JET AIRWAYS (INDIA) LIMITED

Registered Office: Siroya Centre, Sahar Airport Road, Andheri (East), Mumbai 400 099

POSTAL BALLOT NOTICE

Notice pursuant to Section 192A (2) of the Companies Act, 1956

Dear Shareholders,

Notice is hereby given pursuant to Section 192A(2) of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot), Rules 2011 to the Members of **Jet Airways (India) Limited** for the proposed Special Resolutions set out below which are sought to be passed by means of Postal Ballot.

The Board of Directors have at its Meeting held on 7th February, 2014 appointed Mr. Taizoon M. Khumri, Practicing Company Secretary as a Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner. You are requested to read the instructions carefully printed on the Postal Ballot Form and Notice sent herewith and return the form duly completed in the attached self addressed pre-paid postage envelope so as to reach the Scrutinizer on or before the close of Working Hours i.e. 17:00 hours on 14th day of March, 2014.

The Scrutinizer will submit his report to the Chairman / Director / Company Secretary of the Company upon completion of scrutiny of Postal Ballots in a fair and transparent manner and the result of the Postal Ballot will be announced not later than 22nd day of March, 2014 at the Registered Office of the Company.

The result of the Postal Ballot shall also be hosted on the website of the Company besides communicating the same to the National Stock Exchange of India Limited and BSE Limited.

The Board of Directors has appointed Mr. Gaurang Shetty, Director and Manager and Mr. Arun Kanakal, Company Secretary & Associate Legal Counsel as the Designated Persons responsible for the entire Postal Ballot Process.

The date of declaration of the results of the Postal Ballot shall be the date on which the resolutions would be deemed to have been passed by the Members, if approved by requisite majority.

The Resolution(s) along with Explanatory Statement setting out material facts are as follows:

1. 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.

To consider and, if thought fit, to pass, the following Resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as well as any applicable provisions of the Companies Act, 1956, and the Memorandum and Articles of Association of the Company and subject to the consents, approvals and permissions being obtained from appropriate authorities to the extent applicable and necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (the "**Board**" which expression shall also include the Committee of Directors of the Company) to transfer/sell/otherwise dispose of as a going concern by way of slump sale the undertaking viz. **Jet Privilege Frequent Flyer Programme ("JPFFP")** of the Company more particularly described in the agreement relating to the sale of the aforesaid undertaking to its subsidiary, Jet Privilege Private Limited, at such price and on such terms and conditions (including the receipt of the consideration thereof) as set out in the Explanatory Statement and in such manner as may be decided by the Board, with effect from such date and in such manner as the Board deems appropriate with power to the Board / Committee of Directors to finalise the terms and

conditions as well as the means, methods or modes in respect thereof and to finalise and execute all the required documents viz. Business Transfer Agreement, Commercial Agreement, Investment Agreement, Shareholders Agreement, Ticket Asset Agreement, IP Assignment and Retained IP License (including agreements), Transitional Services Agreement, Marketing Services Agreement, memoranda, deeds of assignment / conveyance and other incidental transactional documents with such modifications as may be required from time to time and to do all such acts, deeds, matters and things as may be deemed necessary and / or expedient in its discretion for completion of the transaction as aforesaid in the best interest of the Company."

2. Authority for making investments notwithstanding the limits prescribed under Section 372A of the Companies Act, 1956.

To consider and, if thought fit, to pass, the following Resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 372A and other applicable provisions of the Companies Act, 1956 (the Act), if any, and subject to all such other consents, sanctions and approvals as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) of the Company to make investments in, acquire by way of subscription, purchase or otherwise the share capital of Jet Privilege Private Limited **("JPPL")** for a consideration of INR 6,952,106,616 (Rupees Six Billion Nine Hundred and Fifty Two Million, One Hundred and Six Thousand, Six Hundred and Sixteen only) by acquiring equity shares of JPPL (representing up to 49.9% of the share capital of JPPL on a fully diluted basis) by way of a new issuance in one or more tranches, the monetary limits of which may be in excess of the limits prescribed under Section 372A of the Act, notwithstanding that the aggregate so far of all the loans made, guarantees given or securities provided, and / or securities so far acquired or to be acquired in any body corporate may exceed the limits prescribed under section 372A of the Act.

