

14 August 2018

Corporate Relationship Department,
BSE Limited,
2nd Floor, New Trading Wing,
Rotunda Building, P.J. Towers,
Dalal Street, Mumbai -400 001

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

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

Stock Code: 532617/JETAIRWAYS


Dear Sirs,

Sub: Submission under Regulation 34 - Annual Report 2017-18

Further to our letter dated 17 July 2018 informing you of the date of our 26th Annual General Meeting, as required under 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 2017 – 18 duly approved and adopted by the Members at the Annual General Meeting of the Company held on 9 August, 2018.

Please take the above on record.

Yours faithfully,
Jet Airways (India) Limited

 **Kuldeep Sharma**
Vice President-Global Compliance & Company Secretary

Encl: a/a

25 years of the Joy of Flying.

Jet Airways (India) Limited | Annual Report 2018



LOOKING BACK
SOARING AHEAD

- ✈ 21 Codeshare Partners
- ✈ 24 Frequent Flier Partners
- ✈ 102 Interline Partners
- ✈ 61 Through Check-in Partners

Codeshare Partners



Frequent Flier Partners





Contents

Letter from the Chairman	02
Corporate Information	05
Operating Highlights	06
Financial Highlights	07
Notice of the 26 th Annual General Meeting	08
Board's Report	21
Management Discussion and Analysis	49
Report on Corporate Governance	53
Business Responsibility Report	71
Auditors' Report	81
Balance Sheet	88
Statement of Profit and Loss	89
Cash Flow Statement	90
Notes to the Financial Statements	93
Auditors' Report and Consolidated Financial Statements	157



Letter from the Chairman



MY DEAR FELLOW SHAREHOLDERS,

On behalf of our Board members, my Management team and the entire Jet Airways family, I would like to share with you our pride and gratitude at having attained your Company's landmark Silver Anniversary this year, coinciding with the occasion of which, I am delighted to present to you the latest Annual Report of your Company.

Our 25th Anniversary in our exciting journey so far, is also an occasion to recall milestones achieved and celebrate each and every one of those path-breaking events of the past 25 years that have set Jet Airways on the road to success.

It has been our constant endeavour to infuse our Indian ethos of warm hospitality into every aspect of our operations and it has been this tireless effort that has set Jet Airways apart and enabled us to become and remain the carrier of choice for our guests globally.

I would like to take this opportunity to thank each and every one of you for standing by your airline for all these years and enabling us to grow from strength to strength as we look forward to our journey ahead.

As you know, not too long ago we had laid out a three-year roadmap to return your company to profitability. We hit that target a year early and followed it up with another profitable year in FY 2016-17.

In fiscal 2018, although our overall revenue increased from ₹ 24,175 Crores in FY 17 to ₹ 25,177 Crores in FY 18, your company reported a consolidated loss of ₹ 636.45 Crores due to increase in costs beyond our control, which has impacted our results.

Key external factors that slowed down our momentum were, weakening of the Indian rupee, around 16% increase in Brent rates with consequent rise in fuel costs, industry's inability to pass on increased costs to the consumer and no corresponding increase in ticket fares. In addition, there was a considerable increase in Maintenance, Landing & Navigation costs during the year.

Operationally we took every step possible to maintain a sharp focus on costs and worked to reduce our net debt. Our non-fuel Cost per Available Seat-Kilometer (CASK) fell by 1.8%. Fleet utilisation went up. Our Boeing 737s especially, logged 13.52 hours in service every day. This ranks among the highest utilisation rates for any 737 aircraft fleet in the world.

Our available seat kilometres (ASKMs) – which is a measure of a flight's passenger carrying capacity increased by 8.9% to 58,228 million in FY 18 compared with 53,476 million in FY 17, which led to a rise in passenger numbers from 27.15 million in FY 17 to 29.95 million in FY 18. Load factors too grew by 2.3% points to 83.6%.

We have completed 12 successful months of operations from our new Gateway at Amsterdam. Amsterdam has witnessed strong growth within a year of its operation enabling us to deploy B777-300ER services on the route between India and Amsterdam, offering first class service as well as facilitating record cargo uplift.

To gain out of our partnership with Air France, KLM, Delta we have launched two new services into Europe Bangalore-Amsterdam & Chennai-Paris. Most crucially, though, this agreement complements Air France-KLM and Delta Air Lines' transatlantic partnership between Europe and North America. This allows us to offer guests multiple options and seamless access to 106 destinations in Europe and over 200 in North America alone. Your airline also expanded codeshare with Virgin Atlantic to 9 points in the US via London Heathrow and with Delta, 30 additional domestic US codeshare destinations were added.

We have also introduced a third daily frequency to London from Mumbai. Introduction of 4 weekly non-stop flights between Mumbai-Manchester in the near future is also on the anvil. With this addition of our 5th non-stop service to/from the UK, Jet Airways will also become the largest non-stop carrier between Mumbai and the UK.



During the year, as part of our network expansion plan, we have increased our capacity between our metros and emerging cities such as Indore, Jaipur, Dehradun, Silchar, Bagdogra, Madurai, Mangaluru, adding 30 new flights a week. We now operate 184 flights every week, enabling our guests from the emerging cities to connect conveniently with the rest of India and with our international network. We have also announced the commencement of operations on three of the four routes your airline has been awarded as part of the Government's landmark 'UDAN' Regional Connectivity Scheme.

On the international side of the business, our highly successful and renowned Jet-Etihad alliance once again carried more passengers on the key Indo-Gulf route than any other airline in the world.

Your airline has also added frequencies between India and Nepal, providing guests with greater choice while doubling its capacity on the sector. New international flights from Bengaluru to Singapore and Colombo were also launched during the year, enhancing connectivity as well as capacity to ASEAN and SAARC regions including deployment of B777 from Mumbai to Singapore. Additionally, your airline enabled guests to connect to Shanghai & Kunming in China through codeshare with China Eastern Airlines.

Complementing our efforts to deliver exceptional value to our guests, your airline has attempted to redefine its classic in-flight duty free offering 'Jet Boutique' by taking it online and introducing a unique, pre-order facility. We were also the first Indian airline to forge an industry-first partnership with Airbnb - the world's leading community-driven hospitality company. Through our partnership, we can now offer our guests a wide spectrum of rapidly growing, global hospitality choices from India, thereby establishing a deeper connect with the new-age Indian traveller.

Also, in line with our Guest First philosophy, we continue to work towards enhancing customer satisfaction through continued focus on OTP on which we continue to lay great emphasis and importance and accord highest priority to safety.

We have always taken pride on being at the forefront of technological innovation. To that end we have placed an order for cutting-edge, super-efficient Boeing 737 MAX aircraft, which will not only replace older aircraft but also expand the size of your company's fleet. The new aircraft will further drive cost and operational efficiencies, while offering guests an enhanced travel experience, allowing your Company to take great strides down the path laid out in our turnaround plan.

"Jet Screen", our pioneering wireless streaming service now covers 80% of your airlines' Boeing 737 fleet, which provides our guests with 300+ hours of entertainment through this system ranging from Hollywood, Bollywood and Regional movies in various genres. Meanwhile, initiatives like #JetAdvance, Fare Choices, Baggage Drop, the unique Global Pass, Seat Select, Priority Advantage, Fare Lock and the recently launched JetUpgrade are initiatives that offer both convenience and add an additional stream of ancillary revenue for your Company.

Our award-winning JetPrivilege loyalty program continues to grow. Last year, we surpassed the landmark 5 million-member milestone. This year, membership grew 30% to 8 million as we added new digital platforms, and introduced new benefits for our valued Jet Privilege members by welcoming 2 airline partners and 41 non-airline partners into the programme. Little wonder then that Jet Privilege has also won as many as 9 awards across different categories at "Customer Loyalty Awards and Customer Experience Awards" These awards are part of "The Customer Fest Show 2018."

For the second consecutive year, your airline was the official Airline Travel Sponsor for one of India's leading sports events - the Tata Mumbai Marathon 2018, which saw attendance swell to over 40,000 runners from across the country, including 162 members from our Jet Airways family. Your airline was also the official Airline Partner of the Airtel Delhi Half Marathon 2017

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 and women. Our 'Magic Box' in-flight donation programme in association with Save the Children turned 21 this past year. The popular 'Flight of Fantasy' initiative supported by various NGOs celebrated its 20th anniversary. For yet another year, the programme gave over 100 underprivileged children who have never flown before the thrill and the joy of their first-ever flight.

Despite the headwinds posed by the high Brent crude prices, and the longer term challenges of escalating airport levies, surcharges and taxation, I am quite optimistic about the prospect of aviation in India.



The outlook remains bright. More and more Indians are taking to the skies each year. In fact, IATA has predicted that by 2025, India will overtake the UK as the world's third largest aviation market, behind only China and the USA.

With unparalleled 25 years' worth of experience navigating the aviation space, your Company has become adept at turning challenges into opportunities: opportunities to innovate, to push boundaries, to reflect on what we do well continuously and then improve upon it. Your Company is absolutely focused on executing many key initiatives that will allow us to build a healthy and sustainable enterprise.

Before I end, I must express my sincere thanks to 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 Director General of Civil Aviation, the Bureau of Civil Aviation Security, the Airports Authority of India, Delhi International Airport Limited, Mumbai International Airport Limited, GMR Hyderabad International Airport Limited, Bangalore International Airport Limited and Cochin International Airport Limited & other airports companies for their continued support.

I would also like to express my gratefulness to all lenders, aircraft and engine lessors, the US EXIM Bank, the European ECAs, various national and international banks, fuel supplies, spare parts suppliers, who have been there to support us in difficult times.

My sincere thanks also go out warmly to the Boeing Company, Airbus Industries, ATR, General Electric, Rolls Royce and Pratt & Whitney for their contribution and partnership through these past 25 years.

The vote of thanks would be incomplete if I do not thank our esteemed Board Members who have continued to provide us with their guidance and strategic advice.

It would be remiss of me not to convey my deep appreciation and thanks to all our Shareholders for their unstinted support and encouragement. I look forward to working with you to ensure that your airline retains pride of place amongst the top international airlines of the world.

My immense gratitude to our staff and each and every member of our Management team for all their efforts to sustain your Company's recognised gold standard in service excellence, on ground and in the air, and the support they have consistently extended to the Company with their diligence, dedication, hard work and loyalty.

And finally special thanks to our valued guests who have supported us at every step of the way. Thank you for believing in us as we continue to strive to bring you the highest level of service excellence in the skies and on the ground.

