

27 December 2016

BSE Limited,  
2<sup>nd</sup> Floor, New Trading Wing,  
Rotunda Building, P. J. Towers,  
Dalal Street, Mumbai -400 001

**Symbol: JETAIRWAYS/Series: EQ**  
**Debenture Scrip CODE: 952813**

National Stock Exchange of India Ltd,  
Exchange Plaza, 5th Floor,  
Plot No. C/1, G Block,  
Bandra - Kurla Complex,  
Bandra (E), Mumbai - 400 051

**Stock Code: 532617/JETAIRWAYS**

Dear Sirs,

***Sub: Intimation under Regulation 30 - Annual Report 2015-16***

Further to our letter dated 23 November 2016 informing you of the date of our 24<sup>th</sup> Annual General Meeting, 2016 as required by Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we attach a copy of Annual Report for the financial year 2015 – duly approved and adopted by the Members at the Annual General Meeting of the Company held earlier in the day.

Please take the above on record.

Yours faithfully,  
Jet Airways (India) Limited



Kuldeep Sharma  
Vice President-Global Compliance & Company Secretary

Encl: a/a

JET AIRWAYS 

*Joy of Flying.*

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*Jet Airways (India) Limited | Annual Report 2016.*



20 Codeshare Partners

31 Frequent Flier Partners

148 Interline Partners

105 Interline eTicketing Partners

58 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



The Financial Year 2015-16 has been a remarkable one for your Company. We have faced tough challenges and been tested by extraordinary circumstances in our 23-year history. Yet, our resilience has never been more apparent, as we emerged from it all to fly higher than ever before.

Whilst the Indian aviation sector has grown at 20 percent last year, our focus on cost and pressure on yields continues in one of the most competitive aviation markets in the world.

I am delighted to announce that despite the headwinds, we have closed the financial year 2015-16 as our most successful year ever.

Your Company recorded its highest-ever annual and quarterly profit in its history, for the year and fourth-quarter ended March 31st, 2016. It marks a return to profitability for your Company, a year earlier than envisaged by our three-year turnaround plan.

Low fuel prices have certainly given us a helping hand. Recently, however, there are indications of a possible reversal of trends due to global drivers beyond our control. Some of the steps we have taken include returning to a full-service model last year and the implementation of our 'Guest

First' initiative which has set us apart as the benchmark for service excellence, bringing the spirit of Indian hospitality to the world.

Aircraft utilisation for our fleet of Boeing 737s reached 13.01 hours per day in FY16, amongst the highest in the industry as certified by Boeing itself. A feat, truly praiseworthy, for which we must thank our engineering and operations teams. Our cost per available seat kilometre (CASK), excluding fuel, also fell 3.2 percent to INR 3.26.

Your Company's improved financial performance also allowed us to significantly reduce debt. We used surplus funds generated from operations, after accounting for financing expenses, to cut our net debt by INR 1,680 crores. This earned your Company a rating upgrade from credit-rating agency ICRA, which will help cut borrowing costs going forward.

But most importantly, I must take a moment to emphasise here the contribution from our strategic partnership with Etihad Airways. The year 2015-16 marked Jet Airways' second full year with Etihad Airways and Etihad Airline Partners. Your Company continues to derive synergies across all areas from the strategic partnership, including network growth, revenue enhancement, operational efficiencies and cost improvement. The partnership has worked to the mutual benefit for both airlines, but most importantly, it has helped give our guests greater choice and convenience. Today, together with our partner Etihad, we operate more flights to and from India than any other airline in the world!

During the year, we relocated your Company's European operations hub from Brussels to Amsterdam's Schiphol Airport. Amsterdam is now our new gateway to Europe and your Company has significantly enhanced international connectivity from Amsterdam by inking codeshare pacts with KLM Royal Dutch Airlines and Delta Air Lines. This move has opened up a whole new world of choice for our guests, by offering them one-stop codeshare access to 30 destinations in Europe and 11 across the U.S. and Canada in North America.

Jet Airways is a truly home-grown global Indian brand and we take great pride in taking India to the world and welcoming the world to India. India as a nation has global aspirations. Your Company has given these aspirations wings so that India can prosper, modernise and compete on a global level.

The year gone by is also notable for the unprecedented test we faced when our guests, crew and aircraft were left stranded in the aftermath of the utterly condemnable attack in Brussels. Our employees, particularly our stranded pilots, cabin crew and ground staff, displayed great courage, calmness and professionalism of the highest order. A lot of heroes were born that day and I truly salute the resilience shown by all our teams in Brussels, Amsterdam and Mumbai for coming together and helping your Company tide over this harrowing incident.

On a happier note, the future as we all know belongs to new technology and innovation, which have given wings to dreams once considered unattainable, making what was earlier the impossible, a reality today!

Your Company too, has always prided itself at being at the forefront of technological innovation in the aviation space. Jet Airways has been a pioneer in incorporating next-generation technology to create path-breaking features that enrich our guests' flying experience.

To that end, as we do every year, we introduced a series of industry "firsts." We were the first to introduce an app for the Apple Watch and expanded our usage of the mobile paperless boarding pass, which again was an innovative first by your Company.



We have already rolled out a new generation in-flight wireless streaming entertainment service that allows our guests to stream our rich library of content directly onto their personal mobile devices.

At Jet Airways, we take our commitment to society very seriously. We continue to work with several NGOs in an effort to drive positive societal change and do our part to support community initiatives related to education and the development of children.

We partnered with ActionAid to rebuild the lives of those affected by the devastating floods in Chennai and Thiruvallur district last year. Our colleagues volunteered to assist in immediate post-disaster relief operations, distributing food and supplies to those most affected by the flood.

Most importantly, your Company prides itself on being an equal-opportunity employer. Nearly 35 percent of our workforce comprise women and to celebrate their spirit of womanhood, we flew flights operated by an all-woman crew on International Women's Day. The initiative was not just limited to the pilots and cabin crew either. Every aspect of these flights was managed by an all-woman crew, including engineering, ground handling, cargo, ramp and airport services.

Rife as the sector is with opportunity and an untapped base of travellers waiting to take to the skies, its immense potential can only be fully realized if key reforms in the aviation sector continue to be made.

Demand and capacity, for instance, must go hand-in-hand. High operational costs are a product of escalating levels of airport levies, surcharges and an uncompetitive tax regime which is amongst the highest in emerging markets. These factors impact and pressurise yields.

Infrastructure is another area that needs to be addressed on a priority basis. The Government is taking steps to improve infrastructure but airports in some key metros are struggling to keep pace with the fast-paced growth in capacity and traffic.

Despite all the challenges, the sector is poised for further growth. Factors like rising disposable incomes, greater purchasing power and a convergence in fares between air and rail travel will enable an increasing number of Indians to fly. With India emerging as a global hub for business and leisure, international rivals are bolstering their connectivity between the subcontinent and the rest of the world. They are adding capacity by deploying larger aircraft on key routes, which will lead to growing competition.

I am confident that our trademark warm Indian hospitality and our passion to design and deliver an ever more exceptional flying experience for our guests will enable us stay ahead of the competition.

I take this opportunity to express my sincere thanks to our valued guests for their continued patronage and support.

I also thank the various ministries of the Government of India including the Ministry of Civil Aviation, Ministry of Finance and Ministry of Commerce & Industry and also the Directorate General of Civil Aviation, the Bureau of Civil Aviation Security, Airports Authority of India, various State Governments, Delhi International Airport and Mumbai International Airport for their continued support.

I also express my continued gratitude to all lenders, aircraft and engine lessors, the US Ex-Im Bank, the European Export Credit Agencies, various national and international banks, fuel suppliers, spare parts suppliers, who have been there to support us in difficult times.

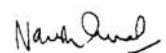
My thanks also go to the Boeing Company, Airbus Industries, ATR, General Electric, Rolls Royce and Pratt & Whitney for their contribution and partnership.

Warm thanks also to the media, both print and electronic, for the extensive coverage accorded to us.

My thanks to my fellow Directors, our staff and each and every member of our management team for all their efforts to sustain high service levels and support the Company with their hard work, dedication and loyalty.

Finally, let me reiterate my gratitude to the shareholders for their continued faith reposed in the Company. I look forward to working together to ensure Jet Airways' pride of place amongst the top 5 international airlines in the world.

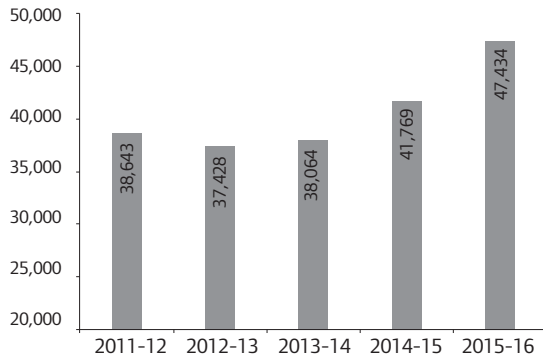
With kind regards,



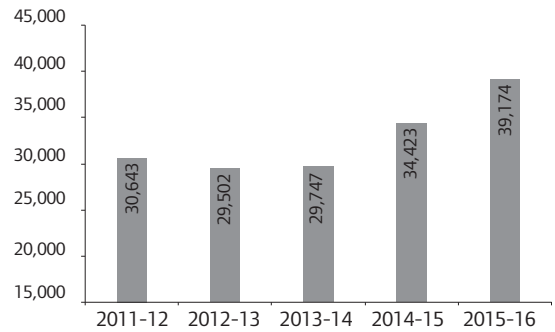
Naresh Goyal  
Chairman

## Operating Highlights

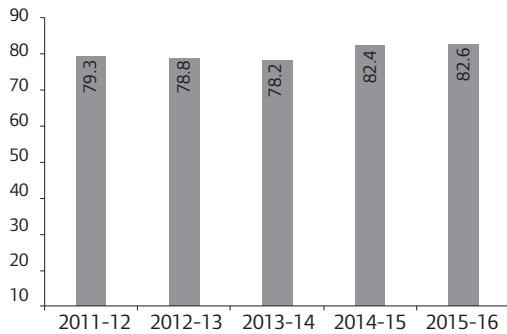
**Available Seat Kilometres (in Million)**



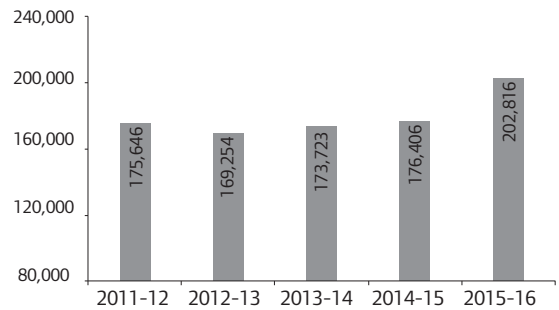
**Revenue Passenger Kilometres (in Million)**



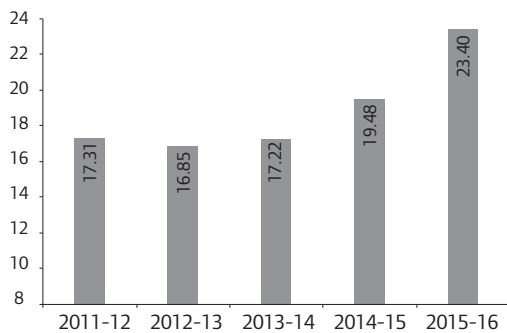
**Passenger Load Factor (%)**



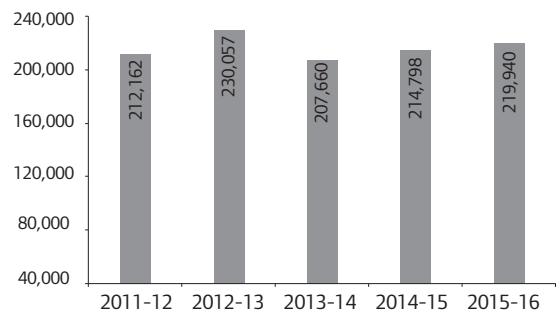
**Number of Departures**



**Revenue Passenger (in Million)**

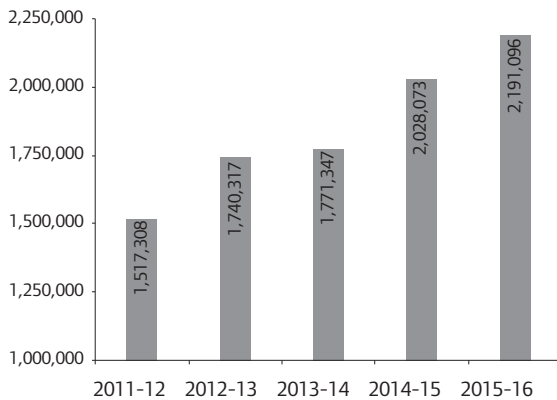


**Cargo Tonnes**

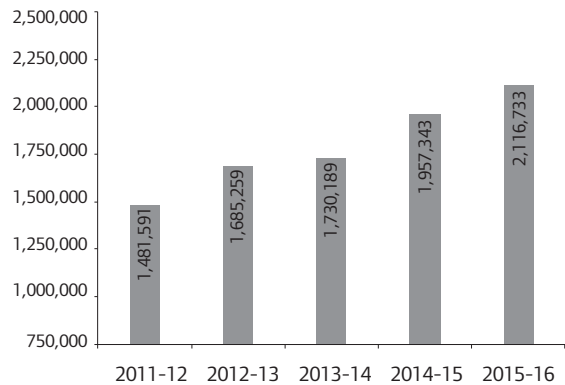


## Financial Highlights

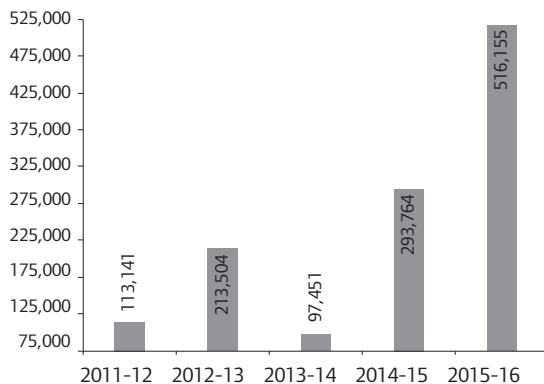
**Income (₹ Lakhs)**



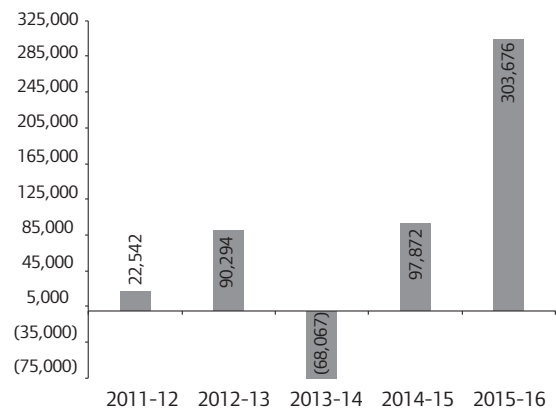
**Operating Revenue (₹ Lakhs)**



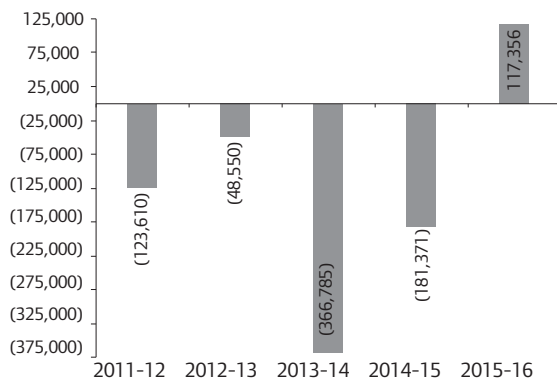
**EBITDAR (₹ Lakhs)**



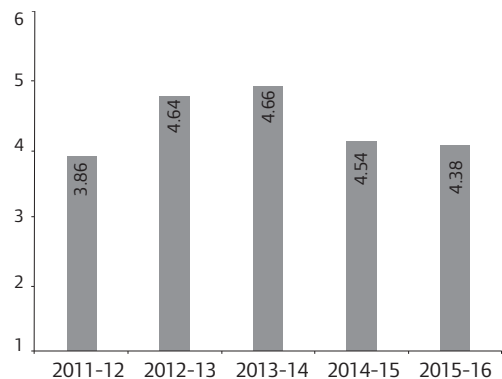
**EBITDA (₹ Lakhs)**



**Profit After Tax (₹ Lakhs)**



**Net Revenue per Passenger Kilometres (₹)**





## Corporate Information

### Board of Directors

Mr. Naresh Goyal	Chairman
Mr. James Hogan	Vice Chairman
Mr. James Rigney	
Mr. Javed Akhtar	
Mr. I. M. Kadri	
Mr. Aman Mehta	
Mr. Dinesh Kumar Mittal	
Mr. Srinivasan Vishvanathan	(Appointed on 29 <sup>th</sup> December, 2015)
Mrs. Anita Goyal	(Appointed on 8 <sup>th</sup> April, 2015)
Mr. Gaurang Shetty	Whole Time Director

### Company Secretary

Mr. Kuldeep Sharma	Vice President – Global Compliance & Company Secretary
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### Senior Management

Name	Designation
Mr. Amit Agarwal	Acting Chief Executive Officer and Chief Financial Officer
Mr. Jayaraj Shanmugam	Chief Commercial Officer
Mr. Rahul Taneja	Chief People Officer
Mr. K. M. Unni	Chief of Operations
Mr. Shrimanikandan Ananthvaideyanathan	Chief Information Officer
Capt. Hameed Ali	Group Executive Officer

### Statutory Auditors

BSR & Co, LLP
Chaturvedi & Shah

### Debenture Trustees

Vistra ITCL (India) Limited (formerly IL&FS Trust Company Limited)
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### Legal Advisors

Gagrats
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**CIN No.: L99999MH1992PLC066213**

### Registered Office

Siroya Centre
Sahar Airport Road
Andheri (East)
Mumbai 400 099
Tel: +91 22 6121 1000

### Registrar & Share Transfer Agents

Karvy Computershare Private Limited
Karvy Selenium Tower B,
Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad - 500 032
Tel: +91 40 6716 1500
Email: einward.ris@karvy.com
Contact Person: Mr. S. V. Raju

### Bankers

Abu Dhabi Commercial Bank
Allahabad Bank
AXIS Bank Limited
Banca Popolare Di Milano
Bank of America N.A.
Bank of India
Barclays Bank Plc
Canara Bank
Citibank N.A.
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)
Mashreq Bank PSC
Punjab National Bank
Standard Chartered Bank Plc
State Bank of India
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 Fourth 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 Tuesday, 27<sup>th</sup> December, 2016, at 2.30 P.M. to transact the following business:-

### ORDINARY BUSINESS:

**1. Adoption of Audited Financial Statements and Reports of the Directors and the Auditors**

To receive, consider and adopt the Audited Financial Statements (including audited consolidated financial statements) of the Company for the Financial Year ended 31<sup>st</sup> March, 2016, together with the Reports of the Directors and the Auditors thereon.

**2. Re-appointment of a Director**

To appoint a Director in place of Mr. James Rigney (DIN: 06540653), who retires by rotation, and being eligible, offers himself for re-appointment.

**3. Ratification of the appointment of the Joint Statutory Auditor, M/s. Chaturvedi & Shah**

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 139 and other applicable provisions of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Members of the Company do hereby ratify the appointment of M/s. Chaturvedi & Shah, Chartered Accountants (Registration Number 101720W) as one of the Joint Statutory Auditors of the Company to hold office from the conclusion of the Twenty Fourth Annual General Meeting till the conclusion of the Twenty Fifth Annual General Meeting and the Board of Directors of the Company is hereby authorised to fix their remuneration for the Financial Year ending 31<sup>st</sup> March, 2017."

**4. Ratification of the appointment of the Joint Statutory Auditor, M/s. BSR & Co. LLP**

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 139 and other applicable provisions of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Members of the Company do hereby ratify the appointment of M/s. BSR & Co. LLP, Chartered Accountants (Registration Number 101248W/W-100022) as one of the Joint Statutory Auditors of the Company to hold office from the conclusion of the Twenty Fourth Annual General Meeting till the conclusion of the Twenty Fifth Annual General Meeting and the Board of Directors of the Company is hereby authorised to fix their remuneration for the Financial Year ending 31<sup>st</sup> March, 2017."

### SPECIAL BUSINESS:

**5. Appointment of Mr. Vikram 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 Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification or re-enactment for the time being in force) read with Schedule IV of the Companies Act, 2013, and as per the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. Vikram Mehta (DIN 00041197) 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 from the date of the Twenty Fourth Annual General Meeting till the conclusion of the Twenty Seventh Annual General Meeting of the Company to be held in the year 2019 and he shall not be liable to retire by rotation.

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (the "Board") be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper or expedient, to give effect to this resolution and the Board may, by a resolution delegate the aforementioned power to any committee of directors, director or any other principal officer of the Company on such conditions as the Board may prescribe."

**Notice (Contd.)****6. Appointment of Ms. Rajshree Pathy 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 Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification or re-enactment for the time being in force) read with Schedule IV of the Companies Act, 2013 and as per the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company and subject to receipt of security clearance from the Ministry of Civil Aviation, Ms. Rajshree Pathy (DIN 00001614), in respect of whom the Company has received a notice in writing from a Member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company with effect from the date which is the later of the approval by the Members at this Annual General Meeting or the date of receipt of security clearance from the Ministry of Civil Aviation, till the conclusion of the Twenty Seventh Annual General Meeting of the Company to be held in the year 2019 and she shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (the “Board”) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper or expedient, to give effect to this resolution and the Board may, by a resolution delegate the aforementioned power to any committee of directors, director or any other principal officer of the Company on such conditions as the Board may prescribe.”

**7. Appointment of Mr. Ranjan Mathai 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 Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification or re-enactment for the time being in force) read with Schedule IV of the Companies Act, 2013 and as per the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company and subject to receipt of security clearance from the Ministry of Civil Aviation, Mr. Ranjan Mathai (DIN 07572976), 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 with effect from the date which is the later of the approval by the Members at this Annual General Meeting or the date of receipt of security clearance from the Ministry of Civil Aviation, till the conclusion of the Twenty Seventh Annual General Meeting of the Company to be held in the year 2019 and he shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (the “Board”) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper or expedient, to give effect to this resolution and the Board may, by a resolution delegate the aforementioned power to any committee of directors, director or any other principal officer of the Company on such conditions as the Board may prescribe.”

**8. Increase in remuneration of Mr. Gaurang Shetty, Whole Time Director**

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

**“RESOLVED THAT** in partial modification of the resolution passed by the Members at the Twenty Third Annual General Meeting of the Company held on 14<sup>th</sup> August, 2015 for the appointment of Mr. Gaurang Shetty as the Whole Time Director of the Company and the terms of remuneration payable to him and pursuant to Sections 196, 197 and other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made thereunder, as amended from time to time, read with Schedule V to the Act, the Company hereby approves the increase in the remuneration of Mr. Gaurang Shetty, with effect from 1<sup>st</sup> April, 2016 to 23<sup>rd</sup> May, 2017, as detailed in the explanatory statement forming part of this Notice.

**RESOLVED FURTHER THAT** the Board of Directors (including any Committee thereof) be and is hereby authorised to fix his salary within the salary scale approved, increasing thereby, proportionately, all benefits related to the quantum of salary.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (the “Board”) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper or expedient, to give effect to this

**Notice (Contd.)**

resolution and the Board may, by a resolution delegate the aforementioned power to any committee of directors, director or any other principal officer of the Company on such conditions as the Board may prescribe."

**9. Payment of commission to Independent Directors**

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 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the Members of the Company be and is hereby accorded for payment of a sum not exceeding in aggregate one percent per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act or ₹ 500,000 (Rupees Five Lakhs Only), whichever is lower, per Independent Director, in such proportion/manner as may be determined by the Board of Directors in addition to the sitting fees and reimbursement of expenses ,if any, for attending the Meetings of the Board of Directors and any Committee thereof, and such payments shall be made in respect of the profits of the Company for the year ended 31<sup>st</sup> March, 2016."

**By Order of the Board of Directors****Sd/-**

**Kuldeep Sharma**  
**Vice President – Global Compliance and**  
**Company Secretary**

Registered Office:

Siroya Centre

Sahar Airport Road

Andheri (East)

Mumbai – 400 099

CIN: L99999MH1992PLC066213

Email: companysecretary@jetairways.com

Phone. No. +91 22 6121 1000

Mumbai

11<sup>th</sup> November, 2016

**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. Pursuant to the provisions of the Section 105 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), 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 Member.

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. 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.
4. Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ('ICSI'), information in respect of the Directors seeking appointment / re-appointment at the AGM, is given in the Exhibit to this Notice.
5. Corporate Members intending to send their authorised representatives to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board resolution together with the respective specimen signatures of those representative(s) authorised under the said resolution to attend and vote on their behalf at the Annual General Meeting.
6. 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 Annual General Meeting to facilitate identification of membership at the Annual General Meeting.
7. Members / Proxies / Representatives are requested to bring the enclosed Attendance Slip, duly filled in, for attending the Annual General Meeting.
8. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 21<sup>st</sup> December, 2016 to Tuesday, 27<sup>th</sup> December, 2016, both days inclusive, for the purpose of the Twenty Fourth Annual General Meeting.
9. 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 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]  
Karvy Selenium Tower B, Plot No. 31-32, Gachibowli  
Financial District, Nanakramguda  
Hyderabad 500 032

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

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

Email: [einward.ris@karvy.com](mailto:einward.ris@karvy.com)

Website: [www.karvycomputershare.com](http://www.karvycomputershare.com)

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

## **Notice (Contd.)**

10. 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.
11. Members who wish to obtain information concerning the accounts or operations of the Company should 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](mailto:companysecretary@jetairways.com)
12. 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 Fourth Annual General Meeting.
13. Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013, 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.
14. The Company has received the consent and eligibility certificate of M/s. Chaturvedi & Shah, Chartered Accountants (Registration No. 101720W), and M/s BSR & Co, LLP, Chartered Accountants (Registration Number 101248W/W-100022) Joint Statutory Auditors, under Section 139 of the Companies Act, 2013 for the ratification of their appointment as Joint Statutory Auditors of the Company.

Accordingly, it is proposed to ratify the appointment of M/s. Chaturvedi & Shah and M/s. BSR & Co, LLP as the Joint Statutory Auditors of the Company for the period commencing from the conclusion of the Twenty Fourth Annual General Meeting to the conclusion of the Twenty Fifth Annual General Meeting. An item for the ratification of the appointment of the Joint Statutory Auditors is included in the Notice of this Annual General Meeting.

15. Green Initiative:

Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

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], Karvy Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032 or send an email at [einward.ris@karvy.com](mailto:einward.ris@karvy.com) mentioning your folio no./demat account details.

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

The route map to reach the venue of the Twenty Fourth Annual General Meeting is attached to this Notice.

16. In terms of Section 72 of the Companies Act, 2013 and the rules framed thereunder, a Member of the Company may nominate a person on whom the Shares held by him/her shall vest in the event of his/her death. Member(s) desirous of availing this facility may submit nomination in the prescribed Form SH-13 to the Company/ Karvy Computershare Private Limited (RTA) in case shares are held in Physical form, and to their respective Depository participant, if held in electronic form.
17. Remote E-Voting:
  - I. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at Annual General Meeting by electronic means. The Members, whose names appear in the Register of Members/ List of Beneficial Owners as on 20<sup>th</sup> December, 2016 being the cut-off date, are entitled to vote on the



**Notice (Contd.)**

Resolutions set forth in this Notice. Members may cast their votes on electronic voting system from any place other than the venue of the meeting (Remote e-voting) and a person who is not a Member as on the cut-off date should treat this Notice for information purposes only. The remote e-voting period will commence at 9.00 A.M. on 24<sup>th</sup> December, 2016 and will end at 5:00 P.M. on 26<sup>th</sup> December, 2016 and at the end of remote e-voting period, the facility shall forthwith be blocked. The Members, who have voted by remote e-voting, cannot vote at the Twenty Fourth Annual General Meeting but such Members shall be entitled to attend the said Annual General Meeting.

- II The Company has appointed Mr. Taizoon M. Khumri, Practising Company Secretary (COP No. 88) of Mumbai, to act as the Scrutinizer, to conduct the entire e-voting process and the voting at the Annual General Meeting in a fair and transparent manner. The Members desiring to vote through Remote e-voting are requested to refer to the detailed procedure given hereinafter.
- a. Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 20<sup>th</sup> December, 2016, may cast their vote electronically.
  - b. Use the following URL for e-voting: <http://evoting.karvy.com>
  - c. For the purpose of dispatch of this Notice, Shareholders of the Company holding shares either in physical form or in dematerialized form as on 18<sup>th</sup> November, 2016, have been considered
  - d. 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.
  - e. After entering the details appropriately, click on LOGIN.
  - f. 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.
  - g. You need to login again with the new credentials.
  - h. On successful login, the system will prompt you to select the EVENT i.e., Jet Airways.
  - i. 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.
  - j. Shareholders holding multiple folios / demat account shall choose the voting process separately for each folios / demat account.
  - k. 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.
  - l. Once the vote on the resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
  - m. 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 [cstaizoonkhumri@gmail.com](mailto:cstaizoonkhumri@gmail.com) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com).
  - n. The remote e-voting period commences on 24<sup>th</sup> December, 2016 (9:00 A.M.) and ends on 26<sup>th</sup> December, 2016 (5.00 P.M.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 20<sup>th</sup> December, 2016 may cast their vote electronically. The remote e-voting module shall be disabled by Karvy for voting

**EXPLANATORY STATEMENT (Contd.)**

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 debarred from participation in the Annual General Meeting, however, they shall not be able to vote in the Annual General Meeting again and their earlier vote cast through electronic means shall be treated as final.

- o. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and remote e-voting User Manual for shareholders available at the download section of <http://evoting.karvy.com> or contact Karvy Computershare Pvt. Ltd at Tel No. 1800 345 4001 (toll free).
- III. The Scrutiniser shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the Annual General Meeting, thereafter unblock the votes cast through Remote e-voting in the presence of at least two witnesses not in the employment of the Company. He shall make a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, on or before 29<sup>th</sup> December, 2016. The Scrutiniser's Report shall be given to the Chairman or a person authorised by him in writing who shall countersign the same. The Results on resolutions shall be declared on or after the Annual General Meeting of the Company and shall be deemed to be passed on the date of the Annual General Meeting. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.jetairways.com](http://www.jetairways.com) and on the website of Karvy Computershare Private Limited within two days of passing of the resolutions at the Annual General Meeting of the Company and communicated to the Stock Exchanges.
- IV. Poll will also be conducted at the Annual General Meeting and any Shareholder who has not cast his vote through Remote e-voting facility, may attend the Annual General Meeting 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. 5**

The Board of Directors of the Company ('the Board'), on the recommendation of the Nomination and Remuneration Committee, passed a Resolution dated 11<sup>th</sup> November, 2016, recommending for the approval of the Members, the appointment of Mr. Vikram Mehta (DIN: 00041197) as an Independent Director of the Company in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), (or any amendment thereto or modification thereof), as set out in the Resolution relating to his appointment.

Mr. Vikram Mehta is not disqualified from being appointed as an Independent Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as the Director of the Company.

The Company has received notice in writing from a Member alongwith a deposit of the requisite amount under Section 160 of the Act, proposing the candidature of Mr. Vikram Mehta for the office of Director of the Company.

The Company has also received a declaration from Mr. Vikram Mehta that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, he shall not be liable to retire by rotation.

The required security clearance in respect of his proposed appointment has also been obtained from the Ministry of Civil Aviation on 19<sup>th</sup> August, 2016.

In the opinion of the Board, Mr. Vikram Mehta fulfills the conditions specified in the Companies Act, 2013, and the rules made there under for appointment as an Independent Director of the Company and is independent of the management.

Mr. Vikram Mehta started his career with the Indian Administrative Service (IAS) in 1978. He resigned from the IAS in 1980 and spent the next 32 years in the petroleum industry both in the public and private sector. He left the petroleum industry in 2012 as Chairman of the Shell Group of Companies in India. He is currently the Executive Chairman of the think tank Brookings India and senior fellow of Brookings Institution. A brief profile is given as Exhibit to this notice.

A copy of the draft letter of appointment of Mr. Vikram Mehta as an Independent Director setting out the terms and conditions of his appointment, would be available for inspection without any fee by the Members at the Registered Office of the Company on all working days between 10.00 A.M. and 12.00 Noon till the date of the 24<sup>th</sup> Annual General Meeting.

## EXPLANATORY STATEMENT

The Board considers that the induction of Mr. Vikram Mehta will benefit the Company and hence the Board recommends the resolution in relation to the appointment of Mr. Vikram Mehta as an Independent director for the approval of the Members of the Company.

This Explanatory Statement may be regarded as a disclosure under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards issued by the Institute of Company Secretaries of India.

None of the Directors or Key Managerial Personnel or any of their relatives are in any way concerned or interested, financially or otherwise in this resolution.

### Item No. 6

The Board of Directors of the Company ('the Board') on the recommendation of the Nomination and Remuneration Committee, passed a Resolution dated 11<sup>th</sup> November, 2016 recommending for the approval of the Members, the appointment of Ms. Rajshree Pathy (DIN: 00001614) as an Independent Director of the Company in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), (or any amendment thereto or modification thereof), as set out in the Resolution relating to her appointment, subject to receipt of security clearance from Ministry of Civil Aviation.

Ms. Rajshree Pathy is not disqualified from being appointed as an Independent Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as the Director of the Company.

The Company has received notice in writing from a Member along with a deposit of the requisite amount under Section 160 of the Act, proposing the candidature of Ms. Rajshree Pathy for the office of Director of the Company. Further, she shall not be liable to retire by rotation.

The Company has also received a declaration from Ms. Rajshree Pathy that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Ms. Rajshree Pathy fulfills the conditions specified in the Companies Act, 2013, and the rules made there under for appointment as an Independent Director of the Company and is independent of the Management.

Ms. Rajshree Pathy is the Chairman and Managing Director of Rajshree Sugars and Chemicals Limited. She is a Graduate in Commerce, has completed the Owner President Management Program (OPM), Harvard Business School, Harvard University, U.S.A. as well as the program on Strategic Alliances & Corporate Ethics, INSEAD, Fontainebleau, France. The Government of India conferred Ms. Rajshree Pathy with the prestigious Padma Shri Award in the field of Trade and Industry in 2013. She has also been awarded with several distinctions at National and Global platforms. A brief profile is given as Exhibit to this notice.

The Company, being an airline operator, the Civil Aviation Requirements ('CAR') Section 3, Series C, Part II inter-alia, require that any appointment to the position of a Director of the Company requires prior security clearance from the Ministry of Civil Aviation. In view of the same, the appointment of Ms. Rajshree Pathy would be effective from the date which is later of:

- the date of approval by Members at this Annual General Meeting or;
- the date of receipt of security clearance from the Ministry of Civil Aviation;

A copy of the draft letter of appointment of Ms. Rajshree Pathy as the Independent Director setting out the terms and conditions of her appointment, would be available for inspection without any fee by the Members at the Registered Office of the Company on all working days between 10.00 A.M. and 12.00 Noon till the date of the 24<sup>th</sup> Annual General Meeting.

The Board considers that the induction of Ms. Rajshree Pathy will benefit the Company and hence the Board recommends the resolution in relation to the appointment of Ms. Rajshree Pathy as an Independent Director for the approval of the Members of the Company.

This Explanatory Statement may be regarded as a disclosure under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards issued by the Institute of Company Secretaries of India.

## EXPLANATORY STATEMENT (Contd.)

None of the Directors or Key Managerial Personnel or any of their relatives are in any way concerned or interested, financially or otherwise in this resolution.

### Item No. 7

The Board of Directors of the Company ('the Board') on the recommendation of the Nomination and Remuneration Committee passed a Resolution dated 11<sup>th</sup> November, 2016, recommending for the approval of the Members, the appointment of Mr. Ranjan Mathai (DIN: 07572976) as an Independent Director of the Company in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), (or any amendment thereto or modification thereof), as set out in the Resolution relating to his appointment, subject to receipt of security clearance from Ministry of Civil Aviation.

Mr. Ranjan Mathai is not disqualified from being appointed as an Independent Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as the Director of the Company.

The Company has received notice in writing from a Member alongwith a deposit of the requisite amount under Section 160 of the Act, proposing the candidature of Mr. Ranjan Mathai for the office of Director of the Company. Further, he shall not be liable to retire by rotation.

The Company has also received a declaration from Mr. Ranjan Mathai that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Mr. Ranjan Mathai fulfills the conditions specified in the Companies Act, 2013, and the rules made there under for appointment as an Independent Director of the Company and is independent of the Management.

Mr. Ranjan Mathai is a former Indian Foreign Secretary and former Indian High Commissioner to the United Kingdom. Prior to this he served as Foreign Secretary of India and has also served in Indian Embassies in Vienna, Colombo, Washington, Tehran and Brussels. Mr. Mathai served as Indian Ambassador to Israel, and was also the Indian Ambassador in Qatar. He held the post of Deputy High Commissioner of India to the United Kingdom and then became Ambassador of India to France. A brief profile is given as Exhibit to this notice.

The Company, being an airline operator, the Civil Aviation Requirements ('CAR') Section 3, Series C, Part II inter-alia, require that any appointment to the position of a Director of the Company requires prior security clearance from the Ministry of Civil Aviation. In view of the same, the appointment of Mr. Ranjan Mathai would be effective from the date which is later of:

- the date of approval by Members at this Annual General Meeting or;
- the date of receipt of security clearance from the Ministry of Civil Aviation;

A copy of the draft letter of appointment of Mr. Ranjan Mathai as the Independent Director setting out the terms and conditions of his appointment, would be available for inspection without any fee by the Members at the Registered Office of the Company on all working days between 10.00 A.M. and 12.00 Noon till the date of the 24<sup>th</sup> Annual General Meeting.

The Board considers that the induction of Mr. Ranjan Mathai will benefit the Company and hence the Board recommends the resolution in relation to the appointment of Mr. Ranjan Mathai as an Independent director for the approval of the Members of the Company.

