisition, maintenance, joint purchasing opportunities for fuel, spare parts, equipment and catering supplies, as well as external services such as insurance and technology support. Other areas of co-operation will include joint training of pilots, cabin crew and engineers, as well as maintenance of common aircraft types and consolidation of guest loyalty programs.

High Crude prices, increased landing charges, currency depreciation and inflationary pressures continue to adversely impact your company's cost structure. Additionally, aggressive pricing strategy followed by certain domestic airlines make it difficult to pass on these increases to the passengers.

Crude oil prices, over the last one month has seen steep increase due to political uncertainty in the Middle East. With fuel cost constituting almost 35% of our total costs, this could have adverse impact on the Company's performance, going forward.

We continue in our endeavor in reducing costs, exploring various avenues of ancillary revenues and process improvements across all segments of the business. We believe that this will help the Company in maximizing profitability in the medium to long term. Further, post regulatory approvals received on 23rd May, 2014, we commenced our code share program with Etihad airways which is expected to resulted in significant growth in bookings per day.

Additionally, we have identified key areas of focus like engineering, marketing, flight operations, finance and airport services in order to enhance efficiency, reduce costs, improve customer experience and thereby, embark on a turnaround trajectory.

5. Internal Control Systems

- 5.1 The Company has a proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly and applicable statutes, codes of conduct and corporate policies are duly complied with.
- 5.2 The Company's Internal Audit Department reviews the adequacy and efficacy of the key internal controls. The scope of the internal audit activity is guided by the internal annual audit plan which is approved by the Audit Committee of the Board.
- 5.3 The Company's Audit Committee comprises of three Non-executive Directors; Mr. Aman Mehta (Chairman), Mr. I. M. Kadri and Mr. Javed Akhtar. The Audit Committee reviews reports submitted by the Internal Audit Department and monitors follow-up and corrective action taken.
- 5.4 The Company has a corporate compliance procedure to ensure that all laws, rules and regulations applicable to it are complied with. Based on confirmations from departmental heads; a Corporate Compliance Certificate is placed before the Board every quarter.
- 5.5 The Company Secretary is the designated Compliance Officer to ensure compliance with SEBI regulations and with the Listing Agreement with National Stock Exchange of India Limited and BSE Limited.
- 5.6 Mr. Arun Kanakal, Company Secretary & Associate Legal Counsel is the Compliance Officer with regard to the 'Jet Airways Code of Conduct for Prevention of Insider Trading'.
- 5.7 The Company has a process of both external and internal safety audits for each area of operation. The Company is in full compliance with all laws, rules and regulations relating to airworthiness, air safety and other statutory operational requirements.
- 5.8 The Company, as part of its Risk Management strategy, reviews, on a continuous basis, its strategies, processes, procedures and guidelines to effectively identify and mitigate risks. Key risk areas in all areas of the Company's operations and management have been identified and are monitored.



Management's Discussion and Analysis (Contd.)

6. Opportunities, Risks, Concerns and Threats

While the growth rate of Indian economy has remained sluggish in the last couple of years, it still continues to grow at a healthy pace as compared to other economies across the world. After a year of slump in demand, passenger traffic in the aviation sector grew by 5% in 2013-14.

With liberalization of FDI policy in aviation, 2 new airlines are expected to commence operations in India during the next Fiscal. Entry of new airlines will directly increase competition and will lead to more pressure on fares on some routes. However, steps have been taken to mitigate the impact on Jet.

Further, there could be short term challenges like high crude oil prices as well as significant increase in landing charges which is likely to put pressure on the profitability.

Jet Airways has moderated its fleet strategy in this difficult environment and we will look to consolidate our position on existing routes. Further, Jet's partnership with Etihad will enable Jet to serve a wider global network along with its partner airlines. Jet is also in the process of standardizing and reconfiguring its B737 fleet and increasing the seat count on its B777 fleet.

Certain statements in this Management Discussion and Analysis describing the Company may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's future operations include economic conditions affecting air travel in India and overseas, change in Government Regulations, changes in Central and State taxation, fuel prices and other factors.



Report on Corporate Governance

[As required by Clause 49 of the Listing Agreement(s) entered into with the Stock Exchanges]

1. Company's philosophy on Corporate Governance

- I. Your Company strives for continued excellence by adopting best-in-class governance and disclosure practices. The Company's Code of Business Conduct and Ethics and the Code of Conduct for prevention of Insider Trading reflect our commitment to good Corporate Governance framework. Transparency, integrity and accountability are the fundamental principles to sound Corporate Governance, which ensures that the Company is managed and monitored in a responsible manner.

Our actions are governed by our values and principles, which are reinforced at all levels within the Company. Success, we believe, requires the highest standards of corporate behaviour towards everyone we work with, the communities we touch and the environment on which we have an impact.

The Company views Corporate Governance as more than just regulatory requirements as it believes there exists a fundamental link between the Company and Society.

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.

Committees of the Board: The Committees have oversight of operational issues assigned to them by the Board which are constituted to oversee specific areas.

- II. The Company has implemented the "Corporate Governance Voluntary Guidelines" issued by the Ministry of Corporate Affairs, to the extent applicable. Though recommendatory in nature, being aware of its significance and importance, the Company will continue to adopt and implement the relevant provisions of these Guidelines.

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

2. Board of Directors ("Board")

I. Composition

As on 31st March, 2014, the Company has seven Directors on its Board which is headed by a Non-executive Promoter Chairman. Out of the seven Directors, one is a Director and Manager and six are Non-executive Directors.

All the Directors of the Company, except the Chairman, are liable to retire by rotation. There is no relationship between the Directors inter-se.

As per the requirements of Clause 49, none of the Directors is a Member of more than ten committees or Chairman of more than five committees across all public companies in which they are Directors. Necessary disclosures regarding committee positions in other public companies as on 31st March, 2014, have been obtained from the Directors.

The Company has complied with the mandatory requirements as laid down in Clause 49 of the Listing Agreement(s) entered into with Stock Exchange(s) ("Listing Agreement") except with regards to Clause 49 (I) (A) (ii) which deals with number of Independent Directors in case the non-executive chairman is a promoter of the Company. The Company has identified a suitable candidate and an application had been made to the Ministry of Civil Aviation for the necessary security clearance which is mandatory under Air Transport Circular No. 3 of 1998 before appointing a person on the Board. The Company shall proceed with the appointment of the independent director upon receipt of Security Clearance.



Report on Corporate Governance (Contd.)

The composition of the Board as on date, the changes during the year under review and Directorship / Committee positions of the Directors in other companies, are as follows:

Name	Position / Category	Other Directorships ⁵	Other Committee Positions ⁶	
			Chairman	Member
Mr. Naresh Goyal	Chairman Non-executive Promoter Director	1	-	1
Mr. Javed Akhtar	Independent Director	-	-	-
Mr. Ali Ghandour ¹	Independent Director	-	-	-
Mr. Victoriano P. Dungca ²	Non-executive Director	-	-	-
Mr. I. M. Kadri	Independent Director	-	-	-
Mr. Aman Mehta	Independent Director	5	2	3
Mr. Gaurang Shetty	Director and Manager (Executive)	1	1	-
Mr. James Hogan ³	Non-executive Director	-	-	-
Mr. James Rigney ⁴	Non-executive Director	-	-	-

Notes:

Based on the disclosures obtained from the Directors:

1. Resigned as the Director of the Company with effect from 8th August, 2013.
2. Resigned as the Director of the Company with effect from 19th November, 2013.
3. Appointed as the Director of the Company with effect from 20th November, 2013.
4. Appointed as the Director of the Company with effect from 20th November, 2013.
5. Excludes directorships in private companies, foreign companies and alternate directorships.
6. Includes only Audit Committee and Investors Grievance Committee of other Indian public limited companies

II. Attendance record of Directors at Board Meetings and the Annual General Meeting of the Company held during the financial year 2013-14

Six Board Meetings were held during the financial year 2013-14. The gap between any two Board Meetings did not exceed four months. The Board Meetings were held on the following dates:

24 th April, 2013	24 th May, 2013	8 th August, 2013
23 rd October, 2013	20 th November, 2013	7 th February, 2014

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 details of the attendance of Directors at the Board Meetings and the Annual General Meeting held during the financial year 2013-14 are as follows:

Name	Attendance at	
	Board Meetings	21 st Annual General Meeting held on 8 th August, 2013
Mr. Naresh Goyal	5	Yes
Mr. Javed Akhtar	2	No
Mr. Ali Ghandour	-	No
Mr. Victoriano P. Dungca	3	Yes
Mr. I. M. Kadri	4	No
Mr. Aman Mehta	5	Yes
Mr. Gaurang Shetty	6	Yes
Mr. James Hogan	1	N.A.
Mr. James Rigney	2	N.A.

The Prescribed quorum was present for all the Meetings.



Report on Corporate Governance (Contd.)

During the financial year 2013-14, information as mentioned in Annexure 1A to Clause 49 of the Listing Agreement has been placed before the Board for its consideration.

In addition to the information as enumerated in Annexure 1A to Clause 49 of the Listing Agreement, 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.

Additional Directors

In terms of the Shareholders Agreement executed between the Company, its promoters and Etihad Airways PJSC (Etihad); the Board had at its Meeting held on 20th November, 2013, appointed Mr James Hogan and Mr. James Rigney, nominees of Etihad, as Additional Directors of the Company.

Brief profile of Mr James Hogan and Mr. James Rigney are:

Mr. James Hogan is the President and Chief Executive of Etihad Airways PJSC since September 2006. He has more than 30 years of travel industry expertise. He is a fellow of the Royal Aeronautical Society and a former Non-executive Director, member of the Board's Audit Committee, of Gallaher Plc. In 2010, he served as the Chairman of the Aviation Travel and Tourism Governors at the World Economic Forum. He currently serves on the Executive Committee of the World Travel and Tourism Council. In June 2011, he was appointed to the International Air Transport Association (IATA) Board of Governors. In 2012, he received the CAPA Airline Executive of the Year Award for excellence and leadership.

Mr. James Rigney is a Chief Financial Officer of Etihad Airways PJSC since March 2009. Mr. Rigney's career in aviation has spanned two decades. He joined Etihad Airways from Gulf Air where he was Head of Corporate Strategy. He is responsible for finance, treasury, information technology, supply chain and property at Etihad Airways.

3. Committees of Board

To focus effectively on specific issues, the Board has constituted the following Committees with detailed Charters laying down specific terms of reference:

- a. Audit Committee of the Board
- b. Remuneration and Compensation Committee
- c. Investors Grievance and Share Transfer Committee

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 systems 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, Internal Auditors and the Board.

I. Terms of reference

The Audit Committee functions according to its Charter which is in line with the provisions of Clause 49 of the Listing Agreement entered into with the Stock Exchanges read with Section 292A of the Companies Act, 1956 ("Act") that defines its composition, authority, responsibility and reporting functions.



Report on Corporate Governance (Contd.)

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

- a. Oversight of the Company's financial reporting process and disclosure of financial information to ensure that the financial statement reflects a true & fair position and that sufficient and credible information is disclosed.
- b. Recommend the appointment, re-appointment and, if required, replacement or removal of Statutory Auditors, fixation of audit fees and approving payments for any other services.
- c. Review with management the annual and quarterly financial statements before submission to the Board for approval.
- d. Review with management, performance of Statutory and Internal Auditors and the adequacy of internal control systems.
- e. Review the adequacy of internal audit function.
- f. The appointment, removal and remuneration of the Chief Internal Auditor.
- g. Discussions with Internal Auditors of any significant findings and follow-ups thereon.
- h. Review the findings of any internal investigations by the Internal Auditors.
- i. Discussion with Statutory Auditors before the commencement of audit, of the nature and scope of audit as well as have post-audit discussion to ascertain any areas of concern.
- j. Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- k. Review the functioning of the Whistle Blower mechanism.
- l. Review the following information:
 - Management Discussion and Analysis of financial condition and results of operations;
 - Statement of significant related party transactions;
 - Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
 - Internal audit reports relating to internal control weaknesses;
 - Disclosure of contingent liabilities;
 - The consolidated financial statements, in particular, the investments made by unlisted subsidiary companies.

In addition to the above, the following disclosures are made to the Audit Committee, as and when applicable:

- Basis of related party transactions;
- Disclosure of accounting treatment; and
- Utilisation / application of proceeds from public issues, rights issues, preferential issues, etc.

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

II. Composition

The Audit Committee comprises of three Directors each of whom possess financial / accounting expertise. The Chairman of the Audit Committee is an Independent Director. The composition of the Audit Committee is in accordance with the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the



Report on Corporate Governance (Contd.)

Listing Agreement as given below:

Name	Designation	Category
Mr. Aman Mehta	Chairman	Independent Director
Mr. Victoriano P. Dungca ¹	Member	Non-executive Director
Mr. Javed Akhtar	Member	Independent Director
Mr. Ali Ghandour ²	Member	Independent Director
Mr. I M Kadri ³	Member	Independent Director

1. Resigned as a Member with effect from 19th November, 2013.
2. Resigned as a Member with effect from 8th August, 2013
3. Appointed as a Member with effect from 18th October, 2013.

The Director and Manager, the Chief Executive Officer, executives from Finance and Internal Audit Departments and representatives of the Statutory Auditors are invited to attend the Audit Committee Meetings.

III. Meetings and attendance during the financial year 2013-14

The Audit Committee met four times during the financial year 2013-14 on 24th May, 2013, 8th August, 2013, 23rd October, 2013 and 7th February, 2014 and the gap between any two Meetings did not exceed four months.

The details of attendance of the Members at these Meetings are as follows:

Name	Number of Meetings attended
Mr. Aman Mehta	4
Mr. Victoriano P. Dungca ¹	2
Mr. Javed Akhtar	2
Mr. Ali Ghandour ²	-
Mr. I M Kadri ³	2

1. Resigned as a Member with effect from 19th November, 2013.
2. Resigned as a Member with effect from 8th August, 2013
3. Appointed as a Member with effect from 18th October, 2013.

The Company Secretary attended all the above Meetings.

The prescribed Quorum was present for all the Meetings.

The Chairman of the Audit Committee, Mr. Aman Mehta, was present at the 21st Annual General Meeting held on 8th August, 2013.

b. Remuneration and Compensation Committee

I. Terms of reference

The Remuneration and Compensation Committee reviews and recommends the remuneration packages of the Managerial Personnel including that of the Senior Management and formulates broad policy framework for managerial remuneration.



Report on Corporate Governance (Contd.)

II. Composition

The Remuneration and Compensation Committee comprises of three Non-executive Directors as enumerated below :

Name	Designation	Category
Mr. Aman Mehta	Chairman	Independent Director
Mr. Victoriano P. Dungca ¹	Member	Non-executive Director
Mr. Javed Akhtar	Member	Independent Director
Mr. Ali Ghandour ²	Member	Independent Director
Mr. I. M. Kadri	Member	Independent Director

1. Resigned as a Member with effect from 19th November, 2013.
2. Resigned as a Member with effect from 8th August, 2013

III. Meetings and attendance during the financial year 2013-14

During the financial year 2013-14, the Remuneration and Compensation Committee met once on 7th February, 2014.

Except Mr. Javed Akhtar, all the Committee Members and the Company Secretary attended the Meeting.

The Chairman of the Remuneration and Compensation Committee, Mr. Aman Mehta, was present at the 21st Annual General Meeting held on 8th August, 2013.

IV. 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 any Non-executive directors.

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 ₹ 20,000 for each Board and Committee Meeting attended by them.

Due to the losses made by the Company for the year ended 31st March, 2014, no Commission is payable to the Non-executive Directors for the Financial Year 2013-14.

Details of remuneration paid to Non-executive Directors for the financial year 2013-14 are as follows:

Name	Sitting Fees Paid (₹)	Commission	Total (₹)
Mr. Naresh Goyal	100,000	NIL	100,000
Mr. Ali Ghandour*	NIL	NIL	NIL
Mr. Victoriano P. Dungca*	100,000	NIL	100,000
Mr. Javed Akhtar	100,000	NIL	100,000
Mr. I. M. Kadri	180,000	NIL	180,000
Mr. Aman Mehta	200,000	NIL	200,000
Mr. James Hogan#	-	-	-
Mr. James Rigney#	-	-	-

Notes:

* Mr. Ghanodur and Mr. Dungca resigned as Directors with effect from 8th August, 2013 and 19th November, 2013 respectively.

Mr. Hogan & Mr. Rigney were appointed as Additional Directors on 20th November, 2013 and have written to the Company stating that they do not want to receive any sitting fess from the Company.



Report on Corporate Governance (Contd.)

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.

Except Mr. Naresh Goyal, none of the other Non-executive Directors has any material pecuniary relations or transactions in the Company. Shareholding of the Non-executive Directors in the Company is enumerated in the table below:

Name	Number of Shares of ₹ 10/- each held in the Company	% of Total Paid-up Equity Capital
Mr. Naresh Goyal	57,933,665	51.00
Mr. Javed Akhtar	2,220	Negligible

Notes:

1. Except for Mr. Goyal & Mr. Akhtar none of the Directors hold any shares in the Company.
2. Mr. Goyal's shareholding changed from 9,995 to 57,933,665 Equity Shares on account of inter se transfer among the promoters of the Company.

2. For the Director and Manager (Mr. Gaurang Shetty)

The remuneration paid to Mr. Gaurang Shetty, Director and Manager comprises of Salary and Allowances, Perquisites and Retirement Benefits.

Details of the remuneration paid during the Financial Year 2013-2014 are as follows :

	(In ₹)
Salary and Allowances	: 5,784,000
Perquisite	: 28,126
Retirement Benefits	: 230,400
Total	: 6,042,526

Mr. Gaurang Shetty is an employee of the Company and he is bound by the terms of employment and policies of the Company.

c. Investors Grievance and Share Transfer Committee

The Company has constituted an Investors Grievance and Share Transfer 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 Investors Grievance and Share Transfer 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 / rematerialisation / 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;
- To decide the frequency of audit of the Registrar and Share Transfer Agent and to consider the Auditor's Report thereon;
- To consider and take on record the certificate from the practicing Company Secretary under Clause 47(c) of the Listing Agreement;



Report on Corporate Governance (Contd.)

- To carry out any other activity as may be mandated by the Statutory Regulations;
- Such other matters as may be referred or delegated to it, from time to time, by the Company's Board of Directors;

II. Composition

The Members of the Investors Grievance and Share Transfer Committee are as under :

Name	Designation	Category
Mr. I. M. Kadri	Chairman	Independent Director
Mr. Javed Ahktar	Member	Independent Director
Mr. Gaurang Shetty	Member	Director and Manager

III. Meetings and attendance during the financial year 2013-14

The Investors Grievance and Share Transfer Committee met twice during the financial year i.e. on 24th May, 2013 and 23rd October, 2013.

The dates of the Meetings and presence thereat are as follows:

Name	Attendance
Mr. I. M. Kadri	2 out of 2
Mr. Javed Akhtar	1 out of 2
Mr. Gaurang Shetty	2 out of 2

The Company Secretary attended all the above Meetings.

IV. Name and designation of Compliance Officer

Mr. Arun Kanakal, Company Secretary and Associate Legal Counsel, has been appointed the Compliance Officer under Clause 47 of the Listing Agreement.

V. Details of Shareholders' complaints / queries

The details of Shareholders' complaints during the financial year 2013-14 are as follows :

Status of Complaints	Number of Complaints
Pending as of 1 st April, 2013	NIL
Received during the financial year 2013-14	56
Disposed of during the financial year 2013-14	56
Pending as of 31 st March, 2014	NIL

Investors complaints are given top priority by the Company and are promptly addressed by the Registrar and Share Transfer Agent, Karvy Computershare Private Limited, who strive to attend to all investor complaints within 48 hours of receipt. All investors' grievances / correspondences received during the financial year 2013-14 have been attended to.

The Company has a separate email ID investors@jetairways.com to which investors may address their grievances. They may contact the Investor Relations Officer, Mr. C. P. Varghese, at the Registered Office of the Company or on Telephone : +91 22 6121 1000.



Report on Corporate Governance (Contd.)

4. General Body Meetings

i. Location and time of the last three Annual General Meetings:

Financial Year	Venue	Date and Time
2012-13	Bhaidas Maganlal Sabhagriha, Juhu Vile Parle Development Scheme, Bhaktivendanta Swami Marg, Vile Parle (West), Mumbai-400 056	8 th August, 2013 at 3:30 p.m.
2011-12		3 rd August, 2012 at 3:30 p.m.
2010-11	Nehru Centre Auditorium, Discovery of India Building, Dr. Annie Besant Road, Worli, Mumbai-400 018	17 th August, 2011 at 3:30 p.m.

ii. Special Resolutions passed in the previous three Annual General Meetings:

Annual General Meeting held on	Subject
17 th August, 2011	<ul style="list-style-type: none"> ● Raising of Capital ● Appointment of Mr. Nivaan Goyal to an office or place of profit. ● Re-appointment of Ms. Namrata Goyal to an office or place of profit.
3 rd August, 2012	<ul style="list-style-type: none"> ● Appointment of Mr. Gaurang Shetty as a Director ● Appointment of Mr. Gaurang Shetty as the Manager ● Appointment of Mrs. Anita Goyal to an Office or Place of Profit ● Raising of Capital ● Investment in a company to be set up as a marketing services company ● Investment in a company to be set up as a training academy
8 th August, 2013	<ul style="list-style-type: none"> ● Increase in the Borrowing Limits ● Re-Appointment of Mr. Nivaan Goyal to an Office or Place of Profit ● Re-appointment of Ms. Namrata Goyal to an Office or Place of Profit

A Special Resolution to approve the allotment of equity shares on preferential basis to Etihad Airways PJSC pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, was passed at the Extraordinary General Meeting held on 24th May, 2013.

iii. Resolutions passed during the Financial Year through Postal Ballot:

During the financial year 2013-14, two special resolutions as proposed in the Postal Ballot Notice dated 7th February, 2014 were passed for:

- Transfer / sell / otherwise dispose of the Jet Privilege Frequent Flyer Programme ('JPFFP') of the Company to its subsidiary, Jet Privilege Private Limited ('JPPL') as a going concern on a slump sale basis
- Authority for making investments in Jet Privilege Private Limited

Mr. Taizoon M Khumri, Practicing Company Secretary, was appointed as the Scrutinizer for overseeing the postal ballot voting process.

5. Disclosures

- Details of related party transactions as per requirement of Accounting Standard 18 are disclosed in Notes to the financial statements for the year ended 31st March, 2014. A statement of these transactions 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.
- 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.
- With regard to matters related to capital markets, there have been no instances of non-compliance by the Company, penalties or strictures imposed on the Company by the Stock Exchanges, Securities and Exchange Board of India or any statutory authority on any matter related to capital markets during the last three years.



Report on Corporate Governance (Contd.)

- d. The Board is responsible for ensuring that the rules are in place to avoid conflicts of interest by the Board Members.

The Company has adopted the Code of Business Conduct and Ethics for the Members of the Board and Senior Management ('Code') as required under Clause 49 of the Listing Agreement which is applicable to Directors and Management Personnel

If such an interest exists, the Members are 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.

The Code is posted on the Company's website www.jetairways.com. All the Members of the Board and the Senior Management personnel have affirmed their compliance with the said Code. A declaration to this effect, signed by the Director and Manager, is given below :

In accordance with Clause 49(I)(D) of the Listing Agreement entered into with the Stock Exchanges, I hereby confirm that :

All the Members of the Board and the Senior Management Personnel of the Company have affirmed compliance with the Code of Business Conduct and Ethics for the Members of the Board and the Senior Management, as applicable to them, in respect of the Financial Year 2013-14.

Mumbai
27th May, 2014

Gaurang Shetty
Director & Manager

e. **CEO / CFO Certification**

A Certificate from the Director & Manager and Vice President – Finance on reporting and the internal controls over financial reporting for the financial year ended 31st March, 2014, was placed before the Board. In addition, as required by Clause 41 of the Listing Agreement, 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 Procedure, which are periodically reviewed by the Audit Committee and the Board.

g. **Disclosure of Accounting Treatment**

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

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

Directors and employees are encouraged to report evidence of illegal or unethical behaviour in a responsible and confidential manner to the Chairman of the Board or the Chairman of the Audit Committee or alternatively may report to their superiors or Head-Human Resources. It is the policy of the Company to not allow retaliation against any employee who makes a good faith report about a possible violation of the Code of Business Conduct and Ethics.

Under the Company's, 'Special Reporting Obligations and Procedures Relating to Concerns Regarding Accounting or Auditing Practices', employees are encouraged to bring to the attention of the Audit Committee or the Board any questions, concerns or complaints they may have regarding accounting, internal accounting controls or auditing matters.

i. **Code of Conduct for Prevention of Insider Trading**

The Company has adopted the Code of Conduct for Prevention of Insider Trading, as prescribed under SEBI (Prohibition of Insider Trading) Regulations, 1992. 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, 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. Arun Kanakal, Company Secretary & Associate Legal Counsel, is the Compliance Officer. The Company has also adopted a Code of Corporate Disclosure Practices for Prevention of Insider Trading to ensure timely and adequate disclosure of price sensitive information.

6. **Means of Communication**

- Newspapers : The Company publishes the statement of financial results (quarterly / half yearly / annual) in prominent newspapers such as Indian Express, Financial Express, LokSatta, Navshakti, Economic Times and Free Press Journal.



Report on Corporate Governance (Contd.)

Up-to-date financial results, official press releases, presentations to analysts and institutional investors and other general information about the Company are also available on the Company's website www.jetairways.com

- Analysts and Investors meet / call: The Company regularly conducts meets / calls with Analysts and Investors to brief them of the financial and operational performance of the Company.

The Shareholding Pattern and other communication of investors' interest, including the transcript of Investors / Analysts meets / calls, are uploaded on the website.

The Company's website is a comprehensive reference to the Management's mission and policies. The section on "Investor Relations" serves to inform investors by giving them complete information on the financials, shareholding pattern, committees of the Board, information relating to stock exchanges, Registrar and Share Transfer Agent, etc.

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

SEBI Complaints Redress System (SCORES) : The investor complaints are processed in a centralized web based complaints redress system hosted by SEBI. The salient features of this system are : Centralised database of all complaints, online upload of Action Taken Reports by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

7. General Shareholder Information

I Annual General Meeting

Date, time and venue : Monday, 11th August, 2014, at 3.30 p.m. at Bhaidas Maganlal Sabhagriha, Juhu Vile Parle Development Scheme, Bhaktivendanta Swami Marg, Vile Parle (West), Mumbai-400 056

II Financial Year : 1st April, 2013 to 31st March, 2014

Financial Calendar (tentative)

The Company expects to announce the results for the financial year 2014-15, as per the following schedule:

First quarter results	On or before 14 th August, 2014
Second quarter results	On or before 14 th November, 2014
Third quarter results	On or before 14 th February, 2015
Annual Results	On or before 31 st May, 2015
Twenty Third Annual General Meeting	On or before 30 th September, 2015

- iii. **Dates of Book Closure** : Tuesday 29th July, 2014 to Monday, 11th August, 2014 (both days inclusive) for the purpose of the Twenty Second Annual General Meeting.

- iv. **Dividend Payment Date** : Not applicable as the Board of Directors has not recommended any dividend for the financial year 2013-14.