RESOLVED FURTHER THAT the aforesaid investment be made by the Company out of the share capital, internal accruals, loans or debts raised and / or to be raised / issued by the Company and such other means as may be decided by the Board, subject to such other consents, sanctions and approvals as may be necessary.

RESOLVED FURTHER THAT the Board be and is hereby authorised to determine the time and manner of such investments, the actual sums to be invested / utilized within the above sanctioned limits and to do all such acts, deeds, matters and things arising out of or incidental to the proposed investment / acquisition and to finalise, settle and execute such documents, deeds, writings, papers, agreements as may be required, for the said purpose, and complete the transaction with such modification(s) as may be required by any of the concerned authority(ies) and to do all such acts, deeds, matters and things as may in its absolute discretion deem necessary, fit, proper or desirable to give effect to the foregoing resolutions."

By Order of the Board
For Jet Airways (India) Limited
Sd/-
Arun Kanakal
Company Secretary & Associate Legal Counsel

Registered Office:

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

Date : 7th February, 2014

NOTES:

1. An Explanatory Statement pursuant to Section 192A(2) of the Companies Act, 1956 and Section 102 (1) of the Companies Act, 2013 in respect of the business specified above is annexed hereto.

2. The documents referred to in this Notice are open for inspection at the Registered Office of the Company on all working days of the Company between 11:00 a.m. to 1:00 p.m. upto 14th March, 2014.

3. As part of the Green initiative, the Notice is being sent to the shareholders who have registered their email ids with the Company / RTA through email and to all other shareholders through post along with the Postal Ballot Form. Members have option to vote either through e-voting or through Postal Ballot Form. Members who have received Postal Ballot Notice by e-mail and who wish to vote through Postal Ballot Form can download Postal Ballot Form from the link http://evoting.karvy.com or seek duplicate Postal Ballot Form from Karvy Computershare Private Limited, Registrar & Transfer Agent, Unit: Jet Airways (India) Limited, Plot No. 17-24, Vittalrao Nagar, Madhapur, Hyderabad – 500 081, fill in the details and send the same to the Scrutinizer.

4. The Notice is being sent to all the Members whose names appear on the Register of Members / Record of Depositories as on Friday, 31st January, 2014.

5. Voting Period commences on 13th day of February, 2014, and ends on 14th day of March, 2014.

6. The Members are requested to carefully read the instructions printed in the Postal Ballot Form, fill up the Form and return the Form duly completed with the assent (for) or dissent (against), in the enclosed postage pre-paid self-addressed envelope, so as to reach the Scrutinizer, before the closing of working hours on 14th day of March, 2014, to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member. An unsigned postal Ballot form will be rejected.

7. Members are requested to notify changes in address / e-mail ids, if any, in case of shares held in electronic form to the concerned Depository Participant quoting their Client ID and in case of Physical shares to the Registrar and Transfer Agent of the Company quoting their Folio number.

8. Assent or dissent to the proposed resolution may be accorded by placing a (✓) or (X) in the appropriate column.

9. Voting in Physical Form:

   A Postal Ballot Form and a self-addressed pre-paid postage envelope are enclosed herewith. The shareholders are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other form or photocopy of the form is permitted. Shareholders who do not receive the Postal Ballot Form may apply to the Company and obtain a duplicate thereof. Members desiring to exercise their vote by Postal Ballot are requested to carefully read the instructions mentioned herein and those mentioned in the Postal Ballot Form and return the same duly completed in the enclosed self addressed postage pre-paid Business Reply Envelope to the Scrutinizer. Postage on self addressed pre-paid Business Reply Envelope will be borne by the Company. However, envelopes containing Postal Ballot Form, if sent by Courier or by Registered Post at the expense of the registered Member will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the Registered Office of the Company.

   The instructions for e-voting are as under:

   I. Open your web browser during the voting period and log on to the e-voting website **https://evoting.karvy.com/public/Ballotform.aspx.**

   II. Enter the login credentials (i.e., user-id & password) mentioned on the Postal Ballot Form. Your folio/

DP Client ID will be your user ID.

Enter	For members holding shares in Demat Form	For members holding shares in Physical Form
User-ID	For NSDL :– 8 Character DP ID followed by 8 Digits Client ID For CDSL :– 16 digits beneficiary owner ID	Event No. followed by Registered Folio Number with the Company
Password	Your Unique password is printed on the Postal Ballot Form	
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.	