This Explanatory Statement may be regarded as a disclosure under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards issued by the Institute of Company Secretaries of India.

None of the Directors or Key Managerial Personnel or any of their relatives are in any way concerned or interested, financially or otherwise in this resolution.

### Item No. 8

The Members had at the Twenty Third Annual General Meeting held on 14<sup>th</sup> August, 2015 approved the appointment of Mr. Gaurang Shetty as the Whole Time Director of the Company for a period of two years with effect from 24<sup>th</sup> May, 2015. It is proposed increase the remuneration payable to Mr. Gaurang Shetty with effect from 1<sup>st</sup> April, 2016.

## EXPLANATORY STATEMENT

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors on 11<sup>th</sup> November, 2016 approved, subject to the approval of the Shareholders, increase in the remuneration of Mr. Gaurang Shetty from the existing ₹ 1,050,000 per month to ₹ 1,800,000 per month as follows:

<b>Basic Salary</b>	: ₹ 540,000 per month
<b>Special Pay</b>	: ₹ 903,000 per month
<b>Gross Salary Range</b>	: ₹ 766,700 per month – ₹ 3,095,717 per month

Increments within the Gross salary range - as may be decided by the Nomination & Remuneration Committee/ Board of Directors, from time to time.

### II. Perquisites:

In addition to the above, Mr. Shetty shall also be entitled to the following perquisites:

- i. Housing: House Rent Allowance equivalent to 50% of Basic Salary.
  - ii. Allowances : For business promotion, Periodicals & Journals, attire, driver's salary, car maintenance, fuel and insurance, etc. not exceeding ₹ 200,000 p.m.
  - iii. Medical Reimbursement: Expenses incurred for self and family upto ₹ 1,250 p.m.
  - iv. Hospitalization Expenses: Hospitalization expenses under the Medical Benefit Scheme, as per Rules of the Company.
  - v. Staff Travel Assistance: For self and family, in accordance with the Rules of the Company.
  - vi. Leave: As per Rules of the Company.
  - vii. Long Service / Merit Award: As per Rules of the Company.
  - viii. Telephone: Telephone(s) facility as per the Rules of the Company. Personal long distance calls will be borne by him.
  - ix. Retirals: Company's contribution towards Provident Fund and Gratuity – payable as per Rules of the Company.
  - x. Encashment of leave at the end of tenure.
- "Family" means spouse, parents and dependent children.

### Minimum Remuneration

Notwithstanding anything hereinabove, where in any Financial Year during the currency of Mr. Shetty's tenure as Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay the aforesaid remuneration by way of Salary and Perquisites, as Minimum Remuneration to him.

Mr. Shetty shall not be entitled to Sitting Fees for attending the Meetings of the Board of Directors or any Committee thereof.

Considering the various business cycles wherein the Company may have a situation of inadequate profits as calculated under the provisions of Section 198 of the Companies Act, 2013, during the tenure of Mr. Gaurang Shetty's appointment as Whole Time Director, the approval for the payment of remuneration to Mr. Gaurang Shetty is sought as per the provisions of Schedule V of the Companies Act, 2013, as a matter of abundant precaution.

Except for Mr. Gaurang Shetty, none of the Directors or Key Managerial Personnel or any of their relatives are in any way concerned or interested, financially or otherwise in this resolution.

### Item No. 9

Considering the rich experience and expertise brought to the Board by the Independent Directors, it is proposed that, commission not exceeding one per cent of the net profits of the Company calculated in accordance with provisions of the Companies Act, 2013, or a maximum amount of ₹ 500,000/- (Rupees Five Lakhs Only), whichever is lower, be paid to the Independent Directors of the Company. The Board of Directors at its Meeting held on 12<sup>th</sup> August, 2016, approved the payment of commission to each of the Independent Directors of the Company subject to maximum amount of ₹ 500,000 (Rupees Five Lakhs Only), in such proportion/manner as may be determined by the Board of Directors in

**EXPLANATORY STATEMENT (Contd.)**

addition to the sitting fees and reimbursement of expenses ,if any, for attending the Meetings of the Board of Directors and any Committee thereof, and such payments shall be made in respect of the profits of the Company for the year ended 31<sup>st</sup> March, 2016.

Except for the Independent Directors of the Company, none of the Directors or Key Managerial Personnel or any of their relatives is in any way concerned or interested, financially or otherwise in this resolution.

**By Order of the Board of Directors**

**Sd/-**

**Kuldeep Sharma**  
**Vice President – Global Compliance and**  
**Company Secretary**

Registered Office:

Siroya Centre

Sahar Airport Road

Andheri (East)

Mumbai - 400 099

CIN: L99999MH1992PLC066213

Email: [companysecretary@jetairways.com](mailto:companysecretary@jetairways.com)

Phone. No. +91 22 6121 1000

Mumbai

11<sup>th</sup> November, 2016



## EXPLANATORY STATEMENT

Exhibit to the Notice:

Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 by Institute of Company Secretaries of India.

Name of the Director	Mr. James Rigney	Mr. Vikram Mehta	Ms. Rajshree Pathy	Mr. Ranjan Mathai
Directorships held in other companies (excluding private limited companies, foreign companies and Section 8 companies)	Nil	<ul style="list-style-type: none"> <li>Colgate Palmolive (India) Limited</li> <li>Mahindra and Mahindra Limited</li> <li>Larsen and Toubro Limited</li> <li>Vodafone India Limited</li> <li>Apollo Tyres Limited</li> <li>L&amp;T Hydrocarbons Limited</li> <li>HT Media Limited</li> </ul>	<ul style="list-style-type: none"> <li>Rajshree Sugar &amp; Chemicals Limited</li> <li>Trident Sugars Limited</li> <li>Raj Fabrics and Accessories CBE Limited</li> </ul>	HDFC Standard Life Insurance Company Limited
Membership / Chairmanship of other committees (includes only Audit Committee and Stakeholders' Relationship Committee.)	Nil	Audit Committee <ul style="list-style-type: none"> <li>Colgate Palmolive (India) Limited - Member</li> </ul>	Stakeholders' Relationship Committee <ul style="list-style-type: none"> <li>Rajshree Sugar &amp; Chemicals Limited - Member</li> </ul>	Nil
Expertise in specific functional area	Wide Experience in Finance	Wide Experience in Petroleum Industry	Distinguished Industrialist	Wide Experience in Foreign Affairs
Shareholding in the Company	Nil	Nil	Nil	Nil
Relationship with other Directors and Key Managerial Personnel	None	None	None	None
Date of Birth	29 <sup>th</sup> May, 1967	30 <sup>th</sup> October, 1952	15 <sup>th</sup> April, 1956	24 <sup>th</sup> May, 1952
Qualification	Master in Business Administration	Bachelor of Arts (Honours); Master of Arts (Economics); Master of Arts (Energy Economics)	Commerce Graduate; Owner President Management Program, Howard University; Strategic Alliances and Corporate Ethics, Fontainebleau, France	Master in Arts (Political Science)

## **EXPLANATORY STATEMENT (Contd.)**

### **Annexure – I**

**Disclosures Pursuant to sub clause (iv) of paragraph (B) of section II of Part II Schedule V of the Companies Act, 2013**

<b>General Information</b>	
Nature of industry	The Company is a scheduled airline with domestic and international operations. It also provides cargo services.
Date of commencement of commercial production	The Company commenced operations as an Air Taxi Operator on 5 <sup>th</sup> May, 1993.
Financial performance based on given indicators during the Financial Year ended 31 <sup>st</sup> March, 2016	Total Income: ₹ 2,191,096 lakhs Expenses - ₹ 2,081,624 lakhs Profit after Tax - ₹ 117,356 lakhs EPS - ₹ 103.31 P/E Ratio: 5.29 Total Assets - ₹ 1,916,139 lakhs Accumulated Losses - ₹ 679,507 lakhs
Export performance and net foreign exchange collaborations	The Company had foreign exchange earnings of ₹ 998,416 lakhs and expenditure including Inventory and Capital Goods in foreign currency of ₹ 1,085,306 lakhs for the year ended 31 <sup>st</sup> March, 2016.
Foreign investments or collaborations, if any:	1. 4,133 shares of THB 100 each of Aeronautical Radio of Thailand, a state enterprise under Ministry of Transport. 2. 71 shares of EURO 5 each and 145,276 Depository certificates in the SITA Group Foundation of USD 1.2 each
<b>Information about Mr. Gaurang Shetty, Whole Time Director of the Company</b>	
Background details	Mr. Gaurang Shetty, 60, is a Bachelor of Science and has over 39 years experience in the aviation industry.  He has had a distinguished career with the Company. He joined in 1996 as General Manager - Marketing and was promoted as Vice President - Marketing in 2004. Currently, he is the Whole Time Director of the Company.  Prior to joining the Company, he was with British Airways as its Marketing Manager - South Asia where he was responsible for customer service, cargo and passenger marketing.
Past remuneration	Remuneration paid by the Company For FY 2015-2016 - ₹ 128.28 lakhs For FY 2014-2015 - ₹ 116.68 lakhs For FY 2013-2014 - ₹ 60.43 lakhs
Recognition or rewards	NIL
Job profile and his suitability	At Jet Airways (India) Limited, he is responsible for providing strategic leadership, directing the implementation of strategic, business and operational goals of the Company. As a Member of the Board of Directors, he is also responsible for handling tasks and activities as assigned by the Chairman and the Board of Directors. With his in-depth knowledge and experience of over 39 years in the aviation industry, he is suitable for the position.
Remuneration proposed	As detailed in the Explanatory Statement under Item No. 8 of the accompanying Notice convening the Annual General Meeting.

**EXPLANATORY STATEMENT (Contd.)**

<b>General Information</b>	
Comparative remuneration profile with respect to industry, size of the company, profile of the company, profile of the position and person (in case of expatriates, the relevant details would be w.r.t. the country of origin)	The following factors were considered : the remuneration being paid by other airlines to their managerial personnel, the duties and responsibilities of the appointee, the remuneration being paid to other similarly placed employees in the Company and the fact that the Company is amongst the largest private airlines in India.
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Nil
<b>Other Information</b>	
Reasons of loss or inadequate profits	The Company has posted profits for the year ended 31 <sup>st</sup> March, 2016 after 8 successive years of losses. Although the industry is experiencing robust traffic growth, the Company's revenues and profits are under pressure due to increased capacity, dropping yields and higher operating cost
Steps taken or proposed to be taken for improvement	The Company continues to focus on areas to enhance its revenues, reduce cost and improve efficiencies which is reflected in the annual profits of the Company for the year ended 31 <sup>st</sup> March, 2016. Some of the steps taken by the Company include increased aircraft utilisation, renegotiation of major contracts, implementation of state of the art revenue management tool and various other such initiatives to maximise efficiencies in the business processes
Expected increase in productivity and profits in measurable terms	The Company reported its highest ever profit in the current fiscal. However, the net worth of the Company continues to be negative. The Company continues to focus on areas of cost control, network optimization, increased aircraft utilization and debt reduction

## Board's Report

### Dear Members,

Your Directors have pleasure in presenting their Twenty Fourth Annual Report together with the Audited Statement of Accounts for the Financial Year ended 31<sup>st</sup> March, 2016.

### 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 <sup>st</sup> March		Consolidated for year ended 31 <sup>st</sup> March	
	2016	2015	2016	2015
<b>GROSS REVENUE</b>	<b>2,191,096</b>	2,028,073	<b>2,290,606</b>	2,166,165
<b>Profit before Interest, Depreciation, Exceptional Items &amp; Tax</b>	<b>295,792</b>	59,135	<b>293,515</b>	33,765
Finance Costs	<b>86,811</b>	88,406	<b>88,498</b>	92,047
<b>Profit/(Loss) before Depreciation, Exceptional Items &amp; Tax</b>	<b>208,981</b>	(29,271)	<b>205,017</b>	(58,282)
Depreciation	<b>99,509</b>	76,250	<b>99,624</b>	76,531
<b>Profit/(Loss) before Exceptional Items &amp; Tax</b>	<b>109,472</b>	(105,521)	<b>105,393</b>	(134,813)
<b>Exceptional Items (Net)</b>	<b>7,884</b>	(75,850)	<b>14,802</b>	(75,322)
<b>Profit/(Loss) before Taxation &amp; Adjustments</b>	<b>117,356</b>	(181,371)	<b>120,195</b>	(210,135)
(Excess)/Provision for Tax	-	-	<b>1</b>	1
Share of Profit in Associate	-	-	<b>971</b>	395
<b>Profit/(Loss) after Taxation</b>	<b>117,356</b>	(181,371)	<b>121,165</b>	(209,741)
Loss brought forward	<b>(795,116)</b>	(610,884)	<b>(1,018,679)</b>	(805,703)
<b>Amount transferred to Debenture Redemption Reserve</b>	<b>(1,747)</b>	-	<b>(1,747)</b>	-
<b>Impact of Depreciation as per New Companies Act, 2013</b>	-	(2,861)	-	(3,235)
<b>Amount transferred to Balance Sheet</b>	<b>(679,507)</b>	(795,116)	<b>(899,261)</b>	(1,018,679)

Note: 1 lakh = 100,000

#### Operating highlights (Consolidated)

Operating parameters	Year ended 31 <sup>st</sup> March	
	2016	2015
Departures (Number)	<b>224,488</b>	202,708
Available Seat Kilometers (ASKMs) (Million)	<b>50,114</b>	44,796
Revenue Passenger Kilometers (RPKMs) (Million)	<b>41,299</b>	36,846
Passenger Load Factor (%)	<b>82.4</b>	82.3
Revenue Passengers (Number)	<b>25,838,090</b>	22,507,190
Fleet Size	<b>116</b>	116

### 2. Dividend

In order to conserve resources, the Board of Directors have not recommended any dividend on the Equity Shares for the Financial Year ended 31<sup>st</sup> March, 2016 (Previous year: Nil per Equity Share).

### 3. Review of Operations

The Company reported record consolidated Profit After Tax of ₹ 121,165 lakhs in Fiscal 2016, a significant improvement compared to loss of ₹ 209,741 lakhs in Fiscal 2015. Fiscal 2016 saw passenger growth of 14.8% and operating revenue growth of 6% each as compared to Fiscal 2015. The turnaround in the Company's financial performance was primarily due to:

## Board's Report (Contd.)

- a) Increase in revenue from ₹ 2,096,560 lakhs in Fiscal 2015 to ₹ 2,220,696 lakhs – an increase of 6%, due to higher utilization of aircraft leading to increase in capacity; despite decrease in average fares.
- b) Reduction in ATF prices due to weakness in global crude prices during Fiscal 2016.
- c) Significant steps taken to reduce non fuel costs has resulted in decrease in Cost per ASKM without fuel by 3%.

This has been a great and memorable year in the history of your Company. This year, your Company posted its highest ever annual profit. Steps taken to bring about operational turnaround has led to financial improvement, leading to record profits.

During this year, we moved our operations from the old terminal in Mumbai to the new international terminal (T2). The integration at Mumbai's T2 has given the Company's passengers a considerable advantage in terms of ease in transit with enhanced guest experience. We operate over 135 daily flights out of Mumbai to destinations in India and around the world and bringing the domestic and international operations to a single terminal has resulted in hassle-free transfers for passengers.

The partnership with Etihad and its Airline partners continues to grow in strength. This partnership has been pivotal to our entire strategy to 'Return to Profitability'. Between the two airlines, we have been able to provide a compelling option of wider combined network and exceptional guest experience for travelers to and from India. Moreover, there have been significant synergies through joint procurement of products and services (including fuel), contract negotiation with suppliers (including MROs) and ground handling services.

Further, we shifted operations from Brussels to our new European Gateway in Amsterdam in March 2016. We operate three daily non-stop flights to Amsterdam, one each from our India hubs in Mumbai and Delhi and one daily flight beyond Amsterdam to Toronto in Canada. Our Code share with KLM Royal Dutch Airlines and Delta Air Lines provides seamless connectivity to our guests to 30 destinations across Europe and 11 destinations across United States and Canada via Amsterdam as on 31<sup>st</sup> March, 2016. Correspondingly, KLM and Delta guests in the US and Europe gain access to the entire Company's network across 48 destinations in India, SAARC and the ASEAN region.

The focus of our business is to provide our guests with a premiere, full service flying experience encompassing superior airport experience, wider network connectivity, meals and other signature Indian hospitalities at affordable fares. In line with our "guest first" philosophy, your Company introduced many new features for the benefit of our guests. Some of the steps taken in this direction include launch of "Best Price" Promise, "Fare Lock", Mobile boarding pass, IFE streaming, mobile POS collection of excess baggage charges in Mumbai and Delhi.

The domestic traffic in India increased substantially for the second year in a row. In Fiscal 2016, domestic traffic in India grew by 21%, as compared to 15% in the previous year. The Company (along with its wholly owned subsidiary Jet Lite (India) Limited), carried 258.38 lakhs revenue passengers on its international and domestic services during the year under review, an increase of 14.8% over Fiscal 2015.

The Company's domestic passenger traffic for the year under review grew by 18.9% as compared to a growth of 5.4% last year while international passenger traffic registered an increase of 5.7%. The Company ended the Financial Year with a system-wide seat factor of 82.4%. Seat factor for domestic operations was 80.4% and 83.7% on the international routes.

In line with the past trends and positive outlook of the Indian economy, we expect air passenger traffic to continue to have a robust growth in short to medium term. Lower fuel prices, coupled with intense capacity addition in the Indian market is likely to squeeze yields. In such an environment, our focus will be to better manage our inventory and strive to bring in efficiencies, thereby controlling costs throughout the business.

### Fleet

As on 31<sup>st</sup> March, 2016, the Company had a fleet of 108 aircraft, comprising 10 Boeing 777-300 ER aircraft, 8 Airbus A330-200 aircraft, 4 Airbus A330-300 aircraft, 68 Next Generation Boeing 737-700/800/900/900ER aircraft, 15 ATR 72-500 Turboprop aircraft and 3 ATR 72-600 aircraft. The average fleet age as on 31<sup>st</sup> March, 2016 was 6.64 years.

Of the 10 B777-300ER aircraft, 6 aircraft were dry-leased to Etihad Airways. Additionally, 1 A330-200 aircraft was dry-leased to Etihad Airways and 3 A330-200 aircraft were dry leased to Turkish Airways as on 31<sup>st</sup> March, 2016.

## Board's Report (Contd.)

The Company had 48 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 Regulation 34 of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 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 (India) Limited ('Jet Lite') is a wholly owned subsidiary which was acquired by the Company on 20<sup>th</sup> April, 2007.

Jet Lite is a non-material, non-listed subsidiary company.

For the Financial Year ended 31<sup>st</sup> March, 2016, Jet Lite posted a total income of ₹ 113,655 lakhs (2014-15: ₹ 143,320 lakhs) and a Net Loss of ₹ (2,072) lakhs (2014-15: ₹ (28,765) lakhs). In view of the loss, the Board of Directors of Jet Lite has not recommended a dividend on the Equity Shares for the year ended 31<sup>st</sup> March, 2016 (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 31<sup>st</sup> March, 2016 are as follows:

Traffic parameters	Year ended 31 <sup>st</sup> March	
	2016	2015
Departures (Number)	21,672	26,302
Available Seat Kilometers (ASKMs) (Million)	2,680	3,027
Revenue Passenger Kilometers (RPKMs) (Million)	2,125	2,423
Passenger Load Factor (%)	79.3%	80.1%
Revenue Passengers (Numbers)	2,441,637	3,031,710

As on 31<sup>st</sup> March, 2016, Jet Lite had an all-Boeing fleet of 8 aircraft, comprising 3 Boeing 737-700 and 5 Boeing 737-800 aircraft.

#### Jet Airways Training Academy Private Limited (JATAPL)

In view of the fact that JATAPL has not commenced operations since its incorporation in 2012, an application was made to the Registrar of Companies, Mumbai to strike off its name under the Fast Track Exit Scheme, 2011. The outcome of the same is awaited as of 31<sup>st</sup> March, 2016. In view of the same, the Financial Statements were drawn upto 15<sup>th</sup> January, 2016 JATAPL posted a total income of ₹ 3.39 lakhs (2014-15 : NIL) and Net Profit of ₹ 2 lakhs (2014-15 : ₹ (1) lakhs).

JATAPL continues to be a subsidiary of the Company for the Financial Year ended 31<sup>st</sup> March, 2016.

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 24<sup>th</sup> Annual General Meeting to be held on 27<sup>th</sup> December, 2016.

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 Accounts and Cash Flow Statement, 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.

Further, as required under Section 129(3) of the Company's Act 2013, read with Company's (Accounts) Rules 2014, a statement containing salient features of the Financial Statements of the Subsidiaries in prescribed Form AOC-1 is attached as "Annexure A".



## Board's Report (Contd.)

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

Particulars, as prescribed by Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 (3) of the Companies (Account) Rules, 2014, 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 persistently strives to optimize operations related measures on the ground and in the air, and to make the flight processes more efficient in order to reduce fuel consumption and thus CO<sub>2</sub> emissions. The five pillars of the Group's green aviation strategy are:

- (i) State of Assets,
  - (ii) Policies and preparation for flights,
  - (iii) Crew Training,
  - (iv) Post Flight Analysis, and
  - (v) Technology Infusion
- State and configuration of aircrafts, which includes the airframe and the engines, impacts fuel consumption. Engine washing is done regularly to maintain engine efficiency and the airframe is maintained immaculately to minimize the aerodynamic drag.
  - Regular audit of operating and flight preparation policies is undertaken to optimize fuel consumption. Specific initiatives pertain to operating weight reduction and optimum fueling for the mission – without compromising the safety of operations and operating policies encompassing all the phases of flight operation, viz., dispatch, pre-flight, taxi out, departure, climb, cruise, descent, hold, approach, landing, and taxi in. The Company utilizes latest flight techniques and systems that reduce fuel use. One kilogram weight reduction on a Boeing 737 aircraft of the Company reduces annual CO<sub>2</sub> emissions by 15000 kilograms.
  - Sensitization of Crew through regular training and feedback on fuel optimization potential is undertaken. Opportunities to reduce fuel consumption are brainstormed.
  - Post flight analysis verifies the impact of various policies and initiatives undertaken to reduce fuel consumption and serves as dynamic feedback in the fuel optimization endeavor.
  - Technology infusion is done in areas which are found to have high potential for reduction in fuel consumption. Such areas cover all the facets of operations, for example, flight planning, winglets, airframe and engine performance improvement packages.

The Company has implemented its action plan, the focus of which is renewal of its fleet. The Fleet modernization programme ensures that the Company's aircrafts are as technologically advanced and as fuel efficient as feasible.

#### Technology absorption

##### Training of Pilots

Simulator training for B737 and B777 was conducted at the Training Centre at Bangalore under supervision of the Company's own instructors. The A330 Simulator is being reinstalled and will be fully operational by January 2017. A third B737 Simulator will be made available by CAE around April 2017. The surplus capacities of Simulators were also used by other Airlines.

##### Technology and e-Commerce initiatives

The past year saw a major milestone on the e-commerce front with the introduction of various initiatives aimed to further enhance guests' overall travel experience.

The Company launched its all-new responsive website designed to provide a seamless experience across desktops, tablets and smartphones. The website is also W3C Level AA compliant which provides easy access for our differently abled guests with visual and hearing disability.

In addition, the Company also launched its all new mobile application for iOS, Android and Windows 10 platforms. The Company is also proud to be the first airline in India to explore wearable technology with the launch of its app for Apple Watch that enables real-time flight status and alerts guests on their upcoming trips.

To further leverage the power of Social Media platforms, the Company has enhanced its #JetInstant initiative with

## Board's Report (Contd.)

the introduction of Tweet Check-in. This first of its kind Twitter based integration allows guests to check-in for their flights with just a tweet.

The Company also commenced the use of Mobile Boarding Pass for check-in and boarding of guests for all flights at Hyderabad airport. This initiative enables guests to use the barcoded boarding pass on their mobile phones that enables airport entry, security clearance and boarding using their mobile barcoded boarding pass.

### 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)

Continuous improvement is the main focus throughout the Company and is integral to its EHS program. Good performance in the field of environment, health and safety is a prerequisite for effective, profitable operation.

### Employee Safety:

Safety Management System (SMS) has been implemented in the organization last year after a thorough training to all employees. Training on EHS is a continuous program and is a part of induction training.

An enhanced hazard identification process is a main driver for the improved safety. There was no major / fatal accident during the Financial Year 2015-16.

### Employee wellness:

To improve employee health and wellness and long-term employee health all engineering staff undergo a medical check-up, carried out by a group of expert doctors registered under Factories Act 1948.

### Chemical Safety:

Utmost care has been taken to prevent any hazard from chemicals. Material Safety Data Sheet (MSDS) is strictly followed at all places where chemicals are used. Hazardous waste chemicals are recycled through Pollution Control Board Vendors. Air samples are tested in laboratories to check the impurity levels as assigned by the Pollution Control Board.

### Safety Programs:

The Company celebrated safety week on National Safety Council Foundation Day. Various programs were organized during the safety week such as Safety Oath, Safety Quiz, Safety Drawings, Safety Essays etc. The winners in the competition were also awarded.

Conducting mock drills for increased safety awareness and preparedness for any eventuality was also a part of the safety program.

## 9. Fixed Deposits

The Company has not accepted any Fixed Deposits from the public during the Financial Year ended 31<sup>st</sup> March, 2016.

## 10. Issue of Non-Convertible Debentures

As approved by the Members at the Extra Ordinary General Meeting held on 16<sup>th</sup> May, 2015 the Company issued 6,989 Unsecured, Taxable, Redeemable, Listed and Rated Non-Convertible Debentures of a face value of ₹ 1,000,000/- (Rupees Ten Lakh Only) ('NCDs') each aggregating to ₹ 6,989,000,000/- (Six Hundred Ninety Eight Crore Ninety Lakhs Only) on a Private Placement basis to EA Partners I.B.V a Foreign Portfolio Investor which were listed on the BSE Limited. The proceeds of the NCD Issue were used for general corporate purposes, including working capital and capital expenditure requirements. The NCDs are rated BBB- by ICRA. No interest remains unpaid in respect of the NCDs as at 31<sup>st</sup> March, 2016.

## 11. Corporate Governance

We adhere to the principles of Corporate Governance mandated by the Securities and Exchange Board of India and have complied with all the mandatory requirements. The non-mandatory requirements have been complied with to the extent practical and applicable.

A separate section on Corporate Governance and a certificate from the Auditors confirming compliance with the Corporate Governance requirements forms part of this Annual Report.

The Acting Chief Executive Officer's declaration regarding compliance with the Code of Business Conduct and Ethics forms part of the Report on Corporate Governance.

## Board's Report (Contd.)

### 12. Corporate Social Responsibility

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. I. M. Kadri, Mr. Javed Akhtar and Mr. Gaurang Shetty as its Members.

Since the average net profits of the Company during the last three Financial Years is negative, the Company is not mandatorily required to contribute towards Corporate Social Responsibility activities. However, the Company has been running an in-flight collection programme called 'Magic Box' in association with the Non-Governmental Organisation, 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 8<sup>th</sup> 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 14<sup>th</sup> November each year, the Company organises "Flights of Fantasy" for 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.

### 13. 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 31<sup>st</sup> March, 2016, was 14,905 (as on 31<sup>st</sup> March, 2015: 13,527).

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company between 10 A.M. and 12 noon on any working day of the Company up to the date of the ensuing Annual General Meeting.

### 14. Directors' Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- that in the preparation of the annual financial statements for the year ended 31<sup>st</sup> March, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policies have been selected and applied consistently and judgement 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 31<sup>st</sup> March, 2016 and of the profit of the Company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual financial statements have been prepared on a going concern basis;
- that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- that Company has devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were in place and were adequate and operating effectively.

### 15. Number of Meetings of Board

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.

Five Board Meetings were held during the Financial Year 2015-16. The gap between any two Board Meetings did not exceed four months. The Board Meetings were held on the following dates:

29 <sup>th</sup> May, 2015	14 <sup>th</sup> August, 2015	2 <sup>nd</sup> September, 2015
28 <sup>th</sup> October, 2015	6 <sup>th</sup> February, 2016	

## Board's Report (Contd.)

The details of the attendance of Directors at the Board Meetings held during the Financial Year 2015-16 are provided in the Corporate Governance Report which forms part of this Report.

### 16. Independent Directors

Our definition of 'Independence' of Directors is derived from Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchanges and Section 149(6) of the Companies Act, 2013. Based on the confirmation / disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non-Executive Directors are Independent in terms of Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as at 31<sup>st</sup> March, 2016:-

- Mr. Aman Mehta
- Mr. Dinesh Kumar Mittal
- Mr. Javed Akhtar
- Mr. I. M. Kadri
- Mr. Srinivasan Vishvanathan

Mr. Aman Mehta and Mr. I. M. Kadri complete their second term as Independent Directors of the Company at the 24<sup>th</sup> Annual General Meeting and accordingly will cease to be Directors from the conclusion of the 24<sup>th</sup> Annual General Meeting. The Board wishes to place on record its appreciation for the services rendered by Mr. Mehta and Mr. Kadri during their tenure as Directors on the Board of the Company.

### Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has undertaken an evaluation of its own performance, the performance of its Committees and of all the individual Directors based on various parameters relating to roles, responsibilities and obligations of the Board, effectiveness of its functioning, contribution of Directors at meetings and the functioning of its Committees.

### Remuneration Policy

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. Details of the Remuneration Policy are provided in the Corporate Governance Report.

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

The Company has provided following loans and guarantees and made following investments pursuant to Section 186 of the Companies Act, 2013:

Name of the Entity	Relation	Amount (₹ in lakhs)	Particulars of loans, guarantees and investments	Purpose for which the loan, guarantee and investment are proposed to be utilized
Jet Lite (India) Limited	Wholly Owned Subsidiary company	3,998	Guarantee	Provided to Banks/Financial Institutions and Lessors/ Service Providers.

Loans given and investment made are given under notes 14, 15, 21 and 44 to standalone financials statements.

### 18. Auditors

The Joint Statutory Auditors, M/s. BSR & Co. LLP, Chartered Accountants, and Chaturvedi & Shah, Chartered Accountants, who were appointed by the Members at the 23<sup>rd</sup> Annual General Meeting held on 14<sup>th</sup> August, 2015, have confirmed their eligibility and willingness to accept office, if their appointment is ratified by the Members as required under Section 139 of the Companies Act, 2013.

There is no Audit qualification for the year under review.

The ratification of the appointment of M/s. Chaturvedi & Shah and M/s. BSR & Co. LLP as the Joint Statutory Auditors for the Financial Year 2016-17, forms part of the Notice of the 24<sup>th</sup> Annual General Meeting and the Resolution is recommended for your approval.

## Board's Report (Contd.)

### 19. Vigil Mechanism / Whistle Blower Policy

The Company has a Vigil Mechanism and Whistle Blower Policy in place to deal with instance of fraud and mismanagement, if any. The details of the Policy are explained in the Corporate Governance Report and also posted on the website of the Company.

### 20. Related Party Transactions

All related party transactions that were entered into during the Financial Year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act, as prescribed in Form AOC-2 of the rules prescribed under Chapter IX relating to Accounts of Companies under the Companies Act, 2013, is appended as "Annexure B".

### 21. Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Mr. Vijay Sonone, Practising Company Secretary (COP No. 7991) to undertake the Secretarial Audit of the Company. The Report of the Secretarial Auditor is annexed herewith as "Annexure C".

There is no secretarial audit qualification for the year under review.

### 22. Extract of Annual Return

The details forming part of the extract of the Annual Return in Form MGT 9 is annexed herewith as "Annexure D".

### 23. Transfer to Reserves

During the Financial Year the Company has transferred an amount of ₹ 1,747 Lakhs to Debenture Redemption Reserve.

### 24. Material changes and commitments affecting the financial position of the Company

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of the report.

The Board of Directors of the Company at its Meeting held on 2<sup>nd</sup> September, 2015 approved the scheme of Merger of Jet Lite (India) Limited, the wholly owned subsidiary of the Company with the Company (the 'Scheme') as per the provisions of Section 391 to 394 of the Companies Act, 1956, subject to receipt of requisite approvals. The Appointed Date as per the terms of the Scheme is 1<sup>st</sup> April, 2015. The Scheme was approved by the Members of the Company on 22<sup>nd</sup> April, 2016. In view of the aforementioned 'Scheme of Merger', the Company had applied for an extension in holding its Annual General Meeting to the Registrar of Companies, Mumbai on 24<sup>th</sup> June, 2016 which was approved and extension of three months was provided to the Company hold its Annual General Meeting on or before 30<sup>th</sup> December, 2016.

### 25. Risk management policy and internal adequacy

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

### 26. Policy on Prevention of Sexual Harassment at Workplace

The Company has in place an Prevention of Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the workplace (Prevention, Prohibition & Redressal) Act, 2013. A committee has been

**Board's Report (Contd.)**

set up to redress complaints received regarding sexual harassment. All Permanent employees are covered under this policy.

**27. The change in the nature of business, if any, pursuant to Section 134 of the Companies Act, 2013, read with Rule 8(5) of the Companies (Accounts) Rules, 2014**

- The details of directors or key managerial personnel who were appointed or have resigned during the year;

Sr. No.	Name	Designation	Date of Appointment/Cessation
1.	Mrs. Anita Goyal	Director	8 <sup>th</sup> April, 2015 (Appointed)
2.	Mr. Diwakar Gupta	Independent Director	16 <sup>th</sup> May, 2015 (Appointed)
3.	Mr. Diwakar Gupta	Independent Director	4 <sup>th</sup> August, 2015 (Resigned)
4.	Mr. Arun Kanakal	Company Secretary	25 <sup>th</sup> September, 2015 (Resigned)
5.	Mr. Kuldeep Sharma	Company Secretary	28 <sup>th</sup> October, 2015 (Appointed)
6.	Mr. Amit Agarwal	Chief Financial Officer	22 <sup>th</sup> December, 2015 (Appointed)
7.	Mr. Ravichandran Narayan	Acting Chief Financial Officer	22 <sup>th</sup> December, 2015 (Re-designated)
8.	Mr. Srinivasan Visvanathan	Independent Director	29 <sup>th</sup> December, 2015 (Appointed)
9.	Mr. Cramer Ball	Chief Executive Officer	29 <sup>th</sup> February, 2016 (Resigned)

- the names of companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year; None

**28. Significant and material orders passed by the Regulators or courts**

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

**29. The details in respect of adequacy of internal financial controls with reference to the Financial Statements.**

Your Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations.

**30. Statutory Information**

The Disclosure required under Section 197(12) of the Companies Act, 2013 read with the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is as follows:

Sr. No.	Requirements	Disclosure
i	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year	1:38
ii	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year	No increase has been undertaken for Chief Financial Officer, Chief Executive Officer, and Company Secretary. Percentage increase in remuneration of Whole Time Director: 25.7%. (Gross Remuneration)
iii	The percentage increase in the median remuneration of employees in the Financial Year	Median increase over the last Financial Year: 2.98%
iv	The number of permanent employees on the rolls of Company	14,905 as on 31 <sup>st</sup> March, 2016
v	The explanation on the relationship between average increase in remuneration and Company performance	1. Arrears payments have been made to employees of the different categories as per the pre-defined agreement 2. Cost of Living and /inflatons. 3. Industry Median Mark. 4. Retention of superior performers based on performance appraisal
vi	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	We don't have a variable pay plan linking to the Company's performance with Incentive earnings.



**Board's Report (Contd.)**

Sr. No.	Requirements	Disclosure
vii	Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current Financial Year and previous Financial Year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current Financial Year and previous Financial Year;	The Market Capitalisation as of 31 <sup>st</sup> March, 2016 ₹ 62,137,768,501 as compared to ₹ 55,446,882,642 as of 31 <sup>st</sup> March, 2015. The EPS as of 31 <sup>st</sup> March, 2016 is ₹ 103.31 as compared to the EPS as of 31 <sup>st</sup> March, 2015 of ₹ (159.66) The Closing Price as of 31 <sup>st</sup> March, 2016 was ₹ 547.00 as compared to Closing Price of ₹ 488.10 as of 31 <sup>st</sup> March, 2015.
viii	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Employees 16% Managerial Personnel 25.7% The above increase was given considering the remuneration being paid by other airlines to their managerial personnel, the duties and responsibilities of the appointee, the remuneration being paid to other similarly placed employees in the Company and the fact that the Company is amongst the largest private airlines in India. The remuneration was also approved by the shareholders at the Annual General Meeting held on 14 <sup>th</sup> August, 2015.
ix	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company;	The Company doesn't have any variable payment structure.
x	The key parameters for any variable component of remuneration availed by the directors	Not Applicable. We don't have a variable pay plan
xi	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	1:18
xii	Affirmation that the remuneration is as per the remuneration policy of the company	Yes we confirm

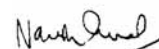
**31. Acknowledgements**

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  
11<sup>th</sup> November, 2016

## Board's Report (Contd.)

### Annexure A Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

#### Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

##### Part "A": Subsidiaries

(₹ in lakhs)

Sr. No	Name of Subsidiary Company	Wholly Owned Subsidiaries	
		Jet Lite (India) Limited	Jet Airways Training Academy Private Limited (Refer note 3 below)
		31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2016
1.	Date since when Subsidiary was acquired	20 <sup>th</sup> April, 2007	14 <sup>th</sup> December, 2012
2.	Paid up Share Capital	79,612	1
3.	Reserves	(325,112)	(1)
4.	Total Asset	27,969	Nil
5.	Total Liabilities	27,969	Nil
6.	Investment included in Total Assets	110	Nil
7.	Turnover	112,718	Nil
8.	Profit / (Loss) before Tax	(2,072)	3
9.	Provision for tax (* ₹ 51,500)	-	*
10.	Profit / (Loss) after tax	(2,072)	2
11.	Proposed Dividend	Nil	NIL
12.	% of shareholding	100%	100%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: NA
- Names of subsidiaries which have been liquidated or sold during the year: NA
- In view of the fact that Jet Airways Training Academy Private Limited has not commenced operations since its incorporation in 2012, an application was made to the Registrar of Companies, Mumbai to strike off its name under the Fast Track Exit Scheme, 2011. The outcome of the same is awaited as of 31<sup>st</sup> March, 2016.