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)	BSE Limited (BSE)
"Exchange Plaza", Bandra-Kurla Complex, Bandra (East), Mumbai-400 051	P. J. Towers, Dalal Street, Fort Mumbai-400 001

The Company's Equity Shares form part of "A" Group and S&P BSE 200 Index of BSE.

The Listing Fee for the financial year 2014-15 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	
International Securities Identification Number (ISIN)	INE802G01018		



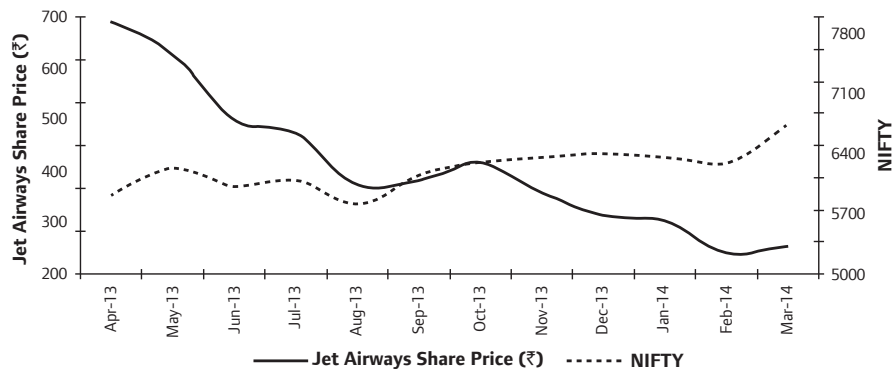
Report on Corporate Governance (Contd.)

vii. Market price data (high, low during each month in the financial year 2013-14)

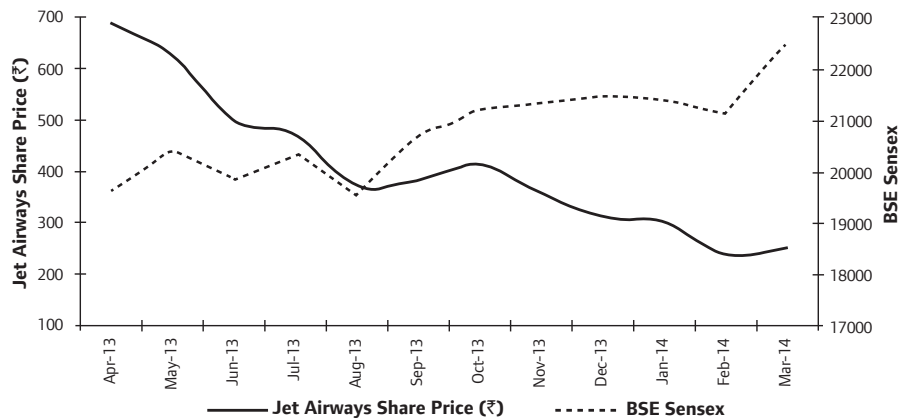
Month	BSE		NSE	
	High	Low	High	Low
	(₹)	(₹)	(₹)	(₹)
April 2013	688.60	470.05	687.00	468.00
May 2013	627.00	486.30	626.75	486.50
June 2013	499.00	384.70	497.80	385.00
July 2013	472.00	333.20	472.00	333.20
August 2013	373.00	280.00	372.65	279.15
September 2013	384.00	299.95	382.25	301.00
October 2013	414.70	325.05	414.60	324.15
November 2013	357.50	290.00	357.90	290.00
December 2013	312.40	260.35	313.00	260.10
January 2014	303.70	234.30	303.85	234.30
February 2014	239.15	210.25	239.40	210.75
March 2014	251.85	215.25	251.90	214.50

viii. Performance of Share Price in comparison to the NSE and BSE Indices

Jet Airways vs NIFTY



Jet Airways vs BSE Sensex





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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, Karvy Computershare Private Limited at the following address :

Head Office (Hyderabad)

17-24, Vittal Rao Nagar
Madhapur, Hyderabad-500 081
Tel : +91 40 4465 5000
Fax : +91 40 2342 0814
Email : einward.ris@karvy.com
Website : www.karvy.com

Contact Person

Mr. S. V. Raju - Assistant 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, Karvy Computershare 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 Investors Grievance and Sharetransfer Committee.

The Company obtains from a Company Secretary in Practice a certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement 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 2013-14.

xi. Transfer of unclaimed amounts to Investor Education and Protection Fund

Pursuant to Section 205C of the Companies Act, 1956, read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, the Company has credited to the Investor Education and Protection Fund (IEPF), an amount of ₹ 594,270 being the Unclaimed Dividend Amount declared during the financial year 2005-06, lying unclaimed for a period of seven years.

Please note that no claim shall lie against the Company or the Central Government, once the amounts are transferred to the IEPF. Members who have not yet encashed their dividend warrant(s) for the aforesaid financial years are requested to contact the Company's Registrar and Share Transfer Agents, Karvy Computershare Private Limited, at the earliest.

The Unclaimed Dividend for Financial Year 2006-07 is due for transfer on 3rd December, 2014.



Report on Corporate Governance (Contd.)

xii. Shareholding Pattern as on 31st March, 2014

(₹ in lakhs)

Category	Number of Shares held	% of Shares
Shareholding of Promoter and Promoter Group		
Indian		
Individuals / Hindu Undivided Family	1000	0.00
Sub Total	1000	0.00
Foreign		
Individuals(NRIs / Foreign Individuals)	57,933,665	51.00
Bodies Corporate	NIL	NIL
Total	57,934,665	51.00
Total shareholding of Promoter and Promoter Group (A)		
Public Shareholding		
Institutions		
Mutual Funds / UTI	2,661,517	2.34
Financial Institutions / Banks	380,250	0.33
Insurance Companies	2,430,864	2.14
Foreign Institutional Investors	4,848,572	4.27
Sub Total	10,321,203	9.09
Non-Institutional		
Bodies Corporate	5,271,874	4.64
Individuals :		
Individual shareholders holding nominal share capital up to ₹ 1 lakh	10,116,430	8.91
Individual shareholder holding nominal share capital in excess of ₹ 1 lakh	1,211,549	1.07
Others :		
Foreign Bodies	27,263,372	24.00
Non Resident Indians	596,947	0.53
Trusts	373	0.00
Clearing Members	880,970	0.78
Sub Total	45,341,515	39.91
Total Public Shareholding (B)	55,662,718	49.00
Total (A) + (B)	113,597,383	100.00
Shares held by Custodians and against which Depository Receipts have been issued (C)	-	-
Total (A) + (B) + (C)	113,597,383	100.00



Report on Corporate Governance (Contd.)

xiii. Distribution of Shareholding as on 31st March, 2014

Category From -To	Shareholders		Shares	
	Number	% of total	Number	% of total
1-500	130,147	97.01	6,223,072	5.48
501-1,000	2139	1.59	1,670,539	1.47
1,001-1,500	554	0.41	705,256	0.62
1,501-2,000	365	0.27	670,838	0.59
2,001-2,500	201	0.15	458,999	0.40
2,501-3,000	129	0.10	363,230	0.32
3,001-3,500	77	0.06	255,335	0.22
3,501-4,000	64	0.05	244,128	0.21
4,001-4,500	41	0.03	177,278	0.16
4,501-5,000	68	0.05	332,442	0.29
5,001-10,000	179	0.13	1,322,010	1.16
10,001-20,000	77	0.06	1,059,387	0.93
20,001-30,000	34	0.03	841,409	0.74
30,001-40,000	17	0.01	608,136	0.54
40,001-50,000	7	0.01	327,908	0.29
50,001-1,00,000	29	0.02	2,040,515	1.80
1,00,001 & above	30	0.02	96,296,901	84.77
Total :	134,158	100.00	113,597,383	100.00

xiv. Top Ten Shareholders as on 31st March, 2014

Sr. No.	Name of the Shareholder	Number of Shares	% of Holding	Category
1	Mr. Naresh Jagdishrai Goyal	57,933,665	51.00	Foreign promoter
2	Etihad Airways	27,263,372	24.00	Foreign Body
3	Life Insurance Corporation of India	2,355,864	2.07	Insurance Company
4	Platinum Investment Management Limited A/c Platinum Asia Fund	998,340	0.88	Foreign Institutional Investor
5	Government of Singapore	926,393	0.82	Foreign Institutional Investor
6	IDFC Limited	553,954	0.49	Body Corporate
7	Birla Sun Life Trustee Company Private Limited A/c Birla Sun Life Frontline Equity Fund	517,673	0.46	Mutual Fund
8	Platinum Investment Management Limited A/c Platinum International Brands Fund	465,876	0.41	Foreign Institutional Investor
9	HDFC Trustee Company Limited – HDFC Top 200 Fund	400,000	0.35	Mutual Fund
10	UTI – Unit Linked Insurance Plan	375,000	0.33	Mutual Fund



Report on Corporate Governance (Contd.)

xv. 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 31st March, 2014, are given hereunder:

Particulars of Equity Shares	Equity Shares of ₹ 10 each	
	Number	% of total
Dematerialized form		
NSDL	108,794,479	95.77
CDSL	4,802,127	4.23
Sub-total	113,596,606	100.00
Physical form	777	0.00
Total	113,597,383	100.00

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

The Annual Custodial Fee has been paid for the financial year 2014-15 to both the depositories.

xvi. Shares in the 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.

As required by Clause 5A of the Listing Agreement, 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 1 st April, 2013		Shares transferred during the year		Balance as on 31 st March, 2014	
	Number of		Number of		Number of	
	Cases	Shares	Cases	Shares	Cases	Shares
Equity Shares	64	722	NIL	NIL	64	722

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

xvii. 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 31st March, 2014, 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.

xviii. Outstanding GDRs / ADRs / Warrants or any convertible instruments

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



Report on Corporate Governance (Contd.)

xix. Plant locations

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

xx. Address for correspondence

Postal address	E-Mail ID and Website	Telephone	Fax
Jet Airways (India) Limited Siroya Centre, Sahar Airport Road Andheri (East), Mumbai-400 099	companysecretary@jetairways.com	+91 22 6121 1000	+91 22 6121 1950
	investors@jetairways.com		
Attn.: Mr. C. P. Varghese Investor Relations Officer	Website: www.jetairways.com		

8. Adoption of Non-mandatory requirements under the Listing Agreement

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement. The Company has complied with the following non-mandatory requirements:

- I. Remuneration and Compensation Committee: The Company has constituted a Remuneration and Compensation Committee of Directors comprising of Non-executive Directors. The details of the Committee have been mentioned earlier in this Report.
- II. Whistle Blower Policy: The details with regard to functioning of the Policy have been mentioned earlier in this Report
- III. Shareholder Rights: The quarterly, half-yearly and annual statement of financial results of the Company are published in newspapers on an all India basis and are also posted on the Company's website.

Significant events and milestones are also posted on the Company's website. Adoption of other non-mandatory requirements will be considered by the Company.

Note : The information give hereinabove is as on 31st March, 2014, unless otherwise stated.



Report on Corporate Governance (Contd.)

Auditors' Certificate on compliance of conditions of Corporate Governance

To the Members of
Jet Airways (India) Limited

We have examined the compliance of conditions of Corporate Governance by Jet Airways (India) Limited ("the Company"), for the year ended on 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the abovementioned Listing Agreement except with regards to clause 49(I)(A)(ii) which deals with number of independent directors in case the non-executive chairman is a promoter for which company has identified a suitable candidate and an application had been made to the Ministry of Civil Aviation for the necessary clearance.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

FOR DELOITTE HASKINS & SELLS LLP

Chartered Accountants
Registration No.117366W/W-100018

R. D. Kamat

Partner
Membership No: 36822

Mumbai
4th July, 2014

FOR CHATURVEDI & SHAH

Chartered Accountants
Registration No. 101720W

C. D. Lala

Partner
Membership No : 35671



Independent Auditors' Report

To the Members of
Jet Airways (India) Limited

Report on the Financial Statements

We have audited the accompanying financial statements of JET AIRWAYS (INDIA) LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Emphasis of Matter

We draw attention to following notes to the financial statements:

- (a) Note 32 regarding amount of investments in and advances to its wholly owned major subsidiary aggregating to ₹ 360,892 lakhs as at 31st March 2014 (₹ 298,160 lakhs as at 31st March 2013). The subsidiary has a negative networth of ₹ 214,289 lakhs (₹ 171,358 lakhs as at 31st March 2013). On a consideration of factors as explained in the note, the Company has made a provision of ₹ 70,000 lakhs so as to fairly reflect the 'other than temporary' diminution in such investment. The assessment of carrying amount of investment is critically dependent upon the achievement of the expected operating performance by the subsidiary after re-organization of the fleet as mentioned in the note.
- (b) Note 42 regarding preparation of financial statements of the Company on going concern basis for the reasons stated therein. The appropriateness of assumption of going concern is dependent upon realisation of the synergies from alliance with the Strategic Partner and/or the Company's ability to raise requisite finance/generate cash flows in future to meet its obligations, including financial support to its subsidiary.



Independent Auditors' Report (contd.)

Our opinion is not qualified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs).
 - (e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

R. D. Kamat

Partner

Membership No. 36822

Place: Mumbai

Date: 27th May, 2014

For CHATURVEDI & SHAH

Chartered Accountants

Firm's Registration No. 101720W

C. D. Lala

Partner

Membership No. 35671



Annexure to the Auditors' Report

Annexure to the Auditors' Report to the Members of Jet Airways (India) Limited

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (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) The Company has a program of verification of fixed assets to cover all the items in a phased manner, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.
 - c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (ii) In respect of its inventories;
 - a) As explained to us, the inventory has been physically verified during the year by the management other than inventory lying with third parties. In our opinion, the frequency of verification is reasonable. In respect of inventory lying with third parties we have relied on the confirmations obtained by the management from such entities.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification followed by the management for stock lying with it were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii) In respect of the loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956:
 - a) The Company has given loan to its two wholly owned subsidiary companies. In respect of the said loans, the maximum amount outstanding at any time during the year was ₹ 209,619 lakh and the year-end balance was ₹ 196,392 lakh.
 - b) In our opinion and based on explanations received from the management, the terms and conditions of the aforesaid loans are not prima facie prejudicial to the interest of the Company.
 - c) The Loan given to Jet lite India Limited is interest free loan and is repayable after six years (financial year 2019-20) by way of a bullet payment and loan given to Jet Privilege Private Ltd has been repaid during the year and interest charged is recovered.
 - d) The Company has not taken any loan during the year from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Consequently, the requirements of Clauses (iii) (f) and (iii) (g) of paragraph 4 of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the internal control procedures for the purchase of inventory, fixed assets and with regard to rendering of services are commensurate with the size of the Company and the nature of its business. Sale of goods is not a significant part of the Company's activity. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.
- (v) In respect of contracts or arrangements referred to in section 301 of the Companies Act 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
 - a) The particulars of contracts or arrangements have been entered in the register maintained under that section.
 - b) Transactions exceeding Rupees five lakh in respect of any party during the year made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to prevailing market prices at the relevant time or within the limits stipulated in the Central Government approval.
- (vi) According to information and explanations given to us, the company has not accepted deposits from the public during the year. Therefore, the provisions of clause 4(vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.



Annexure to the Auditors' Report (contd.)

- (vii) The Company has an internal audit system comprising of its own internal team for specific areas on a rotational basis. In our opinion, the Company has an adequate internal audit system commensurate with its size and nature of its business.
- (viii) Maintenance of cost records has not been prescribed for the Company by the Central Government under clause (d) of sub section (1) of section 209 of the Companies Act, 1956. Therefore, the provisions of clause 4(viii) of the Companies (Auditor's Report) Order, 2003 are not applicable.

- (ix) In respect of statutory dues:

- a) Undisputed statutory dues, including Investor Education and Protection Fund, Wealth Tax, Provident Fund, Custom Duty, Excise duty, cess and other material statutory dues, as applicable, have been generally regularly deposited with the appropriate authorities. However, in respect of Sales tax, Profession Tax, Employees' State Insurance, Income tax (tax deducted at source) and Service Tax, the delays ranged from One day to Twenty months. No undisputed amounts in respect of such dues were outstanding as on 31st March, 2014 for a period more than six months from the date they became payable, except in respect of : i) Service tax ₹ 5 lakhs (since paid), ii) Profession tax ₹ 1 lakh, and iii) interest on delayed payment of Income tax (tax deducted at source) and service tax- ₹ 4,077 lakhs and ₹ 100 lakhs respectively.
- b) According to the information and explanations given to us, there are no dues of sales tax, income tax, service tax, custom duty, wealth tax and cess which have not been deposited on account of any dispute other than the following:

Name of statute	Nature of the dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
IATT Rules, 1989	IATT Interest & Penalty	321	2003-04	Delhi High Court
Customs Act 1962	Custom Duty	426	2006-2007 to 2010-2011	Commissioner of Customs (Appeals)- Mumbai
Finance Act 1994	Service Tax	361	2003-2004 to 2005-2006	Supreme Court of India
Finance Act 1994	Service Tax	29,196	2002-2003 to 2011-2012	CESTAT
Finance Act 1994	Service Tax	197,524	2002-2003 to 2012-2013	Commissioner of Central Excise
Income Tax Act, 1961	Income Tax	5,905	2002-2003 to 2008-2009 2010-2011 and 2011-2012	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	233	2006-2007	Bombay High Court
Income Tax Act, 1961	Income Tax	15,549	2006-2007 to 2013-2014	Commissioner of Income Tax

- (x) The accumulated losses of the Company at the end of the financial year are more than fifty per cent of its net worth. The Company has incurred cash loss during current financial year but has not incurred any cash loss in the immediately preceding financial year.
- (xi) Based on our audit procedures and according to the information and explanations given to us, there have been defaults in the repayment of dues to financial institutions and banks as under:

Period of Delay	Principal Amount (₹ In lakhs)	Interest Amount (₹ In lakhs)
Upto 30 Days	77,415	13,445
31 to 60 Days	19,830	672
61 Days and above	21,768	477

All the aforesaid amounts are paid as on the Balance Sheet date

- (xii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and any other securities and hence question of maintenance of adequate records for this purpose does not arise.
- (xiii) According to the information and explanation given to us, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.



Annexure to the Auditors' Report (contd.)

- (xiv) The Company has not dealt (other than in Mutual Fund Units) or traded in shares, securities, debentures or other investments during the year. For dealings in units of Mutual Funds, the Company has maintained proper records of transactions and contracts. All the investments have been held by the Company in its own name.
- (xv) The Company has given guarantees for loans taken by its wholly owned subsidiary Company from banks/financial institution. Based on the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not prima facie prejudicial to the interest of the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short-term basis have, prima facie, not been used for long-term investment during the year.
- (xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956. Therefore, the provisions of clause 4(xviii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xix) During the period covered by our audit report, the Company has not issued any debentures and no debentures were outstanding at the beginning of the year. Therefore, the provisions of clause 4(xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xx) The Company has not raised any money by way of public issue during the year.
- (xxi) According to the information and explanations given to us and on the basis of the examination of the records, no fraud by the Company and no material fraud on the Company was noticed or reported during the year. We are informed that cases of possible fraudulent differential fare collection / refund by Airport personnel and credit card ticket bookings aggregating to ₹ 78 lakhs are being pursued by the management.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

R. D. Kamat

Partner

Membership No. 36822

Place: Mumbai

Date: 27th May, 2014

For CHATURVEDI & SHAH

Chartered Accountants

Firm's Registration No. 101720W

C. D. Lala

Partner

Membership No. 35671



Balance Sheet as at 31st March, 2014

(₹ in lakhs)

Particulars	Note No.	As at 31 st March, 2014	As at 31 st March, 2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	11,360	8,633
Reserves and Surplus	3	(234,137)	(42,886)
		(222,777)	(34,253)
Non-Current Liabilities			
Long Term Borrowings	4	654,607	686,860
Deferred Tax Liability (Net)	5	-	-
Other Long Term Liabilities	6	36,500	36,500
Long Term Provisions	7	21,426	12,518
		712,533	735,878
Current Liabilities			
Short Term Borrowings	8	203,972	195,259
Trade Payables	9	484,046	469,177
Other Current Liabilities	10	645,185	498,881
Short Term Provisions	11	13,953	10,513
		1,347,156	1,173,830
TOTAL		1,836,912	1,875,455
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	12	960,946	1,074,311
Intangible Assets	13	2,550	3,393
		963,496	1,077,704
Non-Current Investments	14	164,121	164,601
Long Term Loans and Advances	15	309,839	228,137
		473,960	392,738
Current Assets			
Inventories	16	80,376	78,667
Trade Receivables	17	120,922	118,458
Cash and Bank Balances	18	114,541	83,707
Short Term Loans and Advances	19	83,617	124,181
		399,456	405,013
TOTAL		1,836,912	1,875,455
The accompanying notes are an integral part of the Financial Statements	1		

As per our attached report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

R. D. Kamat
Partner

For CHATURVEDI & SHAH
Chartered Accountants

C. D. Lala
Partner

On behalf of Board of Directors

Naresh Goyal Chairman

Aman Mehta
James Hogan
James Rigney
Javed Akhtar
I. M. Kadri } Directors

Gaurang Shetty Director & Manager
Arun Kanakal Company Secretary & Associate Legal Counsel

Date : 27th May, 2014
Place : Mumbai



Statement of Profit and Loss for the Year Ended 31st March, 2014

(₹ in lakhs)

Particulars	Note No.	For the Year Ended 31 st March, 2014	For the Year Ended 31 st March, 2013
Income			
Revenue from Operations	20	1,730,189	1,685,259
Other Income	21	41,158	55,058
Total Revenue		1,771,347	1,740,317
Expenses			
Aircraft Fuel Expenses		717,542	699,200
Employee Benefit Expenses	22	189,959	154,424
Selling and Distribution Expenses	23	144,829	135,856
Aircraft Lease Rentals		167,610	123,210
Depreciation and Amortization	24	87,575	92,657
Finance Cost	25	99,716	111,898
Other Expenses	26	658,714	482,276
Total Expenses		2,065,945	1,799,521
Loss before Exceptional Items and Tax		(294,598)	(59,204)
Exceptional Items (Net)	27	(72,199)	10,654
Loss Before Tax		(366,797)	(48,550)
Tax Expense			
- Current Tax		-	-
- Excess Tax Provision (net) for earlier years		(12)	-
Loss for the year		(366,785)	(48,550)
Earnings Per Equity Share: (Face Value ₹ 10 per share)			
Basic and Diluted (in ₹)	28	(381.30)	(56.23)
The accompanying notes are an integral part of the Financial Statements	1		

As per our attached report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

R. D. Kamat
Partner

For CHATURVEDI & SHAH
Chartered Accountants

C. D. Lala
Partner

On behalf of Board of Directors

Naresh Goyal Chairman

Aman Mehta
James Hogan
James Rigney
Javed Akhtar
I. M. Kadri } Directors

Gaurang Shetty Director & Manager
Arun Kanakal Company Secretary & Associate Legal Counsel

Date : 27th May, 2014
Place : Mumbai



Cash Flow Statement for the Year Ended 31st March, 2014

(₹ in lakhs)

Particulars	Note No.	For the Year Ended 31 st March, 2014	For the Year Ended 31 st March, 2013
Cash flow from Operating Activities :			
Net Loss Before Tax		(366,797)	(48,550)
Adjustment for :			
Depreciation and Amortization	24	87,575	92,657
Marked to Market – Derivatives (Gain)		(938)	(2,834)
Provision for Stock Obsolescence		9,939	4,793
Profit on Sale of Fixed Assets (Net)		(9,166)	(33,422)
Loss on Scrapping of Fixed Assets		620	438
Profit on Sale of Investments		(37)	-
Finance Cost	25	99,716	111,898
Interest on Income Tax Refund		(1,214)	-
Interest on Bank and Other Deposits		(7,763)	(5,255)
Excess Provision No Longer Required		(8,726)	(5,755)
Provision for Doubtful Debts No Longer Required Written Back		-	(512)
Provision for Compensated Absences and Gratuity	22	2,912	3,205
Exchange Difference on Translation (Net)		3,137	5,504
Provision for Doubtful Debts		1,283	2,108
Provision for Doubtful Deposit / Advances		11,643	319
Bad Debts Written Off		67	136
Provision for diminution in value of investment in Subsidiary		70,000	-
Provision for Wealth Tax		12	12
Inventory Scrapped during the year		1,608	1,219
Operating (Loss) / Profit Before Working Capital Changes		(106,129)	125,961
Adjustment for :			
Inventories		(13,256)	(6,844)
Trade Receivables		(4,791)	4,555
Loans and Advances		(11,574)	(58,001)
Trade Payables		233,492	121,222
Cash Generated from Operations		97,742	186,893
Direct Taxes Paid (Net of refund)		(5,616)	(2,989)
Net Cash from Operating Activities		92,126	183,904
Cash Flow from Investing Activities :			
Purchase of Fixed Assets (including Capital-Work-in-Progress)		(40,041)	(20,770)
Proceeds from Sale of Fixed Assets		83,138	209,893
Purchase of Current Investments		(110,000)	-
Purchase of Non-Current Investments		-	(5)
Sale of Current Investments		110,037	-
Sale of Non-Current Investments		1	-
Investment in Equity Shares of Associate		(69,521)	-
Changes in Fixed Deposits with Banks (Refer note 2 below)		(13,869)	(25,459)



Cash Flow Statement for the Year Ended 31st March, 2014 (Contd.)

(₹ in lakhs)

Particulars	Note No.	For the Year Ended 31 st March, 2014	For the Year Ended 31 st March, 2013
Interest Received on Bank and Other Deposits		6,098	4,065
Net Cash Flow (used in) / from Investing Activities		(34,157)	167,724
Cash Flow from Financing Activities			
Net Increase /(Decrease) in Short Term Loans		8713	(14,158)
Proceeds from Long Term Loans during the year		171,914	58,903
Repayment of Long Term Loans during the year		(328,270)	(287,092)
Proceeds from Issue of Shares (Net of share issue expense)		205,562	-
Finance Cost		(100,576)	(102,005)
Unclaimed Dividend paid		(6)	(3)
Net Cash used for Financing Activities		(42,663)	(344,355)
Net Increase in Cash and Cash Equivalents		15,306	7,273
Cash and Cash Equivalents at the beginning of the year (Refer note 1 below)	18	14,212	6,939
Cash and Cash Equivalents at end of the year (Refer note 1 below)	18	29,518	14,212

Notes :

- 1) Cash and Cash Equivalents for the year ended 31st March, 2014 includes Unrealized Gain (net) of ₹ 4,351 lakhs (Previous Year ₹ 3,148 lakhs) on account of translation of Foreign Currency Bank Balances.
- 2) Fixed Deposits with Banks having a maturity period of more than three months and Fixed Deposits under lien aggregating to ₹ 81,215 lakhs (Previous Year ₹ 67,345 lakhs) are not included in Cash and Cash Equivalents.

As per our attached report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

R. D. Kamat
Partner

For CHATURVEDI & SHAH
Chartered Accountants

C. D. Lala
Partner

On behalf of Board of Directors

Naresh Goyal Chairman

Aman Mehta
James Hogan
James Rigney
Javed Akhtar
I. M. Kadri } Directors

Gaurang Shetty Director & Manager
Arun Kanakal Company Secretary & Associate Legal Counsel

Date : 27th May, 2014
Place : Mumbai



Notes to the Financial Statements for the Year Ended 31st March, 2014

1. SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS :

The Financial Statements are prepared under the historical cost convention, except certain Fixed Assets which are revalued, in accordance with the generally accepted accounting principles in India, the provisions of the Companies Act, 1956 and the applicable accounting standards.