With kind regards,

Naresh Goyal
Chairman



Corporate Information (As on 31st March, 2018)

Board of Directors

Mr. Naresh Goyal	Chairman
Mr. Harsh Mohan	(Appointed on 12 th September, 2017)
Mr. Kevin knight	(Appointed on 7 th December, 2017)
Mr. Vikram Mehta	
Ms. Rajshree Pathy	
Mr. Ranjan Mathai	
Mr. Srinivasan Vishvanathan	
Mrs. Anita Goyal	
Mr. Gaurang Shetty	Whole Time Director

Company Secretary

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

Capt. Hameed Ali	Group Executive Officer
Mr. Vinay Dube	Chief Executive Officer
Mr. Amit Agarwal	Dy. Chief Executive Officer & Chief Financial Officer
Mr. Rahul Taneja	Chief People Officer
Mr. Shrimanikandan Ananthvaideyanathan	Chief Information Officer

Statutory Auditors

BSR & Co, LLP
DTS & Associates

Debenture Trustees

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

Legal Advisors

Gagrats

CIN No.: L99999MH1992PLC066213

Registered Office

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

Registrar & Share Transfer Agents

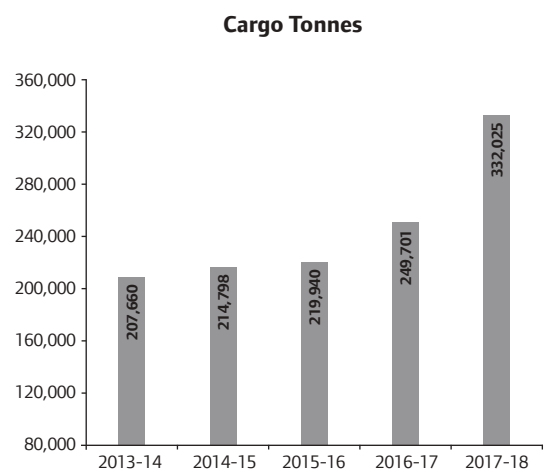
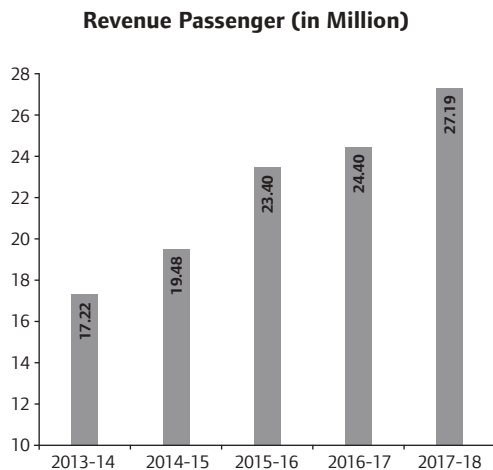
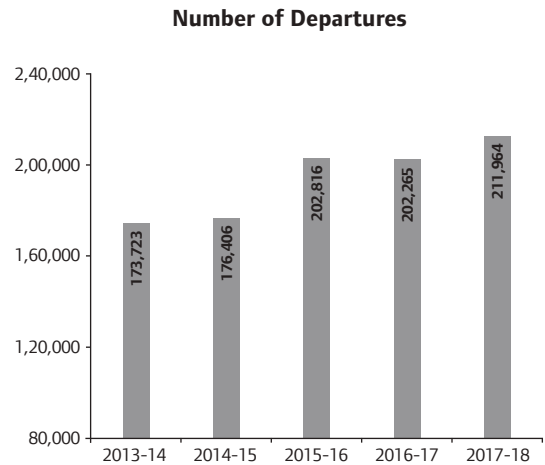
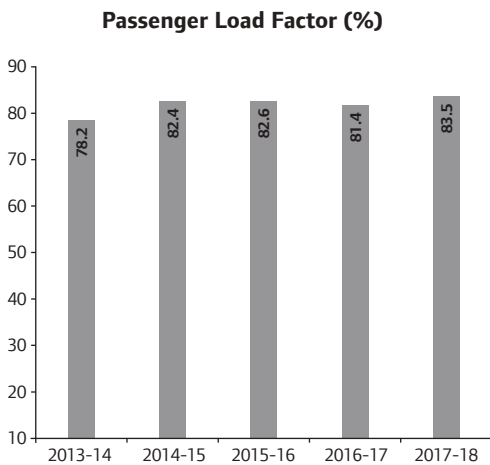
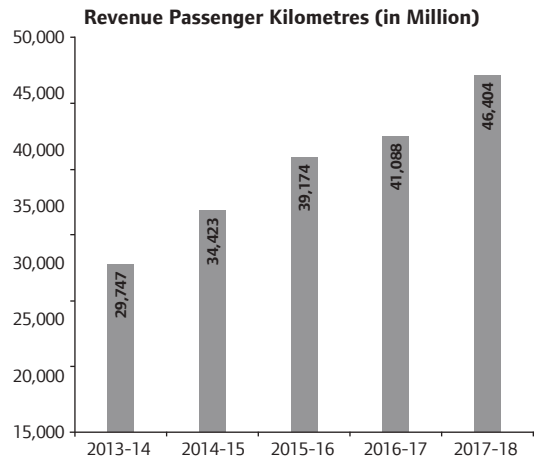
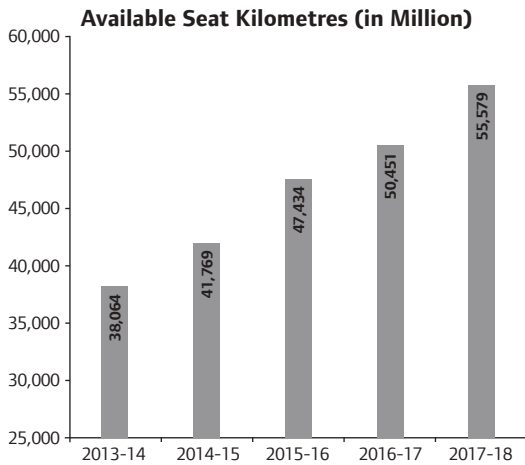
Karvy Computershare Private Limited
Karvy Selenium Tower B,
Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad - 500 032
Tel: +91 40 6716 1500
Email: einward.ris@karvy.com
Contact Person: Mr. S. V. Raju

Bankers

Allahabad Bank
AXIS Bank Limited
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 Amsterdam
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
Syndicate Bank



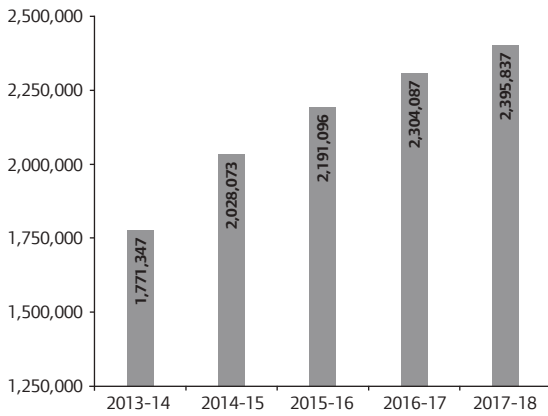
Operating Highlights



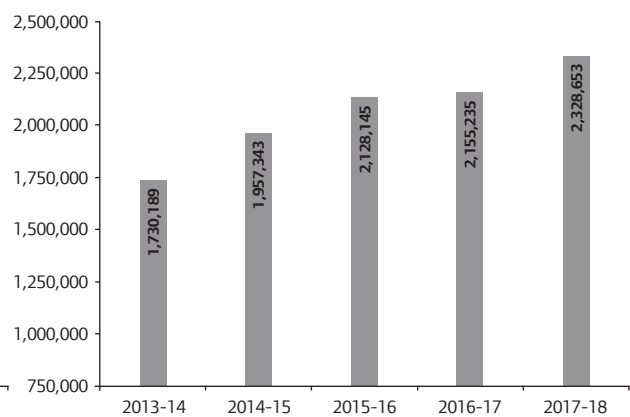


Financial Highlights

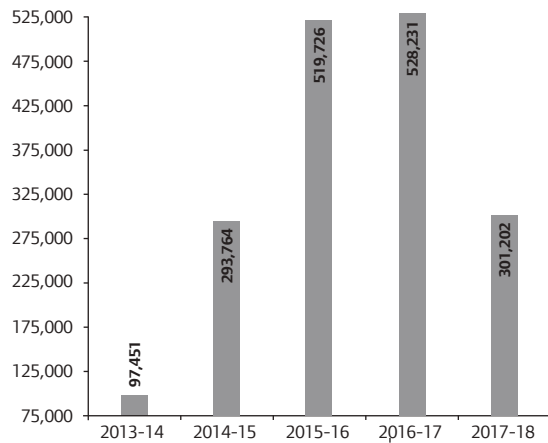
Total Income (Lakh ₹)



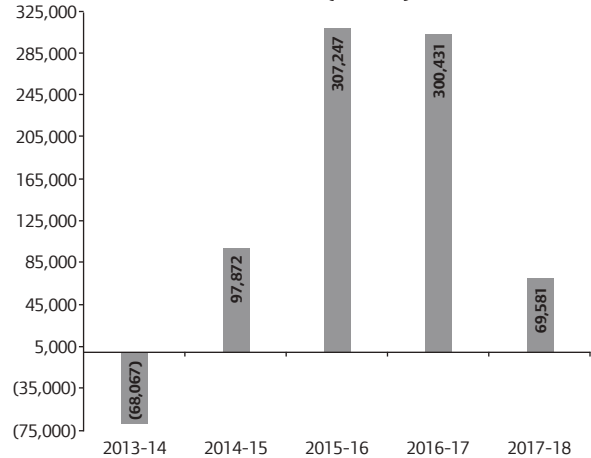
Operating Revenue (Lakh ₹)



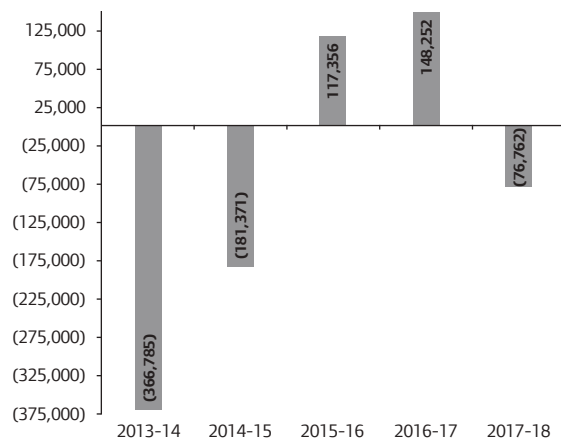
EBTDAR (Lakh ₹)



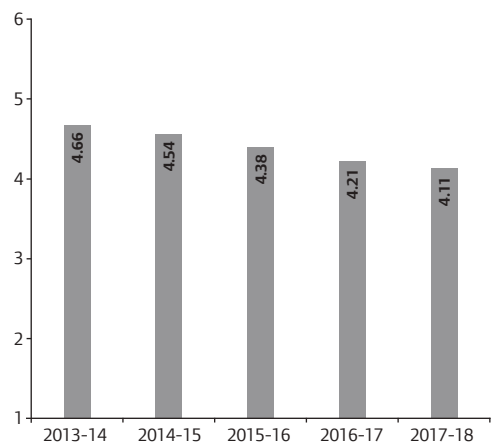
EBTDA (Lakh ₹)



Profit After Tax (Lakh ₹)



Net Revenue per Passenger Kilometres (₹)





Notice

Notice is hereby given that the Twenty Sixth Annual General Meeting of the Members of Jet Airways (India) Limited will be held at Y. B. Chavan Auditorium, General Jagannath Bhosale Marg, Nariman Point, Mumbai 400021 on Thursday, 9th August, 2018 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

- a. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2018, together with the Reports of the Board of Directors and Auditors thereon.
- b. To receive, consider and adopt the Audited Consolidated Financial Statements for the financial year ended 31st March, 2018, together with the Reports of the Auditors thereon.

2. Re-appointment of a Director

To appoint a Director in place of Mrs. Anita Goyal (DIN: 01992051), who retires by rotation, and being eligible, offers herself for re-appointment.

3. To fix the remuneration of the Joint Statutory Auditors, M/s. B S R & 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 142 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), the Members of the Company do hereby authorize the Board of Directors of the Company to fix the remuneration payable to M/s. BSR & Co. LLP, Chartered Accountants (Registration Number 101248W/W-100022), the Joint Statutory Auditors of the Company upto the financial year ending 31st March, 2020 as may be recommended by the Audit Committee in consultation with the Auditors, and as may be agreed upon between the Auditors and the Board of Directors.”

4. To fix the remuneration of the Joint Statutory Auditors, M/s. D T S & Associates

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 142 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), the Members of the Company do hereby authorize the Board of Directors of the Company to fix the remuneration payable to M/s. D T S & Associates, Chartered Accountants (Registration Number 142412W), the Joint Statutory Auditors of the Company upto the financial year ending 31st March, 2022, as may be recommended by the Audit Committee in consultation with the Auditors, and as may be agreed upon between the Auditors and the Board of Directors.”

SPECIAL BUSINESS:

5. Appointment of Mr. Ashok Chawla 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 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) Mr. Ashok Chawla (DIN: 00056133), who was appointed as an Additional Director (Independent) on the recommendation of the Nomination and Remuneration Committee and who holds office up to the conclusion of this Annual General Meeting and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a term commencing from 11th April, 2018 till the conclusion of the Twenty Ninth Annual General Meeting of the Company to be held in the year 2021 and he shall not be liable to retire by rotation.



Notice (Contd.)

RESOLVED FURTHER THAT the Board of Directors of the Company (the “Board”) be and is hereby authorized 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.”