On behalf of the Board of Directors

  
**Naresh Goyal**  
Chairman

Mumbai  
11<sup>th</sup> November, 2016

**Board's Report (Contd.)****Part "B": Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates / Joint Ventures	Jet Privilege Private limited
<b>1. Latest audited Balance Sheet Date</b>	31 <sup>st</sup> March, 2016
<b>2. Date since when Associate / Joint Ventures was acquired</b>	24 <sup>th</sup> March, 2014
<b>3. Shares of Associate / Joint Ventures held by the company on the year end</b>	Equity share
No.	54,772
Amount of Investment in Associates / Joint Venture	69,522 lakhs
Extend of Holding %	49.90%
<b>4. Description of how there is significant influence</b>	Shareholding
<b>5. Reason why the associate / joint venture is not consolidated</b>	Consolidated by Equity method of accounting
<b>6. Networth attributable to Shareholding as per latest audited Balance Sheet</b>	80,108 lakhs
<b>7. Profit / Loss for the year</b>	
i. Considered in Consolidation	971
ii. Not Considered in Consolidation	974

- Names of associates or joint ventures which are yet to commence operations: NA
- Names of associates or joint ventures which have been liquidated or sold during the year: NA

**Note :** This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

On behalf of the Board of Directors

  
**Naresh Goyal**  
 Chairman

 Mumbai  
 11<sup>th</sup> November, 2016

**Board's Report (Contd.)****Annexure B  
Form No. AOC-2**

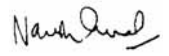
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2)  
of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis
  - (a) Name(s) of the related party and nature of relationship: NA
  - (b) Nature of contracts/arrangements/transactions: NA
  - (c) Duration of the contracts / arrangements/transactions: NA
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
  - (e) Justification for entering into such contracts or arrangements or transactions:
  - (f) date(s) of approval by the Board: NA
  - (g) Amount paid as advances, if any: NA
  - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: NA
2. Details of material contracts or arrangement or transactions at arm's length basis
  - (a) Name(s) of the related party and nature of relationship: NA
  - (b) Nature of contracts/arrangements/transactions: NA
  - (c) Duration of the contracts / arrangements/transactions: NA
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
  - (e) Date(s) of approval by the Board, if any: NA
  - (f) Amount paid as advances, if any: NA

Form shall be signed by the persons who have signed the Board's report.

On behalf of the Board of Directors

  
**Naresh Goyal**  
Chairman

Mumbai  
11<sup>th</sup> November, 2016

**Board's Report (Contd.)****Annexure C  
SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To  
The Members  
Jet Airways (India) Limited  
Siroya Centre  
Sahar Airport Road  
Andheri (East)  
Mumbai - 400099

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31<sup>st</sup> March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31<sup>st</sup> March, 2016 according to the applicable provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable:-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14<sup>th</sup> May, 2015) and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from 15<sup>th</sup> May, 2015) ;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable during the Audit Period as the Company has not made any issue prescribed under Rule 3 of the said Regulations);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable during the Audit Period as the Company does not have any Employee Stock Option Scheme and Employee Stock Purchase Scheme);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealings with client;

**Board's Report (Contd.)**

- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable during the Audit Period as the Company has not delisted /nor proposed to delist its Equity Shares from any stock exchange); and
- (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable during the Audit Period as the Company has not bought back / nor proposed to buyback its Equity Shares);
- (vi) Other laws applicable specifically to the Company:
  - (a) Aircraft Act, 1934 and the Rules made thereunder;
  - (b) Carriage by Air Act 1972 and the Rules made thereunder;
  - (c) The Aircraft (Carriage of Dangerous Goods) Rules, 2003 and the Rules made thereunder;
  - (d) Civil Aviation Requirements issued by Directorate General of Civil Aviation.
  - (e) Acts prescribed under Environmental Protection.

I further report that, based on the information provided and the representation made by the Company and also on the review of the Corporate Compliance Certificates of the Chief Executive Officer taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable general laws including labour laws.

I further report that, the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective 1<sup>st</sup> July, 2015).
- (ii) Equity Listing Agreement and Debt Listing Agreement entered with National Stock Exchange of India Limited and BSE Limited and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (effective from 1<sup>st</sup> December, 2015);

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions of the Board are carried through unanimously. As per the records provided by the Company, none of the member of the Board dissented on any resolution passed at the meetings of the Board and any of its committee.

I further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Whole Time Director/ Chief Executive Officer/ Company Secretary and taken on record by the Board of Directors at their meeting(s), the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

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

I further report that during the audit period there were specific events / actions having a major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, etc.:

**Board's Report (Contd.)**

- (i) Issuance of 20.64% 6989 Rated, Listed, Taxable, Unsecured, Redeemable, Non-Convertible Debentures of ₹ 10,00,000/- each to EA Partners I.B.V. Netherlands.
- (ii) The Company has initiated the process of merger of its wholly-owned subsidiary i.e. Jet Lite (India) Limited with the Company and the same is pending for regulatory and statutory approvals.

Vijay B. Sonone  
Practicing Company Secretary  
(ICSI Unique Code S2008MH106100)

Mumbai  
26<sup>th</sup> May, 2016

Membership No.: FCS 7301  
Certificate of Practice No :7991

Note: This Report is to be read with our letter of even date which is annexed as **Appendix A** and forms an integral part of this report.

**'APPENDIX A'**

To  
The Members  
Jet Airways (India) Limited  
Siroya Centre  
Sahar Airport Road  
Andheri (East)  
Mumbai - 400099

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

**Management's Responsibility**

- 1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility**

- 2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
- 3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
- 4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.
- 5. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 6. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test check basis.

**Disclaimer**

- 7. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Vijay B. Sonone  
Practicing Company Secretary  
(ICSI Unique Code S2008MH106100)

Mumbai  
26<sup>th</sup> May, 2016

Membership No.: FCS 7301  
Certificate of Practice No :7991



## Board's Report (Contd.)

### Annexure D FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN

**as on the Financial Year ended on 31<sup>st</sup> March, 2016**

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L99999MH1992PLC066213
ii)	Registration Date	1 <sup>st</sup> April, 1992
iii)	Name of the Company	Jet Airways (India) Limited
iv)	Category / Sub-Category of the Company	Public Company / Limited by Shares
v)	Address of the Registered office and contact details	Siroya Centre, Sahar Airport Road, Andheri East, Mumbai - 400 099
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 Tel +91 40 6716 1500 Fax : +91 40 2342 0814

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Transportation of passengers by air	51101	89%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Shares held	Applicable Section
1	Jet Lite (India) Limited	Siroya Centre, Sahar Airport Road Andheri East, Mumbai - 400 099	U62100MH1991PLC177728	Subsidiary	100%	2(87)(ii)
2	Jet Airways Training Academy Private Limited	Kaledonia, Andheri Sahar Road Andheri East, Mumbai - 400 069	U74120MH2012PTC238808	Subsidiary	100%	2(87)(ii)
3	Jet Privilege Private Limited	Siroya Centre, Sahar Airport Road, Andheri East, Mumbai - 400 099	U74120MH2012PTC233351	Associate	49.90%	2(6)

**Board's Report (Contd.)****IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)****i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1 <sup>st</sup> April, 2015]				No. of Shares held at the end of the year [As on 31 <sup>st</sup> March, 2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	1,000	Nil	1,000	0.00	1,000	Nil	1,000	0.00	Nil
b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-total (A) (1)</b>	<b>1000</b>	<b>Nil</b>	<b>1000</b>	<b>0.00</b>	<b>1000</b>	<b>Nil</b>	<b>1000</b>	<b>0.00</b>	<b>Nil</b>
<b>(2) Foreign</b>									
a) NRIs – Individuals	57,933,665	Nil	57,933,665	51.00	57,933,665	Nil	57,933,665	51.00	Nil
b) other – Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-total (A) (2)</b>	<b>57,933,665</b>	<b>Nil</b>	<b>57,933,665</b>	<b>51.00</b>	<b>57,933,665</b>	<b>Nil</b>	<b>57,933,665</b>	<b>51.00</b>	<b>Nil</b>
<b>Total shareholding of Promoter (A) = (A) (1) + (A) (2)</b>	<b>57,934,665</b>	<b>Nil</b>	<b>57,934,665</b>	<b>51.00</b>	<b>57,934,665</b>	<b>Nil</b>	<b>57,934,665</b>	<b>51.00</b>	<b>Nil</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	10,015,561	Nil	10,015,561	8.82	8,825,980	Nil	8,825,980	7.77	1.05
b) Banks / FI	198,782	Nil	198,782	0.17	90,926	Nil	90,926	0.08	0.09
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	2,430,864	Nil	2,430,864	2.14	2,430,864	Nil	2,430,864	2.14	Nil
g) FIs / FPIs	6,915,288	Nil	6,915,288	6.09	5,234,105	Nil	5,234,105	4.61	1.48
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-total (B)(1):-</b>	<b>19,560,495</b>	<b>Nil</b>	<b>19,560,495</b>	<b>17.22</b>	<b>16,581,875</b>	<b>Nil</b>	<b>16,581,875</b>	<b>14.60</b>	<b>2.62</b>
<b>2. Non- Institutions</b>									
a) Bodies Corp.	1,766,226	Nil	1,766,226	1.55	2,941,137	Nil	2,941,137	2.59	1.04
i) Indian	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	5,376,336	431	5,376,767	4.73	5,933,472	325	5,933,797	5.22	0.49
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1,088,786	Nil	1,088,786	0.96	2,281,426	Nil	2,281,426	2.01	1.05

## Board's Report (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1 <sup>st</sup> April, 2015]				No. of Shares held at the end of the year [As on 31 <sup>st</sup> March, 2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify)									
Clearing Members	288,960	Nil	288,960	0.25	289,645	Nil	289,645	0.25	Nil
Foreign Bodies	27,263,372	Nil	27,263,372	24.00	27,263,372	Nil	27,263,372	24.00	Nil
Non-Resident Indians	317,024	Nil	317,024	0.28	367,878	Nil	367,878	0.32	0.04
Trusts	1,088	Nil	1,088	0.00	3,588	Nil	3,588	0.00	Nil
<b>Sub-total (B)(2):-</b>	<b>36,101,792</b>	<b>431</b>	<b>36,102,223</b>	<b>31.78</b>	<b>39,080,518</b>	<b>325</b>	<b>39,080,843</b>	<b>34.40</b>	<b>2.62</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>55,662,287</b>	<b>431</b>	<b>55,662,718</b>	<b>49.00</b>	<b>55,662,393</b>	<b>325</b>	<b>55,662,718</b>	<b>49.00</b>	<b>Nil</b>
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Grand Total (A+B+C)</b>	<b>113,596,952</b>	<b>431</b>	<b>113,597,383</b>	<b>100.00</b>	<b>113,597,058</b>	<b>325</b>	<b>113,597,383</b>	<b>100.00</b>	<b>Nil</b>

### (ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Naresh Goyal	57,933,665	51.00	Nil	57,933,665	51.00	Nil	Nil
2	Anita Goyal	1,000	0.00	Nil	1,000	0.00	Nil	Nil

### (iii) Change in Promoters' Shareholding (please specify, if there is no change)

There has been no change in Promoters' Shareholding during the Financial Year.

### (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Etihad Airways PJSC	27,263,372	24.00	27,263,372	24.00
2.	Reliance Capital Trustee Co. Ltd. - a/c Reliance Tax Saver (ELSS) Fund.	3,205,440	2.82	2,250,000	1.98
3.	Parvest Equity India	2,575,000	2.27	2,835,973	2.50
4.	Life Insurance Corporation Of India	2,355,864	2.07	2,355,864	2.07
5.	Citigroup Global Markets Mauritius Private Limited	982,800	0.86	0	0.00
6.	Merrill Lynch Capital Markets Espana S.A. S.V.	835,000	0.74	1300	0.00
7.	Birla Sun Life Trustee Company Private Limited A/C - Birla Sun Life Tax Relief 96	791,867	0.70	1,005,419	0.89
8.	Reliance Capital Trustee Co. Ltd. A/c Reliance Focused Large Cap Fund	700,000	0.62	0	0.00
9.	Reliance Capital Trustee Co Ltd-A/C Reliance Mid & Small Cap Fund	694,607	0.61	0	0.00
10.	Birla Sun Life Trustee Company Private Limited A/C - Birla Sun Life Frontline Equity Fund	617,673	0.54	0	0.00

**Board's Report (Contd.)****(v) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1.</b>	<b>Mr. Naresh Goyal</b>				
	At the beginning of the year	57,933,665	51.00	57,933,665	51.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	57,933,665	51.00	57,933,665	51.00
<b>2.</b>	<b>Mr. Javed Akhtar</b>				
	At the beginning of the year	2,220	0.00	2,220	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	2,220	0.00	2,220	0.00
<b>3.</b>	<b>Mrs. Anita Goyal</b>				
	At the beginning of the year	1,000	0.00	1,000	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	1,000	0.00	1,000	0.00
<b>4.</b>	<b>Mr. Kuldeep Sharma</b>				
	At the beginning of the year	Nil	Nil	1	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	1	0.00
	At the end of the year	Nil	Nil	1	0.00

## Board's Report (Contd.)

### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in lakhs)				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the Financial Year</b>				
i) Principal Amount	399,925	790,342	Nil	1,190,267
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	177	1,613	Nil	1,790
<b>Total (i+ii+iii)</b>	<b>400,102</b>	<b>791,955</b>	<b>Nil</b>	<b>1,192,057</b>
<b>Change in Indebtedness during the Financial Year</b>				
- Addition	40,000	251,352	Nil	291,352
- Reduction	184,639	273,849.50	Nil	458,488
- Decrease in Interest accrued but not due	96	24	Nil	120
- Exchange difference	(17,855)	(40,176)	Nil	(58,031)
<b>Net Change</b>	<b>(126,783)</b>	<b>17,678</b>	<b>Nil</b>	<b>(109,105)</b>
<b>Indebtedness at the end of the Financial Year</b>				
i) Principal Amount	273,242	808,044	Nil	1,081,286
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	81	1,590	Nil	1,670
<b>Total (i+ii+iii)</b>	<b>273,323</b>	<b>809,633</b>	<b>Nil</b>	<b>1,082,956</b>

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Mr. Gaurang Shetty, Whole Time Director	Total Amount (in ₹)
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income - Tax Act, 1961	12,347,212	12,347,212
	(b) Value of perquisites u/s 17(2) Income - Tax Act, 1961	41,402	41,402
	(c) Profits in lieu of salary under section 17(3) Income - Tax Act, 1961		
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission	Nil	Nil
	- as % of profit	Nil	Nil
	- others, specify...	Nil	Nil
5.	Others, please specify	Nil	Nil
	<b>Total (A)</b>	<b>12,388,614</b>	<b>12,388,614</b>
	Ceiling as per the Act	As per Schedule V of the Companies Act, 2013	

## Board's Report (Contd.)

### B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount (In ₹)
		Mr. Javed Akhtar	Mr. Dinesh Mittal	Mr. I. M. Kadri	Mr. Aman Mehta	Mr. Srinivasan Vishvanathan	
	Fee for attending board committee meetings	700,000	1,100,000	1,000,000	1,300,000	100,000	4,200,000
	Commission	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	<b>Total (1)</b>	<b>700,000</b>	<b>1,100,000</b>	<b>1,000,000</b>	<b>1,300,000</b>	<b>100,000</b>	<b>4,200,000</b>
	Other Non-Executive Directors		Mr. Naresh Goyal	Mr. James Hogan	Mr. James Rigney	Mrs. Anita Goyal	
	Fee for attending board committee meetings		Nil	Nil	Nil	2,00,000	2,00,000
	Commission		Nil	Nil	Nil	Nil	Nil
	Others, please specify		Nil	Nil	Nil	Nil	Nil
	<b>Total (2)</b>		<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>200,000</b>	<b>200,000</b>
	<b>Total (B)=(1+2)</b>	<b>700,000</b>	<b>1,100,000</b>	<b>1,000,000</b>	<b>1,300,000</b>	<b>300,000</b>	<b>4,400,000</b>
	<b>Total Managerial Remuneration</b>	<b>4,400,000</b>					
	Overall Ceiling as per the Act	Sitting fees paid, is within the limit specified under the Companies Act, 2013.					

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel					Total (In ₹)
		CEO	Company Secretary	CFO			
		<sup>1</sup> Mr. Cramer Ball	<sup>2</sup> Mr. Arun Kanakal	<sup>3</sup> Mr. Kuldeep Sharma	<sup>4</sup> Mr. Ravichandran Narayan	<sup>5</sup> Mr. Amit Agarwal	
1.	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	63,770,265	4,254,750	7,998,000	12,187,321	11,819,898	100,030,234
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	7,757,219	Nil	Nil	Nil	Nil	7,757,219
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil	Nil	Nil
4.	Commission	Nil	Nil	Nil	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil	Nil	Nil	Nil
	- others, specify	Nil	Nil	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	<b>Total</b>	<b>71,527,484</b>	<b>4,254,750</b>	<b>7,998,000</b>	<b>12,187,321</b>	<b>11,819,898</b>	<b>107,787,453</b>

#### Notes

1. Resigned with effect from 29<sup>th</sup> February, 2016
2. Resigned with effect from 25<sup>th</sup> September, 2015
3. Appointed with effect from 28<sup>th</sup> October, 2015
4. Re-designated with effect from 22<sup>nd</sup> December, 2015
5. Appointed with effect from 22<sup>nd</sup> December, 2015

## Board's Report (Contd.)

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / COURT)	Appeal made if any
<b>A. Company</b>					
Penalty					
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty					
Punishment					
Compounding					
<b>C. Other officers in default</b>					
Penalty					
Punishment					
Compounding					

**Nil**



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

### 1. Industry Structure and Development

Robust air traffic growth in India continued with domestic passenger traffic growing by 21% in the current Fiscal, as compared to 15% in the previous Fiscal. Civil aviation in India is experiencing a new era of expansion and is on a high-growth trajectory.

Crude prices continued their reducing trend from Fiscal 2015 to Fiscal 2016. Subdued fuel prices have come as a welcome relief to airline customers in India who have benefited from lower fares due to lower fuel prices. This, coupled with economic growth has resulted in increased demand, helping the aviation industry in general.

The competitive and structural challenges in the Indian aviation market continue to exist. In addition, the induction of capacity and the enhanced competitive scenario is creating a constant pressure on yields.

Despite significant traffic growth in the last couple of years, the aviation market in India is still highly underserved. Improvement in penetration levels, coupled with rapid economic growth, higher disposable income and growing middle class population promise a huge growth potential in the Indian aviation sector.

### 2. Analysis of Operational Performance for Fiscal 2016 Compared to Fiscal 2015

#### Revenues

- 2.1 Total operating revenues of ₹ 2,116,733 lakhs in Fiscal 2016 compared to ₹ 1,957,343 lakhs in Fiscal 2015 shows an increase of 8% driven by increase in capacity mainly on account of improved utilization of aircraft.

#### Passenger Revenues

- 2.2 In Fiscal 2016 passenger revenues were at ₹ 1,805,096 lakhs as compared to ₹ 1,648,925 lakhs in Fiscal 2015. The growth of 9% can be mainly attributed to 20% increase in number of passengers carried in the current Fiscal which was partly offset by reduction in average fares.

#### Revenues from Cargo

- 2.3 Revenues from carriage of cargo decreased by 5% to ₹ 133,768 lakhs in Fiscal 2016 from ₹ 141,395 lakhs in Fiscal 2015. This was mainly on account of reduction in the cargo yield.

#### Ancillary Revenues

- 2.4 Ancillary Revenues increased by 6% to ₹ 177,869 lakhs in Fiscal 2016 from ₹ 167,023 lakhs in Fiscal 2015. This increase is in line with increase in operations.

#### Other Income

- 2.5 Other income increased by 5% to ₹ 74,363 lakhs in Fiscal 2016, from ₹ 70,730 lakhs in Fiscal 2015 primarily on account of increase in interest income.

#### Expenses

- 2.6 Our total expenses before exceptional items amounting to ₹ 2,081,624 lakhs in Fiscal 2016 decreased by 2% from ₹ 2,133,594 lakhs in Fiscal 2015. This is despite the fact that our capacity went up by 14% which effectively increases all direct operating costs.

#### Aircraft Fuel

- 2.7 Fuel costs decreased to ₹ 501,573 lakhs for Fiscal 2016 from ₹ 668,626 lakhs in Fiscal 2015. This decrease was mainly due to decrease in Aviation Turbine Fuel (ATF) rates during the year on account of decrease in crude oil prices.

#### Aircraft and Engine Lease Rentals

- 2.8 Aircraft and engine rentals increased by 8% to ₹ 212,479 lakhs in Fiscal 2016 from ₹ 195,892 lakhs in Fiscal 2015 mainly on account of devaluation of the Indian Rupee vis-à-vis the US Dollar and full year's impact of additions in the fleet during Fiscal 2015.

#### Employee Remuneration and Benefits

- 2.9 Expenses with regard to employee remuneration and benefits increased by 6.5% to ₹ 238,813 lakhs in Fiscal 2016 from ₹ 224,300 lakhs in Fiscal 2015 primarily due to increments given to employees during the year.

## Management's Discussion and Analysis (Contd.)

### Depreciation

- 2.10 Depreciation increased by 30.5% to ₹ 99,509 lakhs in Fiscal 2016 from ₹ 76,250 lakhs in Fiscal 2015. This was primarily attributable to implementation of component accounting as per the requirements of Schedule II of the Companies Act, 2013 amounting to ₹ 22,577 lakhs.

### Selling and Distribution Costs

- 2.11 Selling and distribution costs increased by 15% to ₹ 235,712 lakhs from ₹ 204,094 lakhs for Fiscal 2015. This was primarily on account of increase in number of passengers by 20%.

### Other Operating Expenses

- 2.12 Other Operating Expenses increased by 5% to ₹ 706,727 lakhs for Fiscal 2016 from ₹ 676,026 lakhs in Fiscal 2015

Increase in operations has resulted in higher number of Flights, Block Hours and Passengers. This has resulted in higher operating costs for landing and navigation charges, maintenance charges and Inflight & other passenger amenities cost.

However we have been able to marginally reduce general and administration cost despite increase in operations. Fiscal 2015 included provision for estimated penalties for delayed payment of tax deducted at source amounting to ₹ 17,500 lakhs.

### Finance Costs

- 2.13 Interest expenses decreased by 2% to ₹ 86,811 lakhs in Fiscal 2016 from ₹ 88,406 lakhs in Fiscal 2015. This is mainly due to repayment of loans during the year which has been partially offset by increase in Rate of exchange.

### Exceptional Items

- 2.14 Exceptional items were at ₹ 7,884 lakhs for Fiscal 2016 as compared to (₹ 75,850) lakhs in Fiscal 2015 as summarized below:

Exceptional items	Year Ended 31 <sup>st</sup> March	
	2016	2015
	(₹ lakhs)	(₹ lakhs)
Provision for diminution in value of Investment in Subsidiary	(4,911)	(117,239)
Surplus from slump sale of Jet Privilege Frequent Flyer programme	0	30,501
Contribution from lessor	12,795	10,888
<b>Total</b>	<b>7,884</b>	<b>(75,850)</b>

### Profit / (Loss) before and after Taxation

- 2.15 Profit before taxation improved by ₹ 298,727 lakhs to ₹ 117,356 lakhs in Fiscal 2016 compared to loss of ₹ 181,371 lakhs in Fiscal 2015. Provision for income taxes were not accrued due to carried forward losses and unabsorbed depreciation of the Company.

## 3. Initiatives

### 3.1 Technology and E-commerce initiatives

The Company introduced various initiatives on the e-commerce front in the past year which aimed to further enhance guests' overall travel experience. The Company launched new mobile application for iOS, Android and Windows 10 platforms. The Company is also proud to be the first airline in India to explore wearable technology with the launch of its app for Apple Watch that enables real-time flight status and alerts guests on their upcoming trips. The Company's all-new responsive website designed to provide a seamless experience across desktops, tablets and smartphones. The website is also W3C Level AA compliant to provide easy access for our differently abled guests with visual and hearing disability.

To leverage the power of Social Media platforms, the Company has enhanced its #JetInstant initiative with the introduction of Tweet Check-in. The use of Mobile Boarding Pass for check-in and boarding for all flights at Hyderabad airport has enabled guests to use the barcoded boarding pass on their mobile phones for airport entry, security clearance and boarding flights.

## Management's Discussion and Analysis (Contd.)

### 3.2 Ancillary revenue initiatives

The Company continues to innovate in the development and marketing of new ancillary products, offering a customized and personalised value proposition to our guests. We have introduced new products such as SeatSelect and have opened the opportunity for guests to purchase ancillaries on Jetairways.com and through travel agents. Our collection from ancillary revenues has grown as we move to an unbundled product to offer guests greater flexibility and choice. The emphasis on ancillary products and services will play a vital role to introduce new streams of revenue and improve overall profitability.

### 3.3 Jet Privilege initiatives

The JetPrivilege programme witnessed an extraordinary year in terms of membership growth as well as high member activation and redemption within the programme. To deepen the member engagement with the programme enhanced features and functionalities were introduced offering members a unique, interactive & personalized digital experience where members can easily and securely access their membership account, carry out transactions (i.e. redeem their JPMiles for Award flights) and collect information about JetPrivilege's 150+ programme partners.

'Enhanced Tier Recognition Programme', was introduced which enabled JetPrivilege members enjoy programme benefits like lounge access, excess baggage allowance, etc. and also to earn Tier Points and Tier Miles for their Jet Airways flights, which ultimately helped members in retaining or upgrading their membership tier quickly.

## 4. Outlook / Restructuring Measures

Our initiative to continuously increase the aircraft utilization has resulted in additional capacity equivalent of nine 737 aircraft without any addition to the fleet in Fiscal 2016. This has played a pivotal role in our strategy to optimize our route network and to better integrate domestic and international routes.

Re-affirming our commitment in continuing to provide a best-in-class full service travel experience, we announced the confirmation of our largest-ever fleet order for 75 Boeing 737 Max aircraft.

In Fiscal 2016, we also shifted our European gateway from Brussels to Amsterdam, resulting in significantly enhanced connectivity for our guests to 30 destinations in Europe and 11 in North America along with codeshare partners KLM and Delta.

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 achieving long term sustainable profitability. It is also noteworthy that an in-depth focus on cost reduction initiatives and leveraging our strategic partnership with Etihad has resulted in reigning the non-fuel cost per Available Seat Kilometres (ASK), which was lower in Fiscal 2016 as compared to Fiscal 2015. We continue to relentlessly identify more opportunities to reduce cost, enhance efficiencies and improve customer experience.

Our partnership with Etihad and its Airline partners continue to grow in strength. This partnership has been pivotal to our entire strategy to return to profitability. Between the two airlines, we have been able to provide a compelling option of wider combined network and exceptional guest experience for travelers to and from India. This Fiscal witnessed a significant growth of 86% in the codeshare traffic and 72% increase in revenues from strategic partner Etihad Airways and its partner airlines. Moreover, there have been significant Synergies through joint procurement of products and services (including fuel), contract negotiation with suppliers (including MROs) and ground handling services.

Our wide body aircraft currently on lease to Etihad Airways will return and be operationalized starting August 2016. Based on the market condition, our plan is to upgrade some of the existing A330 routes with the B777s coming back. This will subsequently result in additional capacity deployment in our core markets of India and Gulf.

## 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

## Management's Discussion and Analysis (Contd.)

- 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 four Non-executive Independent Directors; Mr. Aman Mehta (Chairman), Mr. I. M. Kadri, Mr. Dinesh Kumar Mittal and Mr. Srinivasan Vishvanathan. 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. Kuldeep Sharma, Vice President - Global Compliance and Company Secretary, is the Compliance Officer under the 'Jet Airways Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders.
- 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.

### 6. Opportunities, Risks, Concerns and Threats

The Indian aviation industry is on a high growth trajectory, with the air traffic in India growing by 15% and 21% in Fiscal 2015 and Fiscal 2016. Reduction in crude prices has been a welcome respite for customers as well as the airline industry. Crude prices have recently started to increase but still remain at reasonable levels. We expect travel demand to remain robust.

While the movement in crude prices till date has been favorable to your company, any significant upward movement could put pressures on costs. The current Fiscal also saw a significant induction of capacity in the Indian market – both from new entrants and existing players. Induction of large capacity and enhanced competition is bound to create constant pressure on yields. This makes it inevitable for your company to relentlessly focus on implementing cost reduction measures.

Just before our scheduled shift to Amsterdam we had the unfortunate event of terrorist attack in Brussels. Thanks to our employees who displayed immense courage and professionalism, we were able to bring back all our guests safely. The global unrest and growing terrorist activities pose threat to the overall growth of air traffic.

*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

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

### 1. Company’s philosophy on Corporate Governance

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 internal procedures and conduct for regulating, monitoring and reporting trading by insiders 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 the Society.

The Securities and Exchange Board of India (“SEBI”) on 2<sup>nd</sup> September, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the “Listing Regulations”) with an aim to consolidate and streamline the provisions of the Listing Regulations for different segments of capital markets to ensure better enforceability. The Listing Regulations were effective from 1<sup>st</sup> December, 2015. Accordingly, all listed entities were required to enter into the Listing Agreement within 6 (six) months from the effective date. Your Company has entered into Listing Agreement with BSE Limited and the National Stock Exchange of India Limited during the month of February 2016.

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.

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

### 2. Board of Directors (“Board”)

#### I. Composition

As on 31<sup>st</sup> March, 2016, the Company had Ten Directors on its Board which is headed by a Non-executive Promoter Chairman. Out of the ten Directors, one is a Whole Time Director and nine are Non-executive Directors. Out of the nine Non-executive Directors, five are independent directors.

Except for Mr. Naresh Goyal and Mrs. Anita Goyal who are related to each other as Husband and Wife, there is no relationship between the Directors inter-se.

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 which is in conformity with Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 (hereinafter referred to as the “Listing Regulations”). Necessary disclosures regarding committee positions in other public companies as on 31<sup>st</sup> March, 2016, have been made by the Directors.

The independent directors have confirmed that they satisfy the criteria prescribed for an independent director as stipulated in the provisions of the Section 149(6) of the Companies Act, 2013.

The Company has complied with the mandatory requirements as laid down in the Listing Regulations.

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	<sup>1</sup> Other Directorships	<sup>2</sup> Other Committee Positions	
			Chairman	Member
Mr. Naresh Goyal	Chairman Non-Executive Promoter Director	1	-	-
Mr. Javed Akhtar	Independent Director	1	-	1
Mr. I. M. Kadri	Independent Director	1	1	-
Mr. Aman Mehta	Independent Director	5	3	3

## Corporate Governance (Contd.)

Name	Position / Category	<sup>1</sup> Other Directorships	<sup>2</sup> Other Committee Positions	
			Chairman	Member
Mr. Gaurang Shetty <sup>3</sup>	Whole Time Director	1	-	1
Mr. James Hogan	Non-executive Director	-	-	-
Mr. James Rigney	Non-executive Director	-	-	-
Mr. Dinesh Mittal	Independent Director	8	1	7
Mrs. Anita Goyal <sup>4</sup>	Non-executive Director	-	-	-
Mr. Srinivasan <sup>5</sup> Vishvanathan	Independent Director	1	-	1

### Notes:

Based on the disclosures obtained from the Directors:

- Excludes directorships in private companies, foreign companies and alternate directorships.
- Includes only Audit Committee and Stakeholders Relationship Committee of other Indian public limited companies
- Appointed as Whole Time Director with effect from 24<sup>th</sup> May, 2015
- Appointed as an Additional Director of the Company with effect from 8<sup>th</sup> April, 2015.
- Appointed as an Independent Director of the Company with effect from 29<sup>th</sup> December, 2015
- Mr. Diwakar Gupta was appointed as an Independent Director of the Company on 16<sup>th</sup> May, 2015 and he resigned on 4<sup>th</sup> August, 2015.

## II. Attendance record of Directors at Board Meetings and the Annual General Meeting of the Company held during the Financial Year 2015-16

Five Board Meetings were held during the Financial Year 2015-16. The gap between any two Board Meetings did not exceed one hundred and twenty days. The Board Meetings were held on the following dates:

29 <sup>th</sup> May, 2015	14 <sup>th</sup> August, 2015	2 <sup>nd</sup> September, 2015
28 <sup>th</sup> October, 2015	6 <sup>th</sup> February, 2016	

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 2015-16 are as follows:

Name	Attendance at	
	Board Meetings	23 <sup>rd</sup> Annual General Meeting held on 14 <sup>th</sup> August, 2015
Mr. Naresh Goyal	4 out of 5	Yes
Mr. Javed Akhtar	3 out of 5	No
Mr. Dinesh Mittal	4 out of 5	No
Mr. I. M. Kadri	4 out of 5	Yes
Mr. Aman Mehta	5 out of 5	Yes
Mr. Gaurang Shetty	5 out of 5	Yes
Mr. James Hogan	3 out of 5	Yes
Mr. James Rigney	5 out of 5	Yes
Mrs. Anita Goyal <sup>1</sup>	2 out of 5	Yes
Mr. Srinivasan Vishvanathan <sup>2</sup>	1 out of 1	N.A.
Mr. Diwakar Gupta <sup>3</sup>	1 out of 1	N.A.

## Corporate Governance (Contd.)

### Notes:

1. Appointed as a Director of the Company with effect from 8<sup>th</sup> April, 2015.
2. Appointed as an Independent Director of the Company with effect from 29<sup>th</sup> December, 2015
3. Appointed as an Independent Director of the Company on 16<sup>th</sup> May, 2015 and resigned on 4<sup>th</sup> August, 2015

The Prescribed quorum was present for all the Meetings.

During the Financial Year 2015-16, information as mentioned in Regulation 17 of the Listing Regulations has been placed before the Board for its consideration.

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

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

### Board Training and Induction

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

### Familiarisation program for Independent Directors

The Company has conducted the Familiarisation program for Independent Directors appointed during the year. The Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth, to acclimatize them with the processes, businesses and functionalities of the Company and to assist them in performing their role as Independent Directors of the Company. As part of ongoing familiarisation to the Independent Directors / Board, presentations are made at the meetings of the Board / committees by the various functional heads. The Independent Directors are also informed of key happenings in the Company by way of periodic email communications. The Company's Policy of conducting the Familiarisation Program has been disclosed on the website of the Company at <http://www.jetairways.com/doc/InvestorRelations/FamiliarisationProgramforIndependentDirectors.pdf>

### Meeting of Independent Directors

The Company's Independent Directors met on 29<sup>th</sup> May, 2015 without the presence of the Executive Directors, CEO, the Non-Executive, Non-Independent Directors and the Management Team. The meeting was attended by Mr. Aman Mehta, Mr. Dinesh Kumar Mittal, Mr. Javed Akhtar, Mr. Diwakar Gupta and Mr. I. M. Kadri, the Independent Directors and was conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company.

### Woman Director

The Company was required to appoint a Woman Director by 31<sup>st</sup> March, 2015 to comply with the requirements of Section 149 of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 (ii)(A)(1) of the Listing Agreement. However, the Company appointed Mrs. Anita Goyal as Woman Director on 8<sup>th</sup> April, 2015.

## 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. Nomination and Remuneration Committee
- c. Stakeholder's Relationship Committee
- d. Corporate Social Responsibility Committee
- e. Risk Management Committee



## Corporate Governance (Contd.)

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 Auditors, 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 Regulation 18 of the Listing Regulations read with Section 177 of the Companies Act, 2013 ("Act") that defines its composition, authority, responsibility and reporting functions.

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

- Oversight of the Company's financial reporting process and disclosure of its financial information, to ensure that the financial statements are materially correct, sufficient & credible.
- Discuss and review with the management and auditors the annual / quarterly financial statements and auditor's report before submission to the Board,
- Provide recommendations to the Board related to the appointment, re-appointment, remuneration and terms of appointment of the auditors of the Company.
- Review and monitor the auditor's independence and performance and effectiveness of the audit process.
- Hold timely discussions with external/ statutory auditors regarding the nature and scope of Audit as well as post-Audit discussion / review for ascertaining any area of concern prior to commencement of audit.
- Review management letters / letters of internal control weaknesses issued by statutory auditors
- Evaluation of Internal financial controls
- Evaluate on a regular basis the adequacy of risk management systems
- Whistle Blower / Vigil Mechanism
- The Committee shall maintain an oversight of the adequacy/functioning of the whistle blowing/ vigil mechanism. It shall review the Company's arrangements for its employees, stakeholders and Directors to raise concerns, in confidence, about possible wrongdoing in the Company on matters including those related to ethics, compliance, financial reporting, accounting and auditing.
- The Committee shall ensure that these arrangements allow independent investigation of such matters and appropriate follow up action.

The whistle blower / vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee on appropriate or exceptional cases.

- Review the reasons for substantial defaults in the payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors. Review the valuation of undertakings or assets of the Company, wherever it is necessary
- Review the financial statements, in particular, the investments made by the unlisted subsidiary companies.
- Review the statement of significant related party transactions submitted by the management, including the 'significant' criteria / thresholds decided by the Management.
- Provide approval or any subsequent modification of transactions of the Company with related parties.

## Corporate Governance (Contd.)

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 four 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 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations as given below:

Name	Designation	Category
Mr. Aman Mehta	Chairman	Independent Director
Mr. Dinesh Kumar Mittal	Member	Independent Director
Mr. I. M. Kadri	Member	Independent Director
Mr. Srinivasan Vishvanathan <sup>1</sup>	Member	Independent Director

1. Appointed as a Member with effect from 6<sup>th</sup> February, 2016

The Whole Time Director, the Chief Executive Officer, executives from Finance, 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 2015-16

The Audit Committee met five times during the Financial Year 2015-16 on 29<sup>th</sup> May, 2015, 14<sup>th</sup> August, 2015, 2<sup>nd</sup> September, 2015, 28<sup>th</sup> October, 2015 and 6<sup>th</sup> February, 2016 and the gap between any two Meetings did not exceed one hundred and twenty days.