B. USE OF ESTIMATES :

The preparation of Financial Statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the Financial Statements and the reported amount of revenue and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized.

C. REVENUE RECOGNITION :

- a) Passenger and Cargo income are recognized on flown basis, i.e. when the services are rendered.
- b) The sales of tickets / airway bills (sales net of refunds) are initially credited to the "Forward Sales Account". Income recognized 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.
- c) The unutilized balances in "Forward Sales Account" are recognized as income based on historical statistics, data and management estimates and considering Company's refund policy.
- d) Lease income on the Aircraft given on operating lease is recognized 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.

D. EXPORT INCENTIVE :

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 in the case of revenue, the commission paid / payable on sales including any over-riding commission is recognized only on flown basis.

F. EMPLOYEE BENEFITS :

a) Defined Contribution plan :

Company's contribution paid / payable for the year to defined contribution schemes are charged to Statement of Profit and Loss.

b) Defined Benefit and Other Long Term Benefit plan :

Company's liabilities towards defined benefit plans and other long term benefit plans are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the balance sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period of occurrence of such gains and losses. Past service cost is recognized immediately to the extent the benefits are vested, otherwise it is amortised on straight-line basis over the remaining average period until the benefits become vested.

The employee benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost.

c) Short Term Employee Benefits :

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized undiscounted during the period the employee renders services.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

G. FIXED ASSETS :

a) Tangible Assets :

Owned tangible fixed assets are stated at cost and includes amount added on revaluation less accumulated depreciation and impairment loss, if any. All costs relating to acquisition and installation of fixed assets upto the time the assets get ready for their intended use are capitalized.

The cost of improvements to Leased Properties as well as customs duty / modification cost incurred on Aircraft taken on operating lease have been capitalized and disclosed appropriately.

b) Intangible Assets :

Intangible assets are recognized only if acquired and it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

c) Assets Taken on Lease :

i. **Operating Lease:** Rentals are expensed with reference to the Lease Term and other considerations.

ii. **Finance Lease / Hire Purchase:** The lower of the fair value of the assets and the present value of the minimum lease rentals is capitalized as Fixed Assets with corresponding amount shown as Lease Liability (Outstanding Hire Purchase / Finance Lease Instalments). The principal component of the lease rentals is adjusted against the leased liability and interest component is charged to the Statement of Profit and Loss.

H. IMPAIRMENT OF ASSETS :

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. However, any impairment loss on a revalued asset is recognized directly against the revaluation surplus held for the asset to the extent that the impairment loss does not exceed the amount held in revaluation surplus for the same asset. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

I. DEPRECIATION / AMORTIZATION :

a) Depreciation on tangible fixed assets has been provided on the 'Straight Line Method' in accordance with the provisions of Section 205(2) (b) of the Companies Act, 1956 and in the manner and at the rates specified in Schedule XIV of the Companies Act, 1956. 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 amortized over the period of lease.

b) On amounts added on revaluation, depreciation is charged over the residual life and the additional charge of depreciation is withdrawn from the Revaluation Reserve.

c) Intangible assets are amortized on straight line basis as follows :

i. Landing Rights acquired are amortized over a period not exceeding 20 years. Amortization period exceeding 10 years is applied considering industry experience and expected asset usage.

ii. Trademarks are amortized over 10 years.

iii. Computer Software is amortized over a period not exceeding 36 months.

J. INVESTMENTS :

Current Investments are carried at lower of cost or quoted / fair value. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

K. BORROWING COSTS :

Borrowing costs attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

L. FOREIGN CURRENCY TRANSACTIONS / TRANSLATION :

- a) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. Monetary items are restated at the period-end rates. The exchange difference between the rate prevailing on the date of transaction and on settlement / restatement (other than those relating to long term foreign currency monetary items) is recognized as income or expense, as the case may be.
- b) Non-monetary foreign currency items are not restated at the period-end rates.
- c) Exchange differences relating to long term foreign currency monetary items are accounted as under :
 - i. to the extent they relate to financing the acquisition of fixed assets and not regarded as interest, are added to or subtracted from the cost of such fixed assets and depreciated over the balance useful life of the asset;
 - ii. in other cases such differences are accumulated in 'Foreign Currency Monetary Item Translation Difference Account' (FCMITDA) under reserves and surplus and amortized in the Statement of Profit and Loss over the balance term of the long term monetary item.
- d) In case of forward exchange contracts entered into to hedge the foreign currency exposure in respect of monetary items, the difference between the exchange rate on the date of such contracts and the period end rate is recognized in the Statement of Profit and Loss. Any profit / loss arising on cancellation of forward exchange contract is recognized as income or expense of the year. Premium / Discount arising on such forward exchange contracts is amortized as income / expense over the life of contract.

M. INVENTORIES :

Inventories are valued at cost or Net Realizable Value (NRV), whichever is lower. Cost of inventories comprises of all costs of purchase and other incidental cost incurred in bringing them to present location and condition. Cost is determined using the Weighted Average formula. In respect of reusable items such as rotables, galley equipment and tooling etc., NRV takes into consideration provision for obsolescence and wear and tear based on the estimated useful life of the aircraft derived from Schedule XIV of the Companies Act, 1956 and also provisioning for non – moving / slow moving items.

N. AIRCRAFT MAINTENANCE AND REPAIR COSTS :

Aircraft Maintenance, Auxiliary Power Unit (APU), Engine Maintenance and Repair costs are expensed on incurrence 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.

O. TAXES :

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income tax Act, 1961.

Deferred tax resulting from "timing differences" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable / virtual certainty, as the case may be, that the asset will be realized in future.

P. SHARE ISSUE EXPENSES :

Issue Expenses are adjusted against the Securities Premium Account.

Q. SALE AND LEASE BACK TRANSACTION :

Profit or loss on Sale and Lease back arrangements resulting in operating leases are recognized, in case the transaction is established at fair value, else the excess over the fair value is deferred and amortized over the period for which the asset is expected to be used.

R. ACCOUNTING FOR DERIVATIVE INSTRUMENTS :

Interest Rate Swaps, Currency Option, Currency Swaps and other products, entered into by the Company for hedging the risks of foreign currency exposure (including interest rate risk) are marked to market and losses, if any, is accounted based on the principles of prudence as enunciated in Accounting Standard 1 (AS 1) "Disclosure of Accounting Policies".



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

S. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS :

Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the Financial Statements.

2. SHARE CAPITAL

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Authorised :		
180,000,000 Equity Shares of ₹ 10/- each	18,000	18,000
(Previous Year 180,000,000 Equity Shares of ₹ 10/- each)		
20,000,000 Preference Shares of ₹ 10/- each	2,000	2,000
(Previous Year 20,000,000 Preference Shares of ₹ 10/- each)		
	20,000	20,000
Issued, Subscribed and Paid Up :		
113,597,383 Equity Shares : Face value of ₹ 10/- each fully paid up	11,360	8,633
(Previous Year 86,334,011 Equity Shares of ₹ 10/- each fully paid up)		
TOTAL	11,360	8,633

a. Reconciliation of Number of Shares

Particulars	As at 31 st March,			
	2014		2013	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
Equity Shares : Face value of ₹ 10/- each				
As at the beginning of the year	86,334,011	8,633	86,334,011	8,633
Add : Issued during the year (Refer note 39)	27,263,372	2,727	-	-
As at the end of the year	113,597,383	11,360	86,334,011	8,633

b. Shareholders holding more than 5% of equity share capital and shares held by Holding / Ultimate Holding Company

Name of the Shareholders	As at 31 st March,			
	2014		2013	
	Number of shares	Percentage of holding	Number of shares	Percentage of holding
Mr. Naresh Goyal	57,933,665	51.00 %	-	-
Etihad Airways (PJSC)	27,263,372	24.00 %	-	-
Tail Winds Limited (Holding Company) and its nominee	-	-	69,067,205	80.00%



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

c. Terms / Rights attached to Equity Shares

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 distribution will be in proportion to the number of equity shares held by the Shareholders.

3. RESERVES AND SURPLUS

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Capital Reserve (Refer note 14)		
As per last Balance Sheet	89	89
Add : Depository Certificates / Shares received free of cost	#	*
# ₹ 3,721		
* ₹ 347		
	89	89
Capital Redemption Reserve		
As per last Balance Sheet	5,558	5,558
Securities Premium Account		
As per last Balance Sheet	141,418	141,418
Add: Premium on shares issued during the year	203,040	-
Less: share issue expenses	(205)	-
	344,253	141,418
Revaluation Reserve		
As per last Balance Sheet	63,797	172,031
Less: Adjustment / Reversal during the year on sale	(822)	(21,696)
Less: Adjustment / Reversal during the year on reassessment of value of Leasehold Land (Refer note 12)	(29,916)	(83,004)
Less: Depreciation for the year on amount added on Revaluation transferred to Statement of Profit and Loss	(1,522)	(3,534)
	31,537	63,797
Foreign Currency Monetary Item Translation Difference Account	(4,690)	(9,649)
(Deficit) in Statement of Profit and Loss		
As per last Balance Sheet	(244,099)	(195,549)
Add : Loss for the year	(366,785)	(48,550)
	(610,884)	(244,099)
TOTAL	(234,137)	(42,886)



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

4. Long Term Borrowings

(₹ in lakhs)

Particulars	As at 31 st March,			
	2014		2013	
	Current	Non-Current	Current	Non-Current
Secured Loans / Borrowings :				
Term Loans				
From Banks				
Rupee Term Loans (Refer note (a) below)	10,735	9,225	24,172	27,907
Foreign Currency Term Loans (Refer note (a) and (b) below)	51,365	45,902	89,010	35,806
From Others				
Rupee Term Loan (Refer note (c) below)	-	-	20,200	-
Foreign Currency Term Loan (Refer note (d) below)	20,420	-	-	40,954
Unsecured Loans :				
From Banks				
Foreign Currency Term Loan (Refer note (e) below)	-	83,882	-	-
From Others				
Rupee Term Loans	942	-	4,120	-
Foreign Currency Term Loan	-	18,454	-	-
Long Term Maturities of Finance Lease Obligations / Hire Purchase (Refer note (f) below)	102,791	497,144	105,274	582,193
TOTAL	186,253	654,607	242,776	686,860

Security and Salient Terms:

- a. Rupee Term Loans of ₹ 19,960 lakhs (Previous Year ₹ 52,079 lakhs) and Foreign Currency Term Loan of ₹ 42,850 lakhs (Previous Year ₹ 55,469 lakhs) are secured by way of a pari-passu charge on all the current and future domestic credit card realizations received into the Trust and Retention Account including interest earned thereon.

Of the above, Foreign Currency Term Loan amounting to ₹ 19,173 lakhs for which the Company is in the process of creating charge.

Interest rates are linked to respective Banks' Prime Lending Rate / Base Rate / LIBOR plus Margin and are repayable in installments starting from May, 2011 and ending in March, 2019.

- b. Foreign Currency Term Loans of ₹ 54,417 lakhs (Previous Year ₹ 69,347 lakhs) are secured by way of a pari-passu charge on all the current and future international credit card realizations, as per the Merchant Establishment agreement, received into the Trust and Retention Account (Debt Service Reserve Account) maintained with the Banks together with a First mortgage charge on the four flight simulators and on the land located at Vadgaon, Pune and at Pali, Raigad.

Interest rates are linked to LIBOR plus Margin and are repayable in monthly installments by June 2016.

- c. Rupee Term Loan from a Financial Institution of ₹ Nil lakhs (Previous Year ₹ 20,200 lakhs) is secured by way of a pledge of 100% of Equity Share Capital of Jet Lite (India) Limited held by the Company together with a negative lien on one of the Boeing 737 aircraft.

Interest rate is linked to institutions benchmark rate plus margin and is repayable in quarterly installment by September, 2013.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

- d. Foreign Currency Term Loan from a financial institution of ₹ 20,420 lakhs (Previous Year ₹ 40,954 lakhs) is secured by pari-passu charge on leasehold land situated at Bandra Kurla Complex, Mumbai along with construction thereon, present and future and first charge on Company's entitlement under the development agreement for the aforesaid plot of land entered into with Godrej Buildcon Private Limited. The aforesaid charge is pending creation.
Interest rate is LIBOR plus Margin and is repayable on each working day ₹ 100 lakhs starting from 4th May, 2013.
- e. Foreign Currency Term Loan of ₹ 83,882 lakhs is availed against a corporate guarantee given by one of the Shareholder to the lender. Further, the Company has hypothecated one B737 Aircraft in favour of that Shareholder. Interest rates are linked to LIBOR plus Margin and are repayable by way of a bullet repayment in March, 2019.
- f. i. Finance Lease obligation for six aircraft are secured by the Corporate Guarantees given by the Subsidiary Company of ₹ 426,829 lakhs equivalent to USD 7,124 lakhs (Previous Year ₹ 386,721 lakhs equivalent to USD 7,124 lakhs).
ii. Repayable in quarterly installments over a period of twelve years from the date of disbursement of the respective loans. Interest rate is linked with LIBOR plus margin.

5. DEFERRED TAX LIABILITY (NET)

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Deferred Tax Liability		
Related to Fixed Assets	109,059	75,451
Deferred Tax Asset		
Other Disallowances under Income tax Act, 1961	10,473	5,188
Unabsorbed Depreciation / Business Loss (Refer note below)	98,586	70,263
Net Deferred Tax Liability at the end of the year	-	-

Note:

In the absence of virtual certainty, Deferred Tax Asset on account of unabsorbed depreciation and business loss has been recognized to the extent it can be realized against reversal of deferred tax liability.

6. OTHER LONG TERM LIABILITIES

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Advance from Developer (Refer note below)	36,500	36,500
TOTAL	36,500	36,500

Note :

The Company has 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. The said land has been taken on long term lease from MMRDA. Consequent to the said agreement, the Company has received a sum of ₹ 50,000 lakhs which included an advance of ₹ 36,500 lakhs, disclosed as 'Other Long Term Liabilities' above.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

7. LONG TERM PROVISIONS

(₹ in lakhs)

Particulars	As at 31 st March,			
	2014		2013	
	Current	Non-Current	Current	Non-Current
a) Provision for Employee Benefits (Refer note 33)				
Provision for Gratuity	546	7,127	431	6,372
Provision for Compensated Absences	983	3,577	599	2,742
b) Other Provisions				
Redelivery of Aircraft	1,250	10,722	926	3,404
TOTAL	2,779	21,426	1,956	12,518

Redelivery of Aircraft:

As per Accounting Standard 29, Provisions, Contingent Liabilities and Contingent Assets, given below is the movement in provision for Redelivery of Aircraft.

The Company has in its fleet certain aircraft on operating lease. As 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 Company, therefore, provides for such redelivery expenses, as contractually agreed, in proportion to the expired lease period.

(₹ in lakhs)

Particulars	For the Year	
	2013-14	2012-13
Opening Balance	4,330	4,470
Add : Additional Provisions during the year*	8,392	1,073
Less : Amounts used during the year	(750)	(1,213)
Less : Unused amounts reversed during the year	-	-
Closing Balance	11,972	4,330

* Additions include adjustment of ₹ 321 lakhs (Previous Year ₹ 98 lakhs) on account of exchange fluctuation loss / (gain) consequent to restatement of liabilities denominated in foreign currency.

The cash outflow out of the above provisions as per the current terms under the lease agreements are expected as under:

(₹ in lakhs)

Year	2014		2013	
	No. of Aircraft	Amount (₹ in lakhs)	No. of Aircraft	Amount (₹ in lakhs)
2013-14	-	-	8	926
2014-15	5	1,250	4	445
2015-16	15	4,595	15	1,505
2016-17	3	923	3	459
2017-18	3	690	3	200
2018-19	1	214	1	65
2019-20	2	382	2	111
2020-21	20	2,411	20	468
2021-22	6	487	6	93
2022-23	10	750	10	58
2023-24	12	270	-	-
Total	77	11,972	72	4,330



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

8. SHORT TERM BORROWINGS

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Secured :		
Loans Repayable on Demand		
From Banks		
Rupee Loans (Refer note (a), (b), (c), (d) & (f) below)	121,432	115,984
Foreign Currency Loans (Refer note (a), (b) & (f) below)	62,834	61,930
From Others		
Buyers Credit (Refer note (e) & (f) below)	11,506	10,425
Unsecured :		
Loans Repayable on Demand		
From Banks		
Foreign Currency Loans (Refer note (f) below)	-	2,520
From Others		
Rupee Loans (Refer note (f) below)	8,200	4,400
TOTAL	203,972	195,259

Security and Salient Terms :

- a) Loans aggregating to ₹ 177,329 lakhs (Previous Year ₹ 163,352 lakhs) are secured by way of hypothecation of Inventories (excluding Aircraft fuel), Debtors / Receivables (excluding credit card receivables, receivables from aircraft subleased and claim receivables from aircraft lessors), Ground Support Vehicles / Equipment (excluding trucks, jeeps and other motor vehicles), Spares (including engines), Data Processing Equipment and other current assets and a subservient charge in relation to the aircraft owned by the Company either on Hire Purchase / Finance Lease. The Company has escrowed the entire IATA collection with the lead bank for facilitating interest servicing and regularisation in case of any irregularity.
- b)
 - i. Foreign Currency Loans amounting to ₹ Nil lakhs (Previous Year ₹ 4,460 lakhs) and Rupee Loans amounting to ₹ Nil lakhs (Previous Year ₹ 3,600 lakhs) are secured by a second charge on five of its Boeing wide body aircraft. Further, the same is also secured by a charge on the profits of the Company after deduction of taxes, dividends, repayment instalment, payment under any guarantees and / or any other dues payable and Escrow of the Thai lease rentals upto November, 2013.
 - ii. Rupee Loan of ₹ Nil lakhs (Previous Year ₹ 3,000 lakhs) is secured by a third pari-passu charge on four of its Boeing wide body aircraft and a second pari-passu charge on one Boeing wide body aircraft. Of these, the second pari-passu charge is pending creation.
- c) Rupee loan of ₹ Nil lakhs (Previous Year ₹ 3,502 lakhs) is secured by way of a second charge on two Boeing narrow body aircraft.
- d) Rupee Term loan of ₹ 6,937 Lakhs (Previous Year ₹ Nil lakhs) is secured by way of pledge of 151,834,623 shares of Jet Lite.
- e) Buyer's credit of ₹ 11,506 lakhs (Previous Year ₹ 10,425 lakhs) is secured by exclusive charge over two New CFM Engines and Quick Engine Change kits.
- f) The rate of interest for the loans listed in (a) to (e) above ranges from 130 base points to 750 base points over LIBOR plus Margin for Foreign Currency Loans and 12 % to 16.5 % for Rupee Loans.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

9. TRADE PAYABLES

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Trade Payables		
Total outstanding dues to Micro and Small Enterprises	380	406
Others for Goods and Services	483,666	468,771
TOTAL	484,046	469,177

Disclosures relating to amounts payable as at the year end 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 :

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March,	
		2014	2013
A	Principal amount remaining unpaid as on 31 st March	380	406
B	Interest due thereon as on 31 st March	-	-
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 as at 31 st March	-	-
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	-	-

10. OTHER CURRENT LIABILITIES

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Current Maturities of Long Term Loans (Refer note 4)	83,462	137,502
Current Maturities of Finance Lease Obligation / Hire Purchase (Refer note 35)	102,791	105,274
Interest Accrued but Not Due on Loans / Borrowings	2,899	5,106
Forward Sales (Net) [Passenger / Cargo]	255,290	187,155
Advance Received against Sub lease / Sale of JP Miles	30,540	2,299
Unclaimed Dividend *	3	9
Balance with Banks - Overdrawn as per Books	859	10,695
Statutory Dues Payable	18,170	18,135
Airport Dues Payable	5,002	10,641
Deposit / Advance From Customer / Vendors / Others (Refer Note 40)	141,269	19,252
Other Payables	4,900	2,813
TOTAL	645,185	498,881

*** Note :**

These figures do not include any amounts due and outstanding to be credited to the Investor Education and Protection Fund. During the year ended 31st March, 2014, Company had deposited ₹ 6 lakhs (Previous Year ₹ 3 lakhs) to the Investor Education and Protection Fund towards Unclaimed Dividend.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

11. SHORT TERM PROVISIONS

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
a) Provision for Employee Benefits (Refer note 33)		
Gratuity	546	431
Compensated Absences	983	599
b) Others		
Wealth Tax (net of advance payment of tax)	20	17
Income Tax (net of advance payment of tax)	-	267
Redelivery of Aircraft (Refer note 7)	1,250	926
Frequent Flyer Programme	11,069	8,196
Provision for Aircraft Maintenance	85	77
TOTAL	13,953	10,513

As per Accounting Standard 29, Provisions, Contingent Liabilities and Contingent Assets, given below are movements in provision for Frequent Flyer Programme and Aircraft Maintenance Costs:

a) Frequent Flyer Programme :

The Company has a Frequent Flyer Programme named 'Jet Privilege', wherein the passengers who frequently use the services of the Airline become members of 'Jet Privilege' and accumulate miles to their credit. Subject to certain terms and conditions of 'Jet Privilege', the passenger is eligible to redeem such miles lying to their credit in the form of free tickets.

The cost of allowing free travel to members as contractually agreed under the Frequent Flyer Programme is accounted considering the members' accumulated mileage on an incremental cost basis. The movement in the provision during the year is as under :

(₹ in lakhs)

Particulars	For the Year	
	2013-14	2012-13
Opening Balance	8,196	4,564
Add : Additional provision during the year	5,722	3,778
Less : Amounts used during the year	(2,641)	(147)
Less : Unused amounts reversed during the year	(208)	1
Closing Balance	11,069	8,196

Also refer note 40

b) Aircraft Maintenance Costs :

Certain heavy maintenance checks including overhaul of Auxiliary Power Units need to be performed at specified intervals as enforced by the Director General of Civil Aviation in accordance with the Maintenance Program Document laid down by the manufacturers. The movements in provisions made in the earlier years until AS-29 became effective for such costs are as under:

(₹ in lakhs)

Particulars	For the Year	
	2013-14	2012-13
Opening Balance	77	86
Add / (Less) : Adjustments during the year *	8	5
Less : Amounts used during the year	-	-
Less : Unused amounts reversed during the year	-	(14)
Closing Balance	85	77

* Adjustments during the year represent exchange fluctuation impact consequent to restatement of liabilities denominated in foreign currency.

Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

12. TANGIBLE ASSETS

Nature of Assets	Gross Block (At Cost / Valuation)			Depreciation		Impairment	Net Block	
	As at 1 st April, 2013	Additions / Adjustments during the year	Deductions / Adjustments during the year	As at 31 st March, 2014	As at 1 st April, 2013	For the year	As at 31 st March, 2014	As at 31 st March, 2013
Owned Tangible Assets								
Freehold Land	32	-	-	32	-	-	32	32
Plant and Machinery	766	-	13	753	242	36	479	524
Furniture and Fixtures	3,439	66	244	3261	1,690	208	1,507	1,749
Electrical Fittings	2,470	24	135	2,359	820	118	1,499	1,650
Data Processing Equipments	8,331	81	682	7,730	7,067	473	869	1,264
Office Equipment	4,514	55	165	4404	1,874	208	2,418	2,640
Ground Support Equipment	7,093	31	79	7045	2,987	335	3,774	4,106
Vehicles	577	65	177	465	316	43	190	261
Ground Support Vehicles	7,289	350	338	7,301	4,766	660	2,193	2,523
Simulators	22,187	-	732	21,455	8,941	1,245	11,566	13,246
Aircraft and Spare Engine (Narrow Body - Refer note 1 below)	191,207	9,717	25,682	175,242	72,165	10,391	106,173	119,042
Leased Assets								
Leasehold Land	193,001	-	-	1,93,001	12,714	1,399	65,968	97,283
Aircraft (Narrow Body - Refer note 1 below)	22,618	562	-	23,180	11,377	1,445	10,358	11,241
Aircraft (Wide Body)	1,123,593	66,755	92,271	1,098,077	317,304	68,522	742,117	806,289
Improvement on Leased Aircraft	16,588	1,492	-	18,080	4,969	1,917	11,194	11,619
Improvement on Leased Property	6,166	5	120	6,051	5,324	238	609	842
TOTAL	1,609,871	79,203	120,638	1,568,436	452,556	87,238	960,946	1,074,311
Previous Year	1,868,840	76,560	3,35,529	16,09,871	509,327	93,517	1,074,311	

- 1) All the Aircraft (except one) are acquired on Hire-purchase / Finance Lease basis. Such Aircraft are charged by the Hirers / Lessors against the financing arrangements obtained by them.
- 2) Additions to Leasehold Land / Aircraft during the year include ₹ 72,827 lakhs [Net loss] (Previous Year ₹ 55,049 lakhs (Net Loss)) on account of Exchange Loss / (Gain) (Refer note 30).
- 3) Details of Revaluation

- i. The Company had revalued the leasehold land taken from MMRDA situated at Bandra Kurla Complex on 31st March, 2008. The Company reassessed the value of the Land together with its entitled share of the building based on the project cost estimates as of 31st March, 2013 and as of 31st March, 2014 provided by Godrej Buildcon Private Limited, the Developer and an amount of ₹ 83,004 lakhs and ₹ 29,916 lakhs have been adjusted as on 31st March, 2013 and 31st March, 2014 respectively against the Revaluation Reserve.
- ii. Narrow Body Aircraft were revalued on 31st March, 2008 with reference to the then current market prices; amount added on revaluation was ₹ 118,133 lakhs; the revalued amount substituted for book value on 31st March, 2008 was ₹ 346,396 lakhs. Revalued amount as on 31st March, 2014 was ₹ 6,624 lakhs (Previous Year ₹ 8,138 lakhs).



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

13. INTANGIBLE ASSETS

(₹ in lakhs)

Nature of Assets	Gross Block			Amortization			Net Block	
	As at 1 st April, 2013	Additions / Adjustments during the year	Deductions / Adjustments during the year	As at 31 st March, 2014	As at 1 st April, 2013	For the year	As at 31 st March, 2014	As at 31 st March, 2013
Software	9,430	1,016	-	10,446	6,768	1,544	2,134	2,662
Trademarks	3,146	-	-	3,146	2,415	315	416	731
TOTAL	12,576	1,016	-	13,592	9,183	1,859	2,550	3,393
Previous Year	34,309	699	22,432	12,576	15,577	2,674	3,393	



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

14. NON-CURRENT INVESTMENTS

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Long Term Investments		
Trade Investments (Unquoted and at cost)		
4,741 Shares (Previous Year 6,648 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	9	10
58 Shares (Previous Year 49 Shares) in Societe Internationale de Telecommunications Aeronautiques SC (SITA) of Euro 5 each #	*	*
145,276 (Previous Year 145,276) Depository Certificates in SITA Group foundation of USD 1.20 each #	89	89
Other Investments (Unquoted and at cost)		
Investment in Fully Paid Equity Shares of wholly owned Subsidiaries		
- 796,115,409 Shares (Previous Year 506,115,409 Shares) of Jet Lite (India) Limited) of ₹ 10 each [including 6 Shares held by its nominees (Previous Year 6 Shares)]	164,500	135,500
[Of the above, 354,280,786 Shares (Previous Year 506,115,409 Shares) have been pledged with IDFC Ltd. as security for Term Loan of ₹ Nil lakhs (Previous Year ₹ 20,200 lakhs) granted by them]		
[Of the above, 151,834,623 Shares (Previous Year Nil Shares) have been pledged with IDBI as security for Term Loan of ₹ 6,937lakhs (Previous Year ₹ Nil lakhs) granted by them]		
Less: Provision for diminution in value of investment (Refer note 32)	(70,000)	-
	94,500	135,500
- 10,000 Shares (Previous Year 10,000 Shares) of Jet Training Academy Private Limited of ₹ 10 each [including 2 Shares held by its nominees (Previous Year 2 Shares)]	1	1
- Nil Shares (Previous Year 10,000 Shares) of Jet Privilege Private Limited of ₹ 10 each [including Nil Shares held by its nominees (Previous Year 2 Shares)]	-	1
Investment in Fully Paid Preference Shares of wholly owned Subsidiary (unquoted)		
- Nil Compulsory Fully- convertible Non-cumulative Preference Shares (CFNCP) (Previous Year 290,000,000 Shares) of Jet Lite (India) Limited of ₹ 10 each	-	29,000
Investment in Fully Paid Equity Shares of Associate**		
- 54,772 Shares (Previous Year Nil Shares) of Jet Privilege Private Limited of ₹ 10 each [including 2 Shares held by its nominees (Previous Year Nil Shares)]	69,522	-
TOTAL	164,121	164,601

* ₹ 19,661 (Previous Year ₹ 15,941)

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.