6. Appointment of Mr. Sharad Sharma 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 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force), the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and as recommended by 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. Sharad Sharma (DIN: 05160057), being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act 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 Ninth Annual General meeting of the Company to be held in the year 2021 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 authorized 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 Dr. Nasim Zaidi as a Director

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

“**RESOLVED THAT** pursuant to the provisions of Section 161(1) and any other applicable provisions of the Companies Act, 2013 (‘the Act’) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment (s) for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Dr. Nasim Zaidi (DIN: 07979530), who was appointed by the Board of Directors as an Additional Director with effect from 23rd May, 2018, on the recommendation of the Nomination and Remuneration Committee and who holds office up to the date of this Annual General Meeting, and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Director on the Board of Directors of the Company and he shall be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (the “Board”) be and is hereby authorized 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. Appointment of Mr. Harsh Mohan as a Director

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



Notice (Contd.)

“RESOLVED THAT pursuant to the provisions of Section 161 and other applicable provisions of the Companies Act, 2013 (‘the Act’) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Harsh Mohan (DIN: 06539338), who was appointed by the Board of Directors as an Additional Director with effect from 12th September, 2017, and who holds office up to the date of this Annual General Meeting and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Nominee Director and he shall be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (the “Board”) be and is hereby authorized 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.”

9. Appointment of Mr. Kevin Nolan Knight as a Director

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

“RESOLVED THAT pursuant to the provisions of Section 161 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Kevin Nolan Knight (DIN: 07928561), who was appointed by the Board of Directors as an Additional Director with effect from 7th December, 2017, and who holds office up to the date of this Annual General Meeting and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Nominee Director and he shall be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (the “Board”) be and is hereby authorized 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.”

By Order of the Board of Directors

Sd/-

Kuldeep Sharma

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

Mumbai
23rd May, 2018

Registered Office:

Siroya Centre

Sahar Airport Road

Andheri (East)

Mumbai - 400 099

CIN: L99999MH1992PLC066213

Email: companysecretary@jetairways.com

Phone. No. +91 22 6121 1000



Notice (Contd.)

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ('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(s) 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 Meeting, is given in the Exhibit to this Notice.
5. Corporate Members intending to send their authorised representatives to attend the 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 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 Meeting to facilitate identification of membership at the Meeting
7. Members / Proxies / Representatives are requested to bring the enclosed Attendance Slip, duly filled in, for attending the Meeting.
8. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company will remain closed from Friday, 3rd August, 2018 to Thursday, 9th August, 2018, both days inclusive, for the purpose of the Twenty Sixth Annual General Meeting.
9. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Accordingly, Members holding shares in dematerialized form are requested to submit the PAN to their respective Depository Participants. Members holding shares in physical form can submit their PAN to the Company/Registrar & Share Transfer Agent.
10. Members are requested to send the advice about change in address / bank particulars / any other details to the Company's Registrar and Share 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 dematerialized form.



Notice (Contd.)

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

Karvy Computershare Private Limited
[UNIT: Jet Airways (India) Limited]
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
Website: www.karvycomputershare.com

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

11. Members are requested to bring their copies of the Annual Report to the Meeting.
12. Members who wish to obtain information concerning the accounts or operations of the Company may send their queries at least 7 days before the Annual General Meeting, to the Company Secretary, at the Registered Office of the Company or by email to companysecretary@jetairways.com
13. All documents referred to in the Notice and Explanatory Statement annexed thereto are available for inspection at the Registered Office of the Company between 10 a.m. and 12 noon on all working days of the Company till the date of the Twenty Sixth Annual General Meeting.
14. Members are hereby informed that the provisions of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, mandate the Companies to transfer dividends remaining unpaid/unclaimed for seven consecutive years along with the shares in respect of which dividends have not been claimed for seven consecutive years or more, in the name of the Investor Education and Protection Fund (IEPF).

As per the said provisions, shares on which the dividends remained unpaid/unclaimed for seven years from the year 2009-10 onwards are required to be transferred to IEPF. Since the Company had last declared its dividend in 2006-07, the Company is not required to take any action for the transfer of shares to the IEPF.

15. Pursuant to the provisions of Section 139 of the Companies Act, 2013 ('the Act'), the Joint Statutory Auditors of the Company, M/s. B S R & Co. LLP and M/s. D T S & Associates were appointed by the Members of the Company for a period of five years (till the conclusion of the Twenty Eight Annual General Meeting to be held in 2020) and five years (till the conclusion of the Thirtieth Annual General Meeting to be held in 2022) respectively.

The said appointment(s) of the Joint Statutory Auditors were required to be ratified by the Members at each Annual General Meeting in accordance with the provisions of Section 139 of the Act. However, the said requirement has been omitted vide the Companies (Amendment) Act, 2017 with effect from 7th May, 2018.

The Members are requested to authorize the Board of Directors of the Company to fix the remuneration of the Joint Auditors of the Company in terms of the proposed resolution(s) under the Item No. 3 and 4 of the Notice.

16. 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, Board's 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



Notice (Contd.)

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 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 Sixth Annual General Meeting is attached at the end of the Notice.

17. 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 in case shares are held in Physical form, and to their respective Depository participant, if held in electronic form.
18. The Securities and Exchange Board of India has decided that securities of listed companies can be transferred only in dematerialized form from a cut-off date, to be notified. In view of the above and to avail various benefits of dematerialization, Members are advised to dematerialize shares held by them in physical form.
19. 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 the Annual General Meeting by electronic means. The Members, whose names appear in the Register of Members/ List of Beneficial Owners as on Thursday, 2nd August, 2018 being the cut-off date, are entitled to vote on the 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 Monday, 6th August, 2018 and will end at 05:00 P.M. on Wednesday, 8th August, 2018 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 Sixth 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, for scrutinizing the remote e-voting process as well as voting through Poll paper 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. Thursday, 2nd August, 2018, may cast their vote electronically.
 - b. For the purpose of dispatch of this Notice, Shareholders of the Company holding shares either in physical form or in dematerialized form as on Friday, 6th July, 2018, have been considered.
 - c. Use the following URL for e-voting: <https://evoting.karvy.com>
 - d. Enter the login credentials [i.e. user id and password mentioned in the attendance slip of the Meeting]. 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



Notice (Contd.)

- (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 accounts shall choose the voting process separately for each folio / 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(s) 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 with a copy marked to evoting@karvy.com.
 - n. The remote e-voting period commences at 9.00 A.M. on Monday, 6th August, 2018 and will end at 05:00 P.M. on Wednesday, 8th August, 2018. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, 2nd August, 2018 may cast their vote electronically. The remote e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. Further, the shareholders who have cast their vote electronically shall not be debarred from participation in the Meeting, however, he shall not be able to vote in the 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 <https://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 Meeting, first count the votes cast at the 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 Saturday, 11th August, 2018. The Scrutiniser's Report shall be given to the Chairman or a person authorized by him in writing who shall countersign the same. The Results on resolutions shall be declared on or after the Meeting of the Company and shall be deemed to be passed on the date of the Meeting. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.jetairways.com and on the website of Karvy within two days of passing of the resolutions at the Meeting of the Company and communicated to the Stock Exchanges.
- IV. Poll will also be conducted at the Meeting and any Shareholder who has not cast his vote through remote e-voting facility, may attend the 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 & Remuneration Committee, passed a Resolution dated 11th April, 2018, inter alia, recommending for the approval of the Members, the appointment of Mr. Ashok Chawla (DIN: 00056133) 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. Ashok Chawla is not disqualified from being appointed as an Independent Director in terms of Section 164 of the Act, and has given his consent to act as the Director of the Company.

The Company has also received a declaration from Mr. Ashok Chawla 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 is not 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 26th March, 2018.

In the opinion of the Board, Mr. Ashok Chawla fulfills the conditions specified in the Act, and the Rules made thereunder for appointment as an Independent Director of the Company and is independent of the management.

Mr. Ashok Chawla obtained his Masters in Economics from the Delhi School of Economics in 1972 and joined the Indian Administrative Service in 1973. He has been a distinguished civil servant with over 40 years of experience in various sectors of the Indian economy as well as in International Multilateral agencies.

He has held several senior positions in the Federal Government at Delhi and been Permanent Secretary in key ministries of the Government of India such as Finance, Economic Affairs & Civil Aviation as well as served on the Boards of the Reserve Bank of India and the Insurance Regulatory and Development Authority. He has at different points in time, been India's Executive Director on the International Fund for Agricultural Development and Alternate Governor for India at the World Bank & Asian Development Bank.

Mr. Ashok Chawla has also held leadership positions in the corporate sector. He has been Chairman and Managing Director of Indian Petrochemicals Corporation Limited and a Director on the Oil and Natural Gas Commission. After his retirement from the civil service, he was appointed as the Chairman of the Competition Commission of India.

A copy of the letter of appointment of Mr. Ashok Chawla as an Independent Director setting out the terms and conditions is available for inspection without any fee by the Members at the Registered Office of the Company between 10.00 A.M. and 12.00 Noon till the date of the Twenty Sixth Annual General Meeting.

The Board considers that the induction of Mr. Ashok Chawla will benefit the Company and hence the Board recommends the resolution in relation to the appointment of Mr. Ashok Chawla 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 & Remuneration Committee, passed a Resolution dated 7th May, 2018, recommending for the approval of the Members, the appointment of Mr. Sharad Sharma (DIN: 05160057) 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.



Explanatory Statement (Contd.)

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

The Company has also received a declaration from Mr. Sharad Sharma 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 is not liable to retire by rotation.

In the opinion of the Board, Mr. Sharad Sharma fulfills the conditions specified in the Act, and the Rules made thereunder for appointment as an Independent Director of the Company and is independent of the management.

His appointment, if approved, shall be with effect from the date of the approval of the shareholders or the date of receipt of security clearance from Ministry of Civil Aviation, whichever is later.

Mr. Sharad Sharma, a career banker with over 40 years of banking experience, was the Managing Director of State Bank of Mysore w.e.f. August, 2012 to April, 2016, where he was seconded from State Bank of India. He joined Union Bank of India as an Officer in 1975 and thereafter SBI as a Probationary Officer in September 1977, from where he superannuated in April 2016.

His major interest has been primarily in the corporate and infrastructure financing segments, where he has spent over twenty years of his career. Besides, he has also had opportunity to work in global markets / risk management areas, at the corporate level, and for 3½ years in the Bank's wholly-owned subsidiary, SBI (Canada), Toronto.

Mr. Sharad Sharma had been active in the banking industry. He was on the Managing Committee of the Indian Banks Association, besides being on the Governing Board of Indian Institute of Banking & Finance.

A draft copy of the letter of appointment of Mr. Sharad Sharma as an Independent Director setting out the terms and conditions is available for inspection without any fee by the Members at the Registered Office of the Company between 10.00 A.M. and 12.00 Noon till the date of the Twenty Sixth Annual General Meeting.

The Board considers that the induction of Mr. Sharad Sharma will benefit the Company and hence the Board recommends the resolution in relation to the appointment of Mr. Sharad Sharma 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. 7

As per the Shareholders Agreement dated 24th April, 2013 as amended, entered into, inter alia, between the Company and Etihad Airways PJSC ('Etihad') and the Promoters, Mr. Naresh Goyal, Promoter, has the right to appoint Directors on the Board of the Company.

Dr. Nasim Zaidi (DIN: 07979530), who was nominated by Mr. Naresh Goyal, was appointed as an Additional Director on the Board of the Company by the Board at its Meeting held on 23rd May, 2018. His appointment ceases on the date of the Twenty Sixth Annual General Meeting. A profile of Dr. Nasim Zaidi is given as an annexure to this Notice. The Board recommends the appointment of Dr. Nasim Zaidi as a Director on the Board of the Company. Except Mr. Naresh Goyal and Mrs. Anita Goyal (Promoters) none of the other Directors or Key Managerial Personnel or any of their relatives are concerned or interested, financially or otherwise in respect of the resolution as set out at Item No.7.

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.)

Item No. 8 and 9

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

Mr. Harsh Mohan (DIN:06539338) and Mr. Kevin Nolan Knight (DIN:07928561), who were nominated by Etihad, were appointed as Additional Directors in place of Mr. James Hogan and Mr. James Rigney respectively at the Board Meetings held on 12th September, 2017 and 7th December, 2017 respectively. Their appointment ceases on the date of the Twenty Sixth Annual General Meeting. A profile of Mr. Harsh Mohan and Mr. Kevin Knight is given as an annexure to this Notice. The Board recommends the appointment of Mr. Harsh Mohan and Mr. Kevin Knight as Directors. Except Mr. Harsh Mohan and Mr. Kevin Knight, none of the Directors or Key Managerial Personnel or any of their relatives are concerned or interested, financially or otherwise in respect of the resolution as set out at Items No. 8 and 9.