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

Name	Number of Meetings attended
Mr. Aman Mehta	5 out of 5
Mr. Dinesh Kumar Mittal	4 out of 5
Mr. I. M. Kadri	4 out of 5
Mr. Srinivasan Vishvanathan <sup>1</sup>	None

1. Appointed as a Member with effect from 6<sup>th</sup> February, 2016

The Company Secretary attended all the above Meetings.

The prescribed Quorum was present for all the meeting.

The Chairman of the Audit Committee, Mr. Aman Mehta, was present at the 23<sup>rd</sup> Annual General Meeting held on 14<sup>th</sup> August, 2015.

### b. Nomination and Remuneration Committee

#### I. Terms of reference

The Nomination and Remuneration Committee functions according to its Charter which is in line with the provisions of Regulation 19 of the Listing Regulations read with Section 178 of the Companies Act, 2013 ("Act") that defines its composition, authority, responsibility and reporting functions.

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

#### Nomination Activities:

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

## Corporate Governance (Contd.)

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

### Remuneration Activities

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

## II. Composition

The Nomination and Remuneration Committee comprises four Directors as enumerated below:

Name	Designation	Category
Mr. Aman Mehta	Chairman	Independent Director
Mr. Dinesh Kumar Mittal	Member	Independent Director
Mr. Javed Akhtar	Member	Independent Director
Mr. Srinivasan Vishvanathan <sup>1</sup>	Member	Independent Director

1. Appointed as a Member with effect from 6<sup>th</sup> February, 2016

## III. Meetings and attendance during the Financial Year 2015-16

During the Financial Year 2015-16, the Nomination and Remuneration Committee met three times on 29<sup>th</sup> May, 2015, 2<sup>nd</sup> September, 2015 and 6<sup>th</sup> February, 2016.

Name	Number of Meetings attended
Mr. Aman Mehta	3 out of 3
Mr. Dinesh Kumar Mittal	3 out of 3
Mr. Javed Akhtar	2 out of 3
Mr. Srinivasan Vishvanathan <sup>1</sup>	None

1. Appointed as a Member with effect from 6<sup>th</sup> February, 2016

The Company Secretary attended all the above Meetings.

The Chairman of the Nomination and Remuneration Committee, Mr. Aman Mehta, was present at the 23<sup>rd</sup> Annual General Meeting held on 14<sup>th</sup> August, 2015.

## 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.

## Corporate Governance (Contd.)

### Sitting Fees

The Non-executive Directors are paid Sitting Fees of ₹ 1,00,000 for each Board and Committee Meeting attended by them.

Details of remuneration paid to Non-executive Directors for the Financial Year 2015-16 are as follows:

Name	Sitting Fees Paid (₹)	Commission	Total (₹)
Mr. Naresh Goyal#	NIL	Nil	NIL
Mr. Javed Akhtar	7,00,000	Nil	7,00,000
Mr. I. M. Kadri	10,00,000	Nil	10,00,000
Mr. Aman Mehta	13,00,000	Nil	13,00,000
Mr. Dinesh Kumar Mittal	11,00,000	Nil	11,00,000
Mr. James Hogan#	Nil	Nil	Nil
Mr. James Rigney#	Nil	Nil	Nil
Mrs. Anita Goyal	2,00,000	Nil	2,00,000
Mr. Srinivasan Vishvanathan	1,00,000	Nil	1,00,000
Mr. Diwakar Gupta*	1,00,000	Nil	1,00,000

#### Notes:

- # Mr. Naresh Goyal, Mr. James Hogan & Mr. James Rigney have written to the Company stating that they do not wish to receive any sitting fees from the Company.
- \* Appointed as the Director of the Company on 16<sup>th</sup> May, 2015 and he resigned on 4<sup>th</sup> August, 2015.

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

Name	Number of Shares of ₹ 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
Mrs. Anita Goyal	1,000	Negligible

#### Note:

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

### 2. For the Whole Time Director (Mr. Gaurang Shetty)

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

Details of the remuneration paid during the financial year 2015-16 are as follows:

(In ₹)

Salary and Allowances	12,347,212
Perquisite	41,402
Retirement Benefits	440,013
<b>Total</b>	<b>12,828,627</b>

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

## Corporate Governance (Contd.)

### c. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee functions according to its Charter which is in line with the provisions of Regulation 20 of the Listing Regulations read with Section 178 of the Companies Act, 2013 ("Act") that defines its composition, authority, responsibility and reporting functions.

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

#### I. Terms of reference

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

- To receive the report of the Registrar and Share Transfer Agents 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 Agents, decide the terms and conditions, remuneration, service charge / fees and review their performance;
- Consider and resolve the grievances of security holders of the company including complaints related to transfer of securities, non-receipt of annual report/declared dividends/notices/ balance sheet.

#### II. Composition

The Members of the Stakeholders' Relationship Committee are as under:

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

#### III. Meetings and attendance during the Financial Year 2015-16

The Stakeholders' Relationship Committee met twice during the Financial Year i.e. on 29<sup>th</sup> May, 2015 and 28<sup>th</sup> October, 2015.

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

Name	Attendance
Mr. I. M. Kadri	2 out of 2
Mr. Javed Akhtar	2 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. Kuldeep Sharma, Company Secretary, has been appointed the Compliance Officer under Regulation 6 of the Listing Regulations.

## Corporate Governance (Contd.)

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

The details of Shareholders' complaints during the Financial Year 2015-16 are as follows:

Status of Complaints	Number of Complaints
Pending as of 1 <sup>st</sup> April, 2015	NIL
Received during the Financial Year 2015-16	103
Disposed of during the Financial Year 2015-16	103
Pending as of 31 <sup>st</sup> March, 2016	NIL

Investors complaints are promptly addressed by the Registrar and Share Transfer Agents, 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 2015-16 have been attended to.

The Company has a separate email ID [companysecretary@jetairways.com](mailto:companysecretary@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 on Telephone : +91 22 6121 1000.

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

The Corporate Social Responsibility Committee has been constituted under Section 135 of the Companies Act, 2013 and comprises of Mr. I. M. Kadri as Chairman, Mr. Javed Akhtar and Mr. Gaurang Shetty as Members.

The Company Secretary acts as the Secretary to the Committee.

The Committee met once on 6<sup>th</sup> February, 2016 and all the Members attended the Meeting.

### e. Risk Management Committee

As per Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the top 100 companies by market capitalization at the end of the immediately preceding Financial Year are required to constitute a Risk Management Committee.

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

The Composition of Risk Management Committee is as follows:

Name	Designation	Category
Mr. Dinesh Kumar Mittal	Chairman	Independent Director
Mr. Srinivasan Vishvanathan	Member	Independent Director
Mr. Amit Agarwal	Member	Acting Chief Executive Officer and Chief Financial Officer

The Company Secretary acts as the Secretary to the Committee.

No Meeting of the Committee took place during the Financial Year

### Proceeds from Private Placement Issues

During the year under review, the Company issued 6,989 Unsecured, Taxable, Redeemable, Listed and Rated Non - Convertible Debentures. Details of this issue are provided in the Board's Report.

As specified in the respective offer documents, the funds were utilised for general corporate purpose including working capital and capital expenditure requirements. Details thereof were provided to the Audit Committee and Board of Directors.

## Corporate Governance (Contd.)

### 4. General Body Meetings

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

Financial Year	Venue	Date and Time
2014-15	ITC Martha Hotel, Sahar Airport Road, Andheri East, Mumbai – 400 099	14 <sup>th</sup> August, 2015 at 3:30 p.m.
2013-14	Bhaidas Maganlal Sabhagriha, Juhu Vile Parle Development Scheme, Bhaktivendanta Swami Marg, Vile Parle (West), Mumbai-400 056	11 <sup>th</sup> August, 2014 at 3:30 p.m.
2012-13		8 <sup>th</sup> August, 2013 at 3:30 p.m.

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

Annual General Meeting held on	Subject
8 <sup>th</sup> August, 2013	<ul style="list-style-type: none"> <li>➤ Re-Appointment of Mr. Nivaan Goyal to an Office or Place of Profit</li> <li>➤ Re-appointment of Ms. Namrata Goyal to an Office or Place of Profit</li> </ul>
11 <sup>th</sup> August, 2014	No Special Resolutions were passed during the Annual General Meeting
14 <sup>th</sup> August, 2015	<ul style="list-style-type: none"> <li>➤ Re-Appointment of Mr. Iftikhar Kadri as an Independent Director</li> <li>➤ Re-Appointment of Mr. Aman Mehta as an Independent Director</li> <li>➤ Re-Appointment of Mr. Javed Akhtar as an Independent Director</li> <li>➤ Re-Appointment of Mr. Dinesh Kumar Mittal as an Independent Director</li> <li>➤ Appointment of Mr. Gaurang Shetty as a Whole Time Director</li> </ul>

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 24<sup>th</sup> May, 2013.

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

The Company did not pass any Resolutions by Postal Ballot during the Financial Year:

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

### 5. Disclosures

- a. Details of related party transactions as per requirement of Accounting Standard 18 are disclosed in Note 40 to the Standalone financial statements for the year ended 31<sup>st</sup> March, 2016. 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.
- b. The Company has not entered into any materially significant transaction with the Promoters, Directors or the Management, their subsidiaries or relatives, etc. that may have a potential conflict with the interests of the Company at large. The Register of Contracts containing the transactions in which Directors are interested is regularly placed before the Board for its noting / approval.



## Corporate Governance (Contd.)

- c. 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.

- 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 Regulation 26 of the Listing Regulations 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](http://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 Acting Chief Executive Officer, is given below:

In accordance with Regulation 26 of the Listing Regulations, 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 2015-16.

Mumbai

26<sup>th</sup> May, 2016

Amit Agarwal

Acting Chief Executive Officer &  
Chief Financial Officer

**e. CEO / CFO Certification**

A Certificate from the Acting Chief Executive Officer and Chief Financial Officer on reporting and the internal controls over financial reporting for the Financial Year ended 31<sup>st</sup> March, 2016, was placed before the Board. In addition, as required by Regulation 17(8) of the Listing Regulations Certificates on the quarterly financial results were placed before the Board.

**f. Risk Management**

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

**g. Disclosure of Accounting Treatment**

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

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

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of Listing Regulations, the Company has in place a Whistle-Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Business Conduct and Ethics. The said mechanism also provides for adequate safeguards against victimisation of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee.

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

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

## Corporate Governance (Contd.)

Designated Employees who are privy to unpublished price sensitive information of the Company are governed by this Code.

Mr. Kuldeep Sharma, Company Secretary, 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 Loksatta, Financial Express and Business Standard.

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](http://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 Agents, etc.

The Company has designated the following e-mail id exclusively for investor services: [companysecretary@jetairways.com](mailto:companysecretary@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 :** 27<sup>th</sup> December, 2016 at 2.30 P.M. to be held at Bhaidas Maganlal Sabhagriha, Juhu Vile Parle Development Scheme, Bhaktivendanta Swami Marg, Vile Parle (West), Mumbai - 400 056

#### ii. Financial Year : 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016 Financial Calendar (tentative)

The Company expects to announce the results for the Financial Year 2016-17, as per the following schedule:

First quarter results	On or before 14 <sup>th</sup> August, 2016
Second quarter results	On or before 14 <sup>th</sup> November, 2016
Third quarter results	On or before 14 <sup>th</sup> February, 2017
Annual Results	On or before 30 <sup>th</sup> May, 2017
Twenty Fifth Annual General Meeting	On or before 30 <sup>th</sup> September, 2017

#### iii. Dates of Book Closure : 21<sup>st</sup> December, 2016 to 27<sup>th</sup> December, 2016 (both days inclusive) for the purpose of the Twenty Fourth Annual General Meeting.

#### iv. Dividend Payment Date : Not applicable as the Board of Directors has not recommended any dividend for the Financial Year 2015-16.

## Corporate Governance (Contd.)

### 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

#### BSE Limited

"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 500 Index of BSE.

The Listing Fee for the Financial Year 2016-17 has been paid to both the Stock Exchanges.

### vi. Stock Code

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

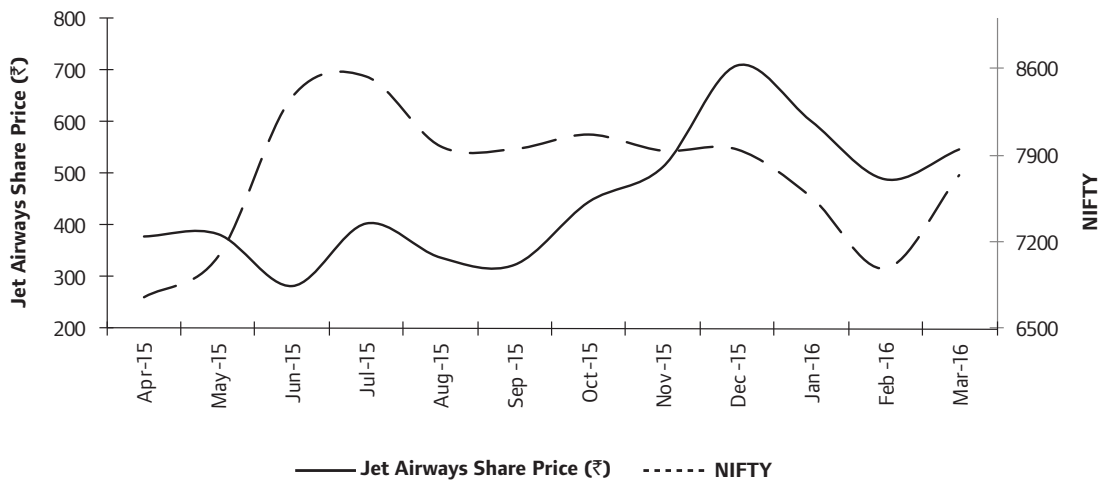
### vii. Market price data (high, low during each month in the Financial Year 2015-16)

Month	BSE		NSE	
	High	Low	High	Low
	(₹)	(₹)	(₹)	(₹)
April 2015	498.55	357.3	498.3	351.1
May 2015	413.2	339	414	338.5
June 2015	372.5	248.5	373.2	248
July 2015	408	271.15	408.3	271
August 2015	435.25	283.55	435.45	283.3
September 2015	350.75	296.15	351.25	295
October 2015	446	317.05	447.4	316.55
November 2015	519	390	519.4	390.05
December 2015	708.8	506.1	709.7	506.4
January 2016	796	565.5	796.4	565.6
February 2016	640	478.05	639	477.7
March 2016	566	476.8	566	476.1

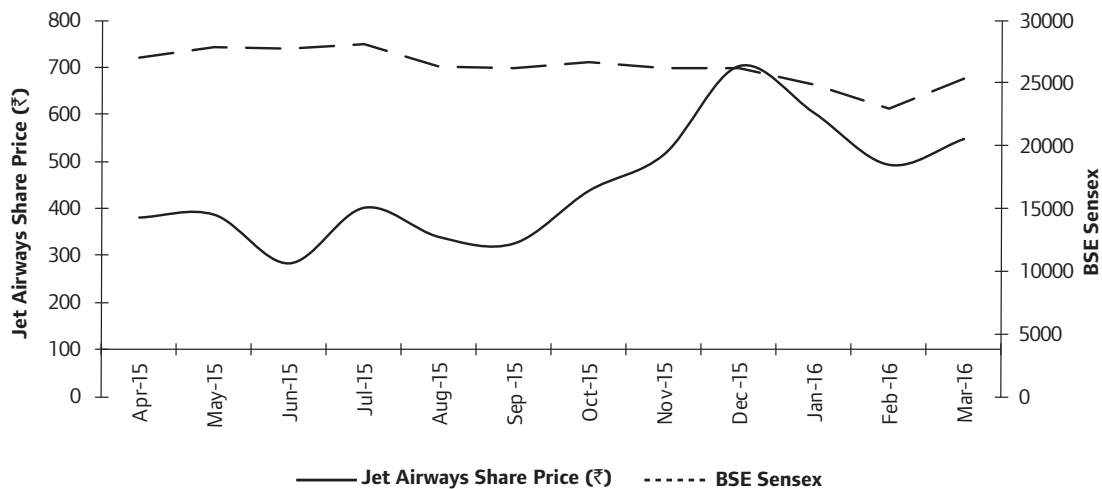
## Corporate Governance (Contd.)

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

**Jet Airways vs NIFTY**



**Jet Airways vs BSE Sensex**



## Corporate Governance (Contd.)

### ix. Registrar and Share Transfer Agents

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

#### Head Office (Hyderabad)

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

Financial District, Nanakramguda

Hyderabad 500 008

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

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

Email: einward.ris@karvy.com

Website: www.karvycomputershare.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 Agents, 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 Stakeholders Relationship Committee.

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

There were no transfers of Shares in physical form during the Financial Year 2015-16.

### xi. Distribution of Shareholding as on 31<sup>st</sup> March, 2016

Category From - To	Shareholders		Shares	
	Number	% of total	Number	% of total
1 - 500	103,237	97.85	3,797,208	3.34
501 - 1000	1,113	1.05	870,020	0.77
1001 - 1500	309	0.29	390,094	0.34
1501 - 2000	224	0.21	405,180	0.36
2001 - 2500	83	0.08	188,778	0.17
2501 - 3000	83	0.08	235,693	0.21
3001 - 3500	39	0.04	128,019	0.11
3501 - 4000	51	0.05	197,296	0.17
4001 - 4500	30	0.03	129,950	0.11
4501 - 5000	45	0.04	220,106	0.19
5001 - 10000	117	0.11	854,432	0.75

## Corporate Governance (Contd.)

Category From - To	Shareholders		Shares	
	Number	% of total	Number	% of total
10001 - 20000	72	0.07	989,226	0.87
20001 - 30000	25	0.02	590,186	0.52
30001 - 40000	12	0.01	427,399	0.38
40001 - 50000	10	0.01	464,408	0.41
50001 - 100000	22	0.02	1,621,738	1.43
100001 and above	32	0.03	102,087,650	89.87
<b>Total :</b>	<b>105,504</b>	<b>100.00</b>	<b>113,597,383</b>	<b>100.00</b>

### xii. Dematerialization of Shares and Liquidity

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

The details of Equity Shares held in dematerialised and in physical form as on 31<sup>st</sup> March, 2016, are given hereunder:

Particulars of Equity Shares	Equity Shares of ₹ 10 each	
	Number	% of total
<b>Dematerialized form</b>		
NSDL	110,716,707	97.46
CDSL	2,880,351	2.54
<b>Sub-total</b>	<b>113,597,058</b>	<b>100.00</b>
<b>Physical form</b>	<b>325</b>	<b>0.00</b>
<b>Total</b>	<b>113,597,383</b>	<b>100.00</b>

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

The Annual Custodial Fee has been paid for the Financial Year 2016-17 to both the depositories.

### xiii. 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.

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 <sup>st</sup> April, 2015		Shares transferred during the year		Balance as on 31 <sup>st</sup> March, 2016	
	Number of		Number of		Number of	
	Cases	Shares	Cases	Shares	Cases	Shares
Equity Shares	64	722	--	--	64	722

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

## Corporate Governance (Contd.)

### xiv. 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 31<sup>st</sup> March, 2016, 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.

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

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

### xvi. Plant locations

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

### xvii. Address for correspondence

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

**Note : The information give hereinabove is as on 31<sup>st</sup> March, 2016, unless otherwise stated.**

## 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 31<sup>st</sup> March, 2016, as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the Stock Exchanges for the period 1<sup>st</sup> April, 2015 to 30<sup>th</sup> November, 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period 1<sup>st</sup> December, 2015 to 31<sup>st</sup> March, 2016.

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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above-mentioned Listing Agreement / Listing Regulations, as applicable except with regard to Clause 49 (II)(A)(1) which deals with appointment of at least one woman director in case of a listed entity which has been complied by the Company with effect from 8<sup>th</sup> April, 2015.

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 **B S R & Co. LLP**  
Chartered Accountants  
Registration No. 101248W/W-100022

For **CHATURVEDI & SHAH**  
Chartered Accountants  
Registration No. 101720W

**Bhavesh Dhupelia**  
Partner  
Membership No: 042070

**Parag D. Mehta**  
Partner  
Membership No: 113904

Mumbai  
11<sup>th</sup> November, 2016



## Independent Auditors' Report

To the Members of  
Jet Airways (India) Limited

### Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of **JET AIRWAYS (INDIA) LIMITED** ('the Company'), which comprise the Balance sheet as at 31<sup>st</sup> March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31<sup>st</sup> March, 2016 and its profit and its cash flows for the year ended on that date.

### Emphasis of Matters

We draw attention to the following matters in the Notes to the standalone financial statements:

- a) Note 32 to the standalone financial statements which explains the accounting impact of Scheme of Merger ('the Scheme') approved by shareholders, enabling the merger of Jet Lite (India) Limited, wholly owned subsidiary ('subsidiary company') which has negative net worth with the Company, with effect from 1<sup>st</sup> April, 2015, could not be given in the Financial Statements as at and for the year ended 31<sup>st</sup> March, 2016, as the orders from the Honourable High Court of Judicature at Bombay ('the High Court') sanctioning the Scheme is awaited and the loans and advances given to its subsidiary company are carried at their carrying amount.

## Independent Auditors' Report (Contd.)

- b) Note 42 regarding preparation of the standalone financial statements on going concern basis for the reasons stated therein. The appropriateness of assumption of going concern is dependent upon realisation of the various initiatives undertaken by the Company 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 companies

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

### Other Matters

The standalone financial statements of the Company for the year ended 31<sup>st</sup> March, 2015 have been jointly audited by Deloitte Haskins & Sells LLP, Chartered Accountants and Chaturvedi & Shah, Chartered Accountants, who expressed an unmodified opinion on those standalone financial statements; vide their opinion dated 29<sup>th</sup> May, 2015.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and 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 aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) The matters described under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
  - (f) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 33 to the financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

#### For B S R & Co. LLP

Chartered Accountants  
(Firm's Registration No: 101248W/W-100022)

#### Bhavesh Dhupelia

Partner  
Membership No. 042070

Place : Mumbai  
Date : 26<sup>th</sup> May, 2016

#### For Chaturvedi & Shah

Chartered Accountants  
(Firm's Registration No: 101720W)

#### Parag D. Mehta

Partner  
Membership No. 113904

Place : Mumbai  
Date : 26<sup>th</sup> May, 2016

## Annexure - A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March, 2016, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a programme of verification of fixed assets to cover all the items in phased manner, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its fixed assets. Pursuant to the program, certain fixed asset 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) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) 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. The discrepancies noticed on verification between the physical stock and the book records were not material.
- (iii) In our opinion and according to information and explanations given to us the Company has granted unsecured loans to its wholly-owned subsidiary covered in the register maintained under Section 189 of the Act. In respect of such loan.
  - (a) Terms and conditions of unsecured loan granted to wholly-owned subsidiary is not prejudicial of the interest of the Company.
  - (b) Loan given till 31<sup>st</sup> March, 2014 is interest free and loan given thereafter is interest bearing and is repayable in the financial year 2019-2020.
  - (c) There is no overdue amount in excess of ₹ 1 Lakh remaining outstanding as at the year end.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees or securities granted in respect of which provisions of Section 185 and 186 of the Act are applicable to the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits as per the directions issued by the Reserve Bank of India from the public in accordance with relevant provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph (v) of the Order is not applicable to the Company.
- (vi) As informed to us by the management, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services / activities rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Sales Tax, Value Added Tax, duty of customs and other material statutory dues have generally been regularly deposited with the appropriate authorities except in respect of profession tax, income tax (tax deducted at source including interest) and service tax, cess the delays ranged from three days to six months.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Value Added Tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31<sup>st</sup> March, 2016 for a period of more than six months from the date they became payable except in respect of service tax (including interest) of ₹ 6,342 lakhs for the period 2012-13 to 2014-15.
- (c) According to the information and explanations given to us, there are no material dues of duty of excise, sales tax which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of Income Tax, Service Tax, Duty of Customs and Value Added Tax have not been deposited by the Company on account of disputes:

Name of the statute	Nature of dues	Period to which the amount relates	Forum where dispute is pending	Amount (₹ in lakhs)
IATT Rules, 1989	IATT Interest & Penalty	2003-04	Delhi High Court	321
Customs Act 1962	Custom Duty	2010-2011 to 2013-2014	Commissioner of Customs (Appeals)	30

## Annexure to the Auditors' Report (Contd.)

Name of the statute	Nature of dues	Period to which the amount relates	Forum where dispute is pending	Amount (₹ in lakhs)
Customs Act 1962	Custom Duty	2007-2008 to 2014-2015	Commissioner of Customs	1,529
Customs Act 1962	Custom Duty	2006-2007 to 2013-2014	CESTAT	539
Finance Act 1994	Service Tax	2003-2004 to 2005-2006	Supreme Court of India	361
Finance Act 1994	Service Tax	2002-2003 to 2013-2014	CESTAT	62,078
Finance Act 1994	Service Tax	2002-2003 to 2014-2015	Commissioner of Central Excise	46,178
Income Tax Act 1961	Income Tax	2008-2009	Commissioner of Income Tax(Appeals)	3
Income Tax Act 1961	Income Tax	2002-03 and 2008-09	ITAT	383
Income Tax Act 1961	Income Tax	2006-2007	Bombay High Court	233
Income Tax Act 1961	Income Tax	2006-2007 to 2015-2016	Commissioner of Income Tax	2,158
MVAT Act, 2002	VAT	2009-10	Commissioner of Sales Tax (Appeals)	13

- (viii) In our opinion and according to the information and explanations given to us, there have been no defaults in the repayment of dues to financial institutions, banks and debenture holders during the year. The Company did not have dues relating to any loan or borrowing from government during the year.
- (ix) In our opinion and according to the information and explanations given to us, the company has utilized the money raised by way of term loans during the year for the purpose for which they were raised. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company as prescribed under section 406 of the Act. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the standalone financial statements as required by the applicable Accounting Standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

**For B S R & Co. LLP**  
Chartered Accountants  
(Firm's Registration No: 101248W/W-100022)

**Bhavesh Dhupelia**  
Partner  
Membership No. 042070

Place : Mumbai  
Date : 26<sup>th</sup> May, 2016

**For Chaturvedi & Shah**  
Chartered Accountants  
(Firm's Registration No: 101720W)

**Parag D. Mehta**  
Partner  
Membership No. 113904

Place : Mumbai  
Date : 26<sup>th</sup> May, 2016

## **Annexure - B to the Independent Auditors' Report**

(Referred to in our report of even date)

### **Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of Jet Airways (India) Limited ("the Company") as of 31<sup>st</sup> March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Annexure to the Auditors' Report (Contd.)****Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, maintained an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

**For B S R & Co. LLP**

Chartered Accountants  
(Firm's Registration No: 101248W/W-100022)

**Bhavesh Dhupelia**

Partner  
Membership No. 042070

Place : Mumbai  
Date : 26<sup>th</sup> May, 2016

**For Chaturvedi & Shah**

Chartered Accountants  
(Firm's Registration No: 101720W)

**Parag D. Mehta**

Partner  
Membership No. 113904

Place : Mumbai  
Date : 26<sup>th</sup> May, 2016

## Balance Sheet as at 31<sup>st</sup> March, 2016

(₹ in lakhs)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	11,360	11,360
Reserves and Surplus	3	(312,760)	(420,388)
		(301,400)	(409,028)
<b>Non-Current Liabilities</b>			
Long Term Borrowings	4	621,033	660,730
Deferred Tax Liability (Net)	5	-	-
Other Long Term Liabilities	6	90,353	114,841
Long Term Provisions	7	33,635	24,792
		745,021	800,363
<b>Current Liabilities</b>			
Short Term Borrowings	8	302,106	364,429
Trade Payables	9		
- For dues to Micro and Small Enterprises		289	235
- For dues to others		586,912	543,264
Other Current Liabilities	10	580,637	581,226
Short Term Provisions	11	2,574	5,239
		1,472,518	1,494,393
<b>TOTAL ASSETS</b>		<b>1,916,139</b>	<b>1,885,728</b>
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	12	877,560	921,844
Intangible Assets	13	2,905	1,277
Capital Work-In-Progress		410	-
Intangible Assets under development		-	1,942
		880,875	925,063
Non-Current Investments	14	69,619	69,617
Long Term Loans and Advances	15	342,068	344,950
Other Non-Current Assets	16	3,823	4,779
		415,510	419,346
<b>Current Assets</b>			
Current Investments	17	50,000	-
Inventories	18	104,971	92,702
Trade Receivables	19	162,548	137,960
Cash and Bank Balances	20	147,765	198,508
Short Term Loans and Advances	21	151,882	108,576
Other Current Assets	22	2,588	3,573
		619,754	541,319
<b>TOTAL</b>		<b>1,916,139</b>	<b>1,885,728</b>
The accompanying notes are an integral part of the Financial Statements		1-45	

### As per our attached report of even date

#### For BSR & Co. LLP

Chartered Accountants  
Firm's Registration No:  
101248W/W-100022

#### For Chaturvedi & Shah

Chartered Accountants  
Firm's Registration No:  
101720W

#### Bhavesh Dhupelia

Partner  
Membership No. 042070

#### Parag D. Mehta

Partner  
Membership No. 113904

Date: 26<sup>th</sup> May, 2016  
Place: Mumbai

### On behalf of Board of Directors

**Naresh Goyal** (DIN: 01180386)

**James Hogan** (DIN: 06540486)

**Aman Mehta** (DIN: 00009364)

**James Rigney** (DIN: 06540653)

**I. M. Kadri** (DIN: 00081694)

**D. K. Mittal** (DIN: 0040000)

**S. Vishvanathan** (DIN: 02255828)

**Anita Goyal** (DIN: 01992051)

**Gaurang Shetty** (DIN: 01293134)

**Amit Agarwal**

**Kuldeep Sharma**

Chairman

Vice-Chairman

Director

Whole Time Director  
Chief Financial Officer  
Company Secretary

## Statement of Profit and Loss for the Year Ended 31<sup>st</sup> March, 2016

(₹ in lakhs)

Particulars	Note No.	For the Year Ended 31 <sup>st</sup> March, 2016	For the Year Ended 31 <sup>st</sup> March, 2015
<b>Income</b>			
Revenue from Operations	23	<b>2,116,733</b>	1,957,343
Other Income	24	<b>74,363</b>	70,730
<b>Total Revenue</b>		<b>2,191,096</b>	2,028,073
<b>Expenses</b>			
Aircraft Fuel Expenses		<b>501,573</b>	668,626
Employee Benefit Expenses	25	<b>238,813</b>	224,300
Selling and Distribution Expenses	26	<b>235,712</b>	204,094
Aircraft and Engine Lease Rentals		<b>212,479</b>	195,892
Depreciation and Amortisation	27	<b>99,509</b>	76,250
Finance Cost	28	<b>86,811</b>	88,406
Other Expenses	29	<b>706,727</b>	676,026
<b>Total Expenses</b>		<b>2,081,624</b>	2,133,594
<b>Profit / (Loss) before Exceptional Items and Tax</b>		<b>109,472</b>	(105,521)
Exceptional Items (Net)	30	<b>7,884</b>	(75,850)
<b>Profit / (Loss) Before Tax</b>		<b>117,356</b>	(181,371)
<b>Tax Expense</b>			
- Current Tax		-	-
<b>Profit / (Loss) for the Year</b>		<b>117,356</b>	(181,371)
Earnings Per Equity Share: (Face Value ₹10 per share)			
Basic and Diluted (in ₹)	31	<b>103.31</b>	(159.66)
The accompanying notes are an integral part of the Financial Statements	1-45		

### As per our attached report of even date

#### For BSR & Co. LLP

Chartered Accountants  
Firm's Registration No:  
101248W/W-100022

#### Bhavesdh Dhupeha

Partner  
Membership No. 042070

Date: 26<sup>th</sup> May, 2016  
Place: Mumbai

#### For Chaturvedi & Shah

Chartered Accountants  
Firm's Registration No:  
101720W

#### Parag D. Mehta

Partner  
Membership No. 113904

### On behalf of Board of Directors

**Naresh Goyal** (DIN: 01180386)

**James Hogan** (DIN: 06540486)

**Aman Mehta** (DIN: 00009364)

**James Rigney** (DIN: 06540653)

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**S. Vishvanathan** (DIN: 02255828)

**Anita Goyal** (DIN: 01992051)

**Gaurang Shetty** (DIN: 01293134)

**Amit Agarwal**

**Kuldeep Sharma**

Chairman

Vice-Chairman

Director

Whole Time Director  
Chief Financial Officer  
Company Secretary



## Cash Flow Statement for the Year Ended 31<sup>st</sup> March, 2016

(₹ in lakhs)

Particulars	Note No.	For the Year Ended 31 <sup>st</sup> March, 2016	For the Year Ended 31 <sup>st</sup> March, 2015
<b>Cash Flow from Operating Activities :</b>			
Net Profit / (Loss) Before Tax		117,356	(181,371)
Adjustment for :			
Exceptional Items	30	(7,884)	75,850
Depreciation and Amortisation	27	99,509	76,250
Provision for Stock Obsolescence		6,796	14,589
Profit on Sale of Fixed Assets (Net)		(104)	(12,331)
Loss on Scrapping of Fixed Assets		-	14
Profit on Sale of Investments		(233)	(90)
Finance Cost	28	86,811	88,406
Interest on Income Tax Refund		(523)	(7)
Interest Income on Fixed Deposit & Others		(9,464)	(8,608)
Interest Income on Loans and Advances to Related Parties		(4,911)	(1,851)
Provision No Longer Required Written Back		(6,700)	(1,971)
Provision for Compensated Absences and Gratuity	25	3,080	3,288
Unrealised Foreign Exchange Losses (Net)		11,454	3,921
Provision for Doubtful Debts		1,507	2,256
Provision for Doubtful Deposit / Advances		423	-
Bad Debts Written Off		31	65
Provision for Wealth Tax		-	12
Recognition upon fulfilment of commitment		(34,688)	(26,248)
Inventory Scrapped during the year		3,630	2,073
<b>Operating Profit Before Working Capital Changes</b>		<b>266,090</b>	<b>34,247</b>
Adjustment for :			
Inventories		(22,695)	(28,988)
Trade Receivables		(26,259)	(18,154)
Loans and Advances		(33,088)	(76,970)
Current Liabilities and Provisions		68,677	143,507
<b>Cash Generated from Operations</b>		<b>252,725</b>	<b>53,642</b>
Direct Taxes Refund / (Paid) (Net)		389	(839)
<b>Net Cash Flow Generated from Operating Activities</b>		<b>253,114</b>	<b>52,803</b>

## Cash Flow Statement for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

Particulars	Note No.	For the Year Ended 31 <sup>st</sup> March, 2016	For the Year Ended 31 <sup>st</sup> March, 2015
<b>Cash Flow from Investing Activities :</b>			
Purchase of Fixed Assets (including Capital Work-in-Progress)		(26,760)	(171,046)
Proceeds from Sale of Fixed Assets		214	169,838
Purchase of Current Investments		(794,442)	(188,995)
Sale of Current Investments		744,675	189,085
(Purchase) / Sale of Non-Current Investments		(3)	4
Changes in Fixed Deposits with Banks (Refer note 2 below)		(12,600)	(26,321)
Interest Received on Bank, Loans and advances and Other Deposits		15,012	10,170
<b>Net Cash Flow used in Investing Activities</b>		<b>(73,904)</b>	<b>(17,265)</b>
<b>Cash Flow from Financing Activities</b>			
Net (Decrease) / Increase in Short Term Loans		(68,553)	157,780
Proceeds from Long Term Loans during the year		79,890	153,599
Repayment of Long Term Loans during the year		(168,441)	(189,654)
Finance Cost		(86,655)	(91,246)
Unclaimed Dividend paid		-	(3)
<b>Net Cash (used in) / from Financing Activities</b>		<b>(243,759)</b>	<b>30,476</b>
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>		<b>(64,549)</b>	<b>66,014</b>
Cash and Cash Equivalents at the beginning of the year (Refer note 1 below)	20	95,532	29,518
Cash and Cash Equivalents at end of the year (Refer note 1 below)	20	30,983	95,532

### Notes:

- Cash and Cash Equivalents for the year ended 31<sup>st</sup> March, 2016 includes Unrealised Gain (net) of ₹ 5,407 lakhs (Previous Year ₹ 4,454 lakhs) on account of translation of Foreign Currency Bank Balances.
- Fixed Deposits with Banks having original maturity period of more than three months to ₹ 116,782 lakhs (Previous Year ₹ 102,976 lakhs) are not included in Cash and Cash Equivalents.

### As per our attached report of even date

#### For BSR & Co. LLP

Chartered Accountants  
Firm's Registration No:  
101248W/W-100022

#### Bhavesdh Dhpelia

Partner  
Membership No. 042070

Date: 26<sup>th</sup> May, 2016  
Place: Mumbai

#### For Chaturvedi & Shah

Chartered Accountants  
Firm's Registration No:  
101720W

#### Parag D. Mehta

Partner  
Membership No. 113904

### On behalf of Board of Directors

**Naresh Goyal** (DIN: 01180386)

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**Amit Agarwal**

**Kuldeep Sharma**

Chairman

Vice-Chairman

Director

Whole Time Director  
Chief Financial Officer  
Company Secretary

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS :

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and complies with Accounting Standards specified under section 133 of the Companies Act, 2013 ('the Act') read with rule 7 of the Companies (Accountants) Rules 2014, to the extent notified and applicable.

The financial statements are prepared on accrual basis under the historical cost convention, except for certain Fixed Assets which are carried at revalued amounts. The financial statements are presented in Indian rupees rounded off to the nearest rupees in lakhs.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in schedule III to the Act. Based on the nature of the services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

#### 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, liabilities and the disclosure of contingent 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 recognised in the period in which the results are known / materialized.