** Jet Privilege Private Limited was wholly owned subsidiary upto 23rd March 2014.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

15. LONG TERM LOANS AND ADVANCES

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Unsecured and Considered Good unless otherwise stated		
Capital Advances	55,416	22,766
Loans and Advances / Deposits to Related Parties	196,552	136,012
Security Deposits with Airport Authorities, Lessors and Others	10,611	14,042
Advance Tax and Tax Deducted at Source (Net of Provisions for tax)	19,906	13,340
Contribution Receivable from Lessors (Refer note 34)	26,238	41,958
Prepaid Expenses	1,116	-
Balances with Customs Authorities	-	19
TOTAL	309,839	228,137

Note :

Deposits and Advances include ₹ 160 lakhs (Previous Year ₹ 2,352 lakhs) amount placed with private limited companies in which the Company's Director is a Director / Member.

16. INVENTORIES (at lower of cost or net realizable value)

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
a) Rotables, Consumable Stores and Tools	113,702	102,505
Less : Provision for Obsolescence / Slow and Non – Moving Items (Refer note 1(m))	(37,976)	(28,411)
	75,726	74,094
b) Fuel	532	493
c) Other Stores Item	4,151	4,113
Less : Provision for Slow and Non-Moving items (Refer note 1(m))	(33)	(33)
	4,118	4,080
TOTAL	80,376	78,667

17. TRADE RECEIVABLES

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Unsecured		
a) Outstanding for a period exceeding six months from the date they are due for payment :		
Considered Good	14,823	7,174
Considered Doubtful	5,552	3,432
Less: Provision for Doubtful Debts	(5,552)	(3,432)
	14,823	7,174
b) Others		
Considered Good	106,099	111,284
Considered Doubtful	-	1,020
Less: Provision for Doubtful Debts	-	(1,020)
	106,099	111,284
TOTAL	120,922	118,458

Note:

Debtors include ₹ 15,000 lakhs (Previous Year ₹ 7,337 lakhs) due from private company in which the Company's Director is a Director / Member.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

18. CASH AND BANK BALANCES

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Cash and Cash Equivalents		
Balances with Banks :		
In Current Account	29,253	14,089
Cash on Hand	265	123
	<u>29,518</u>	<u>14,212</u>
Other Bank Balances :		
Unpaid Dividend	3	9
Margin Deposits * [including interest accrued ₹ 3,806 lakhs (Previous Year ₹ 2,141 lakhs)]	85,020	69,486
TOTAL	<u>114,541</u>	<u>83,707</u>

* Margin Deposits include a sum of ₹ 122 lakhs (Previous Year ₹ 6,028 lakhs) having a maturity of more than 12 months.

19. SHORT TERM LOANS AND ADVANCES

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Unsecured and Considered Good unless otherwise stated		
Security Deposits with Lessors / Vendors		
- Considered Good	14,015	17,057
- Considered Doubtful	446	446
Less : Provision for Doubtful Deposits	(446)	(446)
	<u>14,015</u>	<u>17,057</u>
Contribution Receivable from Lessors (Refer note 34)	23,348	22,226
Claims Receivable from Lessors / Insurers / Others	5,569	35,525
CENVAT Credit and SFIS Receivable	3,009	1,674
Deposit with Service Tax Department	-	1
Deposits / Advances/ Other receivable from related parties (Unsecured, considered good)	2,200	95
Advance and Other Receivable from Suppliers / Others	29,643	35,010
Less : Provision for Doubtful Advances	(11,643)	-
Prepaid Expenses	15,494	11,107
Others	1,982	1,486
TOTAL	<u>83,617</u>	<u>124,181</u>

Note :

Deposits / Advances/ Other receivable include ₹ 2,200 lakhs (Previous Year ₹ 11 lakhs) amount placed with private limited companies in which the Company's Director is a Director / Member.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

20. REVENUE FROM OPERATIONS

(₹ in lakhs)

Particulars	For the year ended 31 st March,	
	2014	2013
Sale of Services		
Passenger	1,495,785	1,482,740
Less : Service Tax	(45,209)	(45,873)
	<u>1,450,576</u>	<u>1,436,867</u>
Cargo	138,335	142,412
Less : Service Tax	(5,128)	(4,914)
	<u>133,207</u>	<u>137,498</u>
Excess Baggage	15,687	13,821
Other Operating Revenues		
Cancellation Charges	36,311	31,496
Export Incentives	1,075	-
Revenue from Leasing of Aircraft and Engines	68,723	50,559
Provision No Longer Required Written Back	8,726	6,267
Other Revenue (includes warranty claims, incentive credit/ allowances etc.)	15,884	8,751
TOTAL	<u>1,730,189</u>	<u>1,685,259</u>

21. OTHER INCOME

(₹ in lakhs)

Particulars	For the year ended 31 st March,	
	2014	2013
Interest Income on Fixed Deposit	7,763	5,255
Interest on income Tax Refund	1,214	-
Profit on Sale and Lease Back of Aircraft / Engines (net)	2,981	5,653
Profit on Sale and Lease Back of Landing Rights	-	24,695
Profit on sale of Aircraft	6,270	3,100
Net Gain on Sale of Current Investments	37	-
Other Non-Operating Income (includes revenue from Frequent Flyer programme and other related income etc.)	22,893	16,355
TOTAL	<u>41,158</u>	<u>55,058</u>

22. EMPLOYEE BENEFIT EXPENSES

(₹ in lakhs)

Particulars	For the year ended 31 st March,	
	2014	2013
Salaries, Wages, Bonus and Allowances	174,995	141,093
Contribution to Provident Fund and Other Funds	4,161	3,506
Provision for Gratuity	1,360	1,780
Provision for Compensated Absences	1,552	1,425
Staff Welfare Expenses	7,891	6,620
TOTAL	<u>189,959</u>	<u>154,424</u>



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

23. SELLING AND DISTRIBUTION EXPENSES

(₹ in lakhs)

Particulars	For the year ended 31 st March,	
	2014	2013
Computerized Reservation System Cost	67,376	56,930
Commission	63,127	67,028
Others	14,326	11,898
TOTAL	144,829	135,856

24. DEPRECIATION AND AMORTIZATION

(₹ in lakhs)

Particulars	For the year ended 31 st March,	
	2014	2013
Depreciation and Amortization		
- On Tangible Assets (Refer note 12)	87,238	93,517
Less : Depreciation on amount added on Revaluation charged to Revaluation Reserve	(1,522)	(3,534)
- On Intangible Assets (Refer note 13)	1,859	2,674
TOTAL	87,575	92,657

25. FINANCE COST

(₹ in lakhs)

Particulars	For the year ended 31 st March,	
	2014	2013
Interest Expense	88,790	94,955
Other Borrowing Cost	10,926	16,943
TOTAL	99,716	111,898



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

26. OTHER EXPENSES

(₹ in lakhs)

Particulars	For the year ended 31 st March,	
	2014	2013
Aircraft Variable Rentals (Refer note 35)	90,904	40,939
Aircraft Insurance and Other Insurance	8,012	7,896
Landing, Navigation and Other Airport Charges	145,877	127,069
Aircraft Maintenance (including Customs Duty and Freight, where applicable) :		
- Component Repairs, Recertification, Exchange, Consignment Fees and Aircraft Overhaul (Net)	181,668	116,121
- Lease of Aircraft Spares including Engine	13,505	12,608
- Consumption of Stores and Spares (Net)	12,157	12,233
- Provision for Spares Obsolescence	9,939	4,793
	217,269	145,755
Inflight and Other Pax Amenities	65,969	56,199
Communication Cost	4,951	5,503
Travelling and Subsistence	23,076	20,292
Rent	8,605	8,948
Rates and Taxes	322	300
Repairs and Maintenance :		
- Leased Premises	75	147
- Others	4,419	4,152
	4,494	4,299
Electricity	1,712	1,566
Director's Sitting Fees	7	9
Provision for Bad and Doubtful Debts	1,283	2,108
Provision for Doubtful Advances / Deposit	11,643	319
Bad Debts Written off	67	136
Net loss on Foreign Currency Transaction and Translation	33,622	23,177
Loss on Scrapping of Fixed Assets other than Aircraft Parts	620	438
Loss on Sale of Fixed Assets other than Aircraft (Net)	85	26
Loss on sale of Asset held for sale (Refer Note 41)	2,091	-
Miscellaneous Expenses (including Professional Fees, Audit Fees, Printing and Stationery, Cargo Handling and Bank Charges etc.)	38,105	37,297
TOTAL	658,714	482,276

Auditors Remuneration (Net of Service Tax Input Credit)

(₹ in lakhs)

Particulars	For the year ended 31 st March,	
	2014	2013
(a) As Audit Fees		
- Statutory Audit Fees	119	112
- Tax Audit Fees	5	5
(b) As Advisors or in any other capacity in respect of		
- Taxation Matters	56	56
(c) In any other manner		
- For other services such as quarterly limited reviews, certificates etc.	85	43
(d) For Reimbursement of Expenses	1	-
TOTAL	266	216



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

27. EXCEPTIONAL ITEMS (EXPENSE) / INCOME

(₹ in lakhs)

Particulars	For the year ended 31 st March,	
	2014	2013
Salary Arrears (Refer Note (a) below)	-	(15,990)
Marked to Market - Derivatives (Refer note 31)	938	2,834
Unrealized Exchange (Loss) (Refer note (b) below and note 30)	(3,137)	(5,504)
Compensation Credit (Refer Note (c) below)	-	29,314
Provision for diminution in value of Investment in Subsidiary (Refer note 32)	(70,000)	-
TOTAL	(72,199)	10,654

Note :

- During the Previous Year, the Company has finalized the salary arrears of various categories of employees with retrospective effect.
- Due to unusual and steep depreciation in the value of the Rupee, the unrealised exchange loss (net) has been considered by the Company to be exceptional in nature. The unrealised exchange Gain / (Loss) refers to the Gain / (Loss) arising out of the restatement of the foreign currency monetary assets and liabilities (other than asset backed borrowings).
- During the Previous Year, the Company has received certain compensation for delayed delivery of Aircraft from one of the Aircraft manufacturers.

28. EARNINGS PER SHARE (EPS)

(₹ in lakhs)

Particulars	For the year ended 31 st March,	
	2014	2013
Loss After Tax for the Year	(366,785)	(48,550)
Loss Attributable to Equity Share Holders (A)	(366,785)	(48,550)
Weighted Average Number of Equity Shares for Basic and Diluted EPS [Nos.] (B)	96,193,641	86,334,011
Nominal Value of Equity Shares (₹)	10	10
Basic and Diluted EPS ₹ (A / B)	(381.30)	(56.23)



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

29. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

A. Contingent Liabilities

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
a) Guarantees :		
i. Letters of Credit Outstanding	191,812	175,989
ii. Bank Guarantees Outstanding	127,710	123,562
iii. Corporate Guarantee given to Banks and Financial Institutions against credit facilities and to Lessors against financial obligations extended to Subsidiary Company :		
- Amount of Guarantee	37,580	56,127
- Outstanding Amounts against the Guarantee	35,358	55,550
b) Claims against the Company not acknowledged as debt (Refer note below) :		
i. Service Tax Demands in Appeals	227,081	161,325
ii. Fringe Benefit Tax Demands in Appeals	4,462	8,941
iii. Pending Civil and Consumer Suits	8,145	6,716
iv. Inland Air Travel Tax Demands under Appeal	426	426
Amount deposited with the Authorities for the above Demands	105	105
v. Octroi	2,899	2,899
vi. Customs	426	621
vii. Income Tax Demands in Appeal	23,349	29,157
viii. Employee State Insurance Corporation	2,999	-

ix. The Company has provided security by way of a mortgage on its land situated at Bandra-Kurla Complex, Mumbai along with construction thereon, present and future and first charge on Company's entitlement under the development agreement (excluding built up area of 75,000 square feet) for the aforesaid plot of land against the financial assistance of ₹ 75,000 lakhs (Previous Year ₹ 75,000 lakhs) provided by a financial institution to its developer Godrej Buildcon Private limited.

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

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

The Division Bench of the Hon'ble Bombay High Court heard the matter and vide its order dated 17th October, 2011 dismissed both the appeals as being not maintainable in view of jurisdictional issue. The



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

Company has since filed Special Leave Petitions (SLP) before the Hon'ble Supreme Court challenging both the orders of 4th May, 2011 and 17th October, 2011. SICCL had earlier filed a SLP before the Hon'ble Supreme Court for increased compensation and interest.

Both the SLPs, filed by Jet Airways as well as SICCL, came up for hearing before the Supreme Court. The Supreme Court directed the parties to file the Counter and Rejoinder, which has since been filed.

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.

B. Commitments

Particulars	(₹ in lakhs)	
	As at 31 st March,	
	2014	2013
Estimated amount of Contracts remaining to be executed on capital account (net of advances), not provided for	3,431,220	1,500,880
TOTAL	3,431,220	1,500,880

30. FOREIGN EXCHANGE DIFFERENCES

Uptill December, 2011, the Company was following the option offered by notification of the Ministry of Corporate Affairs (MCA) dated 31st March, 2009 under the Companies (Accounting Standards) Amendment Rules, 2006 which amended Accounting Standard (AS) 11 "The Effects of Changes in Foreign Exchange Rates" by introducing Para 46. On 29th December 2011, the MCA issued a further notification extending the said option under Para 46 and providing additional option under Para 46A amending AS 11. The Company opted to apply the provisions under Para 46A of AS 11 with effect from 1st April, 2011. In line with the said notification, the Company has amortized the exchange difference as detailed in the Accounting Policy L in Note 1. The unamortized portion of ₹ 4,690 lakhs (Previous Year ₹ 9,649 lakhs) is accumulated in Foreign Currency Monetary Item Translation Difference Account (FCMITDA) grouped under reserves and surplus. The amortized portion of foreign exchange (gain) / loss (net) incurred on long term foreign currency monetary items for the year ended 31st March, 2014 is ₹ (2,876) lakhs (Previous Year ₹ 5,429 lakhs). Further, the amount of exchange difference adjusted to the tangible assets during the year is ₹ 72,827 lakhs - net loss (Previous Year ₹ 55,049 lakhs - net loss) and the unamortised balance (carried as a part of tangible asset), as at the year end, aggregates to ₹ 231,084 lakhs (Previous Year ₹ 196,393 lakhs).

31. DISCLOSURE ON DERIVATIVES

In the past, the Company had entered into derivative contracts i.e. interest rate swaps (IRS) in order to hedge and manage its foreign currency exposures towards foreign currency borrowings. Such derivative contracts, were in the nature of firm commitments and were entered into by the Company for hedging purposes only and not for any trading or speculation purposes.

Nominal amounts of IRS entered into by the Company in the past and the amount outstanding as on 31st March, are as under :

Particulars	As at 31 st March,			
	2014		2013	
	No. of Contracts	₹ in lakhs	No. of Contracts	₹ in lakhs
Interest Rate Swaps	-	-	2	113,999

The Company continues to account for the above said IRS in line with the pronouncement of The Institute of Chartered Accountants of India for "Accounting for Derivatives" along with principles of prudence as enunciated in Accounting Standard (AS-1) "Disclosure of Accounting Policies".



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

On that basis, the changes in the fair value of the derivative instruments as at 31st March, 2014 of ₹ 938 lakhs (Previous Year ₹ 2,834 lakhs) has been credited (net gain) to the extent of reversal of net loss charged to the Statement of Profit and Loss in earlier years and disclosed as an exceptional item. The credit on account of derivative gains has been computed on the basis of MTM values based on the confirmations received from the counter parties and the cumulative net notional loss up till the balance sheet date is ₹ Nil lakhs (Previous Year ₹ 938 lakhs).

The foreign currency exposures that have not been hedged by any derivative instrument or otherwise as on 31st March are as follows :

Particulars	INR Equivalent (₹ in lakhs)		USD Equivalent (USD in lakhs)	
	As at 31 st March,		As at 31 st March,	
	2014	2013	2014	2013
Current Assets	140,930	197,558	2,352	3,639
Current Liabilities	294,787	279,179	4,920	5,143
Interest Accrued but not due on Loans	2,329	4,172	39	77
Long Term Loans for purchase of Aircraft*	614,011	671,589	10,248	12,372
Other Loans Payable	275,909	240,646	4,605	4,433

*includes Loans payable after 5 years – ₹ 129,794 lakhs (Previous Year ₹ 206,487 lakhs).

32. The Company has equity investment of ₹ 164,500 lakhs in Jet Lite (India) Limited, a wholly owned subsidiary, and has advanced an interest free loan amounting to ₹ 196,392 lakhs as on 31st March, 2014 (31st March, 2013 - Equity and Preference investment aggregating to ₹ 164,500 lakhs and interest free loan amounting to ₹ 133,660 lakhs). The subsidiary continues to incur losses and show negative net worth as on 31st March, 2014. The detailed study undertaken on future network synergy and fleet planning by Seabury APG, a renowned domain expert, has recently been concluded. Management based on the recommendations provided by Seabury APG, has approved the parameters to re-organize the fleet and network between Jet Airways and its wholly owned subsidiary Jet Lite (India) Limited. Considering these parameters, detailed business plans have since been drawn and an external valuer has valued the equity interest in the subsidiary based on these business plans. Management has performed a sensitivity analysis on the values so arrived and concluded that provision for diminution of ₹ 70,000 lakhs will fairly reflect the recoverable amount based on prudent assessment. In view of the significant uncertainty as regards the underlying assumptions about future events and the operating parameters, the same will be periodically monitored and changes to reflect the reliable measurement will be made if the conditions so warrant.

33. Employees Benefits

A. Defined contribution plans

The Company makes contributions at a specified percentage of payroll cost towards Employees Provident Fund (EPF) for qualifying employees. The Company recognized ₹ 4,032 lakhs (Previous Year ₹ 3,259 lakhs) for provident fund contributions in the Statement of Profit and Loss.

B. Defined benefit plan

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 :

i. 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.

ii. 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 31st March, 2014 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.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

The following table sets out the status of the gratuity plan and the amounts recognized in the Company's financial statements as at 31st March

(₹ in lakhs)

Particulars	Gratuity (Non-Funded) As at 31 st March,	
	2014	2013
Reconciliation in Present Value of Obligations (PVO) – Defined Benefit Obligation		
PVO at the beginning of the year	6,803	5,523
Current Service Cost	605	508
Interest Cost	561	483
Actuarial Loss	194	789
Benefits Paid	(490)	(500)
Closing Balance	7,673	6,803
Net Cost for the Year ended 31st March,		
Current Service Cost	605	508
Interest Cost	561	483
Actuarial Loss	194	789
Net Cost	1,360	1,780
Fair Value of Plan Assets	Nil	Nil
Experience Adjustment		
Plan Liability Loss	1,286	369
Plan Assets Loss / (Gains)	Nil	Nil
Actuarial Assumptions		
Discount Rate (%)	9.31	8.25
Salary Escalation Rate (%)	5.00	5.00

- i. The present value of defined benefit obligation was for :

(₹ in lakhs)

Financial Year ended	31 st March, 2012	31 st March, 2011	31 st March, 2010
Amount	5,523	5,158	4,474

- ii. The fair value of planned assets was for :

(₹ in lakhs)

Financial Year ended	31 st March, 2012	31 st March, 2011	31 st March, 2010
Amount	Nil	Nil	Nil

The details of the Experience adjustments arising on account of plan assets and liabilities as required by paragraph 120(n)(ii) of AS-15 (Revised) on "Employee Benefits" of previous financial years :

(₹ in lakhs)

Financial Year ended	31 st March, 2012	31 st March, 2011	31 st March, 2010
Planned Liabilities Loss / (Gain)	494	245	(412)
Plan Assets Loss / (Gain)	Nil	Nil	Nil

The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

C. Other Long Term Employee Benefit

The obligation of Compensated Absences (non-funded) for the year ended 31st March, 2014, amounting to ₹ 1,552 lakhs (Previous Year ₹ 1,425 lakhs) has been recognized in the Statement of Profit and Loss, based on actuarial valuation carried out using the Projected Unit Credit Method.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

34. During the financial year 2009-10, the Company entered into a "Power by the Hour" (PBTH) Engine Maintenance agreement with a Service provider for its Next Generation Boeing 737 Aircraft fleet for future engine shop visits. Subsequent to such arrangement, 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 payable to the Lessors as receivables to the extent considered good of recovery for set off against future claims reimbursable by the Lessors on each engine shop visit. The Company has recognized such expected refunds of variable rentals from lessors towards future engine repairs based on joint validation of the Company's maintenance plan with the service provider. Accordingly, such variable rent of ₹ 49,586 lakhs (Previous Year ₹ 64,184 lakhs) has been presented as "Contribution Receivable from Lessors" bifurcated into current and non-current based on expected engine shop visits in next 12 months and beyond.

35. Leases

The Company has entered into Finance and Operating Lease agreements. As required under the Accounting Standard 19 on 'Leases', the future minimum lease payments on account of each type of lease are as follows :

A. Finance Leases / Hire Purchase (Aircraft)

(₹ in lakhs)

Particulars	Future Minimum Lease Payments		Present Value of Future Minimum Lease Payments		Finance Charges	
	As at 31 st March,					
	2014	2013	2014	2013	2014	2013
Not later than one year	118,096	124,499	102,791	105,274	15,305	19,225
Later than one year and not later than five years	400,010	420,088	367,349	375,706	32,661	44,382
Later than five years	131,390	212,255	129,794	206,487	1,596	5,768
TOTAL	649,496	756,842	599,934	687,467	49,562	69,375

The salient features of a Finance Lease / Hire Purchase Agreement are:

- Option to purchase the Aircraft either during the term of the Hire Purchase on payment of the outstanding Principal amount or at the end of the Hire Purchase term on payment of a nominal option price.
- In the event of default, the Hirer / 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 Hirer / Lessee is responsible for maintaining the Aircraft as well as insuring the same.
- In the case of Finance Lease, the property passes to the Lessee, on payment of a nominal option price at the end of the term.

B. Operating Leases

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

The future minimum lease payments in respect of non-cancellable period, as at 31st March are as follows :

Commercial Premises and Amenities

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Not later than one year	1,297	2,728
Later than one year and not later than five years	58	658
Later than five years	-	-
TOTAL	1,355	3,386



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

- b) The Company has taken on operating lease Aircraft and Spare Engines. The future minimum lease payments in respect of which, as at 31st March are as follows :

Aircraft and Spare Engines

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Not later than one year	174,035	140,727
Later than one year and not later than five years	551,778	451,464
Later than five years	332,635	287,735
TOTAL	1,058,448	879,926

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 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.
- These leases are non-cancellable.

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

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Not later than one year	3,146	-
Later than one year and not later than five years	9,355	-
Later than five years	-	-
TOTAL	12,501	-

- d) Details of future minimum lease income in respect of Eight (8) Aircraft [Previous Year five (5)] given on non-cancellable Dry Lease and Wet Lease, as at 31st March is as follows :

Aircraft

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Lease Income		
Not later than one year	28,342	10,370
Later than one year and not later than five years	-	-
Later than five years	-	-
TOTAL	28,342	10,370

The Salient features of Dry Lease agreements are as under :

- Aircraft are leased without insurance and crew.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

- 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.
- These dry leases are non-cancellable.

The Salient features of Wet Lease agreements are as under:

- Operational control and maintenance of aircraft remains the responsibility of the Lessor. The aircraft remains on Indian registry and is operated with the Lessor's crew.
- Monthly rentals are receivable on predetermined rates based on minimum guaranteed utilisation.
- The Wet leases are non-cancellable.

Details of owned Aircraft given on non-cancellable Dry and Wet Lease are as under :

Details of Leased Assets (Aircraft)

(₹ in lakhs)

Particulars	For the year	
	2013-14	2012-13
Cost of Acquisition	500,031	382,387
Accumulated Depreciation	166,399	111,209
Depreciation Debited to Statement of Profit and Loss during the year on the above Leased Assets	98,371	22,076
Variable Lease Rental income recognized during the year on the Leased Assets	4,094	11,275

- e) The lease rental expense of ₹ 284,660 lakhs (Previous Year ₹ 186,032 lakhs) is recognized during the year.

36. SEGMENT INFORMATION

a) Primary Segment : Geographical Segment

The Company, considering its level of international operations and internal financial reporting based on geographic segment, has identified geographic segment as primary segment.

The geographic segment consists of :

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

Leasing operations are classified into (i) or (ii) above based on the domicile of the lessee being within or outside India.

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 operating expenses, aircraft lease rentals, depreciation / amortization 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.

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

Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)



Particulars	(₹ in lakhs)	
	For the year ended 31 st March,	
	2014	2013
Segment Revenue (Primarily Passenger, Cargo, Excess Baggage and Leasing of Aircraft)		
Domestic	719,695	707,910
International	1,010,494	977,349
Total	1,730,189	1,685,259
Segment result		
Domestic	360,202	366,585
International	456,086	436,822
Total	816,288	803,407
Less : Finance Cost	99,716	111,898
Less : Depreciation and Amortization	87,575	92,657
Less : Other Un-Allocable Expenses	964,753	713,114
Add : Other Un-Allocable Revenue	41,158	55,058
Add / (Less) : Exceptional Items (Net)	(72,199)	10,654
(Loss) Before Tax	(366,797)	(48,550)
Less : Tax (Benefits) / Expenses	12	-
(Loss) After Tax	(366,785)	(48,550)

b) Secondary Segment: Business Segment

The Company operates into two business segments viz. Air Transportation and Leasing of Aircraft and has identified the same as secondary segment to be reported considering the requirement of Accounting Standard 17 on "Segment Reporting" which is disclosed as under:

Particulars	(₹ in lakhs)	
	For the year ended 31 st March,	
	2014	2013
i) Segment Revenue from External Customers		
Air Transportation	1,661,466	1,634,700
Leasing of Aircraft	68,723	50,559
Total	1,730,189	1,685,259
ii) Total carrying amount of Segment Assets		
Air Transportation	1,503,280	1,604,277
Leasing of Aircraft	333,632	271,178
Total	1,836,912	1,875,455
iii) Total cost incurred during the period to acquire Segment Assets that are expected to be used for more than one period*		
Air Transportation	7,391	22,210
Leasing of Aircraft	-	-
Total	7,391	22,210

* Excludes Exchange Gain / (Loss).