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.

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

23rd May, 2018



Explanatory Statement (Contd.)

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

Name of the Director	Ms. Anita Goyal	Mr. Ashok Chawla	Mr. Sharad Sharma	Dr. Nasim Zaidi	Mr. Harsh Mohan	Mr. Kevin Nolan Knight
Date of Birth	16 th December, 1952	8 th January, 1951	2 nd April, 1954	6 th July, 1952	14 th March, 1954	20 th November, 1956
Date of First Appointment on the Board	8 th April, 2015	11 th April, 2018	Will be effective from the date of approval of shareholders or the receipt of security clearance whichever is later	23 rd May, 2018	12 th September, 2017	7 th December, 2017
Qualification	Bachelor of Arts (Honours) - Specialization in Political Science & Sociology	Masters in Economics from the Delhi School of Economics	Bachelor of Arts (Allahabad Univ), 1975 & Associate of the Indian Institute of Bankers	Master's degree in Public Administration from Kennedy School of Government, Harvard University. He has a Post Graduate Diploma in Business Finance from Indian Institute of Finance and holds doctorate in Bio-Chemistry.	Chartered Accountant from India Institute of Chartered Accountants and qualified as a Certified Public Accountant (CPA) in the US.	Bachelor of Science in Business Administration from Westminster College, Utah, and an MBA from the University of Utah.
Expertise in specific functional area	Wide Experience in Aviation Industry	Wide Experience in Finance, Economic Affairs, and Civil Aviation.	Wide Experience in Banking Industry	Wide Experience in Aviation Industry	Wide Experience in Aviation Industry	Wide Experience in Aviation Industry
Directorships held in other companies (excluding private limited companies, foreign companies and Section 8 companies) as on 31 st March 2018	NIL	1) Yes Bank Ltd. 2) Reliance Nippon Life Insurance Company Ltd. 3) National Stock Exchange of India Ltd.	1) B L Kashyap and Sons Ltd.	NIL	NIL	NIL



Explanatory Statement (Contd.)

Name of the Director	Ms. Anita Goyal	Mr. Ashok Chawla	Mr. Sharad Sharma	Dr. Nasim Zaidi	Mr. Harsh Mohan	Mr. Kevin Nolan Knight
Membership / Chairmanship of other committees (includes only Audit Committee and Stakeholders' Relationship Committee.) as on 31 st March 2018	NIL	Audit Committee _ (i) Yes Bank Ltd. (ii) National Stock Exchange of India Limited (iii) Reliance Nippon Life Insurance Company Ltd. Stakeholders Relationship Committee - (i) Yes Bank Ltd. (ii) National Stock Exchange of India Limited	Audit Committee - B L Kashyap and Sons Ltd.	NIL	NIL	NIL
Shareholding in the Company	1,000	NIL	NIL	NIL	NIL	NIL
Relationship with other Directors and Key Managerial Personnel	Mr. Naresh Goyal - Husband	NA	NA	NA	NA	NA
No. of the Board Meetings Attended	3	NIL	NIL	NIL	3	2



AGM VENUE ROUTE MAP



Board's Report

Dear Members,

Your Directors have pleasure in presenting their Twenty Sixth Annual Report together with the Audited Financial Statements for the Financial Year ended 31st March, 2018.

1. Performance highlights

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

Financial highlights

(₹ in Lakhs)

Particulars	Standalone for year ended 31 st March		Consolidated for year ended 31 st March	
	2018	2017	2018	2017
GROSS REVENUE	2,395,837	2,304,087	2,517,747	2,417,506
Profit before Interest, Depreciation, Exceptional Items & Tax	69,581	300,431	74,514	297,550
Finance Costs	84,286	85,109	84,894	85,868
Profit/(Loss) before Depreciation, Exceptional Items & Tax	(14,705)	215,322	(10,380)	211,682
Depreciation	62,057	67,090	62,114	67,155
Profit/(Loss) before Exceptional Items & Tax Exceptional Items (Net)	(76,762)	148,232	(72,494)	144,527
Profit/(Loss) before Taxation & Adjustments	(76,762)	148,232	(72,494)	144,527
(Excess)/Provision for Tax	-	(20)	-	(20)
Share of Profit in Associate	-	-	8,849	5,321
Profit/(Loss) after Taxation	(76,762)	148,252	(63,645)	149,868
Other Comprehensive Income	149	(5,181)	248	(5,702)
Loss brought forward	(1,016,187)	(1,155,763)	(1,019,225)	(1,159,897)
Amount transferred to Debenture Redemption Reserve	-	(3,495)	-	(3,495)
Impact of Depreciation as per the Companies Act, 2013	-	-	-	-
Amount transferred to Balance Sheet	(1,092,800)	(1,016,187)	(1,082,623)	(1,019,225)

Note: 1 Lakh = 100,000

Operating highlights (Consolidated)

Operating Parameters	Year ended 31 st March	
	2018	2017
Departures (Number)	234,069	225,938
Available Seat Kilometers (ASKMs) (Million)	58,228	53,476
Revenue Passenger Kilometers (RKM) (Million)	48,664	43,484
Passenger Load Factors (%)	83.6	81.3
Revenue Passengers (Number)	29,946,998	27,147,736
Fleet Size	112	112

2. Dividend

In view of the losses, the Board of Directors have not recommended any dividend on the Equity Shares for the Financial Year ended 31st March, 2018 (Previous year: Nil per Equity Share).



Board's Report (Contd.)

3. Review of Operations

During the year, the Company reported consolidated loss after tax of ₹ 63,645 Lakhs in fiscal 2018 and standalone loss after tax of ₹ 76,762 Lakhs. Available Seat Kilometers (ASKMs) increased by 8.9% to 58,228 million compared with 53,476 million in FY17. As a result, passenger numbers also grew from 27.15 Million in FY17 to 29.95 million during FY18 resulting in increase in overall consolidated revenue from ₹ 2,417,506 Lakhs in FY17 to ₹ 2,517,747 Lakhs in FY18.

Overall cost during the year increased due to increase of close to 16% in Fuel Brent rate, alongwith increase in Maintenance and Landing and Navigation costs in the year. On a positive note, cost per ASKM excluding fuel continued to show improvement – witnessed by a reduction of 1.8% in non-fuel CASK over the last financial year.

Network and Connectivity

During the year, the Company welcomed its new Chief Executive Officer (CEO) - Mr. Vinay Dube, an accomplished aviation veteran with over three decades of industry experience. With Vinay at its helm, the Company continued to take steps to strengthen its connectivity in India by deepening its existing footprint as well as launching maiden flights connecting emerging cities such as Jaipur, Lucknow, Chandigarh, Dehradun, Udaipur and Indore with each other and with metros including Nagpur-New Delhi, Lucknow-Kolkata, Delhi-Indore and Kozhikode - Bengaluru as part of its strategy.

The Company continued to leverage its wide body fleet to enhance its guest experience at slot-constrained airports such as Delhi, Mumbai and Bengaluru. Earlier this year, it also announced plans to make Guwahati as its regional gateway together with a strengthened North Eastern presence, marked with the introduction of several direct as well as non-stop flights connecting Jorhat Guwahati, Aizwal, Silchar, Imphal with New Delhi and Mumbai, together with additional connectivity from/ to Pune, Patna, Raipur, Chandigarh, Amritsar, and Bengaluru.

On 29th October 2017, the Company launched its three international non-stop services between Chennai and Paris CDG (five days/week), Bengaluru – Amsterdam (daily) and Mumbai – London Heathrow (Third frequency). The new flights from Bengaluru and Chennai are especially significant as they will enable the Company to connect guests in Southern India with Europe and North America for the very first time with non-stop and one-stop flights in codeshare with KLM Royal Dutch Airlines and Delta Air Lines as well as with Air France and Delta Air Lines respectively. The Company also strengthened services from its third hub – Bengaluru with a second daily frequency to Singapore.

The Company also continued to enhance international cooperation by forging codeshare partnerships with leading airlines, including one with China Eastern Airlines for connectivity to Shanghai and Kunming in China. With this, the Company's total number of codeshare partners has grown to 21. The Company also announced a Memorandum of Understanding with Aeromexico to outline cooperation in the areas of enabling codeshare flights and frequent flyer programs during the year.

The Company also strengthened its ongoing codeshare relationships with Air France and KLM Royal Dutch Airlines to 35 additional points in Europe and 5 on Trans-Atlantic routes. Jet Airways also expanded its codeshare with Virgin Atlantic to 9 points in the US via London Heathrow and with Delta Air Lines, 30 additional domestic US codeshare destinations were added. These were aside from a far-reaching landmark "Enhanced Cooperation Agreement" that was signed between the Company, Air France and KLM Royal Dutch Airlines. Under this first-of-its-kind partnership by an Indian carrier, the enhanced collaboration offers guests an unparalleled choice of 64 non-stop weekly flights between India and Europe.

Jet Airways Group's domestic passenger traffic for the year under review grew by 12.3% while international passenger traffic registered an increase of 5.7%. The Company ended FY18 with a system-wide seat factor of 83.6% (Domestic seat factor of 84.4% & International seat factor of 83.0%).

During the year, it also celebrated important milestones marking the completion of a decade of operations between the Gulf and India as well as between Bangladesh and India.



Board's Report (Contd.)

Jet Experience

In addition to growing connectivity, the Company undertook several industry-first initiatives to deliver exceptional value to guests. The Company introduced its acclaimed First Class between Delhi – Singapore and in an all-India first, redefined its classical in-flight duty free offering 'Jet Boutique' by taking it online, introducing a unique, pre-order facility that helps guests save time at the airport. The Company also became the first Indian airline to embrace the Government of India's Unified Payment Interface (UPI), enabling guests to book and make payments using the latest payment initiative.

The Company also forged an industry-leading partnership with Airbnb - world's leading community-driven hospitality company, to offer its guests from India - especially millennials, well-differentiated and global hospitality choices in order to establish a deeper bond with the new-age Indian traveller, increasingly seeking unique and interesting experiences during travel. JetScreen – the airline's wireless streaming service, now covers 80% of its B737 fleet, providing guests with 330+ hours of entertainment on their personal devices from amongst entertainment that ranges from Hollywood, Bollywood, Regional and international genres.

Jet airways started a unique business networking platform Jet Airways Global Linker that enables SMEs and startups enjoy the Big Business Advantage.

JetPrivilege

The loyalty and rewards programme - JetPrivilege continued to grow from strength to strength by adding new digital platforms as well as a record number of members that grew by almost 2 Mio to top 8 Mio for the financial year ended 2018. The programme introduced new benefits for our valued JetPrivilege members, welcoming 2 airline as well as 41 non-airline partners into the programme. On the digital end, more than 5 new partners were introduced on shop. jetprivilege.com, to reward members with JPMiles every time they shop online. JetPrivilege also won as many as 9 accolades in different categories at the "Customer Loyalty Awards and Customer Experience Awards" 2018.

As part of guest empowerment, members are now able to select, compare and apply for any of the Jet Airways/ JetPrivilege co-brand credit cards at cards.jetprivilege.com. Recently, a new partnership category 'Fuel' with Indian Oil, where our members can Earn & Redeem JPMiles on their fuel purchase, has been introduced.

Cargo

The Company signed a Memorandum of Understanding with Air France and KLM Royal Dutch Airlines on Strategic Cargo Co-operation. Key important actions implemented by Cargo, dynamic sales & marketing activities with continuous monitoring and improvement on the cargo mix, coupled with deployment of Airbus A330 aircrafts on domestic routes further enhanced capacity utilization. These have resulted in significant increase in revenue and tonnage carried in the year 2017-18 when compared to the previous year, 2016-17.

Cargo has also been awarded –

- 1) "Cargo Airline of the year – Domestic" for the period 2017 – 2018 received from Bangalore International Airport Limited.
- 2) "Top 5 Airlines by Absolute Cargo Growth" for the period 2017 received from Changi Airport Group, Singapore.

Marketing

For the second consecutive year, the Company sponsored one of India's leading sports events- the Tata Mumbai Marathon 2018 held on 21st January, 2018. The marathon saw the attendance of over 40,000 runners from across the country, including 162 members from our very own Jet Airways family. The Company was also the official Airline Partner of the Airtel Delhi Half Marathon 2017.