III. Please contact our toll free No. 1-800-34-54-001 for any further clarifications.

IV. Members can cast their vote online from Thursday, 13th February, 2014, from 09:00 hours to Friday, 14th March, 2014 till 17:00 hours.

V. After entering these details appropriately, click on "LOGIN".

VI. Members holding shares in Demat / Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through Karvy Computershare Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile number, email id 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.

VII. You need to login again with the new credentials.

VIII. On successful login, system will prompt to select the Event i.e. Company Name.

IX. If you are holding shares in Demat form and had logged on to https://evoting.karvy.com and cast your vote earlier for any company, then your existing login id and password are to be used.

X. On the voting page, you will see Resolution Description and against the same the options FOR / AGAINST for voting. Enter the number of shares (which represents number of votes) under FOR / AGAINST or alternatively you may partially enter any number in FOR and partially in AGAINST, but the total number in FOR / AGAINST taken together should not exceed your total shareholding.

XI. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

XII. Once you CONFIRM your vote on the resolution, you will not be allowed to modify your vote.

XIII. Corporate / Institutional Members (Corporate/FIs/FIIs/Trust/Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to cstaizoonkhumri@gmail.com with copy to evoting@karvy.com. The file scanned image of the Board Resolution should be in the naming format "Corporate Name_Event no."

XIV. In case of any queries, you may refer the Frequently Asked Questions (FAQs) on e-voting for Shareholders and e-voting User Manual for Shareholders available at the Downloads section of https://evoting.karvy.com or contact Karvy Computershare Private Limited at the Telephone No.: (Toll Free No.: 1-800-34-54-001).

XV. If you are already registered with Karvy Computershare Private Limited for e-voting then you can use your existing user ID and password for casting your vote.

XVI. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

10. The Scrutinizer's decision on the validity of the Postal Ballot shall be final and binding.

11. Members may please note that with respect to preferential allotment to Etihad Airways PJSC, (approved in Extra-ordinary General Meeting held on 24th May, 2013), in compliance with ICDR Regulations, the relevant date to be read as 23rd April, 2013 instead of 24th April, 2013 (being a holiday). However, there was no impact on the price at which Equity Shares were issued to Etihad Airways PJSC.

EXPLANATORY STATEMENT AS REQUIRED BY SECTION 192A(2) OF THE COMPANIES ACT, 1956 AND SECTION 102 (1) OF THE COMPANIES ACT, 2013 ('THE ACT')

ITEM NO. 1

With a strategic 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**"), your Board of Directors propose, subject to shareholders' approval, to transfer / sell / otherwise dispose of as a going concern by way of slump sale the JPFFP business of the Company, more particularly described in the Business Transfer Agreement ("**BTA**") relating to the sale and purchase of the JPFFP business, to its subsidiary, Jet Privilege Private Limited ("**JPPL**").

The material terms and conditions of BTA *inter alia* provide the following:

1. Pursuant to the Mile Purchase Agreement executed between the Company and JPPL, the JPPL has acquired the Miles Asset referred to in the said Agreement for a sum of INR 2,900,000,000 (INR 1,950,000,000 of which amount has been paid by JPPL to the Company).

2. The Company will sell to JPPL its business of operating a frequent flyer, loyalty and points based rewards scheme as carried on the closing date by the Company under the name Jet Privilege Frequent Flyer Programme together with all its Business Assets and Business Liabilities (more particularly defined in the BTA) in relation thereto on a going concern basis on a slump sale basis for a lump sum consideration of USD 194,202,129 (Equivalent to Indian Rupees at the contracting rate as defined in the BTA).

3. The said sum of USD 194,202,129 shall be paid as follows

   (a) Rupees Equivalent of USD 150,000,000 which shall be paid within a period of 4 (Four) Business Days prior to the Closing Date (referred to in the BTA).

   (b) Rupee Equivalent of USD 44,202,129 on one Business Day (referred to in the BTA) and which shall be payable on One Business Day prior to the execution of the BTA.