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

37. RELATED PARTY TRANSACTIONS

As per Accounting Standard - 18 on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, the disclosure of transactions with the related party as defined in the Accounting Standard are given below :

i. 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	Controlling Shareholder of the Company
2.	Etihad Airways PJSC (w.e.f.20 th November, 2013)	Enterprise exercising Significant Influence over the Company.
3.	Jet Lite (India) Limited	Wholly Owned Subsidiary Company (Control exists)
4.	Jet Airways Training Academy Private Limited	
5.	Jet Privilege Private Limited (Subsidiary upto 23 rd March, 2014)	Associate Company
6.	Anita Goyal	Relatives of controlling shareholder
7.	Nivaan Goyal	
8.	Namrata Goyal	
9.	Gaurang Shetty	Key Managerial Personnel
10.	Tail Winds Limited (Holding Company upto 30 th May, 2013)	Enterprises over which controlling shareholder and his relatives are able to exercise significant influence directly or indirectly.
11.	Jetair Private Limited	
12.	Trans Continental e Services Private Limited	
13.	Jet Enterprises Private Limited	
14.	Jet Airways Europe Services N.V.	
15.	Jetair Tours Private Limited	
16.	Global Travel Solutions Private Limited	
17.	Jet Airways LLC (Ceased w.e.f. 1 st April, 2013)	
18.	Jet Airways of India Inc. (Ceased w.e.f. 1 st April, 2013)	
19.	India Jetairways Pty Limited (Ceased w.e.f. 1 st April, 2013)	

Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)



ii. Transactions during the year ended 31st March, 2014 and balances with related parties :

Sr. No.	Nature of Transactions	Controlling Shareholder	Enterprise exercising significant Influence	Holding Company	Subsidiaries Company	Associate Company	Relatives of controlling shareholder of Holding Company	Key Managerial Personnel	Enterprises under significant influence	Total
Transaction during the Year										
1.	Remuneration									221 (196)
2.	Sitting Fees	1 (1)								1 (1)
3.	Commission				558 (Nil)	16 (Nil)			6,540 (8,735)	7,114 (8,735)
4.	Rent Paid								247 (247)	247 (247)
5.	Expenses Reimbursed (Staff Costs, Communication Costs, Rent, Franking charges)		315 (Nil)		570 (3)				100 (1,991)	985 (1,994)
6.	Other Selling and Distribution Cost								357 (2,088)	357 (2,088)
7.	Deposit Refunded								Nil ((-8)	Nil ((-8)
8.	Other Hire Charges				(-)685 ((-)531)					(-)685 ((-)531)
9.	Sale of Engine				Nil ((-)1,752)					Nil ((-)1,752)
10.	Rent received								(-)7 ((-7)	(-)7 ((-7)
11.	Corporate Guarantee given by Company on behalf of Subsidiary				(-)18,547 (2,529)					(-)18,547 (2,529)
12.	Interline Billing (net)		308 (Nil)		47,942 (69,202)					48,250 (69,202)
13.	Provision for diminution in value of investment				70,000 (Nil)					70,000 (Nil)
14.	Conversion of preference shares into equity shares.				29,000 (Nil)					29,000 (Nil)



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

Sr. No.	Nature of Transactions	Controlling Shareholder	Enterprise exercising significant Influence	Holding Company	Subsidiaries Company	Associate Company	Relatives of controlling shareholder of Holding Company	Key Managerial Personnel	Enterprises under significant influence	Total
15.	Sale of miles				(-)29,000 (Nil)					(-)29,000 (Nil)
16.	Loan given				227,396 (191,191)					227,396 (191,191)
17.	Loan repaid				(-)164,663 ((-)185,769)					(-)164,663 ((-)185,769)
18.	Interest on loan received				(-)807 (Nil)					(-)807 (Nil)
19.	Advance Received (Refer note 40)					(-)134,378 (Nil)				(-)134,378 (Nil)
20.	Investment in Equity Shares					69,521 (Nil)				69,521 (Nil)
21.	Airworthiness Management, Security and other service income		(-)905 (Nil)							(-)905 (Nil)
22.	Aircraft Lease Rental		(-)8,084 (Nil)							(-)8,084 (Nil)
23.	Equipment Hire Charges		(-)34 (Nil)							(-)34 (Nil)
24.	Sale of Aircraft		(-)68,690 (Nil)							(-)68,690 (Nil)
25.	Lease Rent Slot		1,087 (Nil)							1,087 (Nil)
26.	Variable Rent spare engine		143 (Nil)							143 (Nil)
27.	Handling, Lounge and other Services		917 (Nil)							917 (Nil)
28.	Issue of Equity Shares including Premium		205,767 (Nil)							205,767 (Nil)
29.	Interline Settlement Charges Received		(-)158 (Nil)							(-)158 (Nil)

(₹ in lakhs)

Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)



(₹ in lakhs)										
Sr. No.	Nature of Transactions	Controlling Shareholder	Enterprise exercising significant Influence	Holding Company	Subsidiaries Company	Associate Company	Relatives of controlling shareholder of Holding Company	Key Managerial Personnel	Enterprises under significant influence	Total
30.	Interline Settlement Charges Paid		159 (Nil)							159 (Nil)
31.	Corporate Guarantee given on behalf of the Company		89,873 (Nil)							89,873 (Nil)
Closing Balance as on 31 st March, 2014										
A.	Investments in Equity and Preference Shares				164,501 (164,502)	69,522 (Nil)				234,023 (164,502)
B.	Advance and Other Receivable				Nil (42)				Nil (53)	Nil (95)
C.	Advance Received					(-1133,671 (Nil)				(-1133,671 (Nil)
D.	Deposit for Leased Premises								2,360 (2,352)	2,360 (2,352)
E.	Loans				196,392 (133,660)					196,392 (133,660)
F.	Trade Payables		(-174 (Nil)			(-64 (Nil)			(-14766 (-133,686)	(-14904 (-133,686)
G.	Trade Receivables		684 (Nil)			7,890 (Nil)			7,110 (7,337)	15,684 (7,337)
H.	Share Capital	5,793 (Nil)	2,727 (Nil)	- (6,907)*			0.10 (0.10)			8,520 (6,907)
I.	Corporate Guarantee given by Company on behalf of Subsidiary Company				35,358 (55,550)					35,358 (55,550)
J.	Corporate Guarantee given on behalf of the Company		89,873@ Nil		426,829# (386,721)#					516,702 (386,721)

(Figures in brackets are for the year ended 31st March, 2014)

* includes ₹ Nil lakhs (Previous Year ₹ 1 lakh) of nominee holding.

Equivalent to USD 7,124 lakhs (Previous Year USD 7,124 lakhs).

@ Equivalent to USD 1,500 lakhs (Previous Year Nil lakhs).



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

iii. Statement of Material Transactions during the year and balances with related parties :

(a) Subsidiary Companies

(₹ in lakhs)

Particulars	For the Year ended 31 st March	
	2014	2013
Jet Lite (India) Limited		
Transactions during the year :		
- Other Hire Charges received	(685)	(531)
- Sale of Engine	-	(1,752)
- Corporate Guarantee given by the Company on behalf of the Subsidiary Company	(18,547)	2,529
- Interline Billing (Net)	47,942	69,202
- Loan Given	205,263	191,191
- Loan Received back / Adjusted	(142,530)	(185,769)
- Provision for diminution in value of investment	70,000	-
- Conversion of preference shares into equity shares	29,000	-
Closing Balance as on 31 st March,		
- Interest free Loan (including adjustment on account of Capital Advances)	196,392	133,660
- Investments in Equity / Preference Shares	164,500	164,500
- Corporate Guarantee by Company on behalf of Subsidiary Company*	35,358	55,550
- Corporate Guarantee given by Subsidiary Company on behalf of the Company #	(426,829)	(386,721)
Jet Privilege Private Limited		
Transactions during the year :		
- Commission (Expense)	558	159
- Sale of Miles	(29,000)	-
- Reimbursement of Expenses	570	2
- Loan Given	22,133	-
- Loan Received back	(22,133)	-
- Interest Received on loan	(807)	-
- Investment in Equity Shares	-	1
Closing Balance as on 31 st March,		
- Advance	-	41
- Investments in Equity Shares	-	1
Jet Airways Training Academy Private Limited		
Transactions during the year :		
- Reimbursement of Expenses	-	1
Closing Balance as on 31 st March,		
- Other Receivables	-	1
- Investments in Equity Shares	1	1

* Closing Balance of Corporate Guarantee given by Jet Airways (India) Limited represents utilized amount against total guarantee amount of ₹ 37,580 lakhs (Previous Year ₹ 56,127 lakhs).

Equivalent to USD 7,124 lakhs (Previous Year USD 7,124 lakhs).



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

(b) Associate Company

(₹ in lakhs)

Particulars	For the Year ended 31 st March	
	2014	2013
Jet Privilege Private Limited		
Transactions during the year :		
- Commission (Expense)	16	-
- Advance Received (Refer note 40)	(134,378)	-
- Investment in Equity Shares	69,521	-
Closing Balance as on 31 st March,		
- Advance Received	133,671	-
- Trade receivable	7,890	-
- Trade Payable	64	-
- Investments in Equity Shares	69,522	-

(c) Remuneration includes remuneration to :

(₹ in lakhs)

Particulars	For the Year	
	2013-14	2012-13
(a) Relatives of controlling shareholder of Holding Company		
Anita Goyal	143	127
Namrata Goyal	10	10
Nivaan Goyal	8	8
(b) Directors		
Gaurang Shetty	60	51

(d) Enterprise over which controlling shareholder of Holding Company and his relatives are able to exercise significant influence

(₹ in lakhs)

Particulars	For the Year ended 31 st March	
	2014	2013
Jetair Private Limited		
Transactions during the Year		
- Commission	6,540	2,584
- Rent Paid (including Service Tax)	180	180
- Expenses Reimbursed (Staff Costs, Communication Costs etc.)	3	342
- Rent Received	(7)	(7)
- Deposit Refunded (Given Earlier)	-	(8)
Closing Balance as on 31 st March,		
- Deposits for Leased Premises	160	152
- Trade Receivables	7,110	7,337
- Trade Payables	4,766	666
Jet Airways LLC (upto 31st March, 2013)		
Transactions During the Year :		
- Commission	-	4,243
- Expenses Reimbursed (Staff Costs, Communication Costs etc.)	-	615
Closing Balance as on 31 st March,		
- Trade Payables	-	29,257
Trans Continental e Services Private Limited		
Transactions During the Year :		
- Other Selling and Distribution Cost	357	2,088
- Expenses Reimbursed	97	61



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

(₹ in lakhs)

Particulars	For the Year ended 31 st March	
	2014	2013
Closing Balance as on 31 st March,		
- Trade Payables	-	Nil
- Advance	-	42
Jet Enterprises Private Limited		
Transactions During the Year :		
- Rent Paid	67	67
Closing Balance as on 31 st March,		
- Deposits for Leased Premises	2,200	2,200
- Advance	-	11
Jet Airways of India Inc. (upto 31st March, 2013)		
Transactions During the Year :		
- Commission	-	1,908
- Expenses Reimbursed (Staff Costs, Insurance Rent etc.)	-	971
Closing Balance as on 31 st March,		
- Trade Payables	-	3,148
India Jetairways Pty Limited (upto 31st March, 2013)		
Transactions During the Year :		
- Expenses Reimbursed (Staff Costs, Communication Costs etc.)	-	2
Closing Balance as on 31 st March,		
- Trade Payables	-	1
Global Travel Solutions Private Limited		
Closing Balance as on 31 st March		
- Trade Payables	-	555
Jet Airways Europe Services N.V.		
Closing Balance as on 31 st March,		
- Trade Payables	-	59

(e) Enterprise exercising significant influence over the Company

(₹ in lakhs)

Particulars	For the Year ended 31 st March	
	2014	2013
Etihad Airways PJSC (From 20th November, 2013)		
Transactions during the year :		
- Interline Billing (Net)	308	-
- Airworthiness Management, Security and other service income	(905)	-
- Aircraft lease Rental	(8,084)	-
- Equipment Hire Charges	(34)	-
- Sale of Aircraft	(68,690)	-
- Interline Settlement Charges Received	(158)	-
- Lease Rent Slot	1,087	-
- Variable rent spare engine	143	-
- Handling, Lounge and other Services	917	-
- Expenses Reimbursed	315	-
- Interline Settlement Charges Paid	159	-
- Issue of equity shares including Premium	2,05,767	-
- Corporate Guarantee given on behalf of the Company	89,873	-
Closing Balance as on 31st March,		
- Trade Receivable	684	-
- Trade Payable	74	-
- Share Capital	2,727	-
- Corporate Guarantee given on behalf of the Company	89,873	-



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

38. ADDITIONAL DISCLOSURES

A. C.I.F. value of Imports, Earning and Expenditure in Foreign Currency

(₹ in lakhs)

Particulars	For the Year ended 31 st March	
	2014	2013
C.I.F. Value of Imports :		
Components and Spares	30,301	25,212
Capital Goods	6,316	19,581
TOTAL	36,617	44,793
Earnings in Foreign Currency :		
Passenger and Cargo Revenue*	767,784	718,293
Interest on Bank Account (# ₹ 36,427)	1	#
Leasing Operations	68,723	48,432
Other Income	5,592	2,602
TOTAL	842,100	769,327
*Including Fuel Surcharge of ₹ 216,745 lakhs (Previous Year ₹ 193,104 lakhs)		
Expenditure in Foreign Currency :		
Employee Remuneration and Benefits	10,904	9,894
Aircraft Fuel Expenses	226,531	225,151
Selling and Distribution Expenses	104,407	92,870
Other Operating Expenses	418,177	288,245
Aircraft Lease Rentals	167,610	123,210
Lease Rentals-Slot	3,127	-
Finance Cost	44,082	60,882
TOTAL	974,838	800,252

B. Value of Components and Spare Parts Consumed

Particulars	2013-2014		2012-2013	
	₹ in lakhs	%	₹ in lakhs	%
- Imported	11,663	94.53	11,835	96.75
- Indigenous	494	5.47	398	3.25
TOTAL	12,157	100	12,233	100.00

39. Pursuant to Shareholders' approval sought at an Extra Ordinary General Meeting held on 24th May, 2013, Company at its Board Meeting held on 20th November, 2013 approved the issue and allotment of 27,263,372 Equity Shares of the face value of ₹ 10 each fully paid at a price of ₹ 754.7361607 per share (including a premium of ₹ 744.7361607 per share) aggregating to ₹ 20,576,652,711.02 to Etihad PJSC on a preferential basis per terms of the Investment Agreement entered between Etihad PJSC and the Company on April 24, 2013 and amendments thereto. Following the preferential allotment, Etihad PJSC holds 24% of the post issued paid up share capital of the Company.

Details of funds raised through preferential allotment and its utilisation are as under:

Particulars	₹ in Lakhs
Funds received through Preferential Allotment	205,767
Utilisation :	
Repayment of Debts	53,327
For General Purpose	152,440
Total Funds Utilised	205,767



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

- 40.** The Company at its Board Meeting held on 20th November, 2013 proposed the transfer / sale / disposal of the undertaking viz. 'Jet Privilege Frequent Flyer Programme' (JPFFP) to its then subsidiary, Jet Privilege Private Limited (JPPL) as a going concern on a slump sale basis. The same has been approved by Shareholders of the Company by way of Special Resolution, carried out through a postal ballot process, the results of which were announced on 20th March, 2014.

During the Year, Company has received an advance of ₹ 119,378 lakhs from JPPL against the above said slump sale. Upon satisfaction of all the conditions, the Company has transferred its JPFFP business to JPPL on 21st April, 2014.

The aforesaid advance together with advance of ₹ 15,000 lakhs received against a "Ticket Sale Agreement" with JPPL is disclosed under other current liabilities.

- 41.** During the year ended 31st March, 2014, the Company was under the obligation to return Aircraft taken earlier on operating lease, one of the engines of the said Aircraft was damaged and became Beyond Economical Repair (BER) and in order to meet redelivery conditions, the Company has purchased an engine for ₹ 2,091 lakhs as "Asset Held for Sale" and later on swapped it against the BER engine with the Lessor. The cost of engine purchased on account of this swap has been charged to statement of Profit and Loss.
- 42.** The Airline Industry has been adversely affected by the general economic slowdown. This coupled with high fuel cost significantly impacted the performance and cash flows of the Company and its major subsidiary resulting in substantial erosion of the net worth. With the strategic investment by Etihad PJSC, the Management expects to improve operating cash flows through cost synergies, revenue management, network synergy, leasing out aircraft etc. These measures are expected to result in sustainable cash flows and accordingly the Financial Statements continue to be presented on a going concern basis, which contemplates realisation of assets and settlement of liabilities in the normal course of business.

43. Previous Years Figures

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

As per our attached report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

R. D. Kamat
Partner

For CHATURVEDI & SHAH
Chartered Accountants

C. D. Lala
Partner

On behalf of Board of Directors

Naresh Goyal Chairman

Aman Mehta
James Hogan
James Rigney
Javed Akhtar
I. M. Kadri } Directors

Gaurang Shetty Director & Manager
Arun Kanakal Company Secretary & Associate Legal Counsel

Date : 27th May, 2014
Place : Mumbai



Statement pursuant to Section 212(1)(e) of the Companies Act, 1956, relating to Subsidiary Company for the year ended 31st March, 2014

(₹ in lakhs)

Sr. No	Name of Subsidiary Company	Jet Lite (India) Limited	Jet Airways Training Academy Private Limited
1	Financial year of the subsidiary company ended on	31 st March, 2014	31 st March, 2014
2	Holding Company's Interest :		
	a) Number of Equity Shares of ₹ 10/- each fully paid	796,115,409	10,000
	b) Extent of holding	100%	100%
3	Net aggregate amount of (Loss) / Profit of the Subsidiary, so far as it concerns Members of the Jet Airways (India) Ltd.	Amount (₹ in lakhs)	
	i) for the financial year of the subsidiary		
	a) Dealt with in the accounts of the Holding Company	(42,931)	(2)
	b) Not dealt with in accounts of the Holding Company	-	-
	ii) for the previous financial years of the Subsidiary since it became the Holding Company's Subsidiary		
	a) Dealt with in the accounts of the Holding Company	(168,716)	-
	b) Not dealt with in accounts of the Holding Company	-	-
4	As the financial year of the subsidiary company coincides with the financial year of the holding company, section 212(5) of the Companies Act, 1956 is not applicable.		

Financial information of the Subsidiary Company for the year ended 31st March, 2014, pursuant to the general exemption under Section 212(8) of the Companies Act, 1956.

(₹ in lakhs)

Sr. No	Name of Subsidiary Company	Jet Lite (India) Limited	Jet Airways Training Academy Private Limited
1.	Paid up Share Capital	79,612	1
2.	Reserves	(293,901)	(2)
3.	Total Asset *(₹ 28,342)	50,905	*
4.	Total Liabilities *(₹ 28,342)	50,905	*
5.	Investment included in Total Assets	110	Nil
6.	Turnover	173,395	Nil
7.	Loss before Tax	(42,931)	(1)
8.	Provision for tax	Nil	Nil
9.	Loss after tax	(42,931)	(1)
10.	Proposed Dividend	Nil	Nil



Independent Auditors' Report

To the Board of Directors of
Jet Airways (India) Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of JET AIRWAYS (INDIA) LIMITED (the "Company") and its subsidiaries (the Company and its subsidiaries constitute "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of one of the joint auditors on the financial statements of the subsidiaries and associate referred to below in the Other Matter paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2014;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the loss of the Group for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Emphasis of Matter

We draw attention to following notes to the financial statements:

- (a) Note 42 regarding impairment of ₹ 70,000 lakhs so as to fairly reflect the carrying value of Goodwill on consolidation. The assessment of carrying amount of Goodwill is critically dependent upon the achievement of the expected operating performance of the subsidiary after re-organization of the fleet as mentioned in the note.
- (b) Note 43 regarding preparation of financial statements of the Group on going concern basis for the reasons stated therein. The appropriateness of assumption of going concern is dependent upon realisation of the synergies from alliance with the Strategic Partner and/or the Group's ability to raise requisite finance/generate cash flows in future to meet its obligations.

Our opinion is not qualified in respect of the above matters.



Independent Auditors' Report (contd)

Other Matter

The Financial statements of the two subsidiary companies, which reflects total assets (net) of ₹ 50,905 lakhs as on 31st March, 2014 and total revenue of ₹ 176,364 lakhs and net cash inflows of ₹ 1,845 lakhs for the year ended on that date and the third subsidiary which ceased to be subsidiary and became as associate company during the year whose financial statements reflect total revenue of ₹ Nil, net cash inflows of ₹ 201 lakhs and Group's share of net loss of ₹ 109 lakhs (from the date of becoming an associate), are considered in the consolidated financial statements for the year ended 31st March 2014. All these financial statements of two subsidiaries and one subsidiary / associate have been audited by M/s. Chaturvedi & Shah, Chartered Accountants, one of the joint auditors of the Company.

Our opinion is not qualified in respect of this matter.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

R. D. Kamat

Partner

Membership No. 36822

Place: Mumbai

Date: 27th May, 2014

For CHATURVEDI & SHAH

Chartered Accountants

Firm's Registration No. 101720W

C. D. Lala

Partner

Membership No. 35671



Consolidated Balance Sheet as at 31st March, 2014

(₹ in lakhs)

Particulars	Note No.	As at 31 st March, 2014	As at 31 st March, 2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	11,360	8,633
Reserves and Surplus	3	(428,846)	(191,404)
		(417,486)	(182,771)
Non-Current Liabilities			
Long Term Borrowings	4	654,607	686,860
Deferred Tax Liability (Net)	5	-	-
Other Long Term Liabilities	6	36,500	36,500
Long Term Provisions	7	24,996	15,095
		716,103	738,455
Current Liabilities			
Short Term Borrowings	8	216,793	213,080
Trade Payables	9	522,827	536,221
Other Current Liabilities	10	657,837	518,714
Short Term Provisions	11	14,933	11,777
		1,412,390	1,279,792
Total		1,711,007	1,835,476
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	12	961,914	1,075,532
Intangible Assets	13	2,550	3,393
		964,464	1,078,925
Goodwill on Consolidation	42	117,239	187,239
Non-Current Investments	14	66,574	209
Long Term Loans and Advances	15	122,564	106,374
		306,377	293,822
Current Assets			
Inventories	16	85,936	85,014
Trade Receivables	17	128,718	131,154
Cash and Bank Balances	18	120,648	92,563
Short Term Loans and Advances	19	104,864	153,998
		440,166	462,729
TOTAL		1,711,007	1,835,476
The accompanying notes are an integral part of the Financial Statements	1		

As per our attached report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

R. D. Kamat
Partner

For CHATURVEDI & SHAH
Chartered Accountants

C. D. Lala
Partner

On behalf of Board of Directors

Naresh Goyal Chairman

Aman Mehta
James Hogan
James Rigney
Javed Akhtar
I. M. Kadri } Directors

Gaurang Shetty Director & Manager
Arun Kanakal Company Secretary & Associate Legal Counsel

Date : 27th May, 2014
Place : Mumbai



Consolidated Statement of Profit and Loss for the Year Ended 31st March, 2014

(₹ in lakhs)

Particulars	Note No.	For the Year Ended 31 st March, 2014	For the Year Ended 31 st March, 2013
Income			
Revenue from Operations	20	1,903,584	1,884,056
Other Income	21	40,946	56,864
Total Revenue		1,944,530	1,940,920
Expenses			
Aircraft Fuel Expenses		812,527	804,942
Employee Benefit Expenses	22	207,784	170,333
Selling and Distribution Expenses	23	153,036	149,351
Aircraft Lease Rentals		195,492	152,599
Depreciation and Amortization	24	87,778	92,935
Finance Cost	25	108,360	119,429
Other Expenses	26	720,693	538,801
Total Expenses		2,285,670	2,028,390
Loss before Exceptional Items and Tax		(341,140)	(87,470)
Exceptional Items (Net)	27	(71,739)	9,612
Loss Before Tax		(412,879)	(77,858)
Tax Expense			
- Current Tax		-	52
- (Excess) / Short Tax Provision (net) for Earlier Years		(12)	70
Loss before Share of Loss of Associate		(412,867)	(77,980)
Share of Loss of Associate		(109)	-
Loss for the Year		(412,976)	(77,980)
Earnings Per Equity Share: (Face Value ₹ 10 per share)			
Basic and Diluted (in ₹)	28	(429.32)	(90.32)
The accompanying notes are an integral part of the Financial Statements	1		

As per our attached report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

R. D. Kamat
Partner

For CHATURVEDI & SHAH
Chartered Accountants

C. D. Lala
Partner

On behalf of Board of Directors

Naresh Goyal Chairman

Aman Mehta
James Hogan
James Rigney
Javed Akhtar
I. M. Kadri } Directors

Gaurang Shetty Director & Manager
Arun Kanakal Company Secretary & Associate Legal Counsel

Date : 27th May, 2014
Place : Mumbai



Consolidated Cash Flow Statement for the Year Ended 31st March, 2014

(₹ in lakhs)

Particulars	Note No.	For the Year Ended 31 st March, 2014	For the Year Ended 31 st March, 2013
Cash flow from Operating Activities :			
Net Loss Before Tax		(412,988)	(77,858)
Adjustment for :			
Depreciation and Amortization	24	87,778	92,935
Marked to Market – Derivatives (Gain)		(938)	(2,834)
Provision for Stock Obsolescence		10,469	5,417
Profit on Sale of Fixed Assets (Net)		(9,171)	(33,424)
Loss on Scrapping of Fixed Assets		665	575
Profit on Sale of Investments		(37)	-
Finance Cost	25	108,360	119,429
Interest on Income Tax Refund		(1,228)	(901)
Interest on Bank and Other Deposits		(7,354)	(5,956)
Excess Provision No Longer Required		(13,058)	(7,388)
Provision for Doubtful Debts No Longer Required Written Back		-	(512)
Provision for Compensated Absences and Gratuity	22	3,194	3,523
Exchange Difference on Translation (Net)		2,677	4,211
Provision for Doubtful Debts		2,350	4,600
Provision for Doubtful Deposit / Advances		11,643	319
Bad Debts Written Off		287	137
Provision for Wealth Tax		12	13
Impairment of Goodwill		70,000	-
Inventory Scrapped During the Year		1,801	1,311
Operating (Loss) / Profit Before Working Capital Changes		(145,538)	103,597
Adjustment for :			
Inventories		(13,192)	(5,900)
Trade Receivables		(1,120)	(1,453)
Loans and Advances		61,729	(46,480)
Trade Payables		204,967	141,180
Cash Generated from Operations		106,846	190,944
Direct Taxes Paid (net of refund)		(5,665)	(2,926)
Net Cash from Operating Activities		101,181	188,018
Cash Flow from Investing Activities :			
Purchase of Fixed Assets (Including Capital Work in Progress)		(40,043)	(20,773)
Proceeds from Sale of Fixed Assets		83,149	209,904
Purchase of Current Investments		(110,000)	-
Purchase of Non-Current Investments		-	(3)
Sale of Current Investments		110,037	-
Sale of Non-Current Investments		1	-
Investment in Equity Shares of Associate		(66,365)	-
Changes in Fixed Deposits with Banks (Refer note 2 below)		(9,410)	(26,378)
Interest Received on Bank and Other Deposits		6,025	4,583
Net Cash Flow (used in) / from Investing Activities		(26,606)	167,333



Consolidated Cash Flow Statement for the Year Ended 31st March, 2014 (Contd.)