Board's Report (Contd.)

Fleet

As on 31st March, 2018, the Company had a fleet of 112 aircraft, comprising 10 Boeing 777-300 ER aircraft, 5 Airbus A330-200 aircraft, 4 Airbus A330-300 aircraft, 75 Next Generation Boeing 737-700/800/900/900ER aircraft, 15 modern ATR 72-500 Turboprop aircraft and 3 ATR 72-600 aircraft. The average fleet age as on 31st March, 2018 was 8.44 years. One A330-200 aircraft was sub-leased to Air Serbia as on 31st March, 2018

The Company flies to 45 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 (the "Listing Regulations") 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 / Associate Companies

a. Jet Lite (India) Limited

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

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

For the Financial Year ended 31st March, 2018, Jet Lite posted a total income of ₹ 131,803 Lakhs (2016-17: ₹ 123,331 Lakhs) and a Net Loss of ₹ 32,101 Lakhs (2016-17: ₹ (5,789) 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 31st March, 2018 (Previous Year : Nil). The Company continues to support the operations of Jet Lite.

The highlights of the operating performance of Jet Lite for the Financial Year ended 31st March, 2018 are as follows:

Operating Parameters	Year ended 31 st March	
	2018	2017
Departures (Number)	22,105	23,673
Available Seat Kilometers (ASKMs) (Million)	2,650	3025
Revenue Passenger Kilometers (RKMs) (Million)	2,260	2397
Passenger Load Factors (%)	85.3%	79.2%
Revenue Passengers (Number)	2,759,275	2,751,994

As on 31st March, 2018, Jet Lite had an all-Boeing fleet of 8 aircraft, comprising 3 Boeing 737-700 and 5 Boeing 737-800 aircraft.

b. Airjet Ground Services Limited ('AGSL')

AGSL was incorporated as a wholly owned subsidiary of the Company on 10th March, 2017.

As at 31st March, 2018, AGSL has yet to commence operations. For the Financial Year ended 31st March, 2018, AGSL posted a total income of ₹ Nil and a Net Loss of ₹ (1) Lakh.

c. Airjet Training Services Limited ('ATSL')

ATSL was incorporated as a wholly owned subsidiary of the Company on 18th May, 2017.

As at 31st March, 2018, ATSL has yet to commence operations. For the Financial Period ended 31st March, 2018, ATSL posted a total income of ₹ Nil and a Net Loss of ₹ (1) Lakh.



Board's Report (Contd.)

d. **Airjet Engineering Services Limited ('AESL')**

AESL was incorporated as a wholly owned subsidiary of the Company on 18th May, 2017.

As at 31st March, 2018, AESL has yet to commence operations. For the Financial Period ended 31st March, 2018, AESL posted a total income of ₹ Nil and a Net Loss of ₹ (1) Lakh.

e. **Airjet Security and Allied Services Limited ('ASASL')**

ASASL was incorporated as a wholly owned subsidiary of the Company on 19th May, 2017.

As at 31st March, 2018, ASASL has yet to commence operations. For the Financial Period ended 31st March, 2018, ASASL posted a total income of ₹ Nil and a Net Loss of ₹ (1) Lakh.

f. **Jet Privilege Private Limited ('JPPL')**

Jet Privilege Private Limited (JPPL) was incorporated on 13th July, 2012. JPPL is an independent, loyalty and rewards Management Company. The Company holds 49.90% and Etihad Airways PJSC holds 50.10% in JPPL.

For the Financial Year ended 31st March, 2018, JPPL posted a total income of ₹ 62,224 Lakhs (2016-17: ₹ 53,752 Lakhs) and a Net Profit of ₹ 17,735 Lakhs (2017-18: ₹ 10,663 Lakhs).

The subsidiary/associate 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**

In terms of Regulation 33 of the Listing Regulations and applicable provisions of the Companies Act, 2013 (the "Act") read with the Rules framed thereunder, the Consolidated Financial Statements of the Company for the financial year 2017-18 have been prepared in compliance with applicable Accounting Standards and on the basis of Audited Financial Statements of the Company, its subsidiaries and associate company, as approved by their respective Board of Directors.

The Consolidated Financial Statements together with the Auditors' Report form part of this Annual Report.

Further, as required under Section 129(3) of the Act, read with Companies (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**.

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

Particulars, as prescribed by Section 134(3)(m) of the Act, read with Rule 8 (3) of the Companies (Accounts) 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 principal requirement of energy for the Company is that of jet fuel for aviation activities. The Company persistently strives to optimize fuel consumption in every facet of flight operation. These measures pertain to fuel consumption on ground and during the flight. The pillars of Company's optimum energy strategy are:

(i) State of aircrafts:

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 as per manufacturers' recommendations to minimize aerodynamic drag.

(ii) Flight planning and processes:

Regular review of operating and flight planning processes is undertaken to optimize fuel consumption. Specific initiatives pertain to optimized routes, operating weight reduction and optimum fueling for the mission – without compromising the safety of operations. The Company utilizes latest models, techniques and systems which optimise fuel use. Deployment of the assets is done so as to optimize fuel efficiency for each flight.



Board's Report (Contd.)

(iii) Crew training and feedback:

Sensitization of Crew through regular training and feedback on fuel optimization potential is undertaken. Opportunities to reduce fuel consumption are brainstormed.

(iv) Post flight analysis:

Post flight analysis is undertaken to verify the impact of various policies and initiatives undertaken to reduce fuel consumption and serves as dynamic feedback in the fuel optimization endeavour. Senior Management periodically monitors the progress.

(v) Technology infusion:

Technology infusion is done in areas which are found to have high potential for reduction in fuel consumption. Such areas cover all the aspects of flight operations.

Technology absorption

Training of Pilots

Simulator training for A330, B737 and B777 aircraft is conducted at the Training Centre at Bangalore under supervision of the Company's own trainers.

Technology and e-Commerce initiatives

The year gone by witnessed a host of consumer centric initiatives in the eCommerce space aimed to further enhance our guests' overall travel experience.

The Company launched JetUpgrade, a first-of-its-kind in Indian aviation where guests can submit a bid for an upgrade to First Class or Première or choose to upgrade instantly for a fixed amount.

To provide guests added convenience, the Company introduced JetBoutique online, a portal that enables guests pre-order duty free products and have them delivered onboard their flight.

The Company made remarkable progress with a host of technological innovations. It partnered with Airbnb, enabling guests to book homestays and accommodation, directly on jetairways.com. Additionally, the integration with Uber allows guests to book their ride directly from the Jet Airways mobile app. With voice enabled services on the rise, the Company partnered with Amazon Alexa, enabling guests to check their flight status in real-time, simply by using a voice command. In an initiative to drive further choice and convenience, the Company included the widely adopted Google Tez as an additional mode of payment.

In line with the philosophy of enhancing the overall guest experience, the Company introduced Net Promoter Score (NPS), a tool used to gauge the loyalty of the organisation's customer relationships, based on their feedback.

Foreign Exchange earnings and outgo

The details of Foreign Exchange earnings and outgo are given under note no. 48 of the notes to accounts to the financial statements forming part of this Annual Report.

8. Environment, Health and Safety (EHS)

The Company values its employees and is committed to protecting their health, safety and well-being. It therefore continues to develop and improve its arrangement for managing environment, health and safety issues.

Our Audit Review Panel, chaired by the Chief Executive Officer/Accountable Manager is responsible for overseeing our EHS performance and reviewing our EHS Policy regularly. Panel members meet to monitor the Group's performance in EHS and compliance with EHS policy. It coordinates overall Group policy regarding EHS issues, by monitoring the effectiveness of the Safety Management System, identifying potential areas for improvement, and establishing and reviewing EHS objectives, targets and the overall progress



Board's Report (Contd.)

Key objectives are:

- To communicate appropriate, timely and practical workplace environment, health & safety information and advice.
- To improve compliance with EHS standards through inspection and investigation activities.
- To ensure that an effective and up-to-date health and safety at work regulatory frame work is maintained.

The Company management takes its responsibilities for managing its environment, health & safety systems, policies and practices very seriously by implementing various rules and regulations laid down in Factories Act 1948 and The Environment (Protection) Act, 1986.

Key areas of work includes:

- EHS Policy
- The lost time injury rate in year 2017 is the lowest among these years. We believe the safety culture has been enhanced by more intensive safety training and greater efforts in work planning. We will continually work on improving the health and safety performance as well as reducing the impact on the environment in our operation activities in order to safeguard the well-being of employees and nature environment.
- Regular internal meetings with employees are held to ensure that we actively exchange views on EHS issues
- Our work to secure better regulations
 1. All hazardous waste are disposed through approved vendors of PCB (Pollution Control Board).
 2. Air monitoring is done in areas where chemicals & paints are used.
 3. Waste water is treated through STP before they are discharged to storm water system.
- Progress against our key performance targets
 1. Medical check-up for employees dealing with chemicals.
 2. EHS awareness program for employees.
 3. EHS audit program.
 4. Monitoring of Hazardous waste generation.
 5. Re-cycling of paper waste generated in office.
 6. Use of paper on both sides.
 7. Energy and water conservation program.
 8. No reportable accident in FY 2017-18.

9. Public Deposits

The Company has not accepted any deposits covered under Chapter V of the Act. Accordingly, no disclosure or reporting is required in respect of details relating to deposits covered under this Chapter.

10. Issue of Non-Convertible Debentures

The Company's 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/- (Rupees Six Hundred Ninety Eight Crore Ninety Lakhs Only) issued on a Private Placement basis to EA Partners I.B.V a Foreign Portfolio Investor are listed on the BSE Limited. The NCDs are rated BBB- by ICRA Limited. No interest remains unpaid in respect of the NCDs as at 31st March, 2018.



Board's Report (Contd.)

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.

Pursuant to Regulation 34(3) of the Listing Regulations, a separate Report on Corporate Governance, alongwith Auditors' Certificate regarding compliance of conditions of Corporate Governance as stipulated under the Listing Regulations forms an integral part of this Report.

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

12. Corporate Social Responsibility

As a good Corporate Citizen, your Company has since its inception in 1992, taken up several initiatives and activities, in its endeavour to contribute in a socially responsible manner to the communities it serves and to Indian society as a whole. Towards this end and as required under Section 135 of the Act, the Board of Directors of the Company has constituted a Corporate Social Responsibility Committee.

Your Company is committed to making a contribution to the society it serves in general, and in particular, towards the betterment, education and empowerment of the girl child. Since its early years, your Company has been running an in-flight collection program called the 'Magic Box' in association with a Non-Governmental Organization named Save the Children India (STCI). The funds raised through this unique initiative from our guests (flying on our domestic flights) are utilized by STCI for education and for providing healthcare for underprivileged children and education for children with special needs. The collections from the "Magic Box" are also used by STCI to fund vocational courses for women.

Furthermore, as an equal opportunities employer it has always been the airline's endeavor to hire and promote diversity within the organization and facilitate empowerment of women. In fact 33% of our work force comprises of women and we are very proud of this diversity. To celebrate and recognize womanhood, Jet Airways organizes a special in-flight fund raising drive on the occasion of International Women's Day, each year, across its domestic destinations. The funds collected are donated to three chosen NGOs who work primarily for the up-liftment and empowerment of underprivileged women.

Jet Airways has, over the years, partnered with NGOs such as the Wishing Factory, Save the Children India, YouWeCan, Akanksha, Mijwan, and a host of others, to educate them with specially prepared presentations about the world of aviation, by regularly organise trips to our hangars and airport terminal buildings to showcase the behind the scenes workings of an airline to young children.

The Company also organizes its annual and unique "Flight of Fantasy" event for underprivileged children, and those with special needs. This is your Company's flagship event done annually and offers over 100 underprivileged children from select NGOs not just the chance for a joy ride, but also give them the opportunity to realize their dream to fly in an aircraft.

Jet Airways has always been in the forefront in the wake of calamities, natural disasters and other such contingencies. The Company has responded and supported the various state Governments and the Government of India's call for rehabilitation of displaced persons, transporting emergency supplies of food, medicine, rehabilitation material, assisting & transporting doctors and stranded guests with rebated travel and carriage of free cargo for medical and relief supplies.