   It should be noted that in terms of the explanation to Section 180(1)(a) of the Companies Act, 2013 Jet Privilege Frequent Flyer Programme of the Company is an undertaking in which the investment of the Company exceeds 20% of its net worth as per the audited Balance Sheet as at 31st March, 2013.

Simultaneously with the Agreement referred to hereinabove, the Company has entered into various related agreements, including:

- Commercial Agreement between the Company and JPPL relating to the operation of the JPFFP business.
- Investment Agreement amongst the Company, Etihad Airways PJSC ("**Etihad**") and JPPL relating to the equity investment by the Company and Etihad in JPPL. Following the investments, the Company's stake in JPPL will stand reduced to approximately 49.9% with a majority 50.1% being held by Etihad.
- Shareholders Agreement amongst the Company, Etihad and JPPL relating to the rights and obligations of each in relation to the management and governance of JPPL.
- Ticket Asset Agreement between the Company and JPPL relating to the purchase by JPPL of an asset from the Company to be set-off by JPPL against the cost of flight tickets purchased from the Company in respect of flights operated by the Company and / or any of its code share partners pursuant to the terms of the Commercial Agreement;
- IP Assignment and Retained IP License relating to the ownership and licensing of intellectual property related to the JPFFP business.

The Company proposes to enter into the following agreements:

- The Transitional Services Agreement and
- Marketing Services Agreement.

The Board of Directors recommends the passing of the Special Resolution contained in Item No. 1 of the accompanying Notice.

Mr. Naresh Goyal, Chairman, Mr. Javed Akhtar, Director, Mr. Gaurang Shetty, Director and Manager, Mrs. Anita Goyal (relative of Mr. Naresh Goyal), Mr. James Reginald Hogan (Nominee Directors of Etihad Airways PJSC) and Mr. James Rigney (Nominee Directors of Etihad Airways PJSC) may be considered as interested in this item.

None of the other Directors, Key Managerial Personnel or their Relatives are concerned or interested in the Resolution.

ITEM NO. 2

Consequent to the Special Resolution referred to in the Item 1 of the accompanying notice being approved by the Shareholders and in terms of the Investment Agreement executed between the Company, Etihad Airways PJSC and JPPL, the Company will be required to make further investments in its subsidiary JPPL with the ultimate objective of holding 49.9% of the total share capital of JPPL on a fully diluted basis.

The cost for the additional investment is INR 6,952,106,616 (Rupees Six Billion Nine Hundred and Fifty Two Million, One Hundred and Six Thousand, Six Hundred and Sixteen only). This investment is going to be funded from such mode as may be decided by the Board subject to such approvals, as may be required from the statutory body(ies) / authority(ies) / Banks.

In terms of Section 372A of the Companies Act, 1956, the Company shall not make any loan, give any guarantee or provide security or acquire by way of subscription, purchase or otherwise the securities of other body(ies) corporate whether a subsidiary or not, exceeding sixty (60) per cent of its paid-up share capital and free reserves, or one hundred (100) per cent of its free reserves, whichever is more, except with the prior approval of the shareholders by way of a Special Resolution.

Since the present investment together with investments / loans / guarantees / securities already made/ given/ provided would exceed the aforesaid permissible limits, it is necessary that the shareholders pass a Special Resolution approving the investment in terms of Section 372A.

The Company is therefore desirous of seeking your consent for such proposal as contained in the aforesaid Resolution.

The Board of Directors recommends the passing of the Special Resolution contained in Item No. 2 of the accompanying Notice.

Mr. Naresh Goyal, Chairman, Mr. Javed Akhtar, Director, Mr. Gaurang Shetty, Director and Manager, Mrs. Anita Goyal (relative of Mr. Naresh Goyal), Mr. James Reginald Hogan (Nominee Directors of Etihad Airways PJSC) and Mr. James Rigney (Nominee Directors of Etihad Airways PJSC) may be considered as interested in this item.

None of the other Directors, Key Managerial Personnel or their Relatives are concerned or interested in the Resolution.

By Order of the Board
For Jet Airways (India) Limited
Sd/-
Arun Kanakal
Company Secretary & Associate Legal Counsel

Registered Office:

Siroya Centre,Sahar Airport Road
Andheri (East),Mumbai 400 099
Date : 7th February, 2014

Encl.:

1. Postal Ballot Form

2. Self addressed and prepaid postage envelope.