(₹ in lakhs)

Particulars	Note No.	For the Year Ended 31 st March, 2014	For the Year Ended 31 st March, 2013
Cash Flow from Financing Activities			
Net Increase / (Decrease) in Short Term Loans		3,713	(12,635)
Proceeds from Long Term Loans during the year		171,914	58,903
Repayment of Long Term Loans during the year		(328,269)	(287,092)
Proceeds from Issue of Shares (Net of share issue expense)		205,562	-
Finance Cost		(110,137)	(107,138)
Unclaimed Dividend Paid		(6)	(3)
Net Cash used for Financing Activities		(57,223)	(347,965)
Net Increase in Cash and Cash Equivalents		17,352	7,386
Cash and Cash Equivalents at the beginning of the year (Refer note 1 below)	18	14,537	7,151
Cash and Cash Equivalents at end of the year (Refer note 1 below)	18	31,889	14,537

Notes :

- 1) Cash and Cash Equivalents for the year ended 31st March, 2014 includes Unrealized Gain (net) of ₹ 4,351 lakhs (Previous Year ₹ 3,148 lakhs) on account of translation of Foreign Currency Bank Balances.
- 2) Fixed Deposits with Banks having a maturity period of more than three months and Fixed Deposits under lien aggregating to ₹ 84,774 lakhs (Previous Year ₹ 75,364 lakhs) are not included in Cash and Cash Equivalents.

As per our attached report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

R. D. Kamat
Partner

For CHATURVEDI & SHAH
Chartered Accountants

C. D. Lala
Partner

On behalf of Board of Directors

Naresh Goyal Chairman

Aman Mehta
James Hogan
James Rigney
Javed Akhtar
I. M. Kadri } Directors

Gaurang Shetty Director & Manager
Arun Kanakal Company Secretary & Associate Legal Counsel

Date : 27th May, 2014
Place : Mumbai



Notes to the Financial Statements for the Year Ended 31st March, 2014

1. SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS :

- The accompanying Consolidated Financial Statements of Jet Airways (India) Limited ("the Holding Company"), its wholly owned Subsidiaries and its associate (together "the Company / Group") are prepared under the historical cost convention, except certain Fixed Assets which are revalued, in accordance with the generally accepted accounting principles applicable in India, the provisions of the Companies Act, 1956 and the applicable accounting standards, to the extent possible in the same format as that adopted by the Holding Company for its separate financial statements. The financial statements of Subsidiary used in the consolidation are drawn up to the same reporting date as that of the Holding Company, viz. 31st March, 2014.
- The consolidated financial statements present the consolidated accounts of Jet Airways (India) Limited with the following Subsidiaries and Associate:

Name of the Subsidiary / Associate Company	Country of Incorporation	Extent of Holding as on 31 st March, 2014	Extent of Holding as on 31 st March, 2013
Subsidiaries			
Jet Lite (India) Limited	India	100%	100%
Jet Airways Training Academy Private Limited	India	100%	100%
Jet Privilege Private limited (up to 23 rd March, 2014)	India	-	100%
Associate			
Jet Privilege Private limited (w.e.f. 24 th March, 2014)	India	49.90%	-

B. PRINCIPLES OF CONSOLIDATION :

- The financial statements of the Holding Company and its Subsidiary Companies have been consolidated on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions and the unrealized profits / losses.
- The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Holding Company's separate financial statements.
- The excess of cost of investment in the Subsidiary Companies over the Holding Company's portion of the equity of the Subsidiary Companies at the date of investment made is recognized in the financial statements as Goodwill.
- The consolidated financial statement include the share of profit / (loss) of associate Company in which the investor has significant influence and which is neither a subsidiary nor a joint venture, which are accounted under the "Equity Method" as per which the share of profit / (loss) of the associate Company has been added to / deducted from the cost of the investment and its share of pre-acquisition of profits / (losses) is reflected as capital reserve / goodwill in the carrying value of investment in accordance with Accounting Standard 23 (AS 23) on "Accounting for investment in Associates in Consolidated Financial Statement".

C. USE OF ESTIMATES :

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized.

D. REVENUE RECOGNITION :

- Passenger and Cargo income are recognized on flown basis, i.e. when the services are rendered.
- The sales of tickets / airway bills (sales net of refunds) are initially credited to the "Forward Sales Account". Income recognized 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.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

- c) The unutilized balances in "Forward Sales Account" are recognized as income based on historical statistics, data and management estimates and considering Company's refund policy.
- d) Lease income on the Aircraft given on operating lease is recognized 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.

E. EXPORT INCENTIVE :

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.

F. COMMISSION :

As in the case of revenue, the commission paid / payable on sales including any over-riding commission is recognized only on flown basis.

G. EMPLOYEE BENEFITS :

a) Defined Contribution plan :

Company's contribution paid / payable for the year to defined contribution schemes are charged to Statement of Profit and Loss.

b) Defined Benefit and Other Long Term Benefit plan :

Company's liabilities towards defined benefit plans and other long term benefit plans are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the balance sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period of occurrence of such gains and losses. Past service cost is recognized immediately to the extent the benefits are vested, otherwise it is amortized on straight-line basis over the remaining average period until the benefits become vested.

The employee benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost.

c) Short Term Employee Benefits :

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized undiscounted during the period the employee renders services.

H. FIXED ASSETS :

a) Tangible Assets :

Owned tangible fixed assets are stated at cost and includes amount added on revaluation less accumulated depreciation and impairment loss, if any. All costs relating to acquisition and installation of fixed assets up to the time the assets get ready for their intended use are capitalized.

The cost of improvements to Leased Properties as well as customs duty / modification cost incurred on Aircraft taken on operating lease have been capitalized and disclosed appropriately.

b) Intangible Assets :

Intangible assets are recognized only if acquired and it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

c) Assets Taken on Lease :

i. **Operating Lease** : Rentals are expensed with reference to the Lease Term and other considerations.

ii. **Finance Lease / Hire Purchase** : The lower of the fair value of the assets and the present value of the minimum lease rentals is capitalized as Fixed Assets with corresponding amount shown as Lease



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

Liability (Outstanding Hire Purchase / Finance Lease Installments). The principal component of the lease rentals is adjusted against the leased liability and interest component is charged to the Statement of Profit and Loss.

I. IMPAIRMENT OF ASSETS :

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. However, an impairment loss on a revalued asset is recognized directly against the revaluation surplus held for the asset to the extent that the impairment loss does not exceed the amount held in revaluation surplus for the same asset. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

J. DEPRECIATION / AMORTIZATION :

- a) Depreciation on tangible fixed assets has been provided on the 'Straight Line Method' in accordance with the provisions of Section 205(2)(b) of the Companies Act, 1956 and in the manner and at the rates specified in Schedule XIV of the Companies Act, 1956. 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 amortized over the period of lease.
- b) On amounts added on revaluation, depreciation is charged over the residual life and the additional charge of depreciation is withdrawn from the Revaluation Reserve.
- c) Intangible assets are amortized on straight line basis as follows :
 - i. Landing Rights acquired are amortized over a period not exceeding 20 years. Amortization period exceeding 10 years is applied considering industry experience and expected asset usage.
 - ii. Trademarks are amortized over 10 years.
 - iii. Computer Software is amortized over a period not exceeding 36 months.

K. INVESTMENTS :

Current Investments are carried at lower of cost or quoted / fair value. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

L. BORROWING COSTS :

Borrowing costs attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

M. FOREIGN CURRENCY TRANSACTIONS / TRANSLATION :

- a) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. Monetary items are restated at the period-end rates and Non-monetary foreign currency items are not restated at the period-end rates.
- b) In case of the Holding Company, the exchange difference between the rate prevailing on the date of transaction and on settlement / restatement (other than those relating to long term foreign currency monetary items) is recognized as income or expense, as the case may be.

The exchange differences relating to long term foreign currency monetary items are accounted as under :

- i. to the extent they relate to financing the acquisition of fixed assets and not regarded as interest, are added to or subtracted from the cost of such fixed assets and depreciated over the balance useful life of the asset;
- ii. in other cases such differences are accumulated in 'Foreign Currency Monetary Item Translation Difference Account' (FCMITDA) under reserves and surplus and amortized in the Statement of Profit and Loss over the balance term of the long term monetary item.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

- c) In case of Subsidiary Company, the exchange difference between the rate prevailing on the date of transaction and on the date of settlement as also on translation of monetary items at the end of the year is recognized as income or expense, as the case may be.
- d) In case of forward exchange contracts entered into to hedge the foreign currency exposure in respect of monetary items, the difference between the exchange rate on the date of such contracts and the period end rate is recognized in the Statement of Profit and Loss. Any profit / loss arising on cancellation of forward exchange contract is recognized as income or expense of the year. Premium / Discount arising on such forward exchange contracts is amortized as income / expense over the life of contract.

N. INVENTORIES :

Inventories are valued at cost or Net Realizable Value (NRV), whichever is lower. Cost of inventories comprises of all costs of purchase and other incidental cost incurred in bringing them to present location and condition. Cost is determined using the Weighted Average formula. In respect of reusable items such as rotables, galley equipment and tooling etc., NRV takes into consideration provision for obsolescence and wear and tear based on the estimated useful life of the Aircraft derived from Schedule XIV of the Companies Act, 1956 and also provisioning for non – moving / slow moving items.

O. AIRCRAFT MAINTENANCE AND REPAIR COSTS :

Aircraft Maintenance, Auxiliary Power Unit (APU), Engine Maintenance and Repair costs are expensed on incurrence 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.

P. TAXES :

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income tax Act, 1961.

Deferred tax resulting from “timing differences” between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable / virtual certainty, as the case may be, that the asset will be realized in future.

Q. SHARE ISSUE EXPENSES :

Issue Expenses are adjusted against the Securities Premium Account.

R. SALE AND LEASE BACK TRANSACTION :

Profit or loss on Sale and Lease back arrangements resulting in operating leases are recognized, in case the transaction is established at fair value, else the excess over the fair value is deferred and amortized over the period for which the asset is expected to be used.

S. ACCOUNTING FOR DERIVATIVE INSTRUMENTS :

Interest Rate Swaps, Currency Option, Currency Swaps and other products, entered into by the Company for hedging the risks of foreign currency exposure (including interest rate risk) are marked to market and losses, if any, is accounted based on the principles of prudence as enunciated in Accounting Standard 1 (AS 1) “Disclosure of Accounting Policies”.

T. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS :

Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

U. PRELIMINARY EXPENSES:

Preliminary expenses are written off in the period in which it incurred.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

2. SHARE CAPITAL

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Authorised :		
180,000,000 Equity Shares of ₹ 10/- each	18,000	18,000
(Previous Year 180,000,000 Equity Shares of ₹ 10/- each)		
20,000,000 Preference Shares of ₹ 10/- each	2,000	2,000
(Previous Year 20,000,000 Preference Shares of ₹ 10/- each)		
	20,000	20,000
Issued, Subscribed and Paid Up :		
113,597,383 Equity Shares : Face value of ₹ 10/- each fully paid up	11,360	8,633
(Previous Year 86,334,011 Equity Shares of ₹ 10/- each fully paid up)		
TOTAL	11,360	8,633

a. Reconciliation of Number of Shares

Particulars	As at 31 st March,			
	2014		2013	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
Equity Shares : Face value of ₹ 10/- each				
As at the beginning of the year	86,334,011	8,633	86,334,011	8,633
Add : Issued during the year (Refer note 38)	27,263,372	2,727	-	-
As at the end of the year	113,597,383	11,360	86,334,011	8,633

b. Shareholders holding more than 5% of equity share capital and shares held by Holding / Ultimate Holding Company

Name of the Shareholders	As at 31 st March,			
	2014		2013	
	Number of shares	Percentage of holding	Number of shares	Percentage of holding
Mr. Naresh Goyal	57,933,665	51.00 %	-	-
Etihad Airways (PJSC)	27,263,372	24.00 %	-	-
Tail Winds Limited (Holding Company) and its nominee	-	-	69,067,205	80.00%

c. Terms / Rights attached to Equity Shares

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 distribution will be in proportion to the number of equity shares held by the Shareholders.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

3. RESERVES AND SURPLUS

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Capital Reserve (Refer note 14)		
As per last Balance Sheet	199	199
Add : Depository Certificates / Shares received free of cost	#	*
# ₹ 3,721	199	199
* ₹ 347		
Capital Redemption Reserve		
As per last Balance Sheet	5,558	5,558
Securities Premium Account		
As per last Balance Sheet	141,418	141,418
Add: Premium on shares issued during the year	203,040	-
Less: share issue expenses	(205)	-
	344,253	141,418
Revaluation Reserve		
As per last Balance Sheet	63,797	172,031
Less: Adjustment / Reversal during the year on sale	(822)	(21,696)
Less: Adjustment / Reversal during the year on reassessment of value of Leasehold Land (Refer note 12)	(29,916)	(83,004)
Less : Depreciation for the year on amount added on Revaluation transferred to Statement of Profit and Loss	(1,522)	(3,534)
	31,537	63,797
Foreign Currency Monetary Item Translation Difference Account	(4,690)	(9,649)
(Deficit) in Statement of Profit and Loss		
As per last Balance Sheet	(392,727)	(314,747)
Add : Loss for the year	(412,976)	(77,980)
	(805,703)	(392,727)
TOTAL	(428,846)	(191,404)



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

4. LONG TERM BORROWINGS

(₹ in lakhs)

Particulars	As at 31 st March,			
	2014		2013	
	Current	Non-Current	Current	Non-Current
Secured Loans / Borrowings :				
Term Loans				
From Banks				
Rupee Term Loans (Refer note (a) below)	10,735	9,225	24,172	27,907
Foreign Currency Term Loans (Refer note (a) and (b) below)	51,365	45,902	89,010	35,806
From Others				
Rupee Term Loan (Refer note (c) below)	-	-	20,200	-
Foreign Currency Term Loan (Refer note (d) below)	20,420	-	-	40,954
Unsecured Loans :				
From Banks				
Foreign Currency Term Loan (Refer note (e) below)	-	83,882	-	-
From Others				
Rupee Term Loans	942	-	4,120	-
Foreign Currency Term Loan	-	18,454	-	-
Long Term Maturities of Finance Lease Obligations / Hire Purchase (Refer note (f) below)	102,791	497,144	105,274	582,193
TOTAL	186,253	654,607	242,776	686,860

Security and Salient Terms :

- Rupee Term Loans of ₹ 19,960 lakhs (Previous Year ₹ 52,079 lakhs) and Foreign Currency Term Loan of ₹ 42,850 lakhs (Previous Year ₹ 55,469 lakhs) are secured by way of a pari-passu charge on all the current and future domestic credit card realizations received into the Trust and Retention Account including interest earned thereon. Of the above, Foreign Currency Term Loan amounting to ₹ 19,173 lakhs for which the Company is in the process of creating a charge.
Interest rates are linked to respective Banks' Prime Lending Rate / Base Rate / LIBOR plus Margin and are repayable in installments starting from May, 2011 and ending in March, 2019.
- Foreign Currency Term Loans of ₹ 54,417 lakhs (Previous Year ₹ 69,347 lakhs) are secured by way of a pari-passu charge on all the current and future international credit card realizations, as per the Merchant Establishment agreement, received into the Trust and Retention Account (Debt Service Reserve Account) maintained with the Banks together with a First mortgage charge on the four flight simulators and on the land located at Vadgaon, Pune and at Pali, Raigad.
Interest rates are linked to LIBOR plus Margin and are repayable in monthly installments by June 2016.
- Rupee Term Loan from a Financial Institution of ₹ Nil lakhs (Previous Year ₹ 20,200 lakhs) is secured by way of a pledge of 100% of Equity Share Capital of Jet Lite (India) Limited held by the Company together with a negative lien on one of the Boeing 737 aircraft.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

Interest rate is linked to institutions benchmark rate plus margin and is repayable in quarterly installment by September, 2013.

- d. Foreign Currency Term Loan from a financial institution of ₹ 20,420 lakhs (Previous Year ₹ 40,954 lakhs) is secured by pari-passu charge on leasehold land situated at Bandra Kurla Complex, Mumbai along with construction thereon, present and future and first charge on Company's entitlement under the development agreement for the aforesaid plot of land entered into with Godrej Buildcon Private Limited. The aforesaid charge is pending creation.

Interest rate is LIBOR plus Margin and is repayable on each working day ₹ 100 lakhs starting from 4th May, 2013.

- e. Foreign Currency Term Loan of ₹ 83,882 lakhs is availed against a corporate guarantee given by one of the Shareholder to the original lender. Further, Company has pledged one B737 Aircraft in favour of that Shareholder.

Interest rates are linked to LIBOR plus Margin and are repayable by way of bullet repayment in March, 2019.

- f. i. Finance Lease obligation for six aircraft are secured by the Corporate Guarantees given by the Subsidiary Company of ₹ 426,829 lakhs equivalent to USD 7,124 lakhs (Previous Year ₹ 386,721 lakhs equivalent to USD 7,124 lakhs).
- ii. Repayable in quarterly installments over a period of twelve years from the date of disbursement of the respective loans. Interest rate is linked with LIBOR plus margin.

5. DEFERRED TAX LIABILITY (NET)

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Deferred Tax Liability		
Related to Fixed Assets	109,059	75,451
Deferred Tax Asset		
Other Disallowances under Income tax Act, 1961	10,473	5,188
Unabsorbed Depreciation / Business Loss (Refer note below)	98,586	70,263
Net Deferred Tax Liability at the end of the year	-	-

Note:

In the absence of virtual certainty, Deferred Tax Asset on account of unabsorbed depreciation and business loss has been recognized to the extent it can be realized against reversal of deferred tax liability.

6. OTHER LONG TERM LIABILITIES

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Advance from Developer (Refer note below)	36,500	36,500
TOTAL	36,500	36,500

Note:

The Company has 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. The said land has been taken on long term lease from MMRDA. Consequent to the said agreement, the Company has received a sum of ₹ 50,000 lakhs which included an advance of ₹ 36,500 lakhs, disclosed as 'Other Long Term Liabilities' above.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

7. LONG TERM PROVISIONS

(₹ in lakhs)

Particulars	As at 31 st March,			
	2014		2013	
	Current	Non-Current	Current	Non-Current
a) Provision for Employee Benefits (Refer note 32)				
Provision for Gratuity	658	7,777	542	6,996
Provision for Compensated Absences	1,093	3,971	750	2,955
b) Other Provisions				
Redelivery of Aircraft	2,008	13,248	1,894	5,144
TOTAL	3,759	24,996	3,186	15,095

Redelivery of Aircraft :

As per Accounting Standard 29, Provisions, Contingent Liabilities and Contingent Assets, given below is the movement in provision for Redelivery of Aircraft.

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 Company, therefore, provides for such redelivery expenses, as contractually agreed, in proportion to the expired lease period.

(₹ in lakhs)

Particulars	For the Year	
	2013-14	2012-13
Opening Balance	7,038	7,380
Add : Additional Provisions during the year*	10,006	1,829
Less : Amounts used during the year	(1,788)	(2,171)
Less : Unused amounts reversed during the year	-	-
Closing Balance	15,256	7,038

* Additions include adjustment of ₹ 509 lakhs (Previous Year ₹ 107 lakhs) on account of exchange fluctuation loss / (gain) consequent to restatement of liabilities denominated in foreign currency.

The cash outflow out of the above provisions as per the current terms under the lease agreements are expected as under:

Year	2014		2013	
	No. of Aircraft	Amount (₹ in lakhs)	No. of Aircraft	Amount (₹ in lakhs)
2013-14	-	-	12	1,894
2014-15	7	2,008	6	783
2015-16	20	6,257	20	2,410
2016-17	5	1,557	5	874
2017-18	3	690	3	200
2018-19	1	214	1	65
2019-20	2	382	2	111
2020-21	22	2,641	22	550
2021-22	6	487	6	93
2022-23	10	750	10	58
2023-24	12	270	-	-
Total	88	15,256	87	7,038



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

8. SHORT TERM BORROWINGS

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Secured :		
Loans Repayable on Demand		
From Banks		
Rupee Loans (Refer note (a), (b), (c), (d) & (f) below)	134,253	128,805
Foreign Currency Loans (Refer note (a), (b) & (f) below)	62,834	61,930
From Others		
Buyers Credit (Refer note (e) & (f) below)	11,506	10,425
Unsecured :		
Loans Repayable on Demand		
From Banks		
Rupee Loans (Refer note (f) below)	-	5,000
Foreign Currency Loans (Refer note (f) below)	-	2,520
From Others		
Rupee Loans (Refer note (f) below)	8200	4,400
TOTAL	216,793	213,080

Security and Salient Terms:

- a) i. Loans aggregating to ₹ 177,329 lakhs (Previous Year ₹ 163,352 lakhs) are secured by way of hypothecation of Inventories (excluding Aircraft fuel), Debtors / Receivable (excluding credit card receivables, receivables from aircraft subleased and claim receivables from aircraft lessors), Ground Support Vehicles / Equipment (excluding trucks, jeeps and other motor vehicles), Spares (including engines), Data Processing Equipment and other current assets and a subservient charge in relation to the aircraft owned by the Company either on Hire Purchase / Finance Lease. The Company to escrow the entire IATA collection with the lead bank for facilitating interest servicing and regularisation in case of any irregularity.
- ii. Rupee loan from banks amounting to ₹ 12,821 (Previous Year ₹ 12,821) are secured by hypothecation of Spares, Book Debts, receivables, collateral of Ground Support Vehicles (excluding trucks, jeeps, aircraft etc.) and Corporate Guarantee of Jet Airways (India) Limited, the Holding Company.
- b) i. Foreign Currency Loans amounting to ₹ Nil lakhs (Previous Year ₹ 4,460 lakhs) and Rupee Loan amounting to ₹ Nil lakhs (Previous Year ₹ 3,600 lakhs) are secured by a second charge on five of its Boeing wide body aircraft. Further, the same is also secured by a charge on the profits of the Company after deduction of taxes, dividends, repayment instalment, payment under any guarantees and / or any other dues payable and Escrow of the Thai lease rentals upto November, 2013.
- ii. Rupee Loan of ₹ Nil lakhs (Previous Year ₹ 3,000 lakhs) is secured by a third pari-passu charge on four of its Boeing wide body aircraft and a second pari-passu charge on one Boeing wide body aircraft. Of these, the second pari-passu charge is pending creation.
- c) Rupee loan of ₹ Nil lakhs (Previous Year 3,502 lakhs) is secured by way of a second charge on two Boeing narrow body aircraft.
- d) Rupee Term loan of ₹ 6,937 Lakhs (Previous Year ₹ Nil lakhs) is collaterally secured by way of pledge of 151,834,623 shares of Jet Lite.
- e) Buyer's credit of ₹ 11,506 lakhs (Previous Year ₹ 10,425 lakhs) is secured by exclusive charge over two New CFM Engines and Quick Engine Change kits.
- f) The rate of interest for the loans listed in (a) to (e) above ranges from 130 base points to 750 base points over LIBOR plus Margin for Foreign Currency Loans and 12 % to 16.5 % for Rupee Loans.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

9. TRADE PAYABLES

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Trade Payables		
Total outstanding dues to Micro and Small Enterprises	387	435
Others for Goods and Services	522,440	535,786
TOTAL	522,827	536,221

Disclosures relating to amounts payable as at the year-end 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 :

(₹ in lakhs)

Sr. No.	Particulars	As at 31 st March,	
		2014	2013
A	Principal amount remaining unpaid as on 31 st March	387	435
B	Interest due thereon as on 31 st March	-	-
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 as at 31 st March	-	-
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	-	-

10. OTHER CURRENT LIABILITIES

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Current Maturities of Long Term Secured Loans (Refer note 4)	83,462	137,502
Current Maturities of Finance Lease Obligation / Hire Purchase (Refer note 34)	102,791	105,274
Interest Accrued but Not Due on Loans / Borrowings	2,899	5,106
Forward Sales (Net) [Passenger / Cargo]	265,391	199,121
Advance Received against Sub lease / Sale of JP Miles	30,540	2,299
Unclaimed Dividend *	3	9
Balance with Banks – Overdrawn as per Books	859	12,975
Statutory Dues Payable	20,046	21,331
Airport Dues Payable	5,024	12,197
Deposit / Advance From Customer / Vendors / Others (Refer Note 39)	141,617	19,993
Other Payables	5,205	2,908
TOTAL	657,837	518,714

*** Note :**

These figures do not include any amounts due and outstanding to be credited to the Investor Education and Protection Fund. During the year ended 31st March, 2014, Company had deposited ₹ 6 lakhs (Previous Year ₹ 3 lakhs) to the Investor Education and Protection Fund towards Unclaimed Dividend.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

11. SHORT TERM PROVISIONS

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
a) Provision for Employee Benefits (Refer note 32)		
Gratuity	658	542
Compensated Absences	1,093	750
b) Others		
Wealth Tax (net of advance payment of tax)	20	17
Income Tax (net of advance payment of tax)	-	301
Redelivery of Aircraft (Refer note 7)	2,008	1,894
Frequent Flyer Programme	11,069	8,196
Provision for Aircraft Maintenance	85	77
TOTAL	14,933	11,777

As per Accounting Standard 29, Provisions, Contingent Liabilities and Contingent Assets, given below are movements in provision for Frequent Flyer Programme and Aircraft Maintenance Costs :

a) Frequent Flyer Programme :

The Company has a Frequent Flyer Programme named 'Jet Privilege', wherein the passengers who frequently use the services of the Airline become members of 'Jet Privilege' and accumulate miles to their credit. Subject to certain terms and conditions of 'Jet Privilege', the passenger is eligible to redeem such miles lying to their credit in the form of free tickets.