The airline annually organises the 'Joy of Giving week' across its domestic network. This special week gives a chance to all our colleagues to donate for a chosen NGO in each metro city. We are proud to state that our colleagues donate very generously both in cash and in kind and have helped many NGOs with their care and generosity over the years.

Jet Airways takes its commitment to society and the upliftment of both women and children very seriously and we do our best with the resources in hand to put smiles on the faces of those less fortunate than us.



Board's Report (Contd.)

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 31st March, 2018, was 16,558 (as on 31st March, 2017: 16,015).

The information required pursuant to Section 197 of the Act 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 Act:

- that in the preparation of the annual financial statements for the year ended 31st March, 2018, 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 31st March, 2018 and of the loss 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 Act 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 Directors have 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 as and when necessary.

Four Board Meetings were held during the Financial Year 2017-18. The gap between any two Board Meetings did not exceed 120 days. The details of the attendance of Directors at the Board Meetings held during the Financial Year 2017-18 are provided in the Report on Corporate Governance which forms part of this Report.

16. Independent Directors

The definition of Independent Directors is derived from Regulation 16 of the Listing Regulations and Section 149(6) of the Act. 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 Act and Listing Regulations as at 31st March, 2018:-

- Mr. Srinivasan Vishvanathan
- Ms. Rajshree Pathy
- Mr. Vikram Mehta
- Mr. Ranjan Mathai



Board's Report (Contd.)

17. Board Evaluation

Pursuant to the provisions of the Act and of the Listing Regulations, 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.

18. 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 Report on Corporate Governance and also posted on the website of the Company.

19. Particulars of loans, guarantees or investments under Section 186

Details of loans, guarantees and investments covered under Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on 31st March, 2018 are given at Note no. 53 the notes to accounts to the financial statements forming part of this Annual Report.

20. Auditors

Pursuant to the provisions of Section 139 of the Act, the Joint Statutory Auditors of the Company, M/s. B S R & Co. LLP and M/s. D T S & Associates were appointed by the Members of the Company for a period of five years (till the conclusion of the 28th Annual General Meeting to be held in 2020) and five years (till the conclusion of the 30th Annual General Meeting to be held in 2022) respectively.

The said appointment of the Joint Statutory Auditors was required to be ratified by the Members at each Annual General Meeting (AGM) in accordance with the provisions of Section 139 of the Act.

Vide notification dated 7th May, 2018 issued by the Ministry of Corporate Affairs, New Delhi the requirement of ratification by Member at each AGM has been done away with.

The resolution of approving the remuneration of M/s. B S R & Co. LLP and M/s. D T S. & Associates as the Joint Statutory Auditors, forms part of the Notice of the 26th Annual General Meeting and the Resolution is recommended for your approval.

The Company has obtained Statutory Auditors Certificate as per requirement of circulars issued by Reserve Bank of India from time to time in relation to downstream investments.

21. Vigil Mechanism / Whistle Blower Policy

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

22. 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 and also before 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), as prescribed in Form AOC-2 of the rules prescribed under Chapter IX relating to Accounts of Companies under the Act, is appended as "Annexure B".



Board's Report (Contd.)

23. Secretarial Audit

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Mr. Taizoon M. Khumri, Practicing Company Secretary (COP No. 88) of T. M. Khumri and Co., Company Secretaries 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.

24. 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"**.

25. 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 2nd 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 was 1st April, 2015. The Scheme was approved by the Members of the Company on 22nd April, 2016. The Hon'ble High Court of Judicature at Bombay approved the Scheme on 20th October, 2016.

As the Ministry of Civil Aviation did not approve the said Scheme, the same stands revoked, cancelled and has no effect as provided in para 18 of the Scheme. Jet Lite (India) Limited and the Company continue their respective operations as two separate legal entities with their respective Air Operator Certificate.

26. 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 has also voluntarily constituted a Risk Management Committee.

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.

27. Policy on Prevention of Sexual Harassment at Workplace

The Company has in place a policy on Prevention of Sexual Harassment in line with the requirements of The Sexual Harassment of Women at the workplace (Prevention, Prohibition & Redressal) Act, 2013. A committee has been set up to redress complaints received regarding sexual harassment. All women, permanent, temporary or contractual including service providers are covered under this policy. The details of complaints received during the Financial Year 2017-18 are provided in the Business Responsibility Report.

28. Dividend Distribution Policy

The Company has framed and adopted Dividend Distribution Policy in compliance with Regulation 43A of the Listing Regulations. The Policy sets out the parameters and circumstances that will be taken into account by the Board of Directors to determine the distribution of dividend to shareholders. The Dividend Distribution Policy is attached as **Annexure E** and is available on the website of the Company at www.jetairways.com.

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

There is no change in the nature of business of the Company.

Board's Report (Contd.)

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

Sr. No.	Name	Designation	Effective Date
Cessation			
1	Mr. Javed Akhtar	Independent Director	30 th May, 2017
2	Mr. James Hogan	Nominee Director	12 th September, 2017
3	Mr. James Rigney	Nominee Director	7 th December, 2017
4	Mr. Dinesh Kumar Mittal	Independent Director	29 th January, 2018
Appointment			
1	Mr. Harsh Mohan	Nominee Director	12 th September, 2017
2	Mr. Kevin Knight	Nominee Director	7 th December, 2017
3	Mr. Vinay Dube	Chief Executive Officer	9 th August, 2017

31. The names of companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year:

- Airjet Engineering Services Limited was incorporated as a wholly owned subsidiary on 18th May, 2017.
- Airjet Training Services Limited was incorporated as a wholly owned subsidiary on 18th May, 2017.
- Airjet Security and Allied Services Limited was incorporated as a wholly owned subsidiary on 19th May, 2017.

32. 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.

The Ministry of Civil Aviation did not approve the Scheme of Merger of Jet Lite (India) Limited, the wholly-owned subsidiary of the Company with the Company. Accordingly, the said Scheme stands revoked, cancelled and has no effect as provided in Para 18 of the Scheme. Jet Lite (India) Limited and the Company continue their respective operations as two separate legal entities with their respective Air Operator Certificates.

33. 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.

34. Secretarial Standards

The Company has complied with the applicable Standards of SS-1 Secretarial Standards on Meetings of the Board of Directors and SS-2 Secretarial Standards on General Meetings.

35. Statutory Information

The Disclosure required under Section 197(12) of the Act 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	1:53
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 Wholetime Director, Chief Executive Officer, Chief Financial Officer and Company Secretary.

Board's Report (Contd.)

Sr. No.	Requirements	Disclosure
iii	The percentage increase in the median remuneration of employees in the Financial Year	Median increase over the last Financial Year: 2.1%
iv	The number of permanent employees on the rolls of Company	16,558 as on 31 st March, 2018
v	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;	<u>Employees</u> 12.8% <u>Managerial Personnel</u> NIL
vi	Affirmation that the remuneration is as per the remuneration policy of the company	Yes we confirm

36. 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 Reserve Bank of India, National Stock Exchange of India Limited, BSE Limited, US Exim Bank, Financial Institutions and Banks, The 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

Mumbai
23rd May, 2018

Naresh Goyal
Chairman

Annexure A Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part "A": Subsidiaries

Sr. No	Name of Subsidiary Company	Wholly Owned Subsidiaries					(₹ in Lakhs)
		Jet Lite (India) Limited	Airjet Ground Services Limited	Airjet Engineering Services Limited	Airjet Training Services Limited	Airjet Security and Allied Services Limited	
		31 st March, 2018	31 st March, 2018	31 st March, 2018	31 st March, 2018	31 st March, 2018	
1.	Date since when Subsidiary was acquired	20 th April, 2007	10 th March, 2017	18 th May, 2017	18 th May, 2017	19 th May, 2017	
2.	Paid up Share Capital	79,612	50	1	1	1	1
3.	Reserves	(252,675)	(4)	(1)	(1)	(1)	(1)
4.	Total Asset	32,655	47	1	1	1	1
5.	Total Liabilities	32,655	47	1	1	1	1
6.	Investment included in Total Assets	110	-	-	-	-	-
7.	Turnover	131,121	-	-	-	-	-
8.	Profit / (Loss) before Tax	(32,101)	(1)	(1)	(1)	(1)	(1)
9.	Provision for tax	-	-	-	-	-	-
10.	Profit / (Loss) after tax	(32,101)	(1)	(1)	(1)	(1)	(1)
11.	Proposed Dividend	Nil	NIL	Nil	Nil	Nil	Nil
12.	% of shareholding	100%	100%	100%	100%	100%	100%

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

1. Names of subsidiaries which are yet to commence operations:

Airjet Ground Services Limited
Airjet Engineering Services Limited
Airjet Training Services Limited
Airjet Security and Allied Services Limited

2. Names of subsidiaries which have been liquidated or sold during the year: NA

Mumbai
23rd May, 2018

On behalf of the Board of Directors

Naresh Goyal
Chairman



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
1.	Latest audited Balance Sheet Date	31 st March, 2018
2.	Date since when Associate / Joint Ventures was acquired	24 th March, 2014
3.	Shares of Associate/Joint Ventures held by the company on the year end	Equity share
	No.	54,772
	Amount of Investment in Associates/Joint Venture	₹ 69,522 Lakhs
	Extend of Holding %	49.90%
4.	Description of how there is significant influence	Shareholding
5.	Reason why the associate/joint venture is not consolidated	Consolidated by Equity method of accounting
6.	Networth attributable to Shareholding as per latest audited Balance Sheet	₹ 95,893 Lakhs
7.	Profit / Loss for the year	
	i. Considered in Consolidation	₹ 8,849 Lakhs
	ii. Not Considered in Consolidation	₹ 8,886 Lakhs

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

On behalf of the Board of Directors

Mumbai
23rd May, 2018

Naresh Goyal
Chairman



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: NA
- 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

On behalf of the Board of Directors

Mumbai
23rd May, 2018

Naresh Goyal
Chairman

Annexure C
FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.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

We 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 us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our 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 and as per explanations given to us and the representations made by the management, we hereby report that in our opinion, the Company has, during the financial year ended on 31st March, 2018 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the 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, 2015;
 - (c) *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) *The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) *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;
 - (g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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



Board's Report (Contd.)

(vi) The Company is engaged in the business of scheduled air transport services. The management has identified and confirmed the following laws as being specifically applicable to the Company: :

- (a) Aircraft Act, 1934 and the Rules made thereunder;
- (b) Carriage by Air Act, 1972 and the Rules made thereunder;
- (c) The Aircraft (Carriage of Dangerous Goods) Rules, 2003;
- (d) The Regulations, Circulars, Requirements, Orders, Notifications, issued by Ministry of Civil Aviation, Bureau of Civil Aviation Security and the Directorate General of Civil Aviation.

We 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 our opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable general laws including labour laws.

We 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.

We 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.
- (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;

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

We 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 Audit 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.

We 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 Chief Executive Officer 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.

We further report that the Hon'ble High Court of Judicature at Bombay vide its Order dated 20th October, 2016 had approved the Scheme of Merger of its wholly owned subsidiary company viz. Jet Lite (India) Limited with the Company ("The Scheme") subject to the sanctions and approvals of the authorities referred to in Para 18 of the Scheme.



Board's Report (Contd.)

The Ministry of Civil Aviation has vide its letter dated 24th April, 2018 stated that the Merger has not been approved. Accordingly, "The Scheme" stands revoked, cancelled and shall have no effect.

T.M.Khumri & Co.,
Company Secretaries
(Taizoon M. Khumri FCS.993)
(Proprietor)

Place : Mumbai
Date : 23rd May, 2018

Certificate of Practice No.88
Unique Code Number: I1981MH001800

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

Our 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 the secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed, provide a reasonable basis for our opinion;
4. 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.
5. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.
6. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
7. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test check basis.

Disclaimer

8. 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.

T.M.Khumri & Co.,
Company Secretaries
(Taizoon M. Khumri FCS.993)
(Proprietor)

Place : Mumbai
Date : 23rd May, 2018

Certificate of Practice No.88
Unique Code Number: I1981MH001800

Board's Report (Contd.)