#### C. REVENUE RECOGNITION :

- a) Passenger and Cargo income are recognised 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 recognised as indicated above is reduced from the "Forward Sales Account" and the balance, net of commission and discount thereon, is shown under Other Current Liabilities.
- c) The unutilised balances in "Forward Sales Account" are recognised as income based on historical statistics, data and management estimates and considering Company's refund policy.
- d) Lease income on the Aircraft given on operating lease is recognised in the Statement of Profit and Loss on an accrual basis over the period of lease to the extent there is no significant uncertainty about the measurability and ultimate realisation.

#### 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 recognised only on flown basis.

#### F. EMPLOYEE BENEFITS :

##### a) Defined Contribution plan :

A defined contribution plan is a post-employment benefit plan under which entity pays specified contributions to a separate entity and has no obligation to pay any future amounts. 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 recognised in the Statement of Profit and Loss in the period of occurrence of such gains and losses. Past service cost is recognised 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.

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

The employee benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised 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 recognised undiscounted during the period the employee renders services. Such benefits include salaries, wages, bonus and ex-gratia.

**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.

Parts that are significant in cost in relation to the total cost of an asset having a different useful life than the remaining asset are identified and accounted as separate components.

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 recognised 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 recognised 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 recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

**I. DEPRECIATION / AMORTISATION :**

**a)** Depreciation on tangible fixed assets are provided on the 'Straight Line Method' over the useful life of assets as prescribed in Schedule II of the Companies Act, 2013. Further, Parts that are significant in cost in relation to the total cost of an asset having a different useful life than the remaining asset are depreciated over their respective remaining useful life. Expenditure incurred on improvements of assets acquired on operating lease is written off evenly over the balance period of the lease. Premium on leasehold land is amortised over the period of lease.

**b)** Intangible assets are amortised on straight line basis as follows :

- i.** Landing Rights acquired are amortised over a period not exceeding 20 years. Amortisation period exceeding 10 years is applied considering industry experience and expected asset usage.
- ii.** Trademarks are amortised over 10 years.
- iii.** Computer Software is amortised over a period not exceeding 36 months.

**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)****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 recognised as an expense in the period in which they are incurred.

**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 recognised 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 in line with the notifications issued by the Ministry of Corporate Affairs (MCA) dated 29<sup>th</sup> December, 2011 and 9<sup>th</sup> August, 2012 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 amortised 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 recognised in the Statement of Profit and Loss. Any profit / loss arising on cancellation of forward exchange contract is recognised as income or expense of the year. Premium / Discount arising on such forward exchange contracts is amortised 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 spares 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 recognised and carried forward only to the extent that there is a reasonable / virtual certainty, as the case may be, that the asset will be realised in future.

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

**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 recognised, in case the transaction is established at fair value, else the excess over the fair value is deferred and amortised 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".

**S. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS :**

Provisions involving a substantial degree of estimation in measurement are recognised 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 recognised but are disclosed in the notes when there is possible obligation arising from past events. Contingent Assets are neither recognised nor disclosed in the Financial Statements.

**2. SHARE CAPITAL**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
<b>Authorised :</b>		
180,000,000 Equity Shares of ₹ 10/- each	<b>18,000</b>	18,000
(Previous Year 180,000,000 Equity Shares of ₹ 10/- each)		
20,000,000 Preference Shares of ₹ 10/- each	<b>2,000</b>	2,000
(Previous Year 20,000,000 Preference Shares of ₹ 10/- each)		
	<b>20,000</b>	20,000
<b>Issued, Subscribed and Paid Up :</b>		
113,597,383 Equity Shares : Face value of ₹ 10/- each fully paid up	<b>11,360</b>	11,360
(Previous Year 113,597,383 Equity Shares of ₹ 10/- each fully paid up)		
<b>TOTAL</b>	<b>11,360</b>	11,360

**a. Reconciliation of Number of Shares**

Particulars	As at 31 <sup>st</sup> March,			
	2016		2015	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
<b>Equity Shares : Face value of ₹ 10/- each</b>				
As at the beginning of the year	<b>113,597,383</b>	<b>11,360</b>	113,597,383	11,360
As at the end of the year	<b>113,597,383</b>	<b>11,360</b>	113,597,383	11,360

**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 <sup>st</sup> March,			
	2016		2015	
	Number of shares	Percentage of holding	Number of shares	Percentage of holding
Mr. Naresh Goyal	<b>57,933,665</b>	<b>51.00 %</b>	57,933,665	51.00 %
Etihad Airways (PJSC)	<b>27,263,372</b>	<b>24.00 %</b>	27,263,372	24.00 %

**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (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 <sup>st</sup> March,	
	2016	2015
<b>Capital Reserve</b> (Refer note 14)		
As per last Balance Sheet	89	89
Add : Depository Certificates / Shares received free of cost	#	*
# ₹1,885		
* ₹ 2,688	89	89
<b>Capital Redemption Reserve</b>		
As per last Balance Sheet	5,558	5,558
<b>Debenture Redemption Reserve</b>		
As per last Balance Sheet	-	-
Add: Transfer from surplus in the statement of Profit & Loss	1,747	-
	1,747	-
<b>Securities Premium Account</b>		
As per last Balance Sheet	344,253	344,253
<b>Revaluation Reserve</b>		
As per last Balance Sheet	31,537	31,537
<b>Foreign Currency Monetary Item Translation Difference Account</b>		
As per Last Balance Sheet	(6,709)	(4,690)
Add : Addition during the year	(16,275)	(9,374)
Less : Amortisation during the year	6,547	7,355
	(16,437)	(6,709)
<b>(Deficit) in Statement of Profit and Loss</b>		
As per last Balance Sheet	(795,116)	(610,884)
Add : Additional Depreciation pursuant to enactment of Schedule II of the Companies Act, 2013 (Refer Note 12)	-	(2,861)
Add : Profit / (Loss) for the year	117,356	(181,371)
Less: Transfer to Debenture Redemption Reserve	(1,747)	-
	(679,507)	(795,116)
<b>TOTAL</b>	<b>(312,760)</b>	<b>(420,388)</b>

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

### 4. LONG TERM BORROWINGS

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,			
	2016		2015	
	Current	Non-Current	Current	Non-Current
i) <b>Non-Convertible Debentures (Refer note (a) below)</b>	-	69,890	-	-
ii) <b>Term Loans</b>				
<b>From Banks</b>				
Secured Loans / Borrowings :				
Rupee Term Loans (Refer note (b) below)	4,717	-	4,500	4,725
Foreign Currency Term Loans (Refer note (b), (c) and (d) below)	54,753	97,180	56,583	134,688
<b>Unsecured Loans :</b>				
<b>From Banks</b>				
Foreign Currency Term Loan (Refer note (e) below)	-	92,757	-	87,500
<b>From Others</b>				
Foreign Currency Term Loan (Refer note (f) below)	398	20,009	-	19,250
iii) <b>Long Term Maturities of Finance Lease Obligations / Hire Purchase (Refer note (g) below)</b>	98,279	341,197	104,025	414,567
<b>TOTAL</b>	<b>158,147</b>	<b>621,033</b>	165,108	660,730

#### Security and Salient Terms :

- 6,989 Non-Convertible Debentures (NCD) are issued at face value of ₹ 10,00,000 and redeemable at the end of five years from the date of allotment at a premium of ₹ 70,100 per debenture. These NCD's carry an interest rate of 20.64% p.a. payable quarterly.
- Rupee Term Loans of ₹ 4,717 lakhs (Previous Year ₹ 9,225 lakhs) and Foreign Currency Term Loan of ₹ 15,875 lakhs (Previous Year ₹ 21,454 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.  
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 ₹ 46,862 lakhs (Previous Year ₹ 76,067 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 hypothecation charge on the four flight simulators, mortgage on the land located at Pali, Raigad and Vadgaon (Maharashtra).  
Interest rates are linked to LIBOR plus Margin and are repayable in monthly instalments by December 2018.
- Foreign Currency Term Loan of ₹ 89,196 lakhs (Previous Year ₹ 93,750 lakhs) is secured by way of First Charge on: (i) IATA BSP receivables from the Kingdom of Saudi Arabia, United Arab Emirates and Qatar (ii) Revenue Account, Debt Service Reserve Account and Receivable Collection Account, maintained with the lead Bank.  
Interest rates are linked to LIBOR plus Margin and are repayable on monthly basis after a moratorium period of six months by November 2019.
- Foreign Currency Term Loan of ₹ 92,757 lakhs (Previous Year ₹ 87,500 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 and creation of pledge on 54,772 shares held in Jet Privilege Private Limited is pending.



**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)**

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

- f. Foreign Currency Term Loan is repayable within 42 months starting March 2017. Interest thereon is payable on monthly basis.
- g. (i) Finance Lease obligation for six aircraft are secured by the Corporate Guarantees given by the Subsidiary Company of ₹ 161,492 lakhs equivalent to USD 2,437 lakhs (Previous Year ₹ 203,503 lakhs equivalent to USD 3,256 lakhs).
- (ii) Repayable in quarterly instalments 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 <sup>st</sup> March,	
	2016	2015
<b>Deferred Tax Liability</b>		
Related to Fixed Assets	<b>135,818</b>	122,719
<b>Deferred Tax Asset</b>		
Other Disallowances under Income tax Act, 1961	<b>34,991</b>	40,291
Unabsorbed Depreciation / Business Loss (Refer note below)	<b>100,827</b>	82,428
<b>Net Deferred Tax Liability at the end of the year</b>	<b>-</b>	<b>-</b>

**Note :**

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

**6. OTHER LONG TERM LIABILITIES**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
Advance from Developer (Refer note below)	<b>51,831</b>	36,500
Advance from Customers	<b>8,099</b>	9,850
Deferred Revenue (Refer note 43)	<b>30,423</b>	68,491
<b>TOTAL</b>	<b>90,353</b>	114,841

**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. During the year, the Company has further received a credit of an amount of ₹15,331 lakhs (net of TDS of ₹ 154 lakhs) as its share of accrued profit from the said project until 31<sup>st</sup> March, 2016. Considering the fact that the project is still in progress, cost are still being incurred and sale of office space is still in progress, the final determination of profit / loss from the project is yet to be ascertained. In view of these contingencies, the said advance and the credit received by the Company has been disclosed as 'Advance from Developer'.

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

### 7. LONG TERM PROVISIONS

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,			
	2016		2015	
	Current	Non-Current	Current	Non-Current
<b>a) Provision for Employee Benefits</b> (Refer note 36)				
Provision for Gratuity	686	10,374	609	9,319
Provision for Compensated Absences	1,012	4,185	951	3,518
<b>b) Other Provisions</b>				
Redelivery of Aircraft	861	19,076	3,655	11,955
<b>TOTAL</b>	<b>2,559</b>	<b>33,635</b>	<b>5,215</b>	<b>24,792</b>

#### 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	
	2015-16	2014-15
Opening Balance	15,610	11,972
Add : Additional Provisions during the year*	4,724	4,359
Less : Amounts used during the year	(397)	(721)
Less : Unused amounts reversed during the year	-	-
<b>Closing Balance</b>	<b>19,937</b>	<b>15,610</b>

\*Note-Additions include adjustment of ₹ 909 lakhs (Previous Year ₹ 553 lakhs) on account of exchange fluctuation loss consequent to restatement of liabilities denominated in foreign currency.

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

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

(₹ in lakhs)

Year	2016		2015	
	No. of Aircraft	Amount	No. of Aircraft	Amount
2015-16	-	-	9	3,655
2016-17	2	861	3	1,095
2017-18	-	-	3	884
2018-19	5	1,879	1	267
2019-20	4	1,270	4	1,123
2020-21	29	7,568	27	5,462
2021-22	13	4,313	6	756
2022-23	9	1,813	10	1,380
2023-24	13	1,359	12	782
2024-25	9	874	8	206
<b>Total</b>	<b>84</b>	<b>19,937</b>	<b>83</b>	<b>15,610</b>

### 8. SHORT TERM BORROWINGS

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
<b>Secured :</b>		
<b>Loans Repayable on Demand</b>		
<b>From Banks</b>		
Rupee Loans (Refer note (a), (c), & (f) below)	<b>50,055</b>	107,049
Foreign Currency Loans (Refer note (a),(b) & (f) below)	<b>66,537</b>	92,380
<b>Unsecured :</b>		
<b>From Banks</b>		
Foreign Currency Loans (Refer note (d) & (f) below)	<b>185,514</b>	-
Rupee Loans (Refer note (e) & (f) below)	-	165,000
<b>TOTAL</b>	<b>302,106</b>	<b>364,429</b>

#### Security and Salient Terms :

- a) Loans aggregating to ₹ 116,592 lakhs (Previous Year ₹ 167,917 lakhs) are secured by way of hypothecation of Inventories (excluding Aircraft fuel), Debtors / Receivables [excluding (i) credit card receivables, (ii) IATA and BSP receivables from the Kingdom of Saudi Arabia, United Arab Emirates, Qatar, Oman, Bahrain and Kuwait, collectively called as Gulf receivables (iii) receivables from aircraft subleased but including claim receivables from aircraft lessors], Ground Support Vehicles / Equipment (excluding trucks, jeeps and other motor vehicles), Spares (including engines), Data Processing Equipment, other current assets excluding cash and bank balances and fixed deposits with bank both present and future as well as all rights, title, interest and benefits in all and singular, the residual Aircraft proceeds and all accounts of the borrower in which such aircraft proceeds are deposited in relation to 22 aircraft out of which charge in respect of 9 aircraft is pending creation. The Company has escrowed the entire IATA collection excluding Gulf receivables with the lead bank for facilitating interest servicing and regularisation in case of any irregularity.

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

- b) Foreign Currency Loans amounting to ₹ Nil (Previous Year ₹ 28,012 lakhs). This facility was earlier secured by hypothecation over 2 CFM engines, UK IATA receivables escrow collection account thereof and pledge of 238,834,623 shares of Jet Lite.
- c) Rupee Term loan of ₹ Nil (Previous Year ₹ 3,500 lakhs). This facility was earlier secured by way of pledge of 151,834,623 shares of Jet Lite.
- d) Foreign Currency Loan of ₹ 185,514 lakhs (Previous Year ₹ Nil) is availed against standby letter of credit issued by foreign banks backed by corporate guarantee provided by one of the Shareholder.
- e) Rupee Term Loan of ₹ Nil (Previous Year ₹ 165,000 lakhs). This facility was availed against standby letter of credit issued by foreign banks backed by corporate guarantee provided by one of the Shareholders.
- f) The rate of interest for the loans listed in (a) to (e) above ranges from 130 bps to 750 bps p.a. margin over LIBOR for Foreign Currency Loans and 11.90 % to 16.50 % p.a. for Rupee Loans.

### 9. TRADE PAYABLES

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
<b>Trade Payables</b>		
Total outstanding dues to Micro and Small Enterprises	289	235
Others for Goods and Services	586,912	543,264
<b>TOTAL</b>	<b>587,201</b>	<b>543,499</b>

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 <sup>st</sup> March,	
		2016	2015
a)	Principal amount remaining unpaid as on 31 <sup>st</sup> March	289	235
b)	Interest due thereon as on 31 <sup>st</sup> 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 <sup>st</sup> 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	-	-

**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)****10. OTHER CURRENT LIABILITIES**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
Current Maturities of Long Term Loans (Refer note 4)	59,868	61,083
Current Maturities of Finance Lease Obligation / Hire Purchase (Refer note 4)	98,279	104,025
Interest Accrued but Not Due on Loans / Borrowings	1,670	1,790
Forward Sales (Net) [Passenger / Cargo]	315,568	310,922
Advance Received against Sub lease	1,479	1,370
Balance with Banks – Overdrawn as per Books	6,476	789
Statutory Dues Payable	23,910	22,495
Airport Dues Payable	6,296	7,593
Deposit / Advance From Customer / Vendors / Others	18,785	16,195
Deferred revenue (Refer Note 43)	44,445	36,524
Other Payables	3,861	18,440
<b>TOTAL</b>	<b>580,637</b>	<b>581,226</b>

**11. SHORT TERM PROVISIONS**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
<b>a) Provision for Employee Benefits</b> (Refer note 36)		
Gratuity	686	609
Compensated Absences	1,012	951
<b>b) Others</b>		
Wealth Tax (net of advance payment of tax)	15	24
Redelivery of Aircraft (Refer note 7)	861	3,655
<b>TOTAL</b>	<b>2,574</b>	<b>5,239</b>

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 :**

Uptill 21<sup>st</sup> April, 2014, the Company had 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 was accounted considering such miles accrued on an incremental cost basis.

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

The movement in the incremental provisions made before the slump sale in the current year is as under:

(₹ in lakhs)

Particulars	For the Year	
	2015-16	2014-15
Opening Balance	-	11,069
Add : Additional provision during the year	-	43
Less : Amounts used during the year	-	425
Less : Unused amounts reversed during the year	-	(380)
Less : Amounts transfer on sale of JPFFP (Refer note 43)	-	(11,157)
<b>Closing Balance</b>	<b>-</b>	<b>-</b>

Effective 21<sup>st</sup> April, 2014, pursuant to the Slump Sale Agreement (Refer note 43), the 'Jet Privilege' miles continue to accrue and are accumulated to the credit of the members account maintained with Jet Privilege Private Limited ('JPPL'), an associate company. The Company pays contracted rate for each such mile accrued to its passengers and charges the same to the Statement of Profit and Loss.

### 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	
	2015-16	2014-15
Opening Balance	-	85
Add : Adjustments during the year *	-	-
Less : Amounts used during the year	-	-
Less : Unused amounts reversed during the year	-	(85)
<b>Closing Balance</b>	<b>-</b>	<b>-</b>

**\*Note :** 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 31<sup>st</sup> March, 2016 (Contd.)

### 12. TANGIBLE ASSETS

Nature of Asset	Gross Block (At Cost / Valuation)			Accumulated Depreciation			Impairment		Net Block	
	As at 1 <sup>st</sup> April, 2015	Additions / Adjustments during the year	Deductions / Adjustments during the year	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015	Retained Earnings (Refer Note 4 below)	Additions / Adjustments during the year	Deductions / Adjustments during the year	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Owned Tangible Assets</b>										
Freehold Land	32	-	-	32	-	-	-	-	32	32
Plant and Machinery	751	-	-	751	338	-	65	-	348	413
Furniture and Fixtures	3,331	217	224	3,324	2,257	-	345	180	902	1,074
Electrical Fittings	2,322	43	159	2,206	1,416	-	295	127	622	906
Data Processing Equipments	8,422	835	877	8,380	7,260	-	625	874	1,369	1,162
Office Equipment	4,419	250	65	4,604	4,185	-	156	65	328	234
Ground Support Equipment	7,502	863	134	8,231	4,306	-	480	112	3,557	3,196
Vehicles	439	36	161	314	330	-	32	153	105	109
Ground Support Vehicles	8,005	677	238	8,444	5,937	-	630	237	2,114	2,068
Simulators	20,941	-	-	20,941	11,350	-	1,829	-	7,762	9,591
Aircraft and Spare Engines (Narrow Body-Refer note 1, 3 ii and 5 below)	180,145	25,830	-	205,975	77,632	-	26,412	-	101,931	102,513
<b>Leased Assets</b>										
Leasehold Land	193,001	-	-	193,001	15,128	-	1,015	-	16,143	64,953
Aircraft (Narrow Body-Refer note 1 below)	23,305	-	23,305	-	13,920	-	-	13,920	-	9,385
Aircraft (Wide Body-Refer note 5 below)	1,127,061	48,424	-	1,175,485	411,691	-	77,962	-	685,832	715,370
Improvement on Leased Aircraft	19,316	-	-	19,316	8,995	-	1,972	-	8,349	10,321
Improvement on Leased Property	6,250	159	-	6,409	5,733	-	305	-	371	517
<b>TOTAL</b>	<b>1,605,242</b>	<b>77,334</b>	<b>25,163</b>	<b>1,657,413</b>	<b>570,478</b>	<b>-</b>	<b>112,123</b>	<b>15,668</b>	<b>877,560</b>	<b>921,844</b>
Previous Year	1,568,436	195,535	158,729	1,605,242	494,570	2,861	74,264	1,217	921,844	

1) All the Aircraft (except four) are acquired on Hire-purchase / Finance Lease basis. Such Aircraft are charged by the Hirees / Lessors against the financing arrangements obtained by them. During the financial year 2015-16, pursuant to end of finance lease obligation of certain aircraft, the gross cost and the accumulated depreciation in relation to same aggregating to ₹ 23,305 lakhs and ₹ 13,920 lakhs respectively are regrouped under owned tangible assets from leased assets.

2) Additions to Aircraft during the year include ₹ 29,710 lakhs (Net loss) (Previous Year ₹ 23,292 lakhs (Net Loss)) on account of Exchange Loss / (Gain) (Refer note 34).

3) Details of Revaluation

i. The Company had revalued the leasehold land taken from MMRDA situated at Bandra-Kurla Complex on 31<sup>st</sup> March, 2008. Pursuant to such revaluation, the value of the revalued land together with its entitled share in the building is re-assessed at every year end. During the year ended 31<sup>st</sup> March, 2016 and as of 31<sup>st</sup> March, 2015, based on such re-assessment, no adjustment was required to be made to the carrying value. The cumulative amount adjusted against the revaluation reserve on reassessment of value of the land together with its entitled share in the building, based on the project cost estimate, upto 31<sup>st</sup> March, 2016 is ₹ 112,920 lakhs.

ii. Narrow Body Aircraft were revalued on 31<sup>st</sup> 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 31<sup>st</sup> March, 2008 was ₹ 346,396 lakhs. Revalued amount as on 31<sup>st</sup> March, 2016 is ₹ 5,421 lakhs (Previous Year ₹ 6,072 lakhs).

4) Pursuant to the Company adopting the useful life of fixed assets as indicated in part C of Schedule II of the Companies Act, 2013, coming in to effect from 1<sup>st</sup> April, 2014, the depreciation charge for year ended 31<sup>st</sup> March, 2015 is lower (net) by ₹ 11,150 lakhs. Further, in respect of assets which have completed their useful life as at 1<sup>st</sup> April, 2014, their carrying value amounting to ₹ 2,861 lakhs was adjusted against retained earnings.

5) As per the requirements of Schedule II of the Companies Act, 2013, the Company has identified the cost incurred in relation to major checks and overhaul costs as separate components and have amortised them over their balance useful life. As a result, the depreciation charge for the year ended 31<sup>st</sup> March, 2016 is higher by ₹ 22,577 lakhs. The corresponding impact on Aircraft maintenance is lower by ₹ 21,241 lakhs.

### 13. INTANGIBLE ASSETS

(₹ in lakhs)



**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)****14. NON-CURRENT INVESTMENTS**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
<b>Long Term Investments</b>		
<b>Trade Investments (Unquoted and at cost)</b>		
4,133 Shares (Previous Year 2,815 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	8	5
71 Shares (Previous Year 66 Shares) in Societe Internationale de Telecommunications Aeronautiques S.C. (S.I.T.A.) of Euro 5 each#	*	*
145,276 (Previous Year 145,276) Depository Certificates in SITA Group foundation of USD 1.20 each#	89	89
<b>Other Investments (Unquoted and at cost)</b>		
<b>Investment in Fully Paid Equity Shares of wholly owned Subsidiaries</b>		
- 796,115,409 Shares (Previous Year 796,115,409 Shares) of Jet Lite (India) Limited) of ₹ 10 each [including 6 Shares held by its nominees (Previous Year 6 Shares)]	164,500	164,500
[Of the above, Nil Shares (Previous Year 151,834,623 Shares) had been pledged with IDBI as security for Term Loan of ₹ Nil (Previous Year ₹ 3,500 lakhs) granted by them]		
[Of the above, Nil Shares (Previous Year 238,834,623 Shares) had been pledged with IL& FS Trust Company as security for Term Loan from Yes Bank Limited of ₹ Nil (Previous Year ₹ 28,012 lakhs)]		
Less: Provision for diminution in value of investment (Refer note 32)	(164,500)	(164,500)
	-	-
- 10,000 Shares (Previous Year 10,000 Shares) of Jet Airways Training Academy Private Limited of ₹ 10 each [including 1 Share held by its nominees (Previous Year 1 Share)]	1	1
Less: Provision for diminution in value of investment	(1)	-
	-	-
<b>Investment in Fully Paid Equity Shares of Associate</b>		
- 54,772 Shares (Previous Year 54,772 Shares) of Jet Privilege Private Limited of ₹ 10 each	69,522	69,522
<b>TOTAL</b>	<b>69,619</b>	<b>69,617</b>

\* ₹ 24,234 (Previous Year ₹ 22,349)

# 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.

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

### 15. LONG TERM LOANS AND ADVANCES

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
<b>Unsecured and Considered Good unless otherwise stated</b>		
Capital Advances	52,593	51,556
Loans and Advances / Deposits to Related Parties	239,942	232,316
Less : Provision for doubtful advances (Refer note 32)	(27,650)	(22,739)
	212,292	209,577
Security Deposits with Airport Authorities, Lessors and Others	16,996	19,751
Advance Tax and Tax Deducted at Source (Net of Provisions for tax)	20,869	20,744
Contribution Receivable from Lessors (Refer note 37)	38,424	41,726
Prepaid Expenses	894	1,596
<b>TOTAL</b>	<b>342,068</b>	<b>344,950</b>

**Note :**

Loans and Advances / Deposits to Related Parties include ₹ 160 lakhs (Previous Year ₹ 160 lakhs) placed as deposit with private limited companies in which the Company's Director is a Director / Member.

### 16. OTHER NON – CURRENT ASSETS

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
Other Bank Balances	3,353	4,559
Interest Accrued on Fixed Deposits Accounts	470	220
<b>TOTAL</b>	<b>3,823</b>	<b>4,779</b>

### 17. CURRENT INVESTMENTS

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
<b>Investments</b>		
Investments in Mutual Funds (Liquid Fund-Growth Plan-Units:2,107,083)	50,000	-
<b>TOTAL</b>	<b>50,000</b>	<b>-</b>

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

### 18. INVENTORIES (AT LOWER OF COST OR NET REALISABLE VALUE)

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
a) Rotables, Consumable Stores and Tools	153,924	138,646
Less : Provision for Obsolescence / Slow and Non – Moving Items (Refer note 1(M))	(55,120)	(51,684)
	98,804	86,962
b) Fuel	320	418
c) Other Stores Item	5,880	5,355
Less : Provision for Slow and Non-Moving items (Refer note 1(M))	(33)	(33)
	5,847	5,322
<b>TOTAL</b>	<b>104,971</b>	<b>92,702</b>

### 19. TRADE RECEIVABLES

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
<b>Unsecured</b>		
a) Outstanding for a period exceeding six months from the date they are due for payment :		
Considered Good	7,470	6,452
Considered Doubtful	8,475	7,507
Less: Provision for Doubtful Debts	(8,475)	(7,507)
	7,470	6,452
b) Others		
Considered Good	155,078	131,508
Considered Doubtful	166	-
Less: Provision for Doubtful Debts	(166)	-
	155,078	131,508
<b>TOTAL</b>	<b>162,548</b>	<b>137,960</b>

**Note:**

Debtors include ₹ 2,550 lakhs (Previous Year ₹ 5,759 lakhs) due from private company in which the Company's Director is a Director / Member.

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

### 20. CASH AND BANK BALANCES

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
<b>Cash and Cash Equivalents</b>		
Balances with Banks :		
In Current Account	30,826	40,191
Deposit with original maturity of less than 3 months	-	55,216
Cash on Hand	157	125
	<b>30,983</b>	<b>95,532</b>
<b>Other Bank Balances :</b>		
Fixed Deposits	3,246	-
Margin Deposits	113,536	102,976
<b>TOTAL</b>	<b>147,765</b>	<b>198,508</b>

### 21. SHORT TERM LOANS AND ADVANCES

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
<b>Unsecured and Considered Good unless otherwise stated</b>		
Security Deposits with Lessors / Vendors		
- Considered Good	11,117	8,993
- Considered Doubtful	864	446
Less : Provision for Doubtful Deposits	(864)	(446)
	<b>11,117</b>	<b>8,993</b>
Contribution Receivable from Lessors (Refer note 37)	45,070	35,380
Receivable from Lessors / Insurers / Others	38,482	11,140
CENVAT Credit Receivable	6,322	2,246
Deposit with Service Tax Department	563	-
Advances to related parties (Unsecured, considered doubtful)	3	-
Less : Provision for Doubtful Advances	(3)	-
	<b>-</b>	<b>-</b>
Advance and Other Receivables from Suppliers / Others	38,812	42,288
Less : Provision for Doubtful Advances	(11,643)	(11,643)
Prepaid Expenses	21,758	18,473
Others	1,401	1,699
<b>TOTAL</b>	<b>151,882</b>	<b>108,576</b>

### 22. OTHER CURRENT ASSETS

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
Interest accrued on fixed deposits account	2,588	3,573
<b>TOTAL</b>	<b>2,588</b>	<b>3,573</b>

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

### 23. REVENUE FROM OPERATIONS

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March,	
	2016	2015
<b>Sale of Services</b>		
Passenger	1,873,363	1,699,264
Less : Service Tax	(68,267)	(50,339)
	1,805,096	1,648,925
Cargo	140,937	1,46,926
Less : Service Tax	(7,169)	(5,531)
	133,768	141,395
Excess Baggage	16,786	14,102
<b>Other Operating Revenues</b>		
Cancellation Charges	60,225	47,117
Export Incentives	3,449	4,301
Revenue from Leasing of Aircraft and Engines	81,829	93,219
Provision No Longer Required Written Back	6,700	1,971
Other Revenue (includes warranty claims, incentive credit / allowances etc.)	8,880	6,313
<b>TOTAL</b>	<b>2,116,733</b>	<b>1,957,343</b>

### 24. OTHER INCOME

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March,	
	2016	2015
Interest Income on Loans and advances to Related Party	4,911	1,851
Interest Income on Fixed Deposit and Others	9,464	8,608
Interest on Income Tax Refund	523	7
Profit on Sale and Lease Back of Aircraft / Engines (net)	-	12,459
Profit on Sale of Other Fixed Assets (net)	104	-
Net Gain on Sale of Current Investments	233	90
Recognition upon fulfilment of commitment (Refer Note 43)	34,688	26,248
Other Non-Operating Income (includes revenue from Frequent Flyer programme and other related income etc.)	24,440	21,467
<b>TOTAL</b>	<b>74,363</b>	<b>70,730</b>

### 25. EMPLOYEE BENEFIT EXPENSES

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March,	
	2016	2015
Salaries, Wages, Bonus and Allowances	218,891	206,150
Contribution to Provident Fund and Other Funds	6,073	4,906
Provision for Gratuity	1,791	2,759
Provision for Compensated Absences	1,289	529
Staff Welfare Expenses	10,769	9,956
<b>TOTAL</b>	<b>238,813</b>	<b>224,300</b>

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

### 26. SELLING AND DISTRIBUTION EXPENSES

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March,	
	2016	2015
Computerized Reservation System Cost	102,651	81,463
Commission	85,009	83,773
Cost of miles accrued (Refer note below)	38,943	28,679
Others	9,109	10,179
<b>TOTAL</b>	<b>235,712</b>	<b>204,094</b>

Effective 21<sup>st</sup> April, 2014, pursuant to the Slump Sale Agreement (Refer note 43), the 'Jet Privilege' miles continue to accrue and are accumulated to the credit of the members account maintained with Jet Privilege Private Limited ('JPPL'), an associate company. The Company pays contracted rate for each such mile accrued to its passengers and charges the same to the Statement of Profit and Loss.

### 27. DEPRECIATION AND AMORTISATION

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March,	
	2016	2015
<b>Depreciation and Amortisation</b>		
- On Tangible Assets (Refer note 12)	98,203	74,263
- On Intangible Assets (Refer note 13)	1,306	1,987
<b>TOTAL</b>	<b>99,509</b>	<b>76,250</b>

### 28. FINANCE COST

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March,	
	2016	2015
Interest Expense	72,485	73,785
Other Borrowing Cost	14,326	14,621
<b>TOTAL</b>	<b>86,811</b>	<b>88,406</b>

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

### 29. OTHER EXPENSES

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March,	
	2016	2015
Aircraft Variable Rentals	83,565	68,290
Aircraft Insurance and Other Insurance	8,731	8,190
Landing, Navigation and Other Airport Charges	181,573	159,598
Aircraft Maintenance (including Customs Duty and Freight, where applicable) :		
- Component Repairs, Recertification, Exchange, Consignment Fees and Aircraft Overhaul (Net) (Refer note 12 (5))	191,652	186,642
- Consumption of Stores and Spares (Net)	18,858	13,990
- Provision for Spares Obsolescence	6,796	14,589
	217,306	215,221
Inflight and Other Pax Amenities	91,292	80,145
Communication Cost	4,507	4,670
Travelling and Subsistence	29,642	27,153
Rent	10,982	9,830
Rates and Taxes	398	543
Repairs and Maintenance :		
- Leased Premises	94	115
- Others	5,654	7,404
	5,748	7,519
Electricity	1,539	1,579
Directors' Sitting Fees	46	31
Provision for Bad and Doubtful Debts	1,507	2,256
Provision for Doubtful Advances / Deposit	423	-
Bad Debts Written off	31	65
Net loss on Foreign Currency Transaction and Translation	23,196	26,594
Loss on Scrapping of Fixed Assets other than Aircraft Parts	-	14
Loss on Sale of Fixed Assets other than Aircraft (Net)	-	128
Miscellaneous Expenses (including Professional Fees, Audit Fees, Printing and Stationery, Cargo Handling and Bank Charges etc.)	46,241	64,200
<b>TOTAL</b>	<b>706,727</b>	<b>676,026</b>

#### Auditors Remuneration (Net of Service Tax Input Credit)

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March,	
	2016 <sup>#</sup>	2015 <sup>*</sup>
<b>(a) As Audit Fees</b>		
- Statutory Audit Fees	120	118
- Tax Audit Fees	19	39
<b>(b) As Advisors or in any other capacity in respect of</b>		
- Taxation Matters (@ ₹ 47,200)	@	22
<b>(c) In any other manner</b>		
- For other services such as quarterly limited reviews, certificates etc.	130	90
<b>(d) For Reimbursement of Expenses</b>	3	-
<b>TOTAL</b>	<b>272</b>	<b>269</b>

<sup>#</sup> Pertain to payment made to current joint auditors and one of the previous joint auditor for limited review for the period ended 30<sup>th</sup> June, 2015 including reimbursement of expenses.

<sup>\*</sup> includes fees paid to one of the previous joint auditor.

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

### 30. EXCEPTIONAL ITEMS (EXPENSE) / INCOME

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March,	
	2016	2015
Surplus from Slump Sale of Jet Privilege Frequent Flyer Programme (Refer note 43)	-	30,501
Contribution receivable from Lessor (Refer note below)	12,795	10,888
Provision for Doubtful Loans / diminution in value of Investment in Subsidiary (Refer note 32)	(4,911)	(117,239)
<b>TOTAL</b>	<b>7,884</b>	<b>(75,850)</b>

**Note:**

Pursuant to a "Power by the Hour" (PBTH) engine maintenance arrangement entered into by the Company with service providers for its B777, ATR and additional B737 Aircraft engines, the PBTH cost are being charged to the Statement of Profit and Loss and the variable rentals payable to the Lessors are recognised as "Contribution receivable from Lessors". Based on a joint validation of the Company's maintenance plan with the service providers, the Company has recognised, the expected refund of variable rentals paid to the lessors pertaining to earlier years for these engines, as "Contribution receivable from Lessors" in the respective period.

### 31. EARNINGS PER SHARE (EPS)

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March,	
	2016	2015
Profit/(Loss) After Tax for the Year	117,356	(181,371)
Profit/(Loss) Attributable to Equity Share Holders <b>(A)</b>	117,356	(181,371)
Weighted Average Number of Equity Shares for Basic and Diluted EPS [Nos.] <b>(B)</b>	113,597,383	113,597,383
Nominal Value of Equity Shares (₹)	10	10
Basic and Diluted EPS ₹ <b>(A/B)</b>	<b>103.31</b>	<b>(159.66)</b>

32. The Company has equity investment (net of impairment) of ₹ Nil as on 31<sup>st</sup> March, 2016 (Previous Year ₹ Nil) in Jet Lite (India) Limited, a wholly owned subsidiary ("Subsidiary company"), and has advanced loans (net of provision) amounting to ₹ 212,132 lakhs as on 31<sup>st</sup> March, 2016 (Previous Year ₹ 209,412 lakhs). The subsidiary company continues to incur losses and has negative net worth as on 31<sup>st</sup> March, 2016. In view of the current performance and the operating parameters of the subsidiary company, the Management has created an additional provision of ₹ 4,911 lakhs during the Year ended 31<sup>st</sup> March, 2016. The Board of Directors at its meeting held on 2<sup>nd</sup> September, 2015 approved the scheme of merger of Jet Lite (India) Limited, a wholly-owned subsidiary, with the Company ("The Scheme") as per the provisions of section 391 to 394 of the Companies Act 1956, subject to receipt of requisite approvals. The appointed date, per the terms of the scheme is 1<sup>st</sup> April, 2015. The Scheme was approved by the Shareholders and Creditors of both the Companies on 22<sup>nd</sup> April, 2016. The Company has since filed petition with Hon'ble Bombay High Court for its final approval to the Scheme.

The accounting impact of "The Scheme" can only be reflected in the financial statements upon "The Scheme" becoming effective after filing of the Order of Hon'ble Bombay High Court with the Registrar of Companies. As the Orders of the Bombay High Court are awaited, the financial statements as at and for the year ended 31<sup>st</sup> March, 2016 do not include any adjustment that will arise on implementation of The Scheme and the Company's loans and advances to Subsidiary Company continues to be carried at their carrying amount.