The cost of allowing free travel to members as contractually agreed under the Frequent Flyer Programme is accounted considering the members' accumulated mileage on an incremental cost basis. The movement in the provision during the year is as under :

(₹ in lakhs)

Particulars	For the Year	
	2013-14	2012-13
Opening Balance	8,196	4,564
Add : Additional provision during the year	5,722	3,778
Less : Amounts used during the year	(2,641)	(147)
Less : Unused amounts reversed during the year	(208)	1
Closing Balance	11,069	8,196

Also refer note 39

b) Aircraft Maintenance Costs :

Certain heavy maintenance checks including overhaul of Auxiliary Power Units need to be performed at specified intervals as enforced by the Director General of Civil Aviation in accordance with the Maintenance Program Document laid down by the manufacturers. The movements in provisions made in the earlier years until AS-29 became effective for such costs are as under :

(₹ in lakhs)

Particulars	For the Year	
	2013-14	2012-13
Opening Balance	77	86
Add / (Less) : Adjustments during the year *	8	5
Less : Amounts used during the year	-	-
Less : Unused amounts reversed during the year	-	(14)
Closing Balance	85	77

* Adjustments during the year represent exchange fluctuation impact consequent to restatement of liabilities denominated in foreign currency.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

12. TANGIBLE ASSETS

Nature of Assets	Gross Block (At Cost / Valuation)			Depreciation		Impairment	Net Block	
	As at 1 st April, 2013	Additions / Adjustments during the year	Deductions / Adjustments during the year	As at 31 st March, 2014	For the year ending 31 st March, 2014	As at 31 st March, 2014 [Refer note 3(i)]	As at 31 st March, 2014	As at 31 st March, 2013
Owned Tangible Assets								
Freehold Land	32	-	-	32	-	-	32	32
Plant and Machinery	768	-	13	755	36	-	480	525
Furniture and Fixtures	4,516	66	354	4,228	267	-	1,816	2,159
Electrical Fittings	2,629	24	141	2,512	910	-	1,559	1,719
Data Processing Equipments	8,971	83	682	8,372	489	-	879	1,288
Office Equipment	5,049	54	165	4,938	230	-	2,646	2,891
Ground Support Equipment	7,822	31	89	7,764	368	-	4,098	4,466
Vehicles	715	65	200	580	52	-	203	285
Ground Support Vehicles	8,456	350	446	8,360	718	-	2,216	2,605
Simulators	22,187	-	732	21,455	1,245	-	11,566	13,246
Aircraft and Spare Engines (Narrow Body - Refer note 1 below)	191,207	9,717	25,682	175,242	10,391	-	106,173	119,042
Leased Assets								
Leasehold Land	193,001	-	-	193,001	1,399	112,920	65,968	97,283
Aircraft (Narrow Body - Refer note 1 below)	22,618	562	-	23,180	1,445	-	10,358	11,241
Aircraft (Wide Body)	1,123,593	66,755	92,271	1,098,077	68,522	-	742,117	806,289
Improvement on Leased Aircraft	16,588	1,492	-	18,080	1,917	-	11,194	11,619
Improvement on Leased Property	6,166	5	120	6,051	238	-	609	842
TOTAL	1,614,318	79,204	120,895	1,572,627	87,441	112,920	961,914	1,075,532
Previous Year	1,873,863	76,563	336,108	1,614,318	93,795	83,004	1,075,532	

- 1) All the Aircraft (except one) are acquired on Hire-purchase / Finance Lease basis. Such Aircraft are charged by the Hirers / Lessors against the financing arrangements obtained by them.
- 2) Additions to Leasehold Land / Aircraft during the year include ₹ 72,827 lakhs [Net loss] (Previous Year ₹ 55,049 lakhs (Net Loss)) on account of Exchange Loss / (Gain) (Refer note 30).
- 3) Details of Revaluation

- i. The Company had revalued the leasehold land taken from MMRDA situated at Bandra Kurla Complex on 31st March, 2008. The Company reassessed the value of the Land together with its entitled share of the building based on the project cost estimates as of 31st March, 2013 and as of 31st March, 2014 provided by Godrej Buildcon Private Limited, the Developer and an amount of ₹ 83,004 lakhs and ₹ 29,916 lakhs have been adjusted as on 31st March, 2013 and 31st March, 2014 respectively against the Revaluation Reserve.
- ii. Narrow Body Aircraft, were revalued on 31st March, 2008 with reference to the then current market prices; amount added on revaluation was ₹ 118,133 lakhs; the revalued amount substituted for book value on 31st March, 2008 was ₹ 346,396 lakhs. Revalued amount as on 31st March, 2014 was ₹ 6,624 lakhs (Previous Year ₹ 8,138 lakhs).

Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)



13. INTANGIBLE ASSETS

(₹ in lakhs)

Nature of Assets	Gross Block			Amortization			Net Block		
	As at 1 st April, 2013	Additions / Adjustments during the year	Deductions / Adjustments during the year	As at 31 st March, 2014	As at 1 st April, 2013	For the year	Deductions / Adjustments during the Year	As at 31 st March, 2014	As at 31 st March, 2013
Software	10,482	1,016	-	11,498	7,820	1,544	-	9,364	2,662
Trademarks	3,146	-	-	3,146	2,415	315	-	2,730	731
TOTAL	13,628	1,016	-	14,644	10,235	1,859	-	12,094	3,393
Previous Year	35,361	699	22,432	13,628	16,629	2,674	9,068	10,235	3,393



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

14. NON-CURRENT INVESTMENTS

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Long Term Investments		
Trade Investments (Unquoted and at cost)		
4,741 Shares (Previous Year 6,648 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	9	10
65 Shares (Previous Year 56 Shares) in Societe Internationale de Telecommunications Aeronautiques SC (SITA) of Euro 5 each #	*	*
326,194 (Previous Year 326,194) Depository Certificates in SITA Group foundation of USD 1.20 each #	199	199
Other Investments (Unquoted and at cost)		
Investment in Fully Paid Equity Shares of Associate	66,366	-
- 54,772 Shares (Previous Year Nil Shares) of Jet Privilege Private Limited of ₹ 10 each [including 2 Shares held by its nominees (Previous Year Nil Shares)] **		
TOTAL	66,574	209

* ₹ 21,992 (Previous Year ₹ 18,272)

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.

** Jet Privilege Private Limited was wholly owned subsidiary upto 23rd March 2014.

15. LONG TERM LOANS AND ADVANCES

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Unsecured and Considered Good unless otherwise stated		
Capital Advances	55,416	22,766
Deposits to Related Parties	160	2,352
Security Deposits with Airport Authorities, Lessors and Others :		
Considered good	14,440	16,494
Considered doubtful	92	92
Less : Provision for doubtful deposit	(92)	(92)
	14,440	16,494
Advance Tax and Tax Deducted at Source (Net of Provisions for tax)	22,797	16,202
Prepaid Expenses	1,116	-
Contribution Receivable From Lessors (Refer note 34)	28,635	48,541
Balances with Customs Authorities	-	19
TOTAL	122,564	106,374

Note :

Deposits include ₹ 160 lakhs (Previous Year ₹ 2,352 lakhs) amount placed with private limited companies in which the Holding Company's Director is a Director / Member.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

16. INVENTORIES (At lower of cost or net realizable value)

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
a) Rotables, Consumable Stores and Tools	124,260	113,431
Less : Provision for Obsolescence / Slow and Non – Moving Items (Refer note 1(n))	(43,079)	(33,092)
	81,181	80,339
b) Fuel	601	550
c) Other Stores Item	4,187	4,158
Less : Provision for Slow and Non-Moving items (Refer note 1(n))	(33)	(33)
	4,154	4,125
TOTAL	85,936	85,014

17. TRADE RECEIVABLES

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Unsecured		
a) Outstanding for a period exceeding six months from the date they are due for payment :		
Considered Good	18,110	8,506
Considered Doubtful	8,853	5,874
Less: Provision for Doubtful Debts	(8,853)	(5,874)
	18,110	8,506
b) Others		
Considered Good	110,608	122,648
Considered Doubtful	-	2,162
Less: Provision for Doubtful Debts	-	(2,162)
	110,608	122,648
TOTAL	128,718	131,154

Note:

Debtors include ₹ 15,000 lakhs (Previous Year ₹ 7,337 lakhs) due from private company in which the Holding Company's Director is a Director / Member.

18. CASH AND BANK BALANCES

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Cash and Cash Equivalents		
Balances with Banks :		
In Current Account	31,605	14,386
Cash on Hand	284	151
	31,889	14,537
Other Bank Balances :		
Unpaid Dividend	3	9
Margin Deposits * [including interest accrued ₹ 3,982 lakhs (Previous Year ₹ 2,653 lakhs)]	88,756	78,017
TOTAL	120,648	92,563

*Margin Deposits include a sum of ₹ 403 lakhs (Previous Year ₹ 6,042 lakhs) having a maturity of more than 12 months.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

19. SHORT TERM LOANS AND ADVANCES

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Unsecured and Considered Good unless otherwise stated		
Security Deposits with Lessors / Vendors		
- Considered Good	16,024	18,340
- Considered Doubtful	534	534
Less : Provision for Doubtful Deposits	(534)	(534)
	16,024	18,340
Contribution Receivable from Lessors (Refer note 34)	30,373	41,837
Claims Receivable from Lessors / Insurers	8,479	36,319
CENVAT Credit and SFIS Receivable	3,829	5,857
Deposit with Service Tax Department	30	31
Advance and Other Receivable from Suppliers / Others	36,727	37,406
Less : Provision for Doubtful Advances	(11,643)	-
Prepaid Expenses	16,751	12,602
Advance and Other Receivable from Related Parties	2,200	53
Others	2,094	1,553
TOTAL	104,864	153,998

Note :

Advances and Other Receivable include ₹ 2200 lakhs (Previous Year ₹ 11 lakhs) amount placed with private limited companies in which the Company's Director is a Director / Member.

20. REVENUE FROM OPERATIONS

(₹ in lakhs)

Particulars	For the year ended 31 st March,	
	2014	2013
Sale of Services		
Passenger	1,655,480	1,673,832
Less : Service Tax	(50,158)	(51,355)
	1,605,322	1,622,477
Cargo	144,108	148,459
Less : Service Tax	(5,721)	(5,576)
	138,387	142,883
Excess Baggage	17,955	16,023
Other Operating Revenues		
Cancellation Charges	41,022	35,461
Export Incentives	1075	-
Revenue from Leasing of Aircraft and Engines	68,723	50,559
Provision No Longer Required Written Back	13,058	7,900
Other Revenue (includes warranty claims, incentive credit / allowances etc.)	18,042	8,753
TOTAL	1,903,584	1,884,056



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

21. OTHER INCOME

(₹ in lakhs)

Particulars	For the year ended 31 st March,	
	2014	2013
Interest Income on Fixed Deposit	7,354	5,956
Interest Income on Income Tax Refund	1,228	901
Profit on sale of Aircraft	6,270	3,100
Profit on sale and Lease Back of Landing Rights	-	24,695
Profit on Sale and Lease Back of Aircraft / Engines (net)	2,981	5,653
Net Gain on Sale of Current Investments	37	-
Other Non-Operating Income (includes revenue from Frequent Flyer programme and other related income etc.)	23,076	16,559
TOTAL	40,946	56,864

22. EMPLOYEE BENEFIT EXPENSES

(₹ in lakhs)

Particulars	For the year ended 31 st March,	
	2014	2013
Salaries, Wages, Bonus and Allowances	192,063	155,948
Contribution to Provident Fund and Other Funds	4,533	3,822
Provision for Gratuity	1,471	1,944
Provision for Compensated Absences	1,723	1,579
Staff Welfare Expenses	7,994	7,040
TOTAL	207,784	170,333

23. SELLING AND DISTRIBUTION EXPENSES

(₹ in lakhs)

Particulars	For the year ended 31 st March,	
	2014	2013
Computerized Reservation System Cost	74,865	64,364
Commission	63,570	72,744
Others	14,601	12,243
TOTAL	153,036	149,351

24. DEPRECIATION AND AMORTIZATION

(₹ in lakhs)

Particulars	For the year ended 31 st March,	
	2014	2013
Depreciation / Amortization		
- On Tangible Assets (Refer note 12)	87,441	93,795
Less : Depreciation on amount added on Revaluation charged to Revaluation Reserve	(1,522)	(3,534)
- On Intangible Assets (Refer note 13)	1,859	2,674
TOTAL	87,778	92,935



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

25. FINANCE COST

(₹ in lakhs)

Particulars	For the year ended 31 st March,	
	2014	2013
Interest Expense	96,066	101,599
Other Borrowing Cost	12,294	17,830
TOTAL	108,360	119,429

26. OTHER EXPENSES

(₹ in lakhs)

Particulars	For the year ended 31 st March,	
	2014	2013
Aircraft Variable Rentals (Refer note 34)	114,737	59,851
Aircraft Insurance and Other Insurance	9,186	9,287
Landing, Navigation and Other Airport Charges	157,246	139,221
Aircraft Maintenance (including Customs Duty and Freight, where applicable) :		
- Component Repairs, Recertification, Exchange, Consignment Fees and Aircraft Overhaul (Net)	201,200	128,693
- Lease of Aircraft Spares including Engine	14,064	12,632
- Consumption of Stores and Spares (Net)	12,505	12,700
- Provision for Spares Obsolescence	10,469	5,417
	238,238	159,442
Inflight and Other Pax Amenities	67,177	57,486
Communication Cost	5,173	5,701
Travelling and Subsistence	24,522	21,730
Rent	9,067	9,441
Rates and Taxes	326	309
Repairs and Maintenance :		
- Leased Premises	75	147
- Others	4,634	4,435
	4,709	4,582
Electricity	1,734	1,601
Director's Sitting Fees	7	9
Provision for Bad and Doubtful Debts	2,350	4,600
Provision for Doubtful Deposit	11,643	319
Bad Debts Written off	287	137
Net loss on Foreign Currency Transaction and Translation	31,937	23,789
Loss on Scrapping of Fixed Assets other than Aircraft Parts	665	575
Loss on Sale of Fixed Assets other than Aircraft (Net)	80	24
Loss on Assets held for sale	2,091	1,752
Miscellaneous Expenses (including Professional Fees, Audit Fees, Printing and Stationery, Cargo Handling and Bank Charges etc.)	39,518	38,945
TOTAL	720,693	538,801



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

Auditors Remuneration (Net of Service Tax Input Credit)

(₹ in lakhs)

Particulars	For the year ended 31 st March,	
	2014	2013
(a) As Audit Fees		
- Statutory Audit Fees	150	134
- Tax Audit Fees	10	10
(b) As Advisors or in any other capacity in respect of		
- Taxation Matters	56	56
(c) In any other manner		
- For other services such as quarterly limited reviews, certificates etc.	109	54
(d) For Reimbursement of Expenses	1	-
TOTAL	326	254

27. EXCEPTIONAL ITEMS (EXPENSE) / INCOME

(₹ in lakhs)

Particulars	For the year ended 31 st March,	
	2014	2013
Salary Arrears (Refer note (a) below)	-	(18,325)
Marked to Market - Derivatives (Refer note 31)	938	2,834
Unrealized Exchange (Loss) (Refer note (b) below and note 30)	(2,677)	(4,211)
Compensation Credit (Refer note (c) below)	-	29,314
Impairment of Goodwill (Refer note 42)	(70,000)	-
TOTAL	(71,739)	9,612

Note :

- During the Previous Year, the Company has finalized the salary arrears of various categories of employees with retrospective effect.
- Due to unusual and steep depreciation in the value of the Rupee, the unrealised exchange loss (net) has been considered by the Company to be exceptional in nature. The unrealised exchange Gain / (Loss) refers to the Gain / (Loss) arising out of the restatement of the foreign currency monetary assets and liabilities (other than asset backed borrowings).
- During the Previous Year, the Company has received certain compensation for delayed delivery of Aircraft from one of the Aircraft manufacturers.

28. EARNINGS PER SHARE (EPS)

(₹ in lakhs)

Particulars	For the year ended 31 st March,	
	2014	2013
Loss After Tax for the Year	(412,976)	(77,980)
Loss Attributable to Equity Share Holders (A)	(412,976)	(77,980)
Weighted Average Number of Equity Shares for Basic and Diluted EPS [nos.] (B)	96,193,641	86,334,011
Nominal Value of Equity Shares (₹)	10	10
Basic and Diluted EPS ₹ (A / B)	(429.32)	(90.32)



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

29. Contingent Liabilities and Commitments (to the extent not provided for)

A. Contingent Liabilities

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
a) Guarantees :		
i. Letters of Credit Outstanding	197,725	191,360
ii. Bank Guarantees Outstanding	141,754	138,016
iii. Corporate Guarantee given to Banks and Financial Institutions against credit facilities and to Lessors against financial obligations extended to Subsidiary Company :		
- Amount of Guarantee	37,580	56,127
- Outstanding Amounts against the Guarantee	35,358	55,550
b) Claims against the Company not acknowledged as debt (Refer note below) :		
i. Service Tax Demands in Appeals	266,390	200,620
ii. Fringe Benefit Tax Demands in Appeals	6,055	11,304
iii. Pending Civil and Consumer Suits	9,418	8,003
iv. Inland Air Travel Tax Demands under Appeal	426	426
Amount deposited with the Authorities for the above Demands	105	105
v. Octroi	2,899	2,899
vi. Customs	438	621
vii. Income Tax Demands in Appeals	29,096	35,798
viii. Wealth Tax Demands in Appeals	24	24
ix. Employee State Insurance Corporation	2,999	-

- x. The Company has provided security by way of a mortgage on its land situated at Bandra-Kurla Complex, Mumbai along with construction thereon, present and future and first charge on Company's entitlement under the development agreement (excluding built up area of 75,000 square feet) for the aforesaid plot of land against the financial assistance of ₹ 75,000 lakhs (Previous Year ₹ 75,000 lakhs) provided by a financial institution to its developer Godrej Buildcon Private limited.
- xi. The Holding Company had acquired 100% of the shareholding of Sahara Airlines Limited (SAL) (now known as Jet Lite (India) Limited) in April, 2007. As per the Share Purchase Agreement (SPA) as amended by the subsequent Consent Award, the mutually agreed sale consideration was to be paid to the Selling Shareholders (SICCL) in four equal interest free installments by 30th March, 2011. As a result of certain disputes that arose between the parties, both the parties had filed petitions in the Hon'ble Bombay High Court for breach of SPA as amended by the subsequent Consent Award. The Hon'ble Bombay High Court delivered its Judgment on 4th May, 2011 whereby SICCL's demand for restoration of the original price of ₹ 200,000 lakhs was denied and the Purchase Consideration was sealed at the revised amount of ₹ 145,000 lakhs. However, in its judgment, the Hon'ble Bombay High Court has awarded interest at 9% p.a. on the delayed payments made to SICCL largely on account of ongoing legal dispute. In view of this Order, a sum of ₹ 11,643 lakhs became payable as interest which has been duly discharged by the Holding Company. As a result of this discharge, the undertaking given by the Holding 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, stands released.

Though the Holding 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.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

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 Holding Company has since filed Special Leave Petitions (SLP) before the Hon'ble Supreme Court challenging both the orders of 4th May, 2011 and 17th October, 2011. SICCL had earlier filed a SLP before the Hon'ble Supreme Court for increased compensation and interest.

Both the SLPs, filed by Jet Airways as well as SICCL, came up for hearing before the Supreme Court. The Supreme Court directed the parties to file the Counter and Rejoinder, which has since been filed.

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.

B. Commitments

Particulars	(₹ in lakhs)	
	As at 31 st March,	
	2014	2013
Estimated amount of Contracts remaining to be executed on capital account (net of advances), not provided for	3,431,220	1,500,880
TOTAL	3,431,220	1,500,880

30. FOREIGN EXCHANGE DIFFERENCES

- Uptill December, 2011, the Holding Company was following the option offered by notification of the Ministry of Corporate Affairs (MCA) dated 31st March, 2009 under the Companies (Accounting Standards) Amendment Rules, 2006 which amended Accounting Standard (AS) 11 "The Effects of Changes in Foreign Exchange Rates" by introducing Para 46. On 29th December, 2011, the MCA issued a further notification extending the said option under Para 46 and providing additional option under Para 46A amending AS 11. The Holding Company opted to apply the provisions under Para 46A of AS 11 with effect from 1st April, 2011. In line with the said notification, the Holding Company has amortized the exchange difference as detailed in the Accounting Policy M in Note 1. The unamortized portion of ₹ 4,690 lakhs (Previous Year ₹ 9,649 lakhs) is accumulated in Foreign Currency Monetary Item Translation Difference Account (FCMITDA) grouped under reserves and surplus. The amortized portion of foreign exchange (gain) / loss (net) incurred on long term foreign currency monetary items for the year ended 31st March, 2014 is ₹ (2,876) lakhs (Previous Year ₹ 5,429 lakhs). Further, the amount of exchange difference adjusted to the tangible assets during the year is ₹ 72,827 lakhs -net loss (Previous Year ₹ 55,049 lakhs - net loss) and the unamortized balance (carried as a part of tangible asset), as at the year end, aggregates to ₹ 231,084 lakhs (Previous Year ₹ 196,393 lakhs).
- In case of Subsidiary Company, in the absence of any long-term monetary items during the year, the Subsidiary Company has not exercised the option available under Para 46A of the Companies (Accounting Standards) Amendment Rules, 2006 which amended Accounting Standard (AS) 11 "The Effects of Changes in Foreign Exchange Rates".

31. DISCLOSURE ON DERIVATIVES

In the past, the Holding Company had entered into derivative contracts i.e. interest rate swaps (IRS) in order to hedge and manage its foreign currency exposures towards foreign currency borrowings. Such derivative contracts were in the nature of firm commitments and were entered into by the Holding Company for hedging purposes only and not for any trading or speculation purposes.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

Nominal amounts of IRS entered into by the Holding Company in the past and the amount outstanding as on 31st March are as under :

Particulars	As at 31 st March,			
	2014		2013	
	No. of Contracts	₹ in lakhs	No. of Contracts	₹ in lakhs
Interest Rate Swaps	-	-	2	113,999

The Holding Company continues to account for the above said IRS in line with the pronouncement of The Institute of Chartered Accountants of India for "Accounting for Derivatives" along with the principles of prudence as enunciated in Accounting Standard (AS-1) "Disclosure of Accounting Policies".

On that basis, the changes in the fair value of the derivative instruments as at 31st March, 2014 of ₹ 938 lakhs (Previous Year ₹ 2,834 lakhs) has been credited (net gain) to the extent of reversal of net loss charged to the Statement of Profit and Loss in earlier years and disclosed as an exceptional item.

The credit on account of derivative gains has been computed on the basis of MTM values based on the confirmations received from the counter parties and the cumulative net notional loss up till the balance sheet date is ₹ Nil lakhs (Previous Year ₹ 938 lakhs).

The foreign currency exposures that have not been hedged by any derivative instrument or otherwise as on 31st March, 2014 are as follows :

Particulars	INR Equivalent (₹ in lakhs)		USD Equivalent (USD in lakhs)	
	As at 31 st March,		As at 31 st March,	
	2014	2013	2014	2013
Current Assets	162,169	229,363	2,706	4,225
Current Liabilities	305,399	310,499	5,097	5,720
Interest Accrued but not due on Loans	2,329	4,172	39	77
Long Term Loans for purchase of Aircraft*	614,011	671,589	10,248	12,372
Other Loans Payable	275,909	240,646	4,605	4,433

* including Loans Payable after 5 years – ₹ 129,794 lakhs (Previous Year ₹ 206,487 lakhs).

32. EMPLOYEES BENEFITS

A. Defined contribution plans

The Company makes contributions at a specified percentage of payroll cost towards Employees Provident Fund (EPF) for qualifying employees. The Company recognized ₹ 4,397 lakhs (Previous Year ₹ 3,557 lakhs) for provident fund contributions in the Statement of Profit and Loss.

B. Defined benefit plan

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 :

i. 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.

ii. 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 31st March, 2014 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.

Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

The following table sets out the status of the gratuity plan and the amounts recognized in the Company's financial statements as at 31st March, 2014.

(₹ in lakhs)

Particulars	Gratuity (Non-Funded) As at 31 st March,	
	2014	2013
Reconciliation in Present Value of Obligations (PVO) – Defined Benefit Obligation		
PVO at the beginning of the year	7,538	6,138
Current Service Cost	678	574
Interest Cost	620	535
Actuarial Loss	174	835
Benefits Paid	(575)	(544)
Closing Balance	8,435	7,538
Net Cost for the Year ended 31st March,		
Current Service Cost	678	574
Interest Cost	620	535
Actuarial Loss	173	835
Net Cost	1,471	1,944
Fair Value of Plan Assets	Nil	Nil
Experience Adjustment		
Plan Liability Loss	1,376	377
Plan Assets Loss / (Gains)	Nil	Nil
Actuarial Assumptions		
Discount Rate (%)	9.31	8.00 to 8.25
Salary Escalation Rate (%)	5.00	5.00

- i. The present value of defined benefit obligation was for :

(₹ in lakhs)

Financial Year ended	31 st March, 2012	31 st March, 2011	31 st March, 2010
Amount	6,138	5,707	4,856

- ii. The fair value of planned assets was for :

(₹ in lakhs)

Financial Year ended	31 st March, 2012	31 st March, 2011	31 st March, 2010
Amount	Nil	Nil	Nil

The details of the Experience adjustments arising on account of plan assets and liabilities as required by paragraph 120(n)(ii) of AS-15 (Revised) on "Employee Benefits" of previous financial years :

(₹ in lakhs)

Financial Year ended	31 st March, 2012	31 st March, 2011	31 st March, 2010
Planned Liabilities Loss / (Gain)	559	377	(412) #
Plan Assets Loss / (Gain)	Nil	Nil	Nil#

Not available in the valuation report for 2009-10 for Subsidiary Company, hence not furnished.

The estimates of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

C. Other Long Term Employee Benefit

The obligation of Compensated Absences (non-funded) for the year ended 31st March, 2014, amounting to ₹ 1,723 lakhs (Previous Year ₹ 1,579 lakhs) has been recognized in the Statement of Profit and Loss, based on actuarial valuation carried out using the Projected Unit Credit Method.





Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

33. During the financial year 2009-10, the Company entered into a "Power by the Hour" (PBTH) Engine Maintenance agreement with a Service provider for its Next Generation Boeing 737 Aircraft fleet for future engine shop visits. Subsequent to such arrangement, 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 payable to the Lessors as receivables to the extent considered good of recovery for set off against future claims reimbursable by the Lessors on each engine shop visit. The Company has recognized such expected refunds of variable rentals from lessors towards future engine repairs based on joint validation of the Company's maintenance plan with the service provider. Accordingly, such variable rent of ₹ 59,008 lakhs (Previous Year ₹ 90,378 lakhs) has been presented as "Contribution Receivable from Lessors" bifurcated into current and non-current based on expected engine shop visits in next 12 months and beyond.

34. LEASES

The Holding Company has entered into Finance and Operating Lease agreements. As required under the Accounting Standard 19 on 'Leases', the future minimum lease payments on account of each type of lease are as follows :

A. Finance Leases / Hire Purchase (Aircraft)

(₹ in lakhs)

Particulars	Future Minimum Lease Payments		Present Value of Future Minimum Lease Payments		Finance Charges	
	As at 31 st March,					
	2014	2013	2014	2013	2014	2013
Not later than one year	118,096	124,499	102,791	105,274	15,305	19,225
Later than one year and not later than five years	400,010	420,088	367,349	375,706	32,661	44,382
Later than five years	131,390	212,255	129,794	206,487	1,596	5,768
TOTAL	649,496	756,842	599,934	687,467	49,562	69,375

The salient features of a Hire Purchase / Finance Lease Agreement are:

- Option to purchase the Aircraft either during the term of the Hire Purchase on payment of the outstanding Principal amount or at the end of the Hire Purchase term on payment of a nominal option price.
- In the event of default, the Hirer / 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 Hirer / Lessee is responsible for maintaining the Aircraft as well as insuring the same.
- In the case of Finance Lease the property passes to the Lessee on payment of a nominal option price at the end of the term.

B. Operating Leases

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

The future minimum lease payments in respect of non-cancellable period, as at 31st March, are as follows:

Commercial Premises and Amenities

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Not later than one year	1,297	2,728
Later than one year and not later than five years	58	658
Later than five years	-	-
TOTAL	1,355	3,386



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

- b) The Company has taken on operating lease Aircraft and Spare Engines. The future minimum lease payments in respect of which, as at 31st March, are as follows :

Aircraft and Spare Engines

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Not later than one year	195,439	165,312
Later than one year and not later than five years	581,432	490,629
Later than five years	337,621	295,470
TOTAL	1,114,492	951,411

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 the 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.
- These leases are non-cancellable.