Annexure D Form No. MGT-9 EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2018

[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 st 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 Tel : 022 61211000 Fax : 022 61211950 E-mail : companysecretary@jetairways.com
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 2300 1153

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:-

Sr. 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	91%

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.	Airjet Ground Services Limited	Siroya Centre, Sahar Airport Road, Andheri East, Mumbai - 400 099	U63030MH2017PLC292323	Subsidiary	100	2(87)(ii)
3.	Airjet Engineering Services Limited	Siroya Centre, Sahar Airport Road, Andheri East, Mumbai - 400 099	U63030MH2017PLC295055	Subsidiary	100	2(87)(ii)
4.	Airjet Training Services Limited	Siroya Centre, Sahar Airport Road, Andheri East, Mumbai - 400 099	U63000MH2017PLC295078	Subsidiary	100	2(87)(ii)
5.	Airjet Security and Allied Services Limited	Siroya Centre, Sahar Airport Road, Andheri East, Mumbai - 400 099	U63000MH2017PLC295126	Subsidiary	100	2(87)(ii)

Board's Report (Contd.)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Shares held	Applicable Section
6.	Jet Privilege Private Limited	Siroya Centre, Sahar Airport Road, Andheri East, Mumbai - 400 099	U74120MH2012PTC233351	Associate	49.90	2(6)

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 st April, 2017				No. of Shares held at the end of the year As on 31 st March, 2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoter and Promoter Group									
(1) Indian									
a) Individual/ HUF	1,000	-	1,000	0.00	1,000	-	1,000	0.00	-
b) Central Government/State Government(s)	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
e) Others	-	-	-	-	-	-	-	-	-
Sub-Total (A) (1)	1,000	-	1,000	0.00	1,000	-	1,000	0.00	-
(2) Foreign									
(a) Individuals (NRIs/ Foreign Individuals)	57,933,665	-	57,933,665	51.00	57,933,665	-	57,933,665	51.00	-
(b) Bodies Corporate	-	-	-	-	-	-	-	-	-
(c) Institutions	-	-	-	-	-	-	-	-	-
(d) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(e) Others	-	-	-	-	-	-	-	-	-
Sub-Total A(2) :	57,933,665	-	57,933,665	51.00	57,933,665	-	57,933,665	51.00	-
Total = A(1)+A(2)	57,934,665	-	57,934,665	51.00	57,934,665	-	57,934,665	51.00	-
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds /UTI	9,142,771	-	9,142,771	8.05	11,135,630	-	11,135,630	9.80	1.75
(b) Financial Institutions /Banks	158,036	-	158,036	0.14	263,900	-	263,900	0.23	0.09
(c) Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
(d) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(e) Insurance Companies	2,430,864	-	2,430,864	2.14	2,430,864	-	2,430,864	2.14	-
(f) Foreign Institutional Investors	3,224,623	-	3,224,623	2.84	5,944,663	-	5,944,663	5.23	2.39
(g) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(h) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(i) Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	14,956,294	-	14,956,294	13.17	19,775,057	-	19,775,057	17.14	4.24
2. Non- Institutions									
(a) Bodies Corporate	3,477,458	-	3,477,458	3.06	1,871,796	-	1,871,796	1.65	(1.41)
(b) Individuals									
(i) Individuals holding nominal share capital upto ₹1 Lakh	7,411,539	325	7,411,864	6.52	5,029,598	325	5,029,923	4.43	(2.10)
(ii) Individuals holding nominal share capital in excess of ₹1 Lakh	1,067,947	-	1,067,947	0.94	869,698	-	869,698	0.77	(0.17)



Board's Report (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year As on 1 st April, 2017				No. of Shares held at the end of the year As on 31 st March, 2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(c) Others									
Clearing Members	916,966	-	916,966	0.81	460,721	-	460,721	0.41	(0.40)
Foreign Bodies	27,263,372	-	27,263,372	24.00	27,263,372	-	27,263,372	24.00	-
NBFC	104,111	-	104,111	0.09	69,740	-	69,740	0.06	(0.03)
Non Resident Indians	381,699	-	381,699	0.34	156,521	-	156,521	0.14	(0.20)
NRI Non-Repatriation	72,723	-	72,723	0.06	90,159	-	90,159	0.08	0.02
Trusts	10,284	-	10,284	0.01	75,731	-	75,731	0.07	0.06
(d) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Sub-Total B(2) :	40,706,099	325	40,706,424	35.83	35,887,336	325	35,887,661	31.59	(4.24)
Total B=B(1)+B(2) :	55,662,393	325	55,662,718	49.00	55,662,393	325	55,662,718	49.00	-
Total (A+B) :	113,597,058	325	113,597,383	100.00	113,597,058	325	113,597,383	100.00	-
(C) Shares held by custodians, against which Depository Receipts have been issued									
(1) Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
(2) Public	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C) :	113,597,058	325	113,597,383	100.00	113,597,058	325	113,597,383	100.00	-

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Shareholding 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):

Sl. No	Name of the Share Holder	Shareholding		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				
	At the beginning of the year	27,263,372	24.00	27,263,372	24.00
	Bought during the year	0	0.00	27,263,372	24.00
	Sold during the year	0	0.00	27,263,372	24.00
	At the end of the year	27,263,372	24.00	27,263,372	24.00
2	Birla Sun Life Trustee Company Private Limited				
	At the beginning of the year	3,922,778	3.45	3,922,778	3.45
	Bought during the year	1,122,160	1.05	5,115,828	4.50
	Sold during the year	995,909	0.88	4,119,919	3.63
	At the end of the year	4,119,919	3.63	4,119,919	3.63



Board's Report (Contd.)

Sl. No	Name of the Share Holder	Shareholding		Cumulative Shareholding during the Year	
		No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
3	Reliance Capital Trustee Co. Ltd. - A/C				
	At the beginning of the year	3,881,000	3.42	3,881,000	3.42
	Bought during the year	1,888,149	1.66	5,769,149	5.08
	Sold during the year	2,824,480	2.49	2,944,669	2.59
	At the end of the year	2,944,669	2.59	2,944,669	2.59
4	Life Insurance Corporation of India				
	At the beginning of the year	2,355,864	2.07	2,355,864	2.07
	Bought during the year	0	0.00	2,355,864	2.07
	Sold during the year	0	0.00	2,355,864	2.07
	At the end of the year	2,355,864	2.07	2,355,864	2.07
5	Reliance Ventures Limited				
	At the beginning of the year	1,262,000	1.11	1,262,000	1.11
	Bought during the year	180,889	0.16	1,442,889	1.27
	Sold during the year	1,442,889	1.27	0	0
	At the end of the year	0	0	0	0
6	HDFC Trustee Company Limited				
	At the beginning of the year	143,000	0.13	143,000	0.13
	Bought during the year	893,800	0.79	1,036,800	0.91
	Sold during the year	324,000	0.29	712,800	0.63
	At the end of the year	712,800	0.63	712,800	0.63
7	Acadian Emerging Markets Small Cap Equity Fund LLC				
	At the beginning of the year	0	0	0	0
	Bought during the year	780,882	0.69	780,882	0.69
	Sold during the year	87,921	0.08	692,961	0.61
	At the end of the year	692,961	0.61	692,961	0.61
8	Vantage Equity Fund				
	At the beginning of the year	0	0	0	0
	Bought during the year	640,000	0.56	640,000	0.56
	Sold during the year	0	0	640,000	0.56
	At the end of the year	640,000	0.56	640,000	0.56
9	Mirae Asset India Mid Cap Equity Fund				
	At the beginning of the year	0	0	0	0
	Bought during the year	614,732	0.54	614,732	0.54
	Sold during the year	0	0	614,732	0.54
	At the end of the year	614,732	0.54	614,732	0.54
10	National Westminster Bank Plc as Depositary of Old Mutual Asia Pacific Fund				
	At the beginning of the year	0	0	0	0
	Bought during the year	482,193	0.42	482,193	0.42
	Sold during the year	0	0	482,193	0.42
	At the end of the year	482,193	0.42	482,193	0.42

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
1.	Mr. Naresh Goyal				
	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
2.	Mrs. Anita Goyal				
	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
3.	Mr. Kuldeep Sharma				
	At the beginning of the year	1	0.00	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	NIL	NIL
	At the end of the year	1	0.00	1	0.00

Note: Other than mentioned above no other Directors and Key Managerial Personnel holds shares of the Company.

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
Indebtedness at the beginning of the Financial Year				
i) Principal Amount	445,557	462,215	Nil	907,772
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	118	1,120	Nil	1,238
Total (i+ii+iii)	445,675	463,335	Nil	909,010
Change in Indebtedness during the Financial Year				
- Addition	125,000	723	Nil	125,723
- Reduction	116,531	79,512	Nil	196,043
- Decrease in Interest accrued but not due	15	(155)	Nil	(140)
- Exchange difference	1,792	1,071	Nil	2,863
Net Change	10,276	(77,872)	Nil	(67,597)
Indebtedness at the end of the Financial Year				
i) Principal Amount	455,818	384,497	Nil	840,315
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	133	965	Nil	1,098
Total (i+ii+iii)	455,951	385,462	Nil	841,413

Board's Report (Contd.)

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	2,16,00,000	2,16,00,000
	(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	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5.	Others, please specify	-	-
	Total (A)	2,16,41,402	2,16,41,402
	Ceiling as per the Act	As per Schedule V of the Companies Act, 2013	

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount (in ₹)
1.	Independent Director	Mr. Javed Akhtar¹	Mr. Dinesh Mittal²	Mr. Srinivasan Vishvanathan	Ms. Rajshree Pathy	Mr. Vikram Mehta	Mr. Ranjan Mathai	
	Fee for attending board committee meetings	Nil	500,000	1,400,000	800,000	1,450,000	1,050,000	5,200,000
	Commission ⁴	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (1)	Nil	500,000	1,400,000	800,000	1,450,000	1,050,000	5,200,000
2.	Other Non-Executive Directors	Mr. Naresh Goyal	Mr. James Hogan³	Mr. James Rigney⁴	Mr. Harsh Mohan³	Mr. Kevin Knight⁴	Mrs. Anita Goyal	
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil	Nil	400,000	400,000
	Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil	Nil	400,000	400,000
	Total (B)=(1+2)	Nil	500,000	1,400,000	800,000	1,450,000	1,450,000	5,600,000
	Total Managerial Remuneration	₹ 5,600,000						
	Overall Ceiling as per the Act	Sitting Fees is within the limit under the Companies Act, 2013						

Note:

- Resigned as an Independent Director w.e.f 30th May, 2017
- Resigned as an Independent Director w.e.f 29th January, 2018
- Mr. Harsh Mohan appointed as Nominee Director and Mr. James Hogan ceased to be Nominee Director w.e.f 12th September, 2017
- Mr. Kevin Knight appointed as Nominee Director and Mr. James Rigney ceased to be Nominee Director w.e.f 7th December, 2017



Board's Report (Contd.)

C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		Vinay Dube (CEO)	Amit Agarwal (Dy. CEO & CFO)	Kuldeep Sharma (CS)	Total (in ₹)
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	76,760,129	57,555,000	14,242,200	148,557,329
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	22,385,030	-	-	22,385,030
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	99,145,159	57,555,000	14,242,200	170,942,359

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
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other officers in default					
Penalty					
Punishment					
Compounding					

Annexure E

Dividend Distribution Policy

BACKGROUND

The Securities Exchange Board of India (SEBI) has inserted a new Regulation 43A after Regulation 43 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which requires top five hundred listed companies (based on market capitalization of every financial year) to formulate a Dividend Distribution Policy, which shall be disclosed in its Annual Report and on its website.

SCOPE AND OBJECT OF THE POLICY

This Dividend Distribution Policy ("Policy") sets forth the broad principles that would guide the Board of Directors ("Board") of Jet Airways (India) Limited ("Company") in matters concerning declaration and distribution of dividend. The objective of this Policy is to establish the parameters to be considered by the Board of the Company before declaring or recommending dividend. The Policy reflects the intent of the Company to reward its shareholders by sharing a portion of its profits after retaining sufficient funds for growth of the Company thus maximizing shareholders' value.

The intent of the Policy is to broadly specify the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend and how the retained earnings shall be utilized, etc.

The Policy shall not apply to:

- Determination and declaration of dividend on preference shares, as and when issued by the Company, as the same will be as per the terms of issue approved by the shareholders.
- Issue of Bonus Shares by the Company.
- Buyback of Securities.
- The Policy is not an alternative to the decision of the Board for recommending dividend, which is made every year after taking into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided as relevant by the Board.