**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)****33. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)****A. Contingent Liabilities**

(₹ in lakhs)

Particulars		As at 31 <sup>st</sup> March,	
		2016	2015
<b>a) Guarantees :</b>			
i. Letters of Credit Outstanding		<b>233,496</b>	183,371
ii. Bank Guarantees Outstanding		<b>119,849</b>	143,150
iii. Corporate Guarantee given to Banks and Financial Institutions against credit facilities and to Lessors/ service provider against financial obligations extended to Subsidiary Company:			
- Amount of Guarantee		<b>3,998</b>	30,776
- Outstanding Amounts against the Guarantee		<b>3,998</b>	24,215
<b>b) Claims against the Company not acknowledged as debt (Refer note below) :</b>			
i. Service Tax Demands in Appeals		<b>109,180</b>	85,418
ii. Fringe Benefit Tax Demands in Appeals		<b>142</b>	4,462
iii. Pending Civil and Consumer Suits		<b>15,472</b>	12,044
iv. Inland Air Travel Tax Demands under Appeal		<b>426</b>	426
Amount deposited with the Authorities for the above Demands		<b>105</b>	105
v. Octroi		-	2,899
vi. Customs		<b>2,099</b>	1,510
vii. Income Tax Demands in Appeal		<b>5,548</b>	10,872
viii. Sales Tax		<b>13</b>	-
ix. Employee State Insurance Corporation		<b>2,999</b>	2,999

- x. The Company is in receipt of favourable orders in relation to certain service tax, income tax, and octroi demands. However, respective tax departments have preferred an appeal against these orders before higher appellate authorities. The amounts involved (excluding interest and penalty thereon, if any, not included in such demands) in these appeals as on 31<sup>st</sup> March, 2016, with respect to service tax, income tax, and octroi aggregating to ₹ 1,79,511 lakhs, ₹ 27,982 lakhs, and ₹ 2,899 lakhs respectively are not included above as there is no outstanding demand in relation to the same.
- xi. 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 ₹ 50,000 lakhs (Previous Year ₹ 125,000 lakhs) provided by a financial institution to its developer Godrej Buildcon Private limited.
- xii. The Company had acquired 100% of the shareholding of Sahara Airlines Limited (SAL) (now known as Jet Lite (India) Limited) in April, 2007. As per the Share Purchase Agreement (SPA) as amended by the subsequent Consent Award, the mutually agreed sale consideration was to be paid to the Selling Shareholders Sahara India Commercial Corporation Limited (SICCL) in four equal interest free instalments by 30<sup>th</sup> 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 4<sup>th</sup> May, 2011 whereby SICCL's demand for restoration of the original price of ₹ 200,000 lakhs was denied

**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)**

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 immoveable 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 17<sup>th</sup> October, 2011 dismissed both the appeals as being not maintainable in view of jurisdictional issue. The Company has since filed Special Leave Petitions (SLP) before the Hon'ble Supreme Court challenging both the orders of 4<sup>th</sup> May, 2011 and 17<sup>th</sup> October, 2011. SICCL had earlier filed a SLP before the Hon'ble Supreme Court for increased compensation and interest.

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

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

**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**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
Estimated amount of Contracts remaining to be executed on capital account (net of advances), not provided for	3,798,638	3,431,804
<b>TOTAL</b>	<b>3,798,638</b>	<b>3,431,804</b>

**34. FOREIGN EXCHANGE DIFFERENCES**

With effect from 1<sup>st</sup> April, 2011, the Company opted to apply the provisions under Para 46A of AS 11. In line with the said notification, the Company has amortised the exchange difference as detailed in the Accounting Policy L in Note 1. The unamortised portion of ₹ 16,437 lakhs (Previous Year ₹ 6,709 lakhs) is accumulated in Foreign Currency Monetary Item Translation Difference Account (FCMITDA) grouped under reserves and surplus. The amortised portion of foreign exchange Loss incurred on long term foreign currency monetary items for the year ended 31<sup>st</sup> March, 2016 is ₹ 6,547 lakhs (Previous Year ₹ 7,355 lakhs). Further, the amount of exchange difference adjusted to the tangible assets during the year is ₹ 29,710 lakhs - net loss (Previous Year ₹ 23,292 lakhs - net loss) and the unamortised balance (carried as a part of tangible asset), as at the year end, aggregates to ₹ 234,523 lakhs (Previous Year ₹ 236,865 lakhs).

**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)****35. UNHEDGED FOREIGN CURRENCY EXPOSURE**

The foreign currency exposures (other than investments) that have not been hedged by any derivative instrument or otherwise as on 31<sup>st</sup> March are as follows :

Particulars	₹ Equivalent (₹ in lakhs)		USD Equivalent (USD in lakhs)	
	As at 31 <sup>st</sup> March,		As at 31 <sup>st</sup> March,	
	2016	2015	2016	2015
Assets	<b>239,266</b>	212,442	<b>3,611</b>	3,399
Liabilities	<b>380,562</b>	333,829	<b>5,744</b>	5,341
Interest Accrued but not due on Loans	<b>1,495</b>	1,680	<b>23</b>	27
Long Term Loans for purchase of Aircraft*	<b>439,476</b>	537,842	<b>6,633</b>	8,605
Other Loans Payable#	<b>517,148</b>	371,152	<b>7,805</b>	5,938

\*includes Loans payable after 5 years – ₹ Nil (Previous Year ₹ 1,854 lakhs).

# includes Loans payable after 5 years – ₹ Nil (Previous Year ₹ 3,250 lakhs).

**36. 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 recognised ₹ 5,829 lakhs (Previous Year ₹ 4,719 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 31<sup>st</sup> March, 2016 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 31<sup>st</sup> March, 2016 (Contd.)

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at 31<sup>st</sup> March.

(₹ in lakhs)

Particulars	Gratuity (Non-Funded) As at 31 <sup>st</sup> March,	
	2016	2015
<b>Reconciliation in Present Value of Obligations (PVO) – Defined Benefit Obligation</b>		
PVO at the beginning of the year	9,928	7,673
Current Service Cost	806	633
Interest Cost	794	714
Actuarial Loss	191	1,412
Benefits Paid	(659)	(504)
<b>Closing Balance</b>	<b>11,060</b>	<b>9,928</b>
<b>Net Cost for the Year ended 31<sup>st</sup> March,</b>		
Current Service Cost	806	633
Interest Cost	794	714
Actuarial Loss	191	1,412
<b>Net Cost</b>	<b>1,791</b>	<b>2,759</b>
<b>Fair Value of Plan Assets</b>	<b>Nil</b>	<b>Nil</b>
<b>Experience Adjustment</b>		
Plan Liability Loss / (Gains)	246	(66)
Plan Assets Loss / (Gains)	Nil	Nil
<b>Actuarial Assumptions</b>		
Discount Rate (%)	8.04	8.00
Salary Escalation Rate (%)	5.00	5.00

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

(₹ in lakhs)

Financial Year ended	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013	31 <sup>st</sup> March, 2012
<b>Amount</b>	7,673	6,803	5,523

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

(₹ in lakhs)

Financial Year ended	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013	31 <sup>st</sup> March, 2012
<b>Amount</b>	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 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013	31 <sup>st</sup> March, 2012
<b>Plan Liability Loss / (Gain)</b>	1,286	369	494
<b>Plan Assets Loss / (Gain)</b>	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 31<sup>st</sup> March, 2016, amounting to ₹ 1,289 lakhs (Previous Year ₹ 529 lakhs) has been recognised 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 31<sup>st</sup> March, 2016 (Contd.)**

37. The Company has entered into a "Power by the Hour" (PBTH) Engine Maintenance agreements with a Service providers for its Next Generation Boeing 737 Aircraft fleet, ATR Aircraft fleet and Boeing 777 Aircraft fleet for future engine shop visits. Subsequent to such arrangements, the Company expenses out the cost of PBTH at the rate specified in the contract with the service provider to the Statement of Profit and Loss and treats the variable rentals 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 recognised 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 ₹ 83,494 lakhs (Previous Year ₹ 77,106 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.

**38. 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 <sup>st</sup> March			
	2016	2015	2016	2015	2016	2015
Not later than one year	110,499	116,931	98,279	104,025	12,220	12,906
Later than one year and not later than five years	358,344	435,809	341,197	412,713	17,147	23,096
Later than five years	-	1,855	-	1,854	-	1
<b>TOTAL</b>	<b>468,843</b>	<b>554,595</b>	<b>439,476</b>	<b>518,592</b>	<b>29,367</b>	<b>36,003</b>

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 31<sup>st</sup> March are as follows :

**Commercial Premises and Amenities**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
Not later than one year	8	85
Later than one year and not later than five years	-	8
Later than five years	-	-
<b>TOTAL</b>	<b>8</b>	<b>93</b>

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

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

### Aircraft and Spare Engines

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
Not later than one year	215,380	193,376
Later than one year and not later than five years	750,596	667,948
Later than five years	254,265	325,833
<b>TOTAL</b>	<b>1,220,241</b>	<b>1,187,157</b>

The Salient features of an Operating Lease agreement are :

- Monthly rentals paid in the form of fixed and variable rentals. Variable Lease Rentals are payable at a pre determined rate based on actual flying hours. Further, these predetermined rates of Variable Rentals are subject to 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 <sup>st</sup> March,	
	2016	2015
Not later than one year	3,478	3,281
Later than one year and not later than five years	3,389	6,478
Later than five years	-	-
<b>TOTAL</b>	<b>6,867</b>	<b>9,759</b>

- d) Details of future minimum lease income in respect of Ten (10) Aircraft [Previous Year Ten (10)] given on non-cancellable Dry Lease and Wet Lease, as at 31<sup>st</sup> March is as follows :

### Aircraft

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
<b>Lease Income</b>		
Not later than one year	35,330	30,529
Later than one year and not later than five years	53,747	50,175
Later than five years	389	676
<b>TOTAL</b>	<b>89,466</b>	<b>81,380</b>

**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)**

The Salient features of Dry Lease agreements are as under :

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

(₹ in lakhs)

Particulars	For the year	
	2015-16	2014-15
Cost of Acquisition	<b>733,153</b>	666,391
Accumulated Depreciation	<b>308,550</b>	244,782
Depreciation Debited to Statement of Profit and Loss during the year on the above Leased Assets	<b>49,430</b>	33,040
Variable Lease Rental income recognised during the year on the Leased Assets	<b>25,132</b>	18,499

- e) The lease rental expense of ₹ 310,843 lakhs (Previous Year ₹ 278,149 lakhs) is recognised during the year.

**39. 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 / amortisation and finance cost, since these are not specifically allocable to specific segments as the underlying assets / services are used interchangeably. The Company believes that it is not practical to provide segment disclosures relating to these revenue and expenses, and accordingly these expenses are separately disclosed as "unallocated" and directly charged against total revenues.

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

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.

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March	
	2016	2015
<b>Segment Revenue</b> (Primarily Passenger, Cargo, Excess Baggage and Leasing of Aircraft)		
Domestic	<b>882,903</b>	758,309
International	<b>1,233,830</b>	1,199,034
<b>Total</b>	<b>2,116,733</b>	1,957,343
<b>Segment result</b>		
Domestic	<b>578,551</b>	434,006
International	<b>792,065</b>	632,900
<b>Total</b>	<b>1,370,616</b>	1,066,906
Less : Finance Cost	<b>86,811</b>	88,406
Less : Depreciation and Amortisation	<b>99,509</b>	76,250
Less : Other Un-Allocable Expenses	<b>1,149,187</b>	1,078,501
Add : Other Un-Allocable Revenue	<b>74,363</b>	70,730
Less : Exceptional Items (Net)	<b>7,884</b>	(75,850)
<b>Profit / (Loss) Before Tax</b>	<b>117,356</b>	(181,371)
Less : Tax (Benefits) / Expenses	-	-
<b>Profit / (Loss) After Tax</b>	<b>117,356</b>	(181,371)

### 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 <sup>st</sup> March	
	2016	2015
<b>i) Segment Revenue from External Customers</b>		
Air Transportation	<b>2,034,904</b>	1,864,124
Leasing of Aircraft	<b>81,829</b>	93,219
<b>Total</b>	<b>2,116,733</b>	1,957,343
<b>ii) Total carrying amount of Segment Assets</b>		
Air Transportation	<b>1,491,536</b>	1,464,119
Leasing of Aircraft	<b>424,603</b>	421,609
<b>Total</b>	<b>1,916,139</b>	1,885,728
<b>iii) Total cost incurred during the period to acquire Segment Assets that are expected to be used for more than one period*</b>		
Air Transportation	<b>10,937</b>	172,966
Leasing of Aircraft	<b>16,316</b>	-
<b>Total</b>	<b>27,253</b>	172,966

\* Excludes Exchange Gain / (Loss).



**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)****40. RELATED PARTY TRANSACTIONS**

As per Accounting Standard - 18 on "Related Party Disclosures", 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	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 (JATAPL)*	
5.	Jet Privilege Private Limited	Associate Company
6.	Anita Goyal	Relatives of controlling shareholder
7.	Nivaan Goyal	
8.	Namrata Goyal	
9.	Gaurang Shetty	Key Managerial Personnel.
10.	Jetair Private Limited	Enterprises over which controlling shareholder and his relatives are able to exercise significant influence directly or indirectly.
11.	Trans Continental e Services Private Limited	
12.	Jet Enterprises Private Limited	
13.	Jet Airways Europe Services N.V.	
14.	Jetair Tours Private Limited	
15.	Global Travel Solutions Private Limited	

\* JATAPL has made an application to the Registrar of Companies, Maharashtra on 9<sup>th</sup> February, 2016 to strike off its name under the 'Fast Track Exit Scheme', 2011. Accordingly, the Financial Statements of JATAPL is prepared only upto 15<sup>th</sup> January, 2016.

**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)**

**ii. Transactions during the year ended 31<sup>st</sup> March, 2016 and balances with related parties :**

		(₹ in lakhs)							
Sr. No.	Nature of Transactions	Controlling Shareholder	Enterprise exercising significant Influence	Subsidiary Companies	Associate Company	Relatives of controlling shareholder of Holding Company	Key Managerial Personnel	Enterprises under significant influence	Total
Transaction during the Year									
1.	Remuneration	Nil (*)	3,935 (Nil)	5,957 (4,857)	Nil (6)	17 (167) 2 (Nil)	128 (117)	6,940 (5,467) 191 (182) 4 (4) 1 (1) 8 (7)	145 (284) 2 (*) 10,875 (5,467) 191 (182) 5,961 (4,861) 384 (1,303) 416 (118) 8 (7) 26,778 (6,804) 42,011 (38,908) 129,782 (65,270) 2,106 (732) 151 (31) Nil (94,500) 136,255 (134,504) 128,625 (98,740)
2.	Sitting Fees * ₹ 22000								
3.	Commission (Agency & Guarantee)								
4.	Rent Paid								
5.	Reimbursement of Expenses Paid (Staff Costs, Communication Costs, Rent, Franking charges)								
6.	Expenses Reimbursed Received (Staff Costs, Communication Costs, Rent, Franking charges)								
7.	Other Hire Charges Received								
8.	Rent received								
9.	Decrease in Corporate Guarantee given by Company on behalf of Subsidiary								
10.	Decrease in Corporate Guarantee given by Subsidiary on behalf of the Company								
11.	Interline Billing (net)								
12.	Miles Accrual income								
13.	Redeemable miles expense								
14.	Provision for diminution in value of investment								
15.	Loan given								
16.	Loan repaid								

**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)**

Sr. No.	Nature of Transactions	Controlling Shareholder	Enterprise exercising significant Influence	Subsidiary Companies	Associate Company	Relatives of controlling shareholder of Holding Company	Key Managerial Personnel	Enterprises under significant influence	Total
17.	Interest Income			4,911 (1,851)					4,911 (1,851)
18.	Airworthiness Management, Security and other services income		905 (629)						905 (629)
19.	Slump Sale of Jet Privilege Frequent Flyer Programme				Nil (119,378)				Nil (119,378)
20.	Marketing Services Received - Expense				1,104 (694)				1,104 (694)
21.	Services Rendered				1,298 (1,061)				1,298 (1,061)
22.	Sale of Tickets (Net of discount of ₹ 4,202 lakhs) (Previous Year ₹ 3,086 lakhs)				19,114 (16,973)				19,114 (16,973)
23.	Miles Purchased Expense				43,243 (29,659)				43,243 (29,659)
24.	Aircraft Lease Rental Income		72,593 (48,446)						72,593 (48,446)
25.	Lease Rent - Slot		3,431 (3,200)						3,431 (3,200)
26.	Engine Lease Rental Expense		Nil						Nil
27.	Technical, Handling, Lounge and other Services etc.		(5,708)						(5,708)
28.	Purchase of Parts		17,431 (1,268)						17,431 (1,268)
29.	Sale of Parts		2,165 (2,833)						2,165 (2,833)
30.	Interline Service Charges Received		25 (11)						25 (11)
31.	Interline Service Charges Paid		1,952 (1,368)	8,736 (3,137)					10,688 (4,505)
32.	Standby Letter of Credit given on behalf of Company		2,322 (1,372)	20 (117)					2,342 (1,489)
33.	Load and Trim Income		185,514 (165,000)						185,514 (165,000)
34.	Provision for Doubtful advances		88 (Nil)	4,915 (22,739)					88 (Nil)
									4,915 (22,739)

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

Sr. No.	Nature of Transactions	Controlling Shareholder	Enterprise exercising significant Influence	Subsidiary Companies	Associate Company	Relatives of controlling shareholder of Holding Company	Key Managerial Personnel	Enterprises under significant influence	Total
35.	Deposit taken		532 (Nil)						532 (Nil)
36.	Refund of Deposit		233 (Nil)					Nil (2,200)	233 (2,200)
Sr. No.	Closing Balance as on 31 <sup>st</sup> March, 2016	Controlling Shareholder	Enterprise exercising significant Influence	Subsidiary Company	Associate Company	Relative of controlling shareholder of Holding Company	Key Managerial Personnel	Enterprises under significant influence	Total
A.	Investments in Equity Shares (Net of Provision ₹ Nil (Previous year ₹ 164,500 lakhs)			Nil (1)	69,522 (69,522)				69,522 (69,522)
B.	Advance and Deposit Received		2,120 (1,756)		9,849 (10,900)			160 (160)	11,969 (12,656)
C.	Deposit for Leased Premises								160 (160)
D.	Loans Given			212,132 (209,417)					212,132 (209,417)
E.	Trade Payables		16,053 (10,033)		28,803 (15,857)			3,263 (2,244)	48,119 (28,134)
F.	Trade Receivables		27,430 (15,330)					2,550 (5,759)	29,980 (21,089)
G.	Interest Receivables			400 (302)					400 (302)
H.	Share Capital	5,793 (5,793)	2,727 (2,727)			0.10 (0.10)			8,520 (8,520)
I.	Corporate Guarantee given by Company on behalf of Subsidiary Company			3,998 (24,215)					3,998 (24,215)
J.	Corporate Guarantee given on behalf of the Company		99,383@ (93,750)@	161,492# (203,503)#					260,875 (297,253)
K.	Standby Letter of Credit given on behalf of Company		185,514 (165,000)						185,514 (165,000)

(Figures in brackets are for the year ended 31<sup>st</sup> March, 2015)

# Equivalent to USD 2,437 lakhs (Previous Year USD 3,256 lakhs)

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

**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)****iii. Statement of Material Transactions during the year and balances with related parties :****(a) Subsidiary Companies**

(₹ in lakhs)

Particulars	For the Year	
	2015-16	2014-15
<b>Jet Lite (India) Limited</b>		
<b>Transactions during the year :</b>		
- Other Hire Charges received	333	118
- Decrease in Corporate Guarantee given by the Company on behalf of the Subsidiary Company	26,778	6,804
- Decrease in Corporate Guarantee given by Subsidiary Company on behalf of the Company	42,011	38,908
- Interest Income	4,911	1,851
- Interline Billing (Net)	117,911	62,748
- Interline Service Charges Received	8,736	3,137
- Interline Service Charges Paid	20	117
- Loan Given	136,255	134,499
- Loan Received back / Adjusted	128,623	98,740
- Provision for diminution in value of investment	-	94,500
- Reimbursement of Expenses received	-	6
- Provision for doubtful advances	4,911	22,739
<b>Closing Balance as on 31<sup>st</sup> March,</b>		
- Loan and Advances Given (Net of Provision ₹ 27,650 lakhs (Previous year ₹ 22,739 lakhs))	212,132	209,412
- Investments in Equity (Net of Provision ₹ 164,500 lakhs (Previous year ₹ 164,500 lakhs))	-	-
- Interest Receivable	400	302
- Corporate Guarantee by Company on behalf of Subsidiary Company*	3,998	24,215
- Corporate Guarantee given by Subsidiary Company on behalf of the Company #	161,492	203,503
<b>Jet Airways Training Academy Private Limited</b>		
- Loan Given	-	5
- Loan Repaid	2	-
- Provision for doubtful Advances	4	-
- Interest Income	#	*
# ₹ 39,517		
* ₹ 23,151		
<b>Closing Balance as on 31<sup>st</sup> March,</b>		
- Investments in Equity Shares (Net of Provision ₹1 lakh (Previous year ₹ Nil))	-	1
- Loan Given (Net of Provision ₹ 3 lakhs (Previous year ₹ Nil))	-	5
- Provision for doubtful Advances and investment	4	-
- Interest Receivables * (₹ 23,151)	-	*

\* Closing Balance of Corporate Guarantee given by Jet Airways (India) Limited represents utilised amount against total guarantee amount of ₹ 3,998 lakhs (Previous Year ₹ 30,776 lakhs).

# Closing Balance of Corporate Guarantee given by Subsidiary Company on behalf of Company in 2015-16, represents utilised amount against total guarantee amount of ₹ 471,994 lakhs (Previous Year ₹ 445,244 lakhs). Equivalent to USD 7,124 lakhs (Previous Year USD 7,124 lakhs).

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

### (b) Associate Company

(₹ in lakhs)

Particulars	For the Year	
	2015-16	2014-15
<b>Jet Privilege Private Limited</b>		
<b>Transactions during the year :</b>		
- Slump Sale of Jet Privilege Frequent Flyer Programme	-	119,378
- Marketing Services Received - Expense	1,104	694
- Reimbursement of Expenses Received	79	160
- Sale of Tickets (Net of discount of ₹ 4,202 lakhs (Previous Year ₹ 3,086 lakhs))	19,114	16,973
- Miles Purchased Expense	43,243	29,659
- Service Rendered Income	1,298	1,061
<b>Closing Balance as on 31<sup>st</sup> March,</b>		
- Advance Received	9,849	10,900
- Trade Payable	28,803	15,857
- Investments in Equity Shares	69,522	69,522

### (c) Remuneration includes remuneration to

(₹ in lakhs)

Particulars	For the Year	
	2015-16	2014-15
<b>(a) Relatives of controlling shareholder of Holding Company</b>		
Anita Goyal:		
Directors' sitting fees	2	-
Remuneration	-	154
Namrata Goyal (From 8 <sup>th</sup> February, 2016)	3	8
Nivaan Goyal	14	5
<b>(b) Director</b>		
Gaurang Shetty	128	117

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

(₹ in lakhs)

Particulars	For the Year	
	2015-16	2014-15
<b>Jetair Private Limited</b>		
<b>Transactions during the Year</b>		
- Commission	6,940	5,467
- Rent Paid	191	182
- Reimbursement of Expenses Paid (Staff Costs, Communication Costs etc.)	4	4
- Rent Received	8	7
- Reimbursement of Expenses Received	1	1
<b>Closing Balance as on 31<sup>st</sup> March,</b>		
- Deposits for Leased Premises	160	160
- Trade Receivables	2,550	5,759
- Trade Payables	3,263	2,244
<b>Jet Enterprises Private Limited</b>		
<b>Transactions During the Year</b>		
- Refund of Deposit	-	2,200

**Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)****(e) Enterprise exercising significant influence over the Company**

(₹ in lakhs)

Particulars	For the Year	
	2015-16	2014-15
<b>Etihad Airways PJSC</b>		
<b>Transactions during the year :</b>		
- Interline Billing (Net)	11,871	2,522
- Miles Accrual income	2,106	732
- Redeemable miles expense	151	31
- Airworthiness Management, Security and other service income	905	629
- Guarantee Commission	3,935	-
- Purchase of Parts	2,165	2,833
- Aircraft lease Rental Income	72,593	48,446
- Equipment Hire Charges	83	-
- Interline Service Charges Received	1,952	1,368
- Security Deposit Taken	532	-
- Security Deposit Refunded	233	-
- Lease Rent - Slot	3,431	3,200
- Engine Lease Rental Expense	-	5,708
- Technical, Handling, Lounge and other Services etc.	17,431	1,268
- Reimbursement of Expenses Received	304	1,136
- Load and trim Income	88	-
- Interline Service Charges Paid	2,322	1,372
- Sale of Parts	25	11
- Reimbursement of Expenses Paid	5,957	4,857
- Standby Letter of Credit given on behalf of the Company	185,514	165,000
<b>Closing Balance as on 31<sup>st</sup> March,</b>		
- Trade Receivable	27,430	15,330
- Trade Payable	16,053	10,033
- Share Capital	2,727	2,727
- Corporate Guarantee given on behalf of the Company	99,383	93,750
- Standby Letter of Credit given on behalf of the Company	185,514	165,000
- Advance and Deposit Received	2,120	1,756

## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

### 41. ADDITIONAL DISCLOSURES

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

(₹ in lakhs)

Particulars	For the year	
	2016	2015
<b>C.I.F. Value of Imports :</b>		
Components and Spares	58,014	55,114
Capital Goods	1,239	172,509
<b>TOTAL</b>	<b>59,253</b>	<b>227,623</b>
<b>Earnings in Foreign Currency :</b>		
Passenger and Cargo Revenue	896,372	900,834
(Including excess baggage and cancellation charges)		
Sale of Aircraft / Engine	-	169,779
Interest on Bank Account (* ₹ 3,781)	*	1
Leasing Operations	81,829	93,219
Other Operating and Non-operating Income	20,215	16,184
<b>TOTAL</b>	<b>998,416</b>	<b>1,180,017</b>
<b>Expenditure in Foreign Currency :</b>		
Employee Remuneration and Benefits	14,570	14,419
Aircraft Fuel Expenses	153,874	187,819
Aircraft Maintenance	176,042	168,398
Selling and Distribution Expenses	160,499	130,527
Other Operating Expenses	261,183	239,146
Aircraft / Engine Lease Rentals	212,479	195,892
Lease Rentals-Slot	3,429	3,199
Finance Cost	43,977	37,879
<b>TOTAL</b>	<b>1,026,053</b>	<b>977,279</b>

#### B. Value of Components and Spare Parts Consumed

Particulars	2015-2016		2014-2015	
	₹ in lakhs	%	₹ in lakhs	%
- Imported	17,387	92.21	12,113	86.58
- Indigenous	1,468	7.79	1,877	13.42
<b>TOTAL</b>	<b>18,855</b>	<b>100</b>	<b>13,990</b>	<b>100</b>

42. Various initiatives undertaken by the Company in relation to cost synergies, revenue management opportunities, enhance ancillary revenues have resulted in significant improvement in operating cash inflow. These measures coupled with favourable fuel prices and ongoing initiatives to raise funds are expected to result in sustainable cash flows and accordingly the financial statements continue to be prepared on a going concern basis, which contemplates realisation of assets and settlement of liabilities in the normal course of business.
43. The Company has transferred its 'Jet Privilege Frequent Flyer Programme' (JPFFP) undertaking to Jet Privilege Private Limited (JPPL) on 21<sup>st</sup> April, 2014 as a going concern on a slump sale basis for a total consideration of ₹ 119,378 lakhs. Upon completion of the balance pending matters, the Company, having regard to the terms and conditions under the agreements for such sale, has recognised a surplus of ₹ 30,501 lakhs during the Year ended 31<sup>st</sup> March, 2015 under "Exceptional Items". An amount of ₹ 34,688 lakhs (Previous Year ₹ 26,248 lakhs) has been recognised in "Other Income" for the Year ended 31<sup>st</sup> March, 2016. Further, an amount of ₹ 61,603 lakhs disclosed under "Other Liabilities" (Current Liability - ₹ 31,180 lakhs and Non-Current Liability - ₹ 30,423 lakhs) will be credited to income in subsequent periods proportionately on fulfilment of the underlying commitments / obligations as stipulated in the said agreements.



## Notes to the Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

### 44. A) Particulars of loans, guarantees or investments under Section 186

The operation of the company are classified as "infrastructure facilities" as defined under schedule VI to the act. Accordingly the disclosure requirements specified in sub section 4 of section 186 of the Act in respect of loan given, investment made or guarantee given or security provided and the related disclosures on purpose/utilization by recipient companies, are not applicable to the company.

### B) Disclosure required by clause 34(3) and 53(f) of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.

Name of the Entity / Nature of Relationship	Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015	Maximum Balance during March, 2016	Maximum Balance during March, 2015
Jet Lite (India) Limited (Subsidiary Company)	Loans and Advances	239,782	232,151	257,614	238,645
	Less: Provision for Doubtful advances	(27,650)	(22,739)		
	<b>Net Loans and Advances</b>	<b>212,132</b>	<b>209,412</b>		
	Investment	164,500	164,500	164,500	164,500
	Less: Provision for diminution in value of investment	(164,500)	(164,500)		
	<b>Net Investment</b>	<b>-</b>	<b>-</b>		
Jet Airways Training Academy Private Limited- (Subsidiary Company)	Loans and Advances	3	5	5	5
	Less: Provision for Doubtful advances	(3)	-		
	<b>Net Loans and Advances</b>	<b>-</b>	<b>5</b>		
	Investment	1	1	1	1
	Less: Provision for diminution in value of investment	(1)	-		
	<b>Net Investment</b>	<b>-</b>	<b>1</b>		

For Details refer notes 14, 15, and 21.

### 45. Previous Years Figures

Previous year's figures have been regrouped / rearranged / reclassified / reworked wherever necessary to correspond with the current year's classification / presentation. Previous year figures were audited by one of the previous joint auditors.

#### As per our attached report of even date

##### For BSR & Co. LLP

Chartered Accountants  
Firm's Registration No:  
101248W/W-100022

##### For Chaturvedi & Shah

Chartered Accountants  
Firm's Registration No:  
101720W

##### Bhavesh Dhupelia

Partner  
Membership No. 042070

##### Parag D. Mehta

Partner  
Membership No. 113904

Date: 26<sup>th</sup> May, 2016  
Place: Mumbai

#### On behalf of Board of Directors

**Naresh Goyal** (DIN: 01180386)

**James Hogan** (DIN: 06540486)

**Aman Mehta** (DIN: 00009364)

**James Rigney** (DIN: 06540653)

**I. M. Kadri** (DIN: 00081694)

**D. K. Mittal** (DIN: 0040000)

**S. Vishvanathan** (DIN: 02255828)

**Anita Goyal** (DIN: 01992051)

**Gaurang Shetty** (DIN: 01293134)

**Amit Agarwal**

**Kuldeep Sharma**

Chairman

Vice-Chairman

Director

Whole Time Director  
Chief Financial Officer  
Company Secretary

## Independent Auditors' Report

To the Members 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 Holding Company") and its subsidiaries and its associate (together constitute "the Group") comprising of the consolidated balance sheet as at 31<sup>st</sup> March, 2016, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditors' Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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 financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and by one of the joint auditors, for some of the subsidiaries audited by them and in terms of their report referred in sub-paragraph (a) of the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### 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 reports of one of the joint auditors, on separate financial statements of subsidiaries, the aforesaid consolidated 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, of the consolidated state of affairs of the company, as at 31<sup>st</sup> March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

## Independent Auditors' Report (Contd.)

### Emphasis of Matter

- a) We draw attention to Note 32 in the consolidated financial statements which explains the accounting impact of Scheme of Merger ('the Scheme') approved by shareholders, enabling the merger of Jet Lite (India) Limited, wholly owned subsidiary ("subsidiary company") which has negative net worth, with the Holding Company, with effect from 1<sup>st</sup> April, 2015, could not be given in the Financial Statements as at and for the year ended 31<sup>st</sup> March, 2016, as the orders from the Honorable High Court of Judicature at Bombay ('the High Court') sanctioning the Scheme is awaited.
- b) We draw attention to Note 42 in the consolidated financial statements which indicate the preparation of financial statements on going concern basis for the reasons stated therein. The appropriateness of assumption of going concern is dependent upon realisation of the various initiatives undertaken by the Holding Company and/or the Holding Company's ability to raise requisite finance / generate cash flows in future to meet its obligations, including financial support to its subsidiary companies.

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

### Other matters

- a) The financial statement of two subsidiaries, whose financial statement reflect total assets of ₹ 27,969 lakhs as at 31<sup>st</sup> March, 2016, total revenue of ₹ 1,13,655 lakhs and net cash outflow amounting to ₹ 1,701 lakhs for the year then ended as considered in the consolidated financial statements, have been audited by one of the joint auditors.
- b) The consolidated financial statements of the Group for the year ended 31<sup>st</sup> March, 2015 have been jointly audited by Deloitte Haskins & Sells LLP, Chartered Accountants and Chaturvedi & Shah, Chartered Accountants, who expressed an unmodified opinion on those standalone financial statements: vide their opinion dated 29<sup>th</sup> May, 2015.

### Report on Other Legal and Regulatory Requirements

1. As required by sub-section 3 of Section 143 of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - (c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) The matters described in sub-paragraph (b) under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the company.
  - (f) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2016 taken on record by the Board of Directors of the Holding Company and the report of the one of the joint auditors of its subsidiary companies in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31<sup>st</sup> March, 2016 from being appointed as a Director of that company in terms of Section 164 (2) of the Act.
  - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and subsidiaries incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and

**Independent Auditors' Report (Contd.)**

according to the explanations given to us and based on the consideration of the report of one of the joint auditors, on separate on financial statements and other financial information of the subsidiaries as noted in the sub paragraph (a) of the other matters paragraph:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 33 to the consolidated financial statements;
- ii. The Group did not have any material foreseeable losses on long term contracts including derivative contracts.
- iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Group.

**For B S R & Co. LLP**

Chartered Accountants

(Firm's Registration No: 101248W/W-100022)

**Bhavesh Dhupelia**

Partner

Membership No. 042070

Place : Mumbai

Date : 26<sup>th</sup> May, 2016**For Chaturvedi & Shah**

Chartered Accountants

(Firm's Registration No: 101720W)

**Parag D. Mehta**

Partner

Membership No. 113904

Place : Mumbai

Date : 26<sup>th</sup> May, 2016

## **Annexure - A to the Independent Auditors' Report**

(Referred to in our report of even date)

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

In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended 31<sup>st</sup> March, 2016, we have audited the internal financial controls over financial reporting of Jet Airways (India) Limited ("the Holding Company"), its subsidiary companies and its associate (together referred to as "the Group" which are companies incorporated in India, as of that date.

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

The Respective Board of Directors of the Holding Company and its subsidiary companies and associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence by us and by one of the joint auditors for some of the subsidiaries audited by them and in terms of then report referred to in the Other Matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting.

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

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

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods

**Annexure to the Independent Auditors' Report on the Consolidated Financial Statements**

are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Holding Company, its subsidiary companies and its associate, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2016, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matters**

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it related to subsidiaries which are companies incorporated in India, is based on the consideration of the report of one of its joint auditors, of such companies incorporated in India.