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

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Not later than one year	3,146	-
Later than one year and not later than five years	9,355	-
Later than five years	-	-
TOTAL	12,501	-

- d) Details of future minimum lease income in respect of eight (8) Aircraft [Previous Year five (5)] given on non-cancellable Dry Lease and Wet Lease by the Holding Company as at 31st March, are as follows :

Aircraft

(₹ in lakhs)

Particulars	As at 31 st March,	
	2014	2013
Lease Income		
Not later than one year	28,342	10,370
Later than one year and not later than five years	-	-
Later than five years	-	-
TOTAL	28,342	10,370

The Salient features of Dry Lease agreements are as under :

- Aircraft are leased without insurance and crew.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

- 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.
- These dry leases are non-cancellable.

The Salient features of Wet Lease agreements are as under:

- Operational control and maintenance of aircraft remains the responsibility of the Lessor. The aircraft remains on Indian registry and is operated with the Lessor's crew.
- Monthly rentals are receivable on predetermined rates based on minimum guaranteed utilisation.
- The Wet leases are non-cancellable.

Details of owned Aircraft given on non-cancellable Dry Lease are as under:

Details of Leased Assets (Aircraft)

(₹ in lakhs)

Particulars	For the year	
	2013-14	2012-13
Cost of Acquisition	500,031	382,387
Accumulated Depreciation	166,399	111,209
Depreciation Debited to Statement of Profit and Loss during the year on the above Leased Assets	29,704	22,076
Variable Lease Rental income recognized during the year on the Leased Assets	3,987	11,275

- e) The lease rental expense of ₹ 337,395 lakhs (Previous Year ₹ 234,850 lakhs) is recognized during the year.

35. SEGMENT INFORMATION

a) Primary Segment : Geographical Segment

The Company, considering its level of international operations and internal financial reporting based on geographic segment, has identified geographic segment as primary segment.

The geographic segment consists of :

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

Leasing operations are classified into (i) or (ii) above based on the domicile of the lessee being within or outside India.

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 operating expenses, aircraft lease rentals, depreciation / amortization 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.

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

Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)



(₹ in lakhs)

Particulars	For the year ended 31 st March,	
	2014	2013
Segment Revenue (Primarily Passenger, Cargo, Excess Baggage and Leasing of Aircraft)		
Domestic	893,090	905,508
International	1,010,494	978,548
Total	1,903,584	1,884,056
Segment result		
Domestic	426,700	441,917
International	456,086	436,852
Total	882,786	878,769
Less : Finance Cost	108,360	119,429
Less : Depreciation and Amortization	87,778	92,935
Less : Other Un-Allocable Expenses	1,068,734	810,741
Add : Other Un-Allocable Revenue	40,946	56,866
Add : Exceptional Items (Net)	(71,739)	9,612
(Loss) Before Tax	(412,879)	(77,858)
Less : Tax (Benefits) / Expenses	(12)	122
(Loss) After Tax before Share of Associate	(409,867)	(77,980)
Less: Share of (Loss) in Associate	(109)	-
(Loss) After Tax	(412,976)	(77,980)

b) Secondary Segment : Business Segment

The Company operates into two business segments viz. Air Transportation and Leasing of Aircraft and has identified the same as secondary segment to be reported considering the requirement of Accounting Standard 17 on "Segment Reporting" which is disclosed as under :

(₹ in lakhs)

Particulars	For the year ended 31 st March,	
	2014	2013
i) Segment Revenue from External Customers		
Air Transportation	1,834,861	1,833,497
Leasing of Aircraft	68,723	50,559
Total	1,903,584	1,884,056
ii) Total carrying amount of Segment Assets		
Air Transportation	1,377,375	1,564,298
Leasing of Aircraft	333,632	271,178
Total	1,711,007	1,835,476
iii) Total cost incurred during the period to acquire Segment Assets that are expected to be used for more than one period*		
Air Transportation	7,391	22,210
Leasing of Aircraft	-	-
Total	7,391	22,210

* Excludes Exchange Gain / Loss.



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

36. RELATED PARTY TRANSACTIONS

As per Accounting Standard - 18 on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, the disclosure of transactions with the related party as defined in the Accounting Standard are given below:

i. 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	Controlling Shareholder of the Company
2.	Etihad Airways PJSC (w.e.f. 20 th November, 2013)	Enterprise exercising Significant Influence over the Company
3.	Jet Privilege Private Limited (w.e.f. 24 th March, 2014)	Associate Company
4.	Anita Goyal	Relatives of controlling shareholder
5.	Nivaan Goyal	
6.	Namrata Goyal	
7.	Gaurang Shetty	Key Managerial Personnel
8.	Tail Winds Limited (Holding Company upto 30 th May, 2014)	Enterprises over which controlling shareholder and his relatives are able to exercise significant influence directly or indirectly.
9.	Jetair Private Limited	
10.	Trans Continental e Services Private Limited	
11.	Jet Enterprises Private Limited	
12.	Jet Airways Europe Services N.V.	
13.	Jetair Tours Private Limited	
14.	Global Travel Solutions Private Limited	
15.	Jet Airways LLC (Ceased w.e.f. 1 st April, 2014)	
16.	Jet Airways of India Inc. (Ceased w.e.f. 1 st April, 2014)	
17.	India Jetairways Pty Limited (Ceased w.e.f. 1 st April, 2014)	

iii. Transactions during the year ended 31st March, 2014 and balances with related parties :

Sr. No.	Nature of Transactions	Holding Company	Enterprise exercising significant Influence	Controlling Shareholder of the Company	Relatives of controlling shareholder	Associate Company	Key Managerial Personnel	Enterprises under significant influence	Total (₹ in lakhs)
A.	Remuneration				161 (145)		60 (51)		221 (196)
B.	Sitting Fees			1 (1)					1 (1)
C.	Commission					16 (Nil)		6,685 (8,879)	6,701 (8,879)
D.	Rent Paid							247 (247)	247 (247)
E.	Expenses Reimbursed (Staff Costs, Communication Costs, Rent)							100 (1,991)	100 (1,991)
F.	Other Selling and Distribution Cost							357 (2,137)	357 (2,317)
G.	Deposit Refunded							Nil (-)(8)	Nil (-)(8)
H.	Rent received							-17 (-)(7)	-17 (-)(7)
I.	Interline Billing (Net)		326 (Nil)						326 (Nil)
J.	Advance Received (Refer note 39)					-134,378 (Nil)			-134,378 (Nil)
L.	Investment in Equity Shares					69,521 (Nil)			69,521 (Nil)
M.	Airworthiness Management Security and other service income		-905 (Nil)						-905 (Nil)
N.	Aircraft Lease Rental		-8,084 (Nil)						-8,084 (Nil)
O.	Equipment Hire Charges		-34 (Nil)						-34 (Nil)
P.	Sale of Aircraft		-68,690 (Nil)						-68,690 (Nil)
Q.	Lease Rent - Slot		1,087 (Nil)						1,087 (Nil)
R.	Variable Rent spare engine		143 (Nil)						143 (Nil)



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

(₹ in lakhs)									
Sr. No.	Nature of Transactions	Holding Company	Enterprise exercising significant Influence	Controlling Shareholder of the Company	Relatives of controlling shareholder	Associate Company	Key Managerial Personnel	Enterprises under significant influence	Total
S.	Handling, Lounge and other Services		917 (Nil)						917 (Nil)
T.	Reimbursement of Expenses		315 (Nil)						315 (Nil)
U.	Issue of Equity Shares including Premium		205,767 (Nil)						205,767 (Nil)
V.	Interline Settlement Charges Received		(-)158 (Nil)						(-)158 (Nil)
W.	Interline Settlement Charges Paid		160 (Nil)						160 (Nil)
X.	Corporate Guarantee given on behalf of the Company		89,873 (Nil)						89,873 (Nil)
Closing Balance as on 31st March, 2014									
A.	Investments in Equity Shares					66,366 (Nil)			66,366 (Nil)
B.	Advance and Other Receivables							Nil (53)	Nil (53)
C.	Advance Received					(-)133,671 (Nil)			(-)133,671 (Nil)
D.	Deposit for Leased Premises							2,360 (2,352)	2,360 (2,352)
E.	Trade Payables		(-)74 (Nil)			(-)64 (Nil)		(-)4,795 (-)33,710	(-)4,933 (-)33,710
F.	Trade Receivables		689 (Nil)			7,890 (Nil)		7,110 (7,337)	15,689 (7,337)
G.	Share Capital	Nil (6,907)*	2,727 (Nil)	5,793 (Nil)	0.1 (0.1)				8,520 (6,907)
H.	Corporate Guarantee given on behalf of the Company		89,873@ (Nil)						89,873 (Nil)

(Figures in brackets are for the year ended 31st March, 2013)

* includes ₹ Nil lakhs (Previous Year ₹ 1 lakh) of nominee holding.

@ Equivalent to USD 1,500 lakhs (Previous Year Nil lakhs)



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

iii. Statement of Material Transactions during the year and balances with related parties :

(a) Remuneration includes remuneration to :

(₹ in lakhs)

Particulars	For the Year ended 31 st March,	
	2014	2013
(a) Relatives of controlling shareholder of Holding Company		
Anita Goyal	143	127
Namrata Goyal	10	10
Nivaan Goyal	8	8
(b) Directors		
Gaurang Shetty	60	51

(b) Enterprise over which controlling shareholder of Holding Company and his relatives are able to exercise significant influence

(₹ in lakhs)

Particulars	For the Year ended 31 st March	
	2014	2013
Jetair Private Limited		
Transactions during the Year		
- Commission	6,685	2,728
- Rent Paid (including Service Tax)	180	180
- Expenses Reimbursed (Staff Costs, Communication Costs etc.)	3	342
- Rent Received	(7)	(7)
- Deposit Refunded (Given Earlier)	-	(8)
Closing Balance as on 31 st March,		
- Deposits for Leased Premises	160	152
- Trade Receivables	7,110	7,337
- Trade Payables	4,795	690
Jet Airways LLC (upto 31st March, 2013)		
Transactions During the Year :		
- Commission	-	4,243
- Expenses Reimbursed (Staff Costs, Communication Costs etc.)	-	615
Closing Balance as on 31 st March,		
- Trade Payables	-	29,257
Trans Continental e Services Private Limited		
Transactions During the Year :		
- Other Selling and Distribution Cost	357	2,137
- Expenses Reimbursed	97	61
Closing Balance as on 31 st March,		
- Trade Payables	-	Nil
- Advance	-	42
Jet Enterprises Private Limited		
Transactions During the Year :		
- Rent Paid	67	67
Closing Balance as on 31 st March,		
- Deposits for Leased Premises	2,200	2,200
- Advance		11
Jet Airways of India Inc. (upto 31st March, 2013)		
Transactions During the Year :		
- Commission	-	1,908
- Expenses Reimbursed (Staff Costs, Insurance Rent etc.)	-	971
Closing Balance as on 31 st March,		
- Trade Payables	-	3,148
India Jetairways Pty Limited (upto 31st March, 2013)		
Transactions During the Year :		



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

(₹ in lakhs)

Particulars	For the Year ended 31 st March	
	2014	2013
Reimbursement of Expenses (Staff Costs, Communication Costs etc.)	-	2
Closing Balance as on 31 st March,		
Trade Payables	-	1
Global Travel Solutions Private Limited		
Closing Balance as on 31 st March,		
Trade Payables	-	555
Jet Airways Europe Services N.V.		
Closing Balance as on 31 st March,		
- Trade Payables	-	59

(c) Associate Company

(₹ in lakhs)

Particulars	For the Year ended 31 st March	
	2014	2013
Jet Privilege Private Limited		
Transactions during the year :		
- Commission	16	-
- Advance Received (Refer note 39)	(134,378)	-
- Investment in Equity Shares	69,521	-
Closing Balance as on 31 st March,		
- Advance Received	133,671	-
- Trade receivable	7,890	-
- Trade Payable	64	-
- Investments in Equity Shares	66,366	-

(d) Enterprise exercising significant influence over the Company

(₹ in lakhs)

Particulars	For the Year ended 31 st March	
	2013-14	2012-13
Etihad Airways PJSC (From 20th November, 2013)		
Transactions during the year :		
- Interline Billing (Net)	326	-
- Airworthiness Management Security and other services	(905)	-
- Aircraft lease Rental	(8,084)	-
- Equipment Hire Charges	34	-
- Sale of Aircraft	(68,690)	-
- Interline Settlement Charges Received	(158)	-
- Lease Rent - Slot	1,087	-
- Variable rent spare engine	143	-
- Handling, Lounge and other Services	917	-
- Reimbursement of Expenses	315	-
- Interline Settlement Charges Paid	160	-
- Issue of equity shares including Premium	205,767	-
- Corporate Guarantee given on behalf of the Company	89,873	-
Closing Balance as on 31 st March,		
- Trade Receivable	689	-
- Trade Payable	74	-
- Share Capital	2,727	-
- Corporate Guarantee given on behalf of the Company	89,873	-



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

37. PRIOR PERIOD CREDITS / DEBITS IN RESPECT OF SUBSIDIARY COMPANY

Prior period debits included in the determination of net profit are toward Aircraft Maintenance ₹ Nil lakhs (Previous Year ₹ 82 lakhs).

38. Pursuant to Shareholders' approval sought at an Extra Ordinary General Meeting held on 24th May, 2013, Company at its Board Meeting held on 20th November, 2013 approved the issue and allotment of 27,263,372 Equity Shares of the face value of ₹ 10 each fully paid at a price of ₹ 754.7361607 per share (including a premium of ₹ 744.7361607 per share) aggregating to ₹ 20,576,652,711 to Etihad PJSC on a preferential basis per terms of the Investment Agreement entered between Etihad PJSC and the Company on April 24, 2013 and amendments thereto. Following the preferential allotment, Etihad PJSC holds 24% of the post issued paid up share capital of the Company.

Details of funds raised through preferential allotment and its utilisation are as under:

Particulars	₹ in Lakhs
Funds received through Preferential Allotment	205,767
Utilisation :	
Repayment of Debts	53,327
For General Purpose	152,440
Total Funds Utilised	205,767

39. The Company at its Board Meeting held on 20th November, 2013 proposed the transfer / sale / disposal of the undertaking viz. 'Jet Privilege Frequent Flyer Programme' (JPFFP) to its then subsidiary, Jet Privilege Private Limited (JPPL) as a going concern on a slump sale basis. The same has since been approved by Shareholders of the Company by way of Special Resolution, carried out through a postal ballot process, the results of which were announced on 20th March, 2014.

During the Year, Company has received an advance of ₹ 119,378 lakhs from JPPL against the above said slump sale. Upon satisfaction of all the conditions, the Company has transferred its JPFFP business to JPPL on 21st April, 2014.

The aforesaid advance together with advance of ₹ 15,000 lakhs received against a "Ticket Sale Agreement" with JPPL is disclosed under other current liabilities.

40. During the year ended 31st March, 2014, the Company was under the obligation to return Aircraft taken earlier on operating lease, one of the engines of the said Aircraft was damaged and became Beyond Economical Repair (BER) and in order to meet redelivery conditions, the Company has purchased an engine for ₹ 2,091 lakhs (Previous Year ₹ 1,752 lakhs) as "Asset Held for Sale" and later on swapped it against the BER engine with the Lessor. The cost of engine purchased on account of this swap has been charged to statement of Profit and Loss.
41. The Ministry of Corporate Affairs, Government of India vide General circular No. 2 and 3 dated 8th February, 2011 and 21st February, 2011 respectively has granted a general exemption from compliance with Section 212 of the Companies Act, 1956, subject to fulfillment of condition stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption.

Financial Information of Subsidiaries Company for the year ended 31st March, 2014 pursuant to the approval under section 212 (8) of the Companies Act, 1956 :

(₹ in lakhs)

Sr. No	Name of Subsidiary Company	Wholly Owned Subsidiaries			
		Jet Lite (India) Limited		Jet Airways Training Academy Private Limited	
		As at 31 st March,			
		2014	2013	2014	2013
1.	Paid up Share Capital	79,612	79,612	1	1
2.	Reserves	(293,901)	(250,970)	(2)	(1)
3.	Total Asset *(₹ 28,342)	50,905	70,788	*	1
4.	Total Liabilities *(₹ 28,342)	50,905	70,788	*	1
5.	Investment included in Total Assets	110	110	Nil	Nil



Notes to the Financial Statements for the Year Ended 31st March, 2014 (Contd.)

(₹ in lakhs)

Sr. No	Name of Subsidiary Company	Wholly Owned Subsidiaries			
		Jet Lite (India) Limited		Jet Airways Training Academy Private Limited	
		As at 31 st March,			
		2014	2013	2014	2013
6.	Turnover	173,395	198,797	Nil	Nil
7.	Loss before Tax	(42,931)	(29,462)	(1)	(1)
8.	Provision for tax	Nil	(70)	Nil	Nil
9.	Loss after tax	(42,931)	(29,532)	(1)	(1)
10.	Proposed Dividend	Nil	Nil	Nil	Nil

42. Goodwill on Consolidation pertains to the acquisition of 100% of the shareholding of Sahara Airlines Limited (now known as Jet Lite (India) Limited). The said subsidiary continues to incur losses and continues to show negative net worth as on 31st March, 2014. The detailed study undertaken on future network synergy and fleet planning by Seabury APG, a renowned domain expert, has recently been concluded. Management based on the recommendations provided by Seabury APG, has approved the parameters to re-organize the fleet and network between Holding Company and its subsidiary. Considering these parameters, detailed business plans have since been drawn and an external valuer has valued the equity interest in the subsidiary based on these business plans. Management has performed a sensitivity analysis on the values so arrived and concluded that impairment of ₹ 70,000 lakhs will fairly reflect the recoverable amount based on prudent assessment. In view of the significant uncertainty as regards the underlying assumptions about future events and the operating parameters, the same will be periodically monitored and changes to reflect the reliable measurement will be made if the conditions so warrant.

43. The Airline Industry has been adversely affected by the general economic slowdown. This coupled with high fuel cost significantly impacted the performance and cash flows of the Group resulting in substantial erosion of the net worth. With the strategic investment by Etihad PJSC, the Management expects to improve operating cash flows through cost synergies, revenue management, network synergy, leasing out aircraft etc. These measures are expected to result in sustainable cash flows and accordingly the Financial Statements continue to be presented on a going concern basis, which contemplates realisation of assets and settlement of liabilities in the normal course of business.

44. Previous Years Figures

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

As per our attached report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

R. D. Kamat
Partner

For CHATURVEDI & SHAH
Chartered Accountants

C. D. Lala
Partner

On behalf of Board of Directors

Naresh Goyal Chairman

Aman Mehta
James Hogan
James Rigney
Javed Akhtar
I. M. Kadri } Directors

Gaurang Shetty Director & Manager
Arun Kanakal Company Secretary & Associate Legal Counsel

Date : 27th May, 2014
Place : Mumbai

JET AIRWAYS (INDIA) LIMITED

CIN: L99999MH1992PLC066213

Registered Office: Siroya Centre, Sahar Airport Road, Andheri (East), Mumbai 400 099

Tel No: +91 22 6121 1000 Fax No.: +91 22 6121 1950 Email Id: companysecretary@jetairways.com Website: www.jetairways.com

ATTENDANCE SLIP

22nd ANNUAL GENERAL MEETING

(Please complete this attendance slip and hand it over at the entrance of the auditorium.)

I / We hereby record my / our presence at the 22nd Annual General Meeting of the Company held at Bhaidas Maganlal Sabhagriha, Bhaktivedanta Swami Marg, Juhu Vile Parle Development Scheme, Vile Parle (West), Mumbai 400 056, on Monday, 11th August, 2014 at 03:30 p.m.

Name of the Member/Proxy Signature
Folio No./ Client ID No. DP ID No. No. of Shares Held

Notes:

1. Shareholders / Proxies attending the Meeting are requested to bring this Attendance Slip and Annual Report with them.
2. Duplicate Attendance Slip and Annual Reports will not be issued at the Annual General Meeting.
3. Joint shareholders may obtain additional slip on request.

JET AIRWAYS (INDIA) LIMITED

CIN: L99999MH1992PLC066213

Registered Office: Siroya Centre, Sahar Airport Road, Andheri (East), Mumbai 400 099

Tel No: +91 22 6121 1000 Fax No.: +91 22 6121 1950 Email Id: companysecretary@jetairways.com Website: www.jetairways.com

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s) :

Registered address :

E-mail ID :

Folio No./Client ID No. : DP ID No.

I/We, being the member(s) holding Shares of **Jet Airways (India) Limited**, hereby appoint

1. Name : E-mail ID :
Address :
Signature : or failing him :
2. Name : E-mail ID :
Address :
Signature : or failing him :
3. Name : E-mail ID :
Address :
Signature :

As my / our proxy to attend and vote (on poll) for me / us and on my / our behalf at the 22nd Annual General Meeting of the Company to be held on the Monday, 11th August, 2014 at 03:30 p.m. at Bhaidas Maganlal Sabhagriha, Bhaktivedanta Swami Marg, Juhu Vile Parle Development Scheme, Vile Parle (West), Mumbai - 400 056 and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Adoption of audited Annual Accounts and Reports of the Auditors and Directors
2. Re-appointment of Mr. Gaurang Shetty who retires by rotation and being eligible offers himself for re-appointment
3. Re-appointment of Statutory Auditors
4. Appointment of Mr. James R. Hogan as a Director
5. Appointment of Mr. James D. Rigney as a Director
6. Appointment of Mr. Javed Akhtar as an Independent Director
7. Appointment of Mr. I. M. Kadri as an Independent Director
8. Appointment of Mr. Aman Mehta as an Independent Director

Signed this day of 2014

Signature of Member(s) Signature of Proxyholder(s).....

Affix
Revenue
Stamp

Notes : **1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

2) A Proxy need not be a member of the Company.

- 3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder
- 4) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

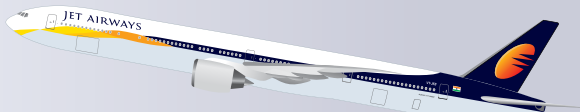
Our growing fleet.

One of the youngest fleets in the world.

JET AIRWAYS  |  **Jetconnect**

Boeing 777-300ER

First Class Capacity : 08
Première Capacity : 30
Economy Capacity : 274/308
No. of Aircraft : 10



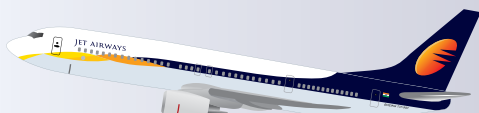
Airbus 330-300

Première Capacity : 34
Economy Capacity : 259
No. of Aircraft : 04



Airbus 330-200

Première Capacity : 30/18
Economy Capacity : 190/236
No. of Aircraft : 08



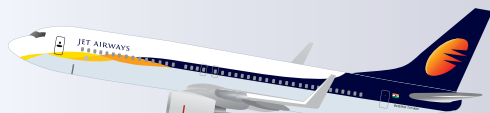
Boeing 737-900 / 900ER

Première Capacity : 08/28
Economy Capacity : 178/138
No. of Aircraft : 04



Boeing 737 - 900ER

Première Capacity : n/a
Economy Capacity : 202
No. of Aircraft : 02



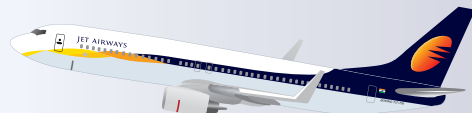
Boeing 737-800

Première Capacity : 8/12/16
Economy Capacity : 162/156/138
No. of Aircraft : 52



Boeing 737 - 800

Première Capacity : 08
Economy Capacity : 162
No. of Aircraft : 04



Boeing 737-700

Première Capacity : 08
Economy Capacity : 126
No. of Aircraft : 05



Boeing 737 - 700

Première Capacity : 08
Economy Capacity : 126
No. of Aircraft : 05



ATR 72-600

Première Capacity : n/a
Economy Capacity : 68
No. of Aircraft : 03



ATR 72-500

Première Capacity : n/a
Economy Capacity : 62/66/68
No. of Aircraft : 15

Aircraft	B777-300ER	A330-300	A330-200	B737-900/900ER	B737-800	B737-700	ATR72-600	ATR72-500	Total
Number	10	04	08	06	57	10	03	15	113

Details mentioned are subject to change



Jet Airways (India) Limited

Registered Office:

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

www.jetairways.com

FORM A**Format of covering letter of the annual audit report to be filed with the Stock Exchange**

1	Name of the Company	Jet Airways (India) Limited
2	Annual financial statements for the year ended	March 31, 2014
3	Type of Audit observation	Matter of Emphasis
4	Frequency of observation	<p>For Standalone Financial Statements-</p> <p>1. Note 32 regarding amount of investments in and advances to its wholly owned major subsidiary aggregating to ₹ 360,892 lakhs as at 31st March 2014 (₹ 298,160 lakhs as at 31st March 2013). The subsidiary has a negative networth of ₹ 214,289 lakhs (₹ 171,358 lakhs as at 31st March 2013). On a consideration of factors as explained in the note, the Company has made a provision of ₹ 70,000 lakhs so as to fairly reflect the 'other than temporary' diminution in such investment. The assessment of carrying amount of investment is critically dependent upon the achievement of the expected operating performance by the subsidiary after re-organization of the fleet as mentioned in the note. – since FY 2007-08.</p> <p>2. Note 42 regarding preparation of financial statements of the Company on going concern basis for the reasons stated therein. The appropriateness of assumption of going concern is dependent upon realisation of the synergies from alliance with the Strategic Partner and/or the Company's ability to raise requisite finance/generate cash flows in future to meet its obligations, including financial support to its subsidiary. – since FY 2011-12</p> <p>For Consolidated Financial Statements</p>

Jet Airways (India) Limited

Registered Office : Siroya Centre, Sahar Airport Road, Andheri (East), Mumbai - 400 099, India. Tel +91 22 6121 1000 Web www.jetairways.com

CIN: L9989MH1358721000019

	<p>1. Note 42 regarding impairment of ₹ 70,000 lakhs so as to fairly reflect the carrying value of Goodwill on consolidation. The assessment of carrying amount of Goodwill is critically dependent upon the achievement of the expected operating performance of the subsidiary after re-organization of the fleet as mentioned in the note. - since FY 2008-09.</p> <p>2. Note 43 regarding preparation of financial statements of the Group on going concern basis for the reasons stated therein. The appropriateness of assumption of going concern is dependent upon realisation of the synergies from alliance with the Strategic Partner and/or the Group's ability to raise requisite finance/generate cash flows in future to meet its obligations. - Since FY 2011-12.</p>
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Gaurang Shetty
Director and Manager


N. Ravichandran
Vice President Finance

(Refer our audit report on Standalone and Consolidated financial statements of the Company)

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration No :
117366W/W-100018

For Chaturvedi & Shah
Chartered Accountants
Firm Registration No:
101720W


Aman Mehta


R.D. Kamal


C.D. Lala

Audit Committee Chairman

Partner

Partner

Deloitte Haskins & Sells LLP (Membership No. 36822) Chaturvedi & Shah (Membership No. 35671)

Date: July 18, 2014