PARAMETERS TO BE CONSIDERED BEFORE RECOMMENDING DIVIDEND

The Board of the Company shall consider the following financial / internal parameters while declaring or recommending dividend to shareholders:

- a. Company's earnings;
- b. General financial condition;
- c. Short term and long term capital requirements;
- d. Acquisitions including any strategic acquisitions;
- e. Investments in subsidiaries or associate;
- f. Investments in other business;
- g. Results of operations;
- h. Cash positions;
- i. Contractual obligations;
- j. Overall financial position; and
- k. Restrictive covenants under financing arrangements with lenders.



Board's Report (Contd.)

The Board of the Company shall consider the following external parameters while declaring or recommending dividend to shareholders:

- a. Macro-economic environment: Significant changes in macro-economic environment materially affecting the businesses in which the Company is engaged in the geographies in which the Company operates.
- b. Regulatory changes: Introduction of new regulatory requirements or material changes in existing taxation or regulatory requirements, which significantly affect the businesses in which the Company is engaged.
- c. Technological changes which necessitate significant new investments in any of the businesses in which the Company is engaged.

UTILISATION OF RETAINED EARNINGS

The Company shall endeavor to utilise the retained earnings in a manner which shall be beneficial to the interests of the Company and also its shareholders. The Company may utilize the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board of the Company.

PARAMETERS THAT SHALL BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

The Company has issued only one class of shares viz. equity shares. Parameters for dividend payments in respect of any other class of shares will be as per the respective terms of issue and in accordance with the applicable regulations and will be determined, if and when the Company decides to issue other classes of shares.

COMPANY'S APPROACH TO DIVIDEND PAYOUT

The Board in general after considering all the internal and external factors will recommend the payment of final dividend at the end of the fiscal year which shall be subject to the approval of the shareholders of the Company.

The Company expects to only declare one final dividend each year.

However, the Board may, at its sole discretion, declare an interim dividend during the financial year.

MISCELLANEOUS PROVISIONS

1. In case of any doubt or ambiguity arising out of interpretation of the Policy or any difficulty arising out of the implementation of the Policy, the Board of the Company is empowered to issue necessary clarifications and the decision of the Board shall be final and binding.
2. The Board may, from time to time, make amendments to this Policy to the extent required due to change in applicable laws and regulations or as deemed fit on a review.



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

ECONOMIC ENVIRONMENT – INDIA

1. The Indian economy is expected to grow by 6.6% in FY 18. With this estimate, the GDP growth over the last 3 years would rank India amongst the fastest growing economies.
2. Despite this growth, the high price of crude, together with a weaker rupee are posing challenges for airlines in India, impacting their ability to run sustainable and profitable operations. Given the competitive scenario and the price sensitiveness of the Indian consumer, airlines have been unable to pass on the increase in the price of crude to the customers, which would affect passenger loads and aviation traffic.
3. The Indian market has been growing on the back of low fares to emerge as the third largest aviation market in terms of domestic passenger traffic. Air passenger traffic growth has been in the range of 15-20% over the past three years.
4. India's per capita income grows by 8.6% to ₹ 112,764 in FY 18 from ₹ 103,870 in FY 17, thereby reflecting country's prosperity, and likely boost in air travel in the near future.
5. Under the present dispensation, the Civil Aviation Ministry has launched the Regional Connectivity Scheme or UDAN to provide air connectivity to underserved and underserved towns and cities in the country at affordable prices. Under "Ude Desh ka Aam Nagrik" (UDAN), airports at Allahabad, Nasik, Gwalior, Hubli and other cities are being developed to promote air travel growth, both in passenger as well as cargo.
6. Airport Authority of India (AAI) is likely to invest huge capex for development of infrastructure at various airports including development of new Greenfield airports at Navi Mumbai and Mopa (Goa).

GLOBAL AVIATION SCENARIO

1. The industry is showing its resilience to slow economic growth by substantially outperforming global GDP, demonstrating the importance of the industry and global connectivity and this will drive further growth across the next few decades.
2. Across Europe, the US and Latin America low-cost carriers (LCCs) are already transitioning to larger short haul equipment to meet demand and deliver better operational economics. The Asian LCC market, while is still in its infancy compared to other parts of the world is quickly catching up and following a similar trend.
3. Air Travel sector has grown around 60% over the past ten years and doubled in size since the start of the decade. Passenger traffic grew 6.3% year-on-year in 2016, continuing a trend of growth above the long-term average of 5.5%. While an expected rise in the cost of jet fuel could slightly dampen growth rates in the coming years.
4. Based on latest CAPA research reports aviation industry is going to see a big surge in the LCC operations even on long hauls, so it will be challenging to maintain differentiated products and be price competitive as well.

JET AIRWAYS

Financial performance during the year was weaker due to the continuing increase in the price of Brent fuel without a corresponding increase in air fares.

During the year, as a part of network expansion we increased our capacity between emerging cities to enable our guests access our wide international network easily. We also started industry-first direct return non-stop flights from Indore to Ahmedabad and Jaipur, along with 11 other direct or one-stop through flights between Delhi-Silchar, Dehradun-Jaipur to name a few.

To strengthen our network and gain out of our partnership with Air France, KLM, Delta we launched two new services into Europe – a daily service between Bangalore-Amsterdam and a five day per week service between Chennai – Paris. Jet Airways also introduced a third daily frequency between London and Mumbai and recently announced a forthcoming first ever four days a week, non-stop service between Mumbai and Manchester, effective 5th November 2018. The proposed service will be Jet Airways' 5th non-stop service to/from the UK making Jet Airways the largest carrier between Mumbai and the UK.

We have recently placed an order of additional 75 B737 MAX aircrafts taking our total order book to 225. These new aircraft are not only highly fuel efficient, but will also refresh and rejuvenate the onboard experience of our guests.

The Jet Airways management team is absolutely focused on executing many key initiatives that will allow us to build a healthy and durable enterprise.



Management's Discussion and Analysis (Contd.)

We are also working towards revenue strategies involving a network re-design, revenue management analytics and innovative techniques to drive ancillary revenue streams.

Analysis of Operational Performance FY 18 compared to FY 17 (Standalone)

Revenues

Passenger Revenues

Passenger revenues were at ₹ 2,030,988 Lakhs in Fiscal 2018 as compared to ₹ 1,823,044 Lakhs in Fiscal 2017. The growth of 11.4% can be mainly attributed to increase in number of passengers carried in the current fiscal.

Revenues from Cargo

Revenues from carriage of cargo increased by 32.5% to ₹ 178,914 Lakhs in Fiscal 2018 from ₹ 135,049 Lakhs in Fiscal 2017. This was mainly on account of increase in the cargo tonnage.

Ancillary Revenues

Ancillary Revenues decreased to ₹ 118,751 Lakhs in Fiscal 2018 from ₹ 197,142 Lakhs in Fiscal 2017. This decrease is mainly due to reduction in income from leasing operations as all B777 aircrafts which were leased to other airlines are back in the operating fleet of Jet Airways.

Expenditure

Aircraft Fuel

Fuel costs increased to ₹ 695,325 Lakhs for Fiscal 2018 from ₹ 547,378 Lakhs in Fiscal 2017. This increase was mainly due to increase in Aviation Turbine Fuel (ATF) rates during the year on account of increase in Brent rates.

Aircraft and Engines Lease Rentals

Aircraft lease rentals increased to ₹ 231,621 lakhs in Fiscal 2018 from ₹ 227,800 lakhs in Fiscal 2017, This was mainly on account of increase in the fleet size from 104 to 112 aircraft.

Maintenance Cost

Maintenance cost increased to ₹ 237,517 Lakhs in Fiscal 2018 from ₹ 194,396 Lakhs in Fiscal 2017. Block hours increased by 6.5% along with engine shop visits in the current year.

Landing & Navigation

Landing & navigation cost (part of other expenses) increased to ₹ 237,188 Lakhs in Fiscal 2018 from ₹ 203,370 Lakhs in Fiscal 2017 due to 5% increase in number of flights operated over last year on account of wide body deployment over FY 18.

OUTLOOK

The airline continued to leverage its wide body fleet to enhance its guest experience at slot-constrained airports such as Delhi, Mumbai and Bengaluru.

The airline also plans to make Guwahati as its regional gateway together with a strengthened North Eastern presence, marked with the introduction of several direct as well as non-stop flights connecting Jorhat Guwahati, Aizwal, Silchar, Imphal with New Delhi and Mumbai.

JetScreen – the airline's wireless streaming service, now covers 80% of its B737 fleet, providing guests with 330+ hours of entertainment on their personal devices giving entertainment options that ranges from Hollywood, Bollywood, Regional and international genres.

On the international side we have announced our first direct flight between Mumbai-Manchester effective 5th November, 2018, it will operate 4 days a week, with this we cover 21 international points with our direct flights.

We continue to focus on better utilization of our aircrafts, where utilization of B737 aircrafts which are a major component in our fleet structure continues to improve over previous year to 13.5 hours. As all our B777 aircrafts are back in fleet with us utilization improved to 14.5 hours.



Management's Discussion and Analysis (Contd.)

INTERNAL CONTROL SYSTEMS

- 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.
- 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 annual internal audit plan which is approved by the Audit Committee of the Board.
- The Company's Audit Committee comprises of three Directors; Mr. Srinivasan Vishvanathan (Chairman), Mr. Vikram Mehta and Mr. Harsh Mohan. The Audit Committee reviews reports submitted by the Internal Audit Department and monitors follow-up and corrective action taken.
- 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.
- 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.
- 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.
- 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.
- 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.

HUMAN RESOURCES

The Human Capital of our organization is the most critical asset for enabling business strategy and ensuring success. At Jet Airways, we have always believed in the strength of our people and made continued and conscious efforts to attract, engage and retain high quality talent.

We are India's leading private International Airline with a 16,000-member family, 70% of our workforce are millennials with an average age of 33 years and a gender diversity ratio of 33%. In the last year, we have consolidated and restructured our organization with an objective to make it more nimble, agile, and responsive to cost pressures.

We are continually taking key people initiatives which will help us enhance our positive Employer Brand and become an 'Employer of Choice'. To further this journey, we initiated the Employee Engagement survey for the first time at Jet Airways. Basis this feedback, we have identified certain key focus areas.

1. Learning & Development:

We have made significant investments in training our Cabin, Cockpit, Engineering and Ground Services staff to continue to deliver exceptional levels of service and set higher safety standards. These programs will help us uphold our service standards and enable us to live our value of bringing Indian hospitality to the world.

We have also initiated programs targeted at the development of our Mid and Senior level leaders. The 'Emerging Leaders Program' aims to develop our Leadership Capability to positively impact the growth, readiness and effectiveness of Leaders. The target employees for this program are Mid-Senior management executives identified as future leaders / successors to key roles.

Through our 'Managerial Development Program', we intend to drive a higher focus on employee Learning and Development for our Key People Managers. The objective of the program is to build the right skills, abilities and knowledge enabling managers to not only perform well in their current role but also be future - ready, thus allowing them to be catalyst for leading cultural transformation. The target employees for this program are Key People Managers across grades E1 to M2.



Management's Discussion and Analysis (Contd.)

Additionally, we have partnered with EdX & Skillsoft to introduce Online Learning to our high potential-high performing employees. Skillsoft is a leading global provider of high-quality, innovative, cloud-based learning and performance support resources. Having delivered over a billion pieces of content to over 400 million users since 1998, they are the leaders of eLearning. Founded by Harvard and MIT, edX is the world's premier non-profit online learning destination. It has partnered with 100 leading universities including Ivy league schools and other organizations to make some of their courses available online, offering a multitude of courses in subject areas like humanities, technology, business, digital marketing amongst others.

2. Recognition

We have recently launched 'Founder's Fifty' - our annual Rewards and Recognition program. We believe that each employee has the ability to weigh individual performance and assess its resulting business impact and hence this program puts the employees in charge of helping us identify the top 50 employees of Jet Airways. These fifty employees will be recognized network-wide and their achievements will be celebrated across the organization.

3. Technology

With an endeavour to enhance organizational productivity and employee experience, we launched the Leave, Time and Attendance modules of MyTime, our Attendance and Leave system. While on one hand this will help capture attendance, it will also help us streamline and standardize our Time Management, thereby lending transparency to our system. Moving the 'Leave Management' process online is part of our larger transformation journey of automating our