**For B S R & Co. LLP**

Chartered Accountants

(Firm's Registration No: 101248W/W-100022)

**Bhavesh Dhupelia**

Partner

Membership No. 042070

Place : Mumbai

Date : 26<sup>th</sup> May, 2016

**For Chaturvedi & Shah**

Chartered Accountants

(Firm's Registration No: 101720W)

**Parag D. Mehta**

Partner

Membership No. 113904

Place : Mumbai

Date : 26<sup>th</sup> May, 2016

## Consolidated Balance Sheet as at 31<sup>st</sup> March, 2016

(₹ in lakhs)			
Particulars	Note No.	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	11,360	11,360
Reserves and Surplus	3	(532,404)	(643,841)
		<u>(521,044)</u>	<u>(632,481)</u>
<b>Non-Current Liabilities</b>			
Long Term Borrowings	4	621,033	660,730
Deferred Tax Liability (Net)	5	-	-
Other Long Term Liabilities	6	90,353	114,841
Long Term Provisions	7	37,522	27,355
		<u>748,908</u>	<u>802,926</u>
<b>Current Liabilities</b>			
Short Term Borrowings	8	302,106	364,429
Trade Payables	9		
- For dues to Micro and Small Enterprises		292	243
- For dues to others		611,711	579,270
Other Current Liabilities	10	584,159	588,713
Short Term Provisions	11	3,654	7,437
		<u>1,501,922</u>	<u>1,540,092</u>
<b>TOTAL</b>		<u><u>1,729,786</u></u>	<u><u>1,710,537</u></u>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	12	877,758	922,158
Intangible Assets	13	2,905	1,277
Capital work-in progress		410	-
Intangible Assets under development		-	1,942
		<u>881,073</u>	<u>925,377</u>
Goodwill on Consolidation	32	-	-
Non-Current Investments	14	67,939	66,965
Long Term Loans and Advances	15	138,607	140,826
Other Non-Current Assets	16	3,823	4,814
		<u>210,369</u>	<u>212,605</u>
<b>Current Assets</b>			
Current Investments	17	50,000	-
Inventories	18	106,410	96,350
Trade Receivables	19	162,766	139,631
Cash and Bank Balances	20	148,813	207,603
Short Term Loans and Advances	21	167,755	125,104
Other Current Assets	22	2,600	3,867
		<u>638,344</u>	<u>572,555</u>
<b>TOTAL</b>		<u><u>1,729,786</u></u>	<u><u>1,710,537</u></u>
The accompanying notes are an integral part of the Financial Statements	1-44		

### As per our attached report of even date

#### For BSR & Co. LLP

Chartered Accountants  
Firm's Registration No:  
101248W/W-100022

#### For Chaturvedi & Shah

Chartered Accountants  
Firm's Registration No:  
101720W

#### Bhavesdh Dhpelia

Partner  
Membership No. 042070

#### Parag D. Mehta

Partner  
Membership No. 113904

Date: 26<sup>th</sup> May, 2016  
Place: Mumbai

### On behalf of Board of Directors

**Naresh Goyal** (DIN: 01180386)

**James Hogan** (DIN: 06540486)

**Aman Mehta** (DIN: 00009364)

**James Rigney** (DIN: 06540653)

**I. M. Kadri** (DIN: 00081694)

**D. K. Mittal** (DIN: 0040000)

**S. Vishvanathan** (DIN: 02255828)

**Anita Goyal** (DIN: 01992051)

**Gaurang Shetty** (DIN: 01293134)

**Amit Agarwal**

**Kuldeep Sharma**

Chairman

Vice-Chairman

Director

Whole Time Director  
Chief Financial Officer  
Company Secretary

## Consolidated Statement of Profit and Loss for the Year Ended 31<sup>st</sup> March, 2016

(₹ in lakhs)

Particulars	Note No.	For the Year Ended 31 <sup>st</sup> March, 2016	For the Year Ended 31 <sup>st</sup> March, 2015
<b>Income</b>			
Revenue from Operations	23	2,220,696	2,096,560
Other Income	24	69,910	69,605
<b>Total Revenue</b>		<b>2,290,606</b>	<b>2,166,165</b>
<b>Expenses</b>			
Aircraft Fuel Expenses		540,337	736,556
Employee Benefit Expenses	25	253,233	241,907
Selling and Distribution Expenses	26	236,079	212,438
Aircraft and Engine Lease Rentals	38 B (b)	228,572	217,251
Depreciation and Amortisation	27	99,624	76,531
Finance Cost	28	88,498	92,047
Other Expenses	29	738,870	724,248
<b>Total Expenses</b>		<b>2,185,213</b>	<b>2,300,978</b>
<b>Profit / (Loss) before Exceptional Items and Tax</b>		<b>105,393</b>	<b>(134,813)</b>
Exceptional Items (Net)	30	14,802	(75,322)
<b>Profit / (Loss) Before Tax</b>		<b>120,195</b>	<b>(210,135)</b>
<b>Tax Expense</b>			
- Current Tax		1	-
- Short Tax Provision (net) for Earlier Years		-	1
<b>Profit / (Loss) before Share of Profit of Associate</b>		<b>120,194</b>	<b>(210,136)</b>
Share of Profit of Associate		971	395
<b>Profit / (Loss) for the Year</b>		<b>121,165</b>	<b>(209,741)</b>
Earnings Per Equity Share: (Face Value ₹10 per share)			
Basic and Diluted (in ₹)	31	106.66	(184.64)
The accompanying notes are an integral part of the Financial Statements	1-44		

### As per our attached report of even date

**For BSR & Co. LLP**  
Chartered Accountants  
Firm's Registration No:  
101248W/W-100022

**For Chaturvedi & Shah**  
Chartered Accountants  
Firm's Registration No:  
101720W

**Bhavesdh Dhapelia**  
Partner  
Membership No. 042070

**Parag D. Mehta**  
Partner  
Membership No. 113904

Date: 26<sup>th</sup> May, 2016  
Place: Mumbai

### On behalf of Board of Directors

**Naresh Goyal** (DIN: 01180386)  
**James Hogan** (DIN: 06540486)  
**Aman Mehta** (DIN: 00009364)  
**James Rigney** (DIN: 06540653)  
**I. M. Kadri** (DIN: 00081694)  
**D. K. Mittal** (DIN: 0040000)  
**S. Vishvanathan** (DIN: 02255828)  
**Anita Goyal** (DIN: 01992051)  
**Gaurang Shetty** (DIN: 01293134)  
**Amit Agarwal**  
**Kuldeep Sharma**

Chairman  
Vice-Chairman

Director

Whole Time Director  
Chief Financial Officer  
Company Secretary



**Consolidated Cash Flow Statement for the Year Ended 31<sup>st</sup> March, 2016**

(₹ in lakhs)

Particulars	Note No.	For the Year Ended 31 <sup>st</sup> March, 2016	For the Year Ended 31 <sup>st</sup> March, 2015
<b>Cash Flow from Operating Activities :</b>			
Net Profit / (Loss) Before Tax		<b>121,166</b>	(209,740)
Adjustment for :			
Exceptional Items	30	<b>(14,802)</b>	75,322
Depreciation and Amortisation	27	<b>99,624</b>	76,531
Provision for Stock Obsolescence		<b>7,214</b>	16,031
Profit on Sale of Fixed Assets (Net)		<b>(111)</b>	(12,334)
Loss on Scrapping of Fixed Assets		-	14
Profit on Sale of Investments		<b>(233)</b>	(90)
Finance Cost	28	<b>88,498</b>	92,047
Interest on Income Tax Refund		<b>(526)</b>	(180)
Interest on Bank and Other Deposits		<b>(9,865)</b>	(9,030)
Provision No Longer Required Written Back		<b>(8,067)</b>	(2,416)
Provision for Compensated Absences and Gratuity	25	<b>3,205</b>	3,536
Unrealised Foreign Exchange Losses (Net)		<b>12,013</b>	5,175
Provision for Doubtful Debts		<b>1,781</b>	4,609
Provision for Doubtful Deposit / Advances		<b>419</b>	789
Bad Debts Written Off		<b>31</b>	66
Provision for Wealth Tax		-	12
Recognition upon fulfilment of commitment		<b>(34,688)</b>	(26,248)
Inventory Scrapped During the Year		<b>3,886</b>	2,366
Share of profit of Associate		<b>(971)</b>	(395)
<b>Operating Profit Before Working Capital Changes</b>		<b>268,574</b>	16,065
Adjustment for :			
Inventories		<b>(21,160)</b>	(28,811)
Trade Receivables		<b>(25,089)</b>	(14,502)
Loans and Advances		<b>(26,807)</b>	(35,444)
Trade and Other Payables		<b>55,272</b>	136,154
<b>Cash Generated from Operations</b>		<b>250,790</b>	73,462
Direct Taxes Refund (Net)		<b>373</b>	304
<b>Net Cash Flow Generated from Operating Activities</b>		<b>251,163</b>	73,766

## Consolidated Cash Flow Statement for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

(₹ in lakhs)

Particulars	Note No.	For the Year Ended 31 <sup>st</sup> March, 2016	For the Year Ended 31 <sup>st</sup> March, 2015
<b>Cash Flow from Investing Activities :</b>			
Purchase of Fixed Assets (Including Capital Work in Progress)		<b>(26,760)</b>	(171,048)
Proceeds from Sale of Fixed Assets		<b>221</b>	169,841
Purchase of Current Investments		<b>(794,442)</b>	(188,995)
Sale of Current Investments		<b>744,675</b>	189,085
(Purchase) / Sale of Non-Current Investments		<b>(3)</b>	4
Changes in Fixed Deposits with Banks (Refer note 2 below)		<b>(6,227)</b>	(29,509)
Interest Received on Bank and Other Deposits		<b>10,885</b>	8,921
<b>Net Cash Flow used in Investing Activities</b>		<b>(71,651)</b>	(21,701)
<b>Cash Flow from Financing Activities</b>			
Net (Decrease) / Increase in Short Term Loans		<b>(68,553)</b>	144,960
Proceeds from Long Term Loans during the year		<b>79,890</b>	153,599
Repayment of Long Term Loans during the year		<b>(168,441)</b>	(189,654)
Finance Cost		<b>(88,662)</b>	(94,946)
Unclaimed Dividend Paid		<b>-</b>	(3)
<b>Net Cash Flow (used in)/ from Financing Activities</b>		<b>(245,766)</b>	13,956
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>		<b>(66,254)</b>	66,021
Cash and Cash Equivalents at the beginning of the year (Refer note 1 below)	20	<b>97,910</b>	31,889
Cash and Cash Equivalents at end of the year (Refer note 1 below)	20	<b>31,656</b>	97,910
<b>Notes:</b>			
1) Cash and Cash Equivalents for the year ended 31 <sup>st</sup> March, 2016 includes Unrealised Gain (net) of ₹ 5,407 lakhs (Previous Year ₹ 4,454 lakhs) on account of translation of Foreign Currency Bank Balances.			
2) Fixed Deposits with Banks having a maturity period of more than three months aggregating to ₹ 117,157 lakhs (Previous Year ₹ 109,693 lakhs) are not included in Cash and Cash Equivalents.			

**As per our attached report of even date**
**For BSR & Co. LLP**

Chartered Accountants  
Firm's Registration No:  
101248W/W-100022

**Bhavesdh Dhpelia**

Partner  
Membership No. 042070

Date: 26<sup>th</sup> May, 2016  
Place: Mumbai

**For Chaturvedi & Shah**

Chartered Accountants  
Firm's Registration No:  
101720W

**Parag D. Mehta**

Partner  
Membership No. 113904

**On behalf of Board of Directors**
**Naresh Goyal** (DIN: 01180386)

**James Hogan** (DIN: 06540486)

**Aman Mehta** (DIN: 00009364)

**James Rigney** (DIN: 06540653)

**I. M. Kadri** (DIN: 00081694)

**D. K. Mittal** (DIN: 0040000)

**S. Vishvanathan** (DIN: 02255828)

**Anita Goyal** (DIN: 01992051)

**Gaurang Shetty** (DIN: 01293134)

**Amit Agarwal**
**Kuldeep Sharma**

Chairman

Vice-Chairman

Director

Whole Time Director  
Chief Financial Officer  
Company Secretary

**Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016** (Contd.)**1. SIGNIFICANT ACCOUNTING POLICIES****A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS :**

- a) These accompanying Consolidated Financial Statements of Jet Airways (India) Limited ("the Holding Company"), its wholly owned Subsidiaries and its Associate (together "the Company / Group") have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and complies with Accounting Standards specified under section 133 of the Companies Act, 2013 ('the Act') read with rule 7 of the Companies (Accountants) Rules 2014, to the extent notified and applicable. The financial statements are prepared on accrual basis under the historical cost convention, except for certain Fixed Assets which are carried at revalued amounts. The Financial Statements are presented in Indian rupees rounded off to the nearest rupees in lakhs. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in schedule III to the Act. Based on the nature of the services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities. The Consolidated Financial Statement have been prepared to the extent possible in the same format as that adopted by the Holding Company for its separate Financial Statement. The Financial Statement of the Subsidiaries and Associate used in the consolidation are drawn upto the same reporting date as that of the holding company, viz. 31<sup>st</sup> March, 2016. However, one of the subsidiaries, Jet Airways Training Academy Private Limited (JATAPL), did not commence its operations since its incorporation. As a result, the Directors through a resolution passed in its board meeting dated 20<sup>th</sup> November, 2015 approved to close down the Company using the 'Fast Track Exit Mode Scheme', 2011 as notified by MCA through its circular no. 36/2011 dated 7<sup>th</sup> June 2011 as per section 560 of Companies Act, 1956. JATAPL has since made an application to the Registrar of Companies, Maharashtra on 9<sup>th</sup> February, 2016 to strike off its name under the 'Fast Track Exit Scheme', 2011. Accordingly, the Financial Statements of JATAPL is prepared only upto 15<sup>th</sup> January, 2016.
- b) The Consolidated Financial Statements present the consolidated accounts of Jet Airways (India) Limited with the following Subsidiaries and Associate:

<b>Name of the Subsidiary / Associate Company</b>	<b>Country of Incorporation</b>	<b>Extent of Holding as on 31<sup>st</sup> March, 2016</b>	<b>Extent of Holding as on 31<sup>st</sup> March, 2015</b>
<b>Subsidiaries</b>			
Jet Lite (India) Limited	India	100%	100%
Jet Airways Training Academy Private Limited	India	100%	100%
<b>Associate</b>			
Jet Privilege Private limited	India	49.90%	49.90%

**B. PRINCIPLES OF CONSOLIDATION :**

- a) 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 unrealised profits / losses.
- b) 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.
- c) 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 recognised in the Financial Statements as Goodwill.
- d) The Consolidated Financial Statement include the share of profit / (loss) of Associate Company in which the Company 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".

## **Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016** (Contd.)

### **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, liabilities and the disclosure of contingent 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 recognised in the period in which the results are known / materialised.

### **D. REVENUE RECOGNITION :**

- a) Passenger and Cargo income are recognised 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 recognised as indicated above is reduced from the "Forward Sales Account" and the balance, net of commission and discount thereon, is shown under Other Current Liabilities.
- c) The unutilised balances in "Forward Sales Account" are recognised as income based on historical statistics, data and management estimates and considering Company's refund policy.
- d) Lease income on the Aircraft given on operating lease is recognised in the Statement of Profit and Loss on an accrual basis over the period of lease to the extent there is no significant uncertainty about the measurability and ultimate realisation.

### **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 recognised only on flown basis.

### **G. EMPLOYEE BENEFITS :**

#### **a) Defined Contribution plan :**

A defined contribution plan is a post-employment benefit plan under which entity pays specified contributions to a separate entity and has no obligation to pay any future amounts. 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 recognised in the Statement of Profit and Loss in the period of occurrence of such gains and losses. Past service cost is recognised 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 recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised 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 recognised undiscounted during the period the employee renders services. Such benefits include salaries, wages, bonus and ex-gratia

### **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 capitalised.

**Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)**

Parts that are significant in cost in relation to the total cost of an asset having a different useful life than the remaining asset are identified and accounted as separate components.

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 recognised 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 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 recognised 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 recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

**J. DEPRECIATION / AMORTISATION :**

- a) Depreciation on tangible fixed assets are provided on the 'Straight Line Method' over the useful life of assets as prescribed in Schedule II of the Companies Act, 2013. Further, Parts that are significant in cost in relation to the total cost of an asset having a different useful life than the remaining asset are depreciated over their respective remaining useful life. Expenditure incurred on improvements of assets acquired on operating lease is written off evenly over the balance period of the lease. Premium on leasehold land is amortised over the period of lease.
- b) Intangible assets are amortised on straight line basis as follows :
  - i. Landing Rights acquired are amortised over a period not exceeding 20 years. Amortisation period exceeding 10 years is applied considering industry experience and expected asset usage.
  - ii. Trademarks are amortised over 10 years.
  - iii. Computer Software is amortised 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 recognised 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.

## **Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016** *(Contd.)*

- 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 recognised as income or expense, as the case may be.

The exchange differences relating to long term foreign currency monetary items are accounted in line with the notifications issued by the Ministry of Corporate Affairs (MCA) dated 29<sup>th</sup> December, 2011 and 9<sup>th</sup> August, 2012 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 amortised in the Statement of Profit and Loss over the balance term of the long term monetary item.
- 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 recognised 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 recognised in the Statement of Profit and Loss. Any profit / loss arising on cancellation of forward exchange contract is recognised as income or expense of the year. Premium / Discount arising on such forward exchange contracts is amortised 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 spares 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 recognised and carried forward only to the extent that there is a reasonable / virtual certainty, as the case may be, that the asset will be realised 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 recognised, in case the transaction is established at fair value, else the excess over the fair value is deferred and amortised 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".

## Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

### T. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS :

Provisions involving a substantial degree of estimation in measurement are recognised 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 recognised but are disclosed in the notes when there is possible obligation out of past event. Contingent Assets are neither recognised nor disclosed in the financial statements.

### U. PRELIMINARY EXPENSES:

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

### 2. SHARE CAPITAL

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
<b>Authorised :</b>		
180,000,000 Equity Shares of ₹ 10/- each		
(Previous Year 180,000,000 Equity Shares of ₹ 10/- each)	<b>18,000</b>	18,000
20,000,000 Preference Shares of ₹ 10/- each		
(Previous Year 20,000,000 Preference Shares of ₹ 10/- each)	<b>2,000</b>	2,000
	<b>20,000</b>	20,000
<b>Issued, Subscribed and Paid Up:</b>		
113,597,383 Equity Shares : Face value of ₹ 10/- each fully paid up		
(Previous Year 113,597,383 Equity Shares of ₹ 10/- each fully paid up)	<b>11,360</b>	11,360
<b>TOTAL</b>	<b>11,360</b>	11,360

#### a. Reconciliation of Number of Shares

Particulars	As at 31 <sup>st</sup> March,			
	2016		2015	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
<b>Equity Shares : Face value of ₹ 10/- each</b>				
As at the beginning of the year	113,597,383	11,360	113,597,383	11,360
As at the end of the year	113,597,383	11,360	113,597,383	11,360

#### 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 <sup>st</sup> March,			
	2016		2015	
	Number of shares	Percentage of holding	Number of shares	Percentage of holding
Mr. Naresh Goyal	57,933,665	51.00%	57,933,665	51.00 %
Etihad Airways (PJSC)	27,263,372	24.00%	27,263,372	24.00 %

#### 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 Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

### 3. RESERVES AND SURPLUS

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
<b>Capital Reserve</b> (Refer note 14)		
As per last Balance Sheet	199	199
Add : Depository Certificates / Shares received free of cost	*	#
* ₹ 1,885		
# ₹ 2,688	199	199
<b>Capital Redemption Reserve</b>		
As per last Balance Sheet	5,558	5,558
<b>Debenture Redemption Reserve</b>		
As per last Balance Sheet	-	-
Add: Transfer from surplus in the statement of Profit & Loss	1,747	-
	1,747	-
<b>Securities Premium Account</b>		
As per last Balance Sheet	344,253	344,253
<b>Revaluation Reserve</b>		
As per last Balance Sheet	31,537	31,537
<b>Foreign Currency Monetary Item Translation Difference Account</b>		
As per Last Balance Sheet	(6,709)	(4,690)
Add : Addition during the year	(16,275)	(9,374)
Less : Amortisation during the year	6,547	7,355
	(16,437)	(6,709)
<b>(Deficit) in Statement of Profit and Loss</b>		
As per last Balance Sheet	(1,018,679)	(8,05,703)
Add : Additional Depreciation pursuant to enactment of Schedule II of the Companies Act, 2013 (Refer Note 12)	-	(3,235)
Add : Profit /(Loss) for the year	121,165	(209,741)
Less : Transfer to Debenture Redemption Reserve	(1,747)	-
	(899,261)	(1,018,679)
<b>TOTAL</b>	<b>(532,404)</b>	<b>(643,841)</b>



**Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016** (Contd.)**4. LONG TERM BORROWINGS**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,			
	2016		2015	
	Current	Non-Current	Current	Non-Current
<b>i) Non-Convertible Debentures (Refer note (a) below)</b>	-	<b>69,890</b>	-	-
<b>ii) Term Loans</b>				
<b>From Banks</b>				
Secured Loans / Borrowings :				
Rupee Term Loans (Refer note (b) below)	<b>4,717</b>	-	4,500	4,725
Foreign Currency Term Loans (Refer note (b), (c) and (d) below)	<b>54,753</b>	<b>97,180</b>	56,583	134,688
<b>Unsecured Loans :</b>				
<b>From Banks</b>				
Foreign Currency Term Loan (Refer note (e) below)	-	<b>92,757</b>	-	87,500
<b>From Others</b>				
Foreign Currency Term Loan (Refer note (f) below)	<b>398</b>	<b>20,009</b>	-	19,250
<b>iii) Long Term Maturities of Finance Lease Obligations / Hire Purchase (Refer note (g) below)</b>	<b>98,279</b>	<b>341,197</b>	104,025	414,567
<b>TOTAL</b>	<b>158,147</b>	<b>621,033</b>	<b>165,108</b>	<b>660,730</b>

**Security and Salient Terms:**

- 6,989 Non-Convertible Debentures (NCD) are issued at face value of ₹ 10,00,000 and redeemable at the end of five years from the date of allotment at a premium of ₹ 70,100 per debenture. These NCD's carry an interest rate of 20.64% p.a. payable quarterly.
- Rupee Term Loans of ₹ 4,717 lakhs (Previous Year ₹ 9,225 lakhs) and Foreign Currency Term Loan of ₹ 15,875 lakhs (Previous Year ₹ 21,454 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.  
  
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 ₹ 46,862 lakhs (Previous Year ₹ 76,067 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 hypothecation charge on the four flight simulators, mortgage on the land located at Pali, Raigad and Vadgaon (Maharashtra).  
  
Interest rates are linked to LIBOR plus Margin and are repayable in monthly instalments by December 2018.
- Foreign Currency Term Loan of ₹ 89,196 lakhs (Previous Year ₹ 93,750 lakhs) is secured by way of First Charge on: (i) IATA BSP receivables from the Kingdom of Saudi Arabia, United Arab Emirates and Qatar (ii) Revenue Account, Debt Service Reserve Account and Receivable Collection Account, maintained with the lead Bank.  
  
Interest rates are linked to LIBOR plus Margin and are repayable on monthly basis after a moratorium period of six months by November 2019.
- Foreign Currency Term Loan of ₹ 92,757 lakhs (Previous Year ₹ 87,500 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 and creation of pledge on 54,772 shares held in Jet Privilege Private Limited is pending.

## Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

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

- f. Foreign Currency Term Loan is repayable within 42 months starting March 2017. Interest thereon is payable on monthly basis.
- g. (i) Finance Lease obligation for six aircraft are secured by the Corporate Guarantees given by the Subsidiary Company of ₹ 161,492 lakhs equivalent to USD 2,437 lakhs (Previous Year ₹ 203,503 lakhs equivalent to USD 3,256 lakhs).
- (ii) Repayable in quarterly instalments 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 <sup>st</sup> March,	
	2016	2015
<b>Deferred Tax Liability</b>		
Related to Fixed Assets	135,818	122,719
<b>Deferred Tax Asset</b>		
Other Disallowances under Income tax Act, 1961	34,991	40,291
Unabsorbed Depreciation / Business Loss (Refer note below)	100,827	82,428
<b>Net Deferred Tax Liability at the end of the year</b>	-	-

**Note :**

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

### 6. OTHER LONG TERM LIABILITIES

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
Advance from Developer (Refer note below)	51,831	36,500
Advance from Customers	8,099	9,850
Deferred Revenue (Refer note 41)	30,423	68,491
<b>TOTAL</b>	<b>90,353</b>	<b>114,841</b>

**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. During the year, the Company has further received a credit of an amount of ₹ 15,331 lakhs (net of TDS of ₹ 154 lakhs) as its share of accrued profit from the said project until 31<sup>st</sup> March, 2016. Considering the fact that the project is still in progress, cost are still being incurred and sale of office space is still in progress, the final determination of profit / loss from the project is yet to be ascertained. In view of these contingencies, the said advance and the credit received by the Company has been disclosed as 'Advance from Developer'.

## Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

### 7. LONG TERM PROVISIONS

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,			
	2016		2015	
	Current	Non-Current	Current	Non-Current
<b>a) Provision for Employee Benefits (Refer note 36)</b>				
Provision for Gratuity	814	11,090	712	10,096
Provision for Compensated Absences	1,080	4,528	1,009	3,942
<b>b) Other Provisions</b>				
Redelivery of Aircraft	1744	21,904	5,691	13,317
<b>TOTAL</b>	<b>3,638</b>	<b>37,522</b>	<b>7,412</b>	<b>27,355</b>

#### 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	
	2015-16	2014-15
Opening Balance	19,008	15,256
Add : Additional Provisions during the year*	5,229	5,444
Less : Amounts used during the year	(589)	(1,692)
Less : Unused amounts reversed during the year	-	-
<b>Closing Balance</b>	<b>23,648</b>	<b>19,008</b>

**\*Note :** Additions include adjustment of ₹ 1,113 lakhs (Previous Year ₹ 691 lakhs) on account of exchange fluctuation loss 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	2016		2015	
	No. of Aircraft	Amount	No. of Aircraft	Amount
2015-16	-	-	14	5,691
2016-17	4	1,744	5	1,845
2017-18	-	-	3	884
2018-19	6	2,349	2	705
2019-20	6	2,198	4	1,123
2020-21	30	8,071	28	5,637
2021-22	13	4,313	6	756
2022-23	11	2,740	10	1,380
2023-24	13	1,359	12	782
2024-25	9	874	8	205
<b>Total</b>	<b>92</b>	<b>23,648</b>	<b>92</b>	<b>19,008</b>

**Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016** (Contd.)

**8. SHORT TERM BORROWINGS**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
<b>Secured :</b>		
<b>Loans Repayable on Demand</b>		
<b>From Banks</b>		
Rupee Loans (Refer note (a), (c) & (f) below)	<b>50,055</b>	107,049
Foreign Currency Loans (Refer note (a), (b) & (f) below)	<b>66,537</b>	92,380
<b>Unsecured :</b>		
<b>From Banks</b>		
Foreign Currency Loans (Refer note (d) & (f) below)	<b>185,514</b>	-
Rupee Loans (Refer note (e) & (f) below)	-	165,000
<b>TOTAL</b>	<b>302,106</b>	364,429

**Security and Salient Terms :**

- Loans aggregating to ₹ 116,592 lakhs (Previous Year ₹ 167,917 lakhs) are secured by way of hypothecation of Inventories (excluding Aircraft fuel), Debtors / Receivables [excluding (i) credit card receivables, (ii) IATA and BSP receivables from the Kingdom of Saudi Arabia, United Arab Emirates, Qatar, Oman, Bahrain and Kuwait, (iii) receivables from aircraft subleased but including claim receivables from aircraft lessors], Ground Support Vehicles / Equipment (excluding trucks, jeeps and other motor vehicles), Spares (including engines), Data Processing Equipment, other current assets excluding cash and bank balances and fixed deposits with bank both present and future as well as all rights, title, interest and benefits in all and singular, the residual Aircraft proceeds and all accounts of the borrower in which such aircraft proceeds are deposited in relation to 22 aircraft out of which charge in respect of 9 aircraft is pending creation. The Company has escrowed the entire IATA collection excluding Gulf receivable with the lead bank for facilitating interest servicing and regularisation in case of any irregularity.
- Foreign Currency Loans amounting to ₹ Nil (Previous Year ₹ 28,012 lakhs). This facility was earlier secured by hypothecation over 2 CFM engines, UK IATA receivables escrow collection account thereof and pledge of 238,834,623 shares of Jet Lite.
- Rupee Term loan of ₹ Nil (Previous Year ₹ 3,500 lakhs). This facility was earlier secured by way of pledge of 151,834,623 shares of Jet Lite.
- Foreign Currency Loan of ₹ 185,514 lakhs (Previous Year ₹ Nil) is availed against standby letter of credit issued by foreign banks backed by corporate guarantee provided by one of the Shareholder.
- Rupee Term Loan of ₹ Nil (Previous Year ₹ 165,000 lakhs). This facility was availed against standby letter of credit issued by foreign banks backed by corporate guarantee provided by one of the Shareholders.
- The rate of interest for the loans listed in (a) to (e) above ranges from 130 bps to 750 bps p.a. margin over LIBOR for Foreign Currency Loans and 11.90 % to 16.50 % p.a. for Rupee Loans.

**9. TRADE PAYABLES**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
<b>Trade Payables</b>		
Total outstanding dues to Micro and Small Enterprises	<b>292</b>	243
Others for Goods and Services	<b>611,711</b>	579,270
<b>TOTAL</b>	<b>612,003</b>	579,513

## Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

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 <sup>st</sup> March,	
		2016	2015
a)	Principal amount remaining unpaid as on 31 <sup>st</sup> March	292	243
b)	Interest due thereon as on 31 <sup>st</sup> 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 <sup>st</sup> 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 <sup>st</sup> March,	
	2016	2015
Current Maturities of Long Term Secured Loans (Refer note 4)	59,868	61,083
Current Maturities of Finance Lease Obligation / Hire Purchase (Refer note 4)	98,279	104,025
Interest Accrued but Not Due on Loans / Borrowings	1,670	1,790
Forward Sales (Net) [Passenger / Cargo]	316,353	3,13,303
Advance Received against Sub lease	1,479	1,370
Balance with Banks – Overdrawn as per Books	6,476	789
Statutory Dues Payable	25,654	24,317
Airport Dues Payable	6,340	7,637
Deposit / Advance From Customer / Vendors / Others	19,232	16,913
Deferred revenue (Refer Note 41)	44,445	36,524
Other Payables	4,363	20,962
<b>TOTAL</b>	<b>584,159</b>	<b>588,713</b>

### 11. SHORT TERM PROVISIONS

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
<b>a) Provision for Employee Benefits (Refer note 36)</b>		
Gratuity	814	712
Compensated Absences	1,080	1,009
<b>b) Others</b>		
Wealth Tax (net of advance payment of tax)	16	25
Redelivery of Aircraft (Refer note 7)	1,744	5,691
<b>TOTAL</b>	<b>3,654</b>	<b>7,437</b>

## Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

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 :

Uptill 21<sup>st</sup> April, 2014, the Company had 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 was accounted considering such miles accrued on an incremental cost basis.

The movement in the incremental provisions made before the slump sale in the current year is as under:

(₹ in lakhs)

Particulars	For the Year	
	2015-16	2014-15
Opening Balance	-	11,069
Add : Additional provision during the year	-	43
Less : Amounts used during the year	-	425
Less : Unused amounts reversed during the year	-	(380)
Less : Amounts transfer on sale of JPFFP (Refer note 41)	-	(11,157)
<b>Closing Balance</b>	<b>-</b>	<b>-</b>

Effective 21<sup>st</sup> April, 2014, pursuant to the Slump Sale Agreement (Refer note 41), the 'Jet Privilege' miles continue to accrue and are accumulated to the credit of the members account maintained with Jet Privilege Private Limited ('JPPL'), an associate company. The Company pays contracted rate for each such mile accrued to its passengers and charges the same to the Statement of Profit and Loss.

### 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	
	2015-16	2014-15
Opening Balance	-	85
Add : Adjustments during the year *	-	-
Less : Amounts used during the year	-	-
Less : Unused amounts reversed during the year	-	(85)
<b>Closing Balance</b>	<b>-</b>	<b>-</b>

#### \*Note :

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

Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

(₹ in lakhs)

12. TANGIBLE ASSETS

Nature of Asset	Gross Block (At Cost / Valuation)			Accumulated Depreciation				Impairment As at 31 <sup>st</sup> March, 2016 [Refer note 3(f) below]	Net Block	
	As at 1 <sup>st</sup> April, 2015	Additions / Adjustments during the year	Deductions / Adjustments during the year	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015	Retained Earnings (Refer note 4 below)	Additions / Adjustments during the year		Deductions / Adjustments during the year	As at 31 <sup>st</sup> March, 2016
<b>Owned Tangible Assets</b>										
Freehold Land	32	-	-	32	-	-	-	-	32	32
Plant and Machinery	753	-	-	753	339	-	65	404	349	414
Furniture and Fixtures	4,298	217	224	4,291	3,168	-	391	180	912	1,130
Electrical Fittings	2,475	43	159	2,359	1,560	-	301	127	625	915
Data Processing Equipments	9,064	835	877	9,022	7,902	-	626	874	1,368	1,162
Office Equipment	4,954	251	65	5,140	4,718	-	156	65	331	236
Ground Support Equipment	8,221	863	145	8,939	4,793	-	539	121	3,728	3,428
Vehicles	524	36	161	399	414	-	33	153	105	110
Ground Support Vehicles	9,040	677	285	9,432	6,959	-	632	282	2,123	2,081
Simulators	20,941	-	-	20,941	11,350	-	1,829	-	7,762	9,591
Aircraft and Spare Engines (Narrow Body-Refer note 1, 3 ii and 5 below)	180,145	25,830	-	205,975	77,632	-	26,412	-	101,931	102,513
<b>Leased Assets</b>										
Leasehold Land	193,001	-	-	193,001	15,128	-	1,015	-	63,938	64,953
Aircraft (Narrow Body-Refer note 1 below)	23,305	-	23,305	-	13,920	-	-	13,920	-	9,385
Aircraft (Wide Body-Refer note 5 below)	1,127,061	48,426	-	1,175,487	411,691	-	77,962	-	685,834	715,370
Improvement on Leased Aircraft	19,316	-	-	19,316	8,995	-	1,972	-	8,349	10,321
Improvement on Leased Property	6,250	159	-	6,409	5,733	-	305	-	371	517
<b>TOTAL</b>	<b>1,609,380</b>	<b>77,337</b>	<b>25,221</b>	<b>1,661,496</b>	<b>574,302</b>	<b>-</b>	<b>112,238</b>	<b>15,722</b>	<b>877,758</b>	<b>922,158</b>
Previous Year	1,572,627	195,536	158,783	1,609,380	497,793	3,235	74,544	1,271	922,158	

1) All the Aircraft (except four) are acquired on Hire-purchase / Finance Lease basis. Such Aircraft are charged by the Hirers / Lessors against the financing arrangements obtained by them.

During the financial year 2015-16, pursuant to end of finance lease obligation of certain aircraft, the gross cost and the accumulated depreciation in relation to same aggregating to ₹ 23,305 lakhs and ₹ 13,920 lakhs respectively are regrouped under owned tangible assets from leased assets.

2) Additions to Aircraft during the year include ₹ 29,710 lakhs [Net loss] (Previous Year ₹ 23,292 lakhs (Net Loss)) on account of Exchange Loss / (Gain) (Refer note 34).

3) Details of Revaluation

i. The Company had revalued the leasehold land taken from MMRDA situated at Bandra- Kurla Complex on 31<sup>st</sup> March, 2008. Pursuant to such revaluation, the value of the revalued land together with its entitled share in the building is re-assessed at every year end. During the year ended 31<sup>st</sup> March, 2016 and as of 31<sup>st</sup> March, 2015, based on such re-assessment, no adjustment was required to be made to the carrying value. The cumulative amount adjusted against the revaluation reserve on reassessment of value of the land together with its entitled share in the building, based on the project cost estimate, upto 31<sup>st</sup> March, 2016 is ₹ 112,920 lakhs.

ii. Narrow Body Aircraft were revalued on 31<sup>st</sup> 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 31<sup>st</sup> March, 2008 was ₹ 346,396 lakhs. Revalued amount as on 31<sup>st</sup> March, 2016 is ₹ 5,421 lakhs (Previous Year ₹ 6,072 lakhs).

4) Pursuant to the Company adopting the useful life of fixed assets as indicated in part C of Schedule II of the Companies Act, 2013, coming in to effect from 1<sup>st</sup> April, 2014, the depreciation charge for year ended 31<sup>st</sup> March, 2015 is lower (net) by ₹ 11,003 lakhs. Further, in respect of assets which have completed their useful life as at 1<sup>st</sup> April, 2014, their carrying value amounting to ₹ 3,235 lakhs was adjusted against retained earnings.

5) As per the requirements of Schedule II of the Companies Act, 2013, the Company has identified the cost incurred in relation to major checks and overhaul costs as separate components and have amortised them over their balance useful life. As a result, the depreciation charge for the Year ended 31<sup>st</sup> March, 2016 is higher by ₹ 22,577 lakhs. The corresponding impact on Aircraft maintenance is lower by ₹ 21,241 lakhs.

**Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)**

### 13. INTANGIBLE ASSETS

Nature of Assets	Gross Block			Amortisation			Net Block	
	As at 1 <sup>st</sup> April, 2015	Additions during the year	Deductions during the year	As at 31 <sup>st</sup> March, 2016	For the year	Deductions during the year	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Software	11,839	2,934	-	14,773	1,205	-	11,868	1,176
Trademarks	3,144	-	-	3,144	101	-	3,144	101
<b>TOTAL</b>	<b>14,983</b>	<b>2,934</b>	<b>-</b>	<b>17,917</b>	<b>1,306</b>	<b>-</b>	<b>15,012</b>	<b>1,277</b>
Previous Year	14,644	722	383	14,983	1,987	375	13,706	-



**Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016** (Contd.)**14. NON-CURRENT INVESTMENTS**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
<b>Long Term Investments</b>		
<b>Trade Investments (Unquoted and at cost)</b>		
4,133 Shares (Previous Year 2,815 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	8	5
77 Shares (Previous Year 73 Shares) in Societe Internationale de Telecommunications Aeronautiques S.C. (S.I.T.A.) of Euro 5 each #	*	*
326,194 (Previous Year 326,194) Depository Certificates in SITA Group foundation of USD 1.20 each #	199	199
<b>Other Investments (Unquoted and at cost)</b>		
<b>Investment in Fully Paid Equity Shares of Associate</b>	67,732	66,761
- 54,772 Shares (Previous Year 54,772 Shares) of Jet Privilege Private Limited of ₹ 10 each		
<b>TOTAL</b>	<b>67,939</b>	<b>66,965</b>

\* ₹ 26,188 (Previous Year ₹ 24,680)

# 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.

**15. LONG TERM LOANS AND ADVANCES**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
<b>Unsecured and Considered Good unless otherwise stated</b>		
Capital Advances	52,593	51,556
Deposits to Related Parties	160	160
Security Deposits with Airport Authorities, Lessors and Others:		
Considered good	22,403	20,807
Considered doubtful	92	92
Less: Provision for doubtful deposit	(92)	(92)
	22,403	20,807
Advance Tax and Tax Deducted at Source (Net of Provisions for tax)	22,808	22,665
Prepaid Expenses	894	1,596
Contribution Receivable From Lessors (Refer note 37)	39,749	44,042
<b>TOTAL</b>	<b>138,607</b>	<b>140,826</b>

**Note:**

Deposits to related parties include ₹ 160 lakhs (Previous Year ₹ 160 lakhs) placed with private limited companies in which the Holding Company's Director is a Director / Member.

**Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016** (Contd.)

**16. OTHER NON-CURRENT ASSET**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
Other Bank Balance	3,353	4,590
Interest accrued on fixed deposits accounts	470	224
<b>TOTAL</b>	<b>3,823</b>	<b>4,814</b>

**17. CURRENT INVESTMENTS**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
<b>Investments</b>		
Investments in Mutual Funds (Liquid Fund-Growth Plan-Units: 2,107,083)	50,000	-
<b>TOTAL</b>	<b>50,000</b>	<b>-</b>

**18. INVENTORIES (AT LOWER OF COST OR NET REALIZABLE VALUE)**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
a) Rotables, Consumable Stores and Tools	161,858	148,700
Less : Provision for Obsolescence / Slow and Non – Moving Items (Refer note 1(N))	(61,663)	(58,144)
	100,195	90,556
b) Fuel	336	439
c) Other Stores Item	5,912	5,388
Less : Provision for Slow and Non-Moving items (Refer note 1(N))	(33)	(33)
	5,879	5,355
<b>TOTAL</b>	<b>106,410</b>	<b>96,350</b>

**19. TRADE RECEIVABLES**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
<b>Unsecured</b>		
a) Outstanding for a period exceeding six months from the date they are due for payment :		
Considered Good	7,598	8,048
Considered Doubtful	14,166	12,937
Less: Provision for Doubtful Debts	(14,166)	(12,937)
	7,598	8,048
b) Others		
Considered Good	155,168	131,583
Considered Doubtful	166	-
Less: Provision for Doubtful Debts	(166)	-
	155,168	131,583
<b>TOTAL</b>	<b>162,766</b>	<b>139,631</b>

**Note:**

Debtors include ₹ 2,550 lakhs (Previous Year ₹ 5,759 lakhs) due from private company in which the Holding Company's Director is a Director / Member.

**Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016** (Contd.)**20. CASH AND BANK BALANCES**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
<b>Cash and Cash Equivalents</b>		
Balances with Banks:		
In Current Account	31,491	42,557
Deposit with original maturity of less than 3 months	-	55,216
<b>Cash on Hand</b>	165	137
	<u>31,656</u>	<u>97,910</u>
<b>Other Bank Balances :</b>		
Fixed Deposit	3,246	-
Margin Deposits	113,911	109,693
<b>TOTAL</b>	<u>148,813</u>	<u>207,603</u>

**21. SHORT TERM LOANS AND ADVANCES**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
<b>Unsecured and Considered Good unless otherwise stated</b>		
Security Deposits with Lessors / Vendors		
- Considered Good	12,264	12,010
- Considered Doubtful	464	465
Less : Provision for Doubtful Deposits	(464)	(465)
	<u>12,264</u>	<u>12,010</u>
Contribution Receivable from Lessors (Refer note 37)	47,720	39,066
Receivable from Lessors / Insurers/ Others	38,488	16,654
CENVAT Credit Receivable	10,263	3,012
Deposit with Service Tax Department	593	30
Advance and Other Receivable from Suppliers / Others	46,736	45,556
Less : Provision for Doubtful Advances	(12,436)	(12,432)
Prepaid Expenses	22,561	19,464
Others	1,566	1,744
<b>TOTAL</b>	<u>167,755</u>	<u>125,104</u>

**22. OTHER CURRENT ASSET**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
Interest accrued on fixed deposits accounts	2,600	3,867
<b>TOTAL</b>	<u>2,600</u>	<u>3,867</u>

## Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

### 23. REVENUE FROM OPERATIONS

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March,	
	2016	2015
<b>Sale of Services</b>		
Passenger	1,968,852	1,828,782
Less : Service Tax	(68,276)	(53,434)
	<u>1,900,576</u>	<u>1,775,348</u>
Cargo	146,076	152,882
Less : Service Tax	7,760	(6,147)
	<u>138,316</u>	<u>146,735</u>
Excess Baggage	18,330	15,990
<b>Other Operating Revenues</b>		
Cancellation Charges	60,300	50,845
Export Incentives	3,449	4,301
Revenue from Leasing of Aircraft and Engines	81,829	93,219
Provision No Longer Required Written Back	8,067	2,416
Other Revenue (includes warranty claims, incentive credit / allowances etc.)	9,829	7,706
<b>TOTAL</b>	<u>2,220,696</u>	<u>2,096,560</u>

### 24. OTHER INCOME

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March,	
	2016	2015
Interest Income on Fixed Deposit and others	9,865	9,030
Interest Income on Income Tax Refund	526	180
Profit on Sale and Lease Back of Aircraft / Engines (net)	-	12,459
Profit on sale of fixed asset (net)	111	-
Net Gain on Sale of Current Investments	233	90
Recognition upon fulfilment of commitment (Refer Note 41)	34,688	26,248
Other Non-Operating Income (includes revenue from Frequent Flyer programme and other related income etc.)	24,487	21,598
<b>TOTAL</b>	<u>69,910</u>	<u>69,605</u>

### 25. EMPLOYEE BENEFIT EXPENSES

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March,	
	2016	2015
Salaries, Wages, Bonus and Allowances	232,881	222,689
Contribution to Provident Fund and Other Funds	6,352	5,232
Provision for Gratuity	1,895	2,994
Provision for Compensated Absences	1,310	542
Staff Welfare Expenses	10,795	10,450
<b>TOTAL</b>	<u>253,233</u>	<u>241,907</u>

**Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016** (Contd.)**26. SELLING AND DISTRIBUTION EXPENSES**

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March,	
	2016	2015
Computerized Reservation System Cost	<b>102,750</b>	87,903
Commission	<b>85,270</b>	85,510
Cost of miles accrued (Refer note below)	<b>38,943</b>	28,679
Others	<b>9,116</b>	10,346
<b>TOTAL</b>	<b>236,079</b>	212,438

Effective 21<sup>st</sup> April, 2014, pursuant to the Slump Sale Agreement (Refer note 41), the 'Jet Privilege' miles continue to accrue and are accumulated to the credit of the members account maintained with Jet Privilege Private Limited ('JPPL'), an associate company. The Company pays contracted rate for each such mile accrued to its passengers and charges the same to the Statement of Profit and Loss.

**27. DEPRECIATION AND AMORTISATION**

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March,	
	2016	2015
<b>Depreciation / Amortisation</b>		
- On Tangible Assets (Refer note 12)	<b>98,318</b>	74,544
- On Intangible Assets (Refer note 13)	<b>1,306</b>	1,987
<b>TOTAL</b>	<b>99,624</b>	76,531

**28. FINANCE COST**

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March,	
	2016	2015
Interest Expense	<b>73,767</b>	76,729
Other Borrowing Cost	<b>14,731</b>	15,318
<b>TOTAL</b>	<b>88,498</b>	92,047

**Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016** (Contd.)

**29. OTHER EXPENSES**

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March,	
	2016	2015
Aircraft Variable Rentals	<b>94,520</b>	77,388
Aircraft Insurance and Other Insurance	<b>9,535</b>	9,382
Landing, Navigation and Other Airport Charges	<b>189,711</b>	169,235
Aircraft Maintenance (including Customs Duty and Freight, where applicable) :		
- Component Repairs, Recertification, Exchange, Consignment Fees and Aircraft Overhaul (Net) (Refer note 12 (5))	<b>195,611</b>	201,204
- Consumption of Stores and Spares (Net)	<b>20,680</b>	14,607
- Provision for Spares Obsolescence	<b>7,214</b>	16,031
	<b>223,505</b>	231,842
Inflight and Other Pax Amenities	<b>94,506</b>	82,260
Communication Cost	<b>4,677</b>	4,832
Travelling and Subsistence	<b>30,375</b>	28,375
Rent	<b>11,807</b>	10,834
Rates and Taxes	<b>407</b>	547
Repairs and Maintenance :		
- Leased Premises	<b>94</b>	115
- Others	<b>5,762</b>	7,600
	<b>5,856</b>	7,715
Electricity	<b>1,558</b>	1,598
Directors' Sitting Fees	<b>51</b>	31
Provision for Bad and Doubtful Debts	<b>1,781</b>	4,609
Provision for Doubtful Deposit/ Advance	<b>419</b>	789
Bad Debts Written off	<b>31</b>	66
Net loss on Foreign Currency Transaction and Translation	<b>23,051</b>	26,658
Loss on Scrapping of Fixed Assets other than Aircraft Parts	-	14
Loss on Sale of Fixed Assets other than Aircraft (Net)	-	125
Miscellaneous Expenses (including Professional Fees, Audit Fees, Printing and Stationery, Cargo Handling and Bank Charges etc.)	<b>47,080</b>	67,948
<b>TOTAL</b>	<b>738,870</b>	724,248

## Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

### Auditors Remuneration (Net of Service Tax Input Credit)

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March,	
	2016 <sup>#</sup>	2015 <sup>*</sup>
(a) <b>As Audit Fees</b>		
- Statutory Audit Fees	151	148
- Tax Audit Fees	28	56
(b) <b>As Advisors or in any other capacity in respect of</b>		
- Taxation Matters (@ ₹ 47,200)	@	22
(c) <b>In any other manner</b>		
- For other services such as quarterly limited reviews, certificates etc.	132	92
(d) <b>For Reimbursement of Expenses</b>	3	-
<b>TOTAL</b>	<b>314</b>	<b>318</b>

<sup>#</sup> Pertain to payment made to current joint auditors and one of the previous joint auditor for limited review for the period ended 30<sup>th</sup> June, 2015 including reimbursement of expenses.

<sup>\*</sup> includes fees paid to one of the previous joint auditor.

### 30. EXCEPTIONAL ITEMS (EXPENSE) / INCOME

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March,	
	2016	2015
Surplus from Slump Sale of Jet Privilege Frequent Flyer Programme (Refer Note 41)	-	30,501
Contribution receivable from Lessor (Refer note below)	14,802	11,416
Impairment of Goodwill (Refer note 32)	-	(117,239)
<b>TOTAL</b>	<b>14,802</b>	<b>(75,322)</b>

#### Note:

Pursuant to a "Power by the Hour" (PBTH) engine maintenance arrangement entered into by the Company with service providers for its B777, ATR and additional B737 Aircraft engines, the PBTH cost are being charged to the Statement of Profit and Loss and the variable rentals payable to the Lessors are recognised as "Contribution receivable from Lessors". Based on a joint validation of the Company's maintenance plan with the service providers, the Company has recognised, the expected refund of variable rentals paid to the lessors pertaining to earlier years for these engines, as "Contribution receivable from Lessors" in the respective period.

### 31. EARNINGS PER SHARE (EPS)

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March,	
	2016	2015
Profit / (Loss) After Tax for the Year	121,165	(209,741)
Profit / (Loss) Attributable to Equity Share Holders <b>(A)</b>	121,165	(209,741)
Weighted Average Number of Equity Shares for Basic and Diluted EPS [nos.] <b>(B)</b>	113,597,383	113,597,383
Nominal Value of Equity Shares (₹)	10	10
Basic and Diluted EPS ₹ <b>(A/B)</b>	106.66	(184.64)

## Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

32. 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 company continues to incur losses and has negative net worth as on 31<sup>st</sup> March, 2016. The Board of Directors at its meeting held on 2<sup>nd</sup> September, 2015 approved the scheme of merger of Jet Lite (India) Limited, a wholly-owned subsidiary, with the Company ("The Scheme") as per the provisions of section 391 to 394 of the Companies Act' 1956, subject to receipt of requisite approvals. The appointed date, per the terms of the scheme is 1<sup>st</sup> April, 2015. The Scheme was approved by the Shareholders and Creditors of both the Companies on 22<sup>nd</sup> April, 2016. The Company has since filed petition with Hon'ble Bombay High Court for its final approval to the Scheme.

The accounting impact of "The Scheme" can only be reflected in the financial statements upon "The Scheme" becoming effective after filing of the Order of Hon'ble Bombay High Court with the Registrar of Companies. As the Orders of the Bombay High Court are awaited, the financial statements as at and for the year ended 31<sup>st</sup> March, 2016 do not include any adjustment that will arise on implementation of The Scheme.

### 33. CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)

#### A. Contingent Liabilities

(₹ in lakhs)

Particulars		As at 31 <sup>st</sup> March,	
		2016	2015
<b>a)</b>	<b>Guarantees :</b>		
	i. Letters of Credit Outstanding	<b>238,073</b>	188,223
	ii. Bank Guarantees Outstanding	<b>133,320</b>	156,738
	iii. Corporate Guarantee given to Banks and Financial Institutions against credit facilities and to Lessors/ service provider against financial obligations extended to Subsidiary Company :		
	- Amount of Guarantee	<b>3,998</b>	30,776
	- Outstanding Amounts against the Guarantee	<b>3,998</b>	24,215
<b>b)</b>	<b>Claims against the Company not acknowledged as debt (Refer note below) :</b>		
	i. Service Tax Demands in Appeals	<b>145,307</b>	133,125
	ii. Fringe Benefit Tax Demands in Appeals	<b>1,735</b>	6,055
	iii. Pending Civil and Consumer Suits	<b>16,968</b>	14,719
	iv. Inland Air Travel Tax Demands under Appeal	<b>426</b>	426
	Amount deposited with the Authorities for the above Demands	<b>105</b>	105
	v. Octroi	-	2,899
	vi. Customs	<b>2,114</b>	1,522
	vii. Income Tax Demands in Appeals	<b>8,403</b>	15,386
	viii. Wealth Tax Demands in Appeals	<b>24</b>	24
	ix. Sales Tax	<b>13</b>	-
	x. Employee State Insurance Corporation	<b>2,999</b>	2,999

- xi. The Company is in receipt of favorable orders in relation to certain service tax, income tax, and octroi demands. However, respective tax departments have preferred an appeal against these orders before higher appellate authorities. The amounts involved (excluding interest and penalty thereon, if any, not included in such demands) in these appeals as on 31<sup>st</sup> March, 2016, with respect to service tax, income tax, octroi and fringe benefit tax aggregating to ₹ 2,09,609 lakhs, ₹ 216,257 lakhs, ₹ 2,899 lakhs and ₹ 1,918 lakhs respectively are not included above as there is no outstanding demand in relation to the same.



**Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016** (Contd.)

- xii. 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 ₹ 50,000 lakhs (Previous Year ₹ 125,000 lakhs) provided by a financial institution to its developer Godrej Buildcon Private limited.
- xiii. The Company had acquired 100% of the shareholding of Sahara Airlines Limited (SAL) (now known as Jet Lite (India) Limited) in April, 2007. As per the Share Purchase Agreement (SPA) as amended by the subsequent Consent Award, the mutually agreed sale consideration was to be paid to the Selling Shareholders Sahara India Commercial Corporation Limited (SICCL) in four equal interest free instalments by 30<sup>th</sup> 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 4<sup>th</sup> 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 17<sup>th</sup> October, 2011 dismissed both the appeals as being not maintainable in view of jurisdictional issue. The Company has since filed Special Leave Petitions (SLP) before the Hon'ble Supreme Court challenging both the orders of 4<sup>th</sup> May, 2011 and 17<sup>th</sup> October, 2011. SICCL had earlier filed a SLP before the Hon'ble Supreme Court for increased compensation and interest.

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

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

- xiv. Enforcement Directorate (ED) had issued a notice to erstwhile Sahara Airlines limited (SAL) [now known as Jet Lite (India) Limited] and other officials alleging violation under section 9(1)(c) of 'Foreign Exchange Regulation Act' 1973 (since repealed) for entering into an agreement in 1995 with M/s. Avions De Transport Regional, France towards purchase of 5 ATRs for an aggregate order value of USD 672 lakhs (Equivalent to ₹ 41,969 lakhs) without getting the prior approval of Reserve Bank of India. Since the agreement was never implemented, the notice has been challenged by SAL by way of writ petition in 2002 and the said notice has been stayed by the Hon'ble High Court of judicature at Allahabad, Lucknow Bench. The writ petition is still pending for final disposal. The amount of liability is unascertainable pending final adjudication of the show cause notice.

**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.

## Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

### B. Commitments

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
Estimated amount of Contracts remaining to be executed on capital account (net of advances), not provided for	<b>3,798,638</b>	3,431,804
<b>TOTAL</b>	<b>3,798,638</b>	3,431,804

### 34. FOREIGN EXCHANGE DIFFERENCES

- a) With effect from 1<sup>st</sup> April, 2011, the Company opted to apply the provisions under Para 46A of AS 11. In line with the said notification, the Company has amortised the exchange difference as detailed in the Accounting Policy M in Note 1. The unamortised portion of ₹ 16,437 lakhs (Previous Year ₹ 6,709 lakhs) is accumulated in Foreign Currency Monetary Item Translation Difference Account (FCMITDA) grouped under reserves and surplus. The amortised portion of foreign exchange Loss incurred on long term foreign currency monetary items for the year ended 31<sup>st</sup> March, 2016 is ₹ 6,547 lakhs (Previous Year ₹ 7,355 lakhs). Further, the amount of exchange difference adjusted to the tangible assets during the year is ₹ 29,710 lakhs - net loss (Previous Year ₹ 23,292 lakhs - net loss) and the unamortised balance (carried as a part of tangible asset), as at the year end, aggregates to ₹ 234,523 lakhs (Previous Year ₹ 236,865 lakhs).
- b) 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".

### 35. UNHEDGED FOREIGN CURRENCY EXPOSURE

The foreign currency exposures (other than investment) that have not been hedged by any derivative instrument or otherwise as on 31<sup>st</sup> March, 2016 are as follows :

Particulars	₹ Equivalent (₹ in lakhs)		USD Equivalent (USD in lakhs)	
	As at 31 <sup>st</sup> March,		As at 31 <sup>st</sup> March,	
	2016	2015	2016	2015
Current Assets	<b>256,891</b>	229,592	<b>3,877</b>	3,673
Current Liabilities	<b>390,591</b>	345,909	<b>5,895</b>	5,534
Interest Accrued but not due on Loans	<b>1,495</b>	1,680	<b>23</b>	27
Long Term Loans for purchase of Aircraft*	<b>439,476</b>	537,842	<b>6,633</b>	8,605
Other Loans Payable#	<b>517,148</b>	371,152	<b>7,805</b>	5,938

\*includes Loans payable after 5 years – ₹ Nil (Previous Year ₹ 1,854 lakhs).

# includes Loans payable after 5 years – ₹ Nil (Previous Year ₹ 3,250 lakhs).

**Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016** (Contd.)**36. 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 recognised ₹ 6,103 lakhs (Previous Year ₹ 5,039 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 31<sup>st</sup> March, 2016 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.

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at 31<sup>st</sup> March, 2016.

(₹ in lakhs)

Particulars	Gratuity (Non-Funded) As at 31 <sup>st</sup> March,	
	2016	2015
<b>Reconciliation in Present Value of Obligations (PVO) – Defined Benefit Obligation</b>		
PVO at the beginning of the year	10,808	8,435
Current Service Cost	897	699
Interest Cost	864	785
Actuarial Loss	134	1,509
Benefits Paid	(799)	(620)
<b>Closing Balance</b>	<b>11,904</b>	<b>10,808</b>
<b>Net Cost for the Year ended 31<sup>st</sup> March,</b>		
Current Service Cost	897	699
Interest Cost	864	785
Actuarial Loss	134	1,509
<b>Net Cost</b>	<b>1,895</b>	<b>2,993</b>
<b>Fair Value of Plan Assets</b>	<b>Nil</b>	<b>Nil</b>
<b>Experience Adjustment</b>		
Plan Liability Loss / (Gains)	198	(81)
Plan Assets Loss / (Gains)	Nil	Nil
<b>Actuarial Assumptions</b>		
Discount Rate (%)	8.04-8.07	7.96 - 8.00
Salary Escalation Rate (%)	5.00	5.00

**Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)**

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

(₹ in lakhs)

Financial Year ended	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013	31 <sup>st</sup> March, 2012
<b>Amount</b>	8,435	7,538	6,138

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

(₹ in lakhs)

Financial Year ended	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013	31 <sup>st</sup> March, 2012
<b>Amount</b>	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 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013	31 <sup>st</sup> March, 2012
<b>Planned Liabilities Loss / (Gain)</b>	1,376	377	559
<b>Plan Assets Loss / (Gain)</b>	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 31<sup>st</sup> March, 2016, amounting to ₹ 1310 lakhs (Previous Year ₹ 542 lakhs) has been recognised in the Statement of Profit and Loss, based on actuarial valuation carried out using the Projected Unit Credit Method.

37. The Company has entered into a "Power by the Hour" (PBTH) Engine Maintenance agreements with a Service providers for its Next Generation Boeing 737 Aircraft fleet, ATR Aircraft fleet and Boeing 777 Aircraft fleet for future engine shop visits. Subsequent to such arrangements, the Company expenses out the cost of PBTH at the rate specified in the contract with the service provider to the Statement of Profit and Loss and treats the variable rentals 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 recognised 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 ₹ lakhs 87,469 lakhs (Previous Year ₹ 83,108 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.

**38. 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 <sup>st</sup> March					
	2016	2015	2016	2015	2016	2015
Not later than one year	110,499	116,931	98,279	104,025	12,220	12,906
Later than one year and not later than five years	358,344	435,809	341,197	412,713	17,147	23,096
Later than five years	-	1,855	-	1,854	-	1
TOTAL	468,843	554,595	439,476	518,592	29,367	36,003

**Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016** (Contd.)

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 31<sup>st</sup> March, are as follows:

**Commercial Premises and Amenities**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
Not later than one year	8	85
Later than one year and not later than five years	-	8
Later than five years	-	-
<b>TOTAL</b>	<b>8</b>	<b>93</b>

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

**Aircraft and Spare Engines**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
Not later than one year	228,203	205,823
Later than one year and not later than five years	782,751	684,240
Later than five years	260,777	325,921
<b>TOTAL</b>	<b>1,271,731</b>	<b>1,215,984</b>

The Salient features of an Operating Lease agreement are :

- Monthly rentals paid in the form of fixed and variable rentals. Variable Lease Rentals are payable at a pre-determined rate based on actual flying hours. Further, these predetermined rates of Variable Rentals are subject to 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.

**Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)**

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

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
Not later than one year	3,478	3,281
Later than one year and not later than five years	3,389	6,478
Later than five years	-	-
<b>TOTAL</b>	<b>6,867</b>	<b>9,759</b>

- d) Details of future minimum lease income in respect of Ten (10) Aircraft [Previous Year Ten (10)] given on non-cancellable Dry Lease and Wet Lease by holding Company, as at 31<sup>st</sup> March, are as follows :

**Aircraft**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March,	
	2016	2015
<b>Lease Income</b>		
Not later than one year	35,330	30,529
Later than one year and not later than five years	53,747	50,175
Later than five years	389	676
<b>TOTAL</b>	<b>89,466</b>	<b>81,380</b>

The Salient features of Dry Lease agreements are as under :

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

(₹ in lakhs)

Particulars	For the year	
	2016	2015
Cost of Acquisition	733,153	666,391
Accumulated Depreciation	308,550	244,782
Depreciation Debited to Statement of Profit and Loss during the year on the above Leased Assets	49,430	33,040
Variable Lease Rental income recognised during the year on the Leased Assets	25,132	18,499

- e) The lease rental expense of ₹ 338,715 lakhs (Previous Year ₹ 309,611 lakhs) is recognised during the year.

**Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016** (Contd.)**39. 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 :

- i. Domestic (air transportation within India)
- ii. 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 / amortisation and finance cost, since these are not specifically allocable to specific segments as the underlying assets / services are used interchangeably. The Company believes that it is not practical to provide segment disclosures relating to these revenue and expenses, and accordingly these expenses are separately disclosed as "unallocated" and directly charged against total revenues.

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.

(₹ in lakhs)

Particulars	For the year ended 31 <sup>st</sup> March	
	2016	2015
<b>Segment Revenue</b> (Primarily Passenger, Cargo, Excess Baggage and Leasing of Aircraft)		
Domestic	<b>986,866</b>	897,526
International	<b>1,233,830</b>	1,199,034
<b>Total</b>	<b>2,220,696</b>	2,096,560
<b>Segment result</b>		
Domestic	<b>635,413</b>	495,370
International	<b>792,065</b>	632,900
<b>Total</b>	<b>1,427,478</b>	1,128,270
Less : Finance Cost	<b>88,498</b>	92,047
Less : Depreciation and Amortisation	<b>99,624</b>	76,531
Less : Other Un-Allocable Expenses	<b>1,203,873</b>	1,164,110
Add : Other Un-Allocable Revenue	<b>69,910</b>	69,605
Add : Exceptional Items (Net)	<b>14,802</b>	(75,322)
<b>Profit / (Loss) Before Tax</b>	<b>120,195</b>	(210,135)
Less : Tax Expenses	<b>1</b>	1
<b>Profit / (Loss) After Tax before Share of Associate</b>	<b>120,194</b>	(210,136)
Add : Share of Profit in Associate	<b>971</b>	395
<b>Profit/(Loss) After Tax</b>	<b>121,165</b>	(209,741)

**Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)**
**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	For the year ended 31 <sup>st</sup> March	
	2016	2015
i) <b>Segment Revenue from External Customers</b>		
Air Transportation	2,138,867	2,003,341
Leasing of Aircraft	81,829	93,219
<b>Total</b>	<b>2,220,696</b>	<b>2,096,560</b>
ii) <b>Total carrying amount of Segment Assets</b>		
Air Transportation	1,305,183	1,288,928
Leasing of Aircraft	424,603	421,609
<b>Total</b>	<b>1,729,786</b>	<b>1,710,537</b>
iii) <b>Total cost incurred during the period to acquire Segment Assets that are expected to be used for more than one period*</b>		
Air Transportation	10,937	172,966
Leasing of Aircraft	16,316	-
<b>Total</b>	<b>27,253</b>	<b>172,966</b>

\* Excludes Exchange Gain / Loss.

**40. RELATED PARTY TRANSACTIONS**

As per Accounting Standard - 18 on "Related Party Disclosures", 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	Enterprise exercising Significant Influence over the Company
3.	Jet Privilege Private Limited	Associate Company
4.	Anita Goyal	Relatives of controlling shareholder
5.	Nivaan Goyal	
6.	Namrata Goyal	
7.	Gaurang Shetty	Key Managerial Personnel
8.	Jetair Private Limited	Enterprises over which controlling shareholder and his relatives are able to exercise significant influence directly or indirectly.
9.	Trans Continental e Services Private Limited	
10.	Jet Enterprises Private Limited	
11.	Jet Airways Europe Services N.V.	
12.	Jetair Tours Private Limited	
13.	Global Travel Solutions Private Limited	



**Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016** (Contd.)

**ii. Transactions during the year ended 31<sup>st</sup> March, 2016 and balances with related parties :**

Sr. No.	Nature of Transactions	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)								
1.	Transaction during the Year Remuneration			17 (167)		128 (117)		145 (284)
2.	Sitting Fees * ₹ 22000		Nil (*)	2 (Nil)				2 (*)
3.	Commission (Agency & Guarantee)	3,935 (Nil)					7,072 (5,621)	11,007 (5,621)
4.	Rent Paid						191 (182)	191 (182)
5.	Reimbursement of Expenses Paid (Staff Costs, Communication Costs, Rent, Franking charges)	5,957 (4,857)					4 (4)	5,961 (4,861)
6.	Rent received						8 (7)	8 (7)
7.	Interline Billing (Net)	12,267 (2,733)						12,267 (2,733)
8.	Miles Accrual income	2,106 (732)						2,106 (732)
9.	Redeemable miles expense	151 (31)						151 (31)
10.	Deposit taken	532 (Nil)						532 (Nil)
11.	Load and Trim Income	88 (Nil)						88 (Nil)
12.	Slump Sale of Jet Privilege Frequent Flyer Programme				Nil (119,378)			Nil (119,378)
13.	Marketing Services Received - Expense				1,104 (694)			1,104 (694)
14.	Sale of Tickets ( Net of discount of ₹ 4,202 lakhs (Previous year ₹ 3,086 lakhs))				19,114 (16,973)			19,114 (16,973)
15.	Miles Purchased Expense				43,243 (29,659)			43,243 (29,659)

**Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016** (Contd.)

<b>Sr. No.</b>	<b>Nature of Transactions</b>	<b>Enterprise exercising significant Influence</b>	<b>Controlling Shareholder of the Company</b>	<b>Relatives of controlling shareholder</b>	<b>Associate Company</b>	<b>Key Managerial Personnel</b>	<b>Enterprises under significant influence</b>	<b>Total</b>
16.	Services Rendered Income				1,298 (1,061)			1,298 (1,061)
17.	Airworthiness Management Service income	905 (629)						905 (629)
18.	Purchase of Parts	2,165 (2,833)						2,165 (2,833)
19.	Sale of Parts	25 (11)						25 (11)
20.	Aircraft Lease Rental	72,593 (48,446)						72,593 (48,446)
21.	Equipment Hire Charges	83 (Nil)						83 (Nil)
22.	Lease Rent - Slot	3,431 (3,200)						3,431 (3,200)
23.	Engine Lease Rental Expense	Nil						Nil
24.	Technical, Handling, Lounge and other Services etc	(5,708)						(5,708)
25.	Reimbursement of Expenses Received	17,431 (1,268)						17,431 (1,268)
26.	Interline Service Charges Received	304 (1,136)			79 (160)		1 (1)	384 (1,297)
27.	Interline Service Charges Paid	1,952 (1,368)						1,952 (1,368)
28.	Standby Letter of Credit given on behalf of Company	2,322 (1,378)						2,322 (1,378)
29.	Refund of Deposit	185,514 (165,000)						185,514 (165,000)
		233 (Nil)					Nil (2,200)	233 (2,200)

**Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016** (Contd.)

Sr. No.	Closing Balance as on 31 <sup>st</sup> March, 2016	Enterprise exercising significant Influence	Controlling Shareholder of the Company	Relative of controlling shareholder	Associate Company	Key Managerial Personnel	Enterprises under significant influence	Total
A.	Investments in Equity Shares				67,732 (66,761)			67,732 (66,761)
B.	Advance and Deposit Received	2,120 (1,756)			9,849 (10,900)			11,969 (12,656)
C.	Deposit for Leased Premises						160 (160)	160 (160)
D.	Trade Payables	16,053 (10,033)			28,803 (15,857)		3,384 (2,332)	48,240 (28,222)
E.	Trade Receivables	27,446 (15,346)					2,550 (5,789)	29,996 (21,135)
F.	Share Capital	2,727 (2,727)	5,793 (5,793)					8,520 (8,520)
G.	Corporate Guarantee given on behalf of the Company@	99,383@ (93,750)@						99,383 (93,750)
H.	Standby Letter of Credit given on behalf of Company	185,514 (165,000)						185,514 (165,000)

(Figures in brackets are for the year ended 31<sup>st</sup> March, 2015)

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

**Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (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	
	2016	2015
<b>(a) Relatives of controlling shareholder of Holding Company</b>		
Anita Goyal:		
Directors' sitting fees	2	-
Remuneration	-	154
Namrata Goyal (From 8 <sup>th</sup> February, 2016)	3	8
Nivaan Goyal	14	5
<b>(b) Directors</b>		
Gaurang Shetty	128	117

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

(₹ in lakhs)

Particulars	For the Year	
	2015-16	2014-15
<b>Jetair Private Limited</b>		
<b>Transactions during the Year</b>		
- Commission	7,072	5,621
- Rent Paid	191	182
- Reimbursement of Expenses Paid (Staff Costs, Communication Costs etc.)	4	4
- Rent Received	8	7
- Reimbursement of Expenses Received	1	1
<b>Closing Balance as on 31<sup>st</sup> March,</b>		
- Deposits for Leased Premises	160	160
- Trade Receivables	2,550	5,789
- Trade Payables	3,384	2,332
<b>Jet Enterprises Private Limited</b>		
<b>Transactions During the Year :</b>		
- Refund of Deposit	-	2,200

**(c) Associate Company**

(₹ in lakhs)

Particulars	For the Year	
	2015-16	2014-15
<b>Jet Privilege Private Limited</b>		
<b>Transactions during the year :</b>		
- Slump Sale of Jet Privilege Frequent Flyer Programme	-	119,378
- Marketing Services received - Expense	1,104	694
- Reimbursement of Expenses Received	79	160
- Sale of Tickets (Net of discount of ₹ 4,202 lakhs (Previous year ₹ 3,086 lakhs))	19,114	16,973
- Miles Purchased Expense	43,243	29,659
- Service Rendered Income	1,298	1,061
<b>Closing Balance as on 31<sup>st</sup> March,</b>		
- Advance Received	9,849	10,900
- Trade Payable	28,803	15,857
- Investments in Equity Shares	67,732	66,761

**Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016** (Contd.)**(d) Enterprise exercising significant influence over the Company**

(₹ in lakhs)

Particulars	2015-16	2014-15
<b>Etihad Airways PJSC</b>		
<b>Transactions during the year :</b>		
- Interline Billing (Net)	12,267	2,733
- Airworthiness Management Security and other services	905	629
- Miles Accrual income	2,106	732
- Redeemable miles expense	151	31
- Purchase of Parts	2,165	2,833
- Aircraft lease Rental Income	72,593	48,446
- Equipment Hire Charges	83	-
- Interline Service Charges Received	1,952	1,368
- Lease Rent - Slot	3,431	3,200
- Engine Lease Rental Expense	-	5,708
- Load and Trim Income	88	-
- Technical, Handling, Lounge and other Services etc.	17,431	1,268
- Security Deposit Taken	532	-
- Security Deposit Refunded	233	-
- Reimbursement of Expenses Paid	5,957	4,857
- Interline Service Charges Paid	2,322	1,378
- Sale of Parts	25	11
- Reimbursement of Expenses received	304	1,136
- Guarantee Commission	3,935	-
- Standby Letter of Credit given on behalf of the Company	185,514	165,000
<b>Closing Balance as on 31<sup>st</sup> March,</b>		
- Trade Receivable	27,446	15,346
- Trade Payable	16,053	10,033
- Share Capital	2,727	2,727
- Corporate Guarantee given on behalf of the Company	99,383	93,750
- Standby Letter of Credit given on behalf of the Company	185,514	165,000
- Deposit Received	2,120	1,756

41. The Company has transferred its 'Jet Privilege Frequent Flyer Programme' (JPFFP) undertaking to Jet Privilege Private Limited (JPPL) on 21<sup>st</sup> April, 2014 as a going concern on a slump sale basis for a total consideration of ₹ 119,378 lakhs. Upon completion of the balance pending matters, the Company, having regard to the terms and conditions under the agreements for such sale, has recognised a surplus of ₹ 30,501 lakhs during the Year ended 31<sup>st</sup> March, 2015 under "Exceptional Items". An amount of ₹ 34,688 lakhs (Previous Year ₹ 26,248 lakhs) has been recognised in "Other Income" for the Year ended 31<sup>st</sup> March, 2016. Further, an amount of ₹ 61,603 lakhs disclosed under "Other Liabilities" (Current Liability - ₹ 31,180 lakhs and Non-Current Liability - ₹ 30,423 lakhs) will be credited to income in subsequent periods proportionately on fulfilment of the underlying commitments / obligations as stipulated in the said agreements.
42. Various initiatives undertaken by the Holding Company in relation to cost synergies, revenue management opportunities, enhance ancillary revenues have resulted in significant improvement in operating cash inflow. These measures coupled with favourable fuel prices and ongoing initiatives to raise funds are expected to result in sustainable cash flows and accordingly the financial statements continue to be prepared on a going concern basis, which contemplates realisation of assets and settlement of liabilities in the normal course of business.

## Notes to the Consolidated Financial Statements for the Year Ended 31<sup>st</sup> March, 2016 (Contd.)

43. Additional information, as required under Schedule III of the Act, of enterprises consolidated as subsidiary

Sr. No	Name of the Company	Net Assets i.e. (Total Assets- Total Liabilities)		Share in Profit / (Loss)	
		As % of consolidated net assets	₹ in Lakhs	As % of consolidated Profit / (Loss)	₹ in Lakhs
	<b>Holding Company</b>				
	Jet Airways (India) Limited	(57.84)	(301,400)	97.64	117,356
	<b>Indian Subsidiaries</b>				
1.	Jet Lite (India) Limited	(47.12)	(245,500)	(1.72)	(2,072)
2.	Jet Airways Training Academy Private Limited	Nil	Nil	0.00	3
	Adjustment arising out of Consolidation	4.96	25,856	4.08	4,907
	<b>Total</b>	<b>(100)</b>	<b>(521,044)</b>	<b>100</b>	<b>120,194</b>
	<b>Associate Company (Investment as per equity method)</b>				
	Jet Privilege Private Limited	-	67,732	-	971

### 44. Previous Years Figures

Previous year's figures have been regrouped / rearranged / reclassified / reworked wherever necessary to correspond with the current year's classification / presentation. Previous year figures were audited by one of the previous joint auditors.

#### As per our attached report of even date

##### For BSR & Co. LLP

Chartered Accountants  
Firm's Registration No:  
101248W/W-100022

##### For Chaturvedi & Shah

Chartered Accountants  
Firm's Registration No:  
101720W

##### Bhavesh Dhupelia

Partner  
Membership No. 042070

##### Parag D. Mehta

Partner  
Membership No. 113904

Date: 26<sup>th</sup> May, 2016  
Place: Mumbai

#### On behalf of Board of Directors

**Naresh Goyal** (DIN: 01180386)

**James Hogan** (DIN: 06540486)

**Aman Mehta** (DIN: 00009364)

**James Rigney** (DIN: 06540653)

**I. M. Kadri** (DIN: 00081694)

**D. K. Mittal** (DIN: 0040000)

**S. Vishvanathan** (DIN: 02255828)

**Anita Goyal** (DIN: 01992051)

**Gaurang Shetty** (DIN: 01293134)

**Amit Agarwal**

**Kuldeep Sharma**

Chairman

Vice-Chairman

Director

Whole Time Director  
Chief Financial Officer  
Company Secretary

## AGM Venue - Route Map

Bhaidas Maganlal Sabhagriha, Juhu Vile Parle Development Scheme, Bhaktivendanta Swami Marg, Vile Parle (West), Mumbai - 400 056.





# Our fleet. One of the youngest in the world.



We fly a fleet of Boeing, Airbus and ATR aircraft.

## AIRBUS A330-300



Capacity:

Première - 34  
Economy - 259

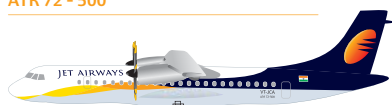
## AIRBUS A330-200



Capacity:

Première - 18  
Economy - 236

## ATR 72 - 500



Capacity:

Première - n/a  
Economy - 68

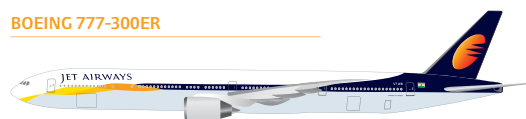
## ATR 72 - 600



Capacity:

Première - n/a  
Economy - 68

## BOEING 777-300ER



Capacity:

First Class - 8  
Première - 30  
Economy - 308

## BOEING 737 - 900 / 900ER



Capacity:

Première - 12/28  
Economy - 172/138

## BOEING 737 - 800



Capacity:

Première - 12  
Economy - 156

## BOEING 737 - 700



Capacity:

Première - 8  
Economy - 126

Aircraft	B777-300ER	A330-300	A330-200	B737-900/900ER	B737-800	B737-700	ATR76-600	ATR72-500	Total
Number	10	04	08	06	66	05	03	15	117

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](http://www.jetairways.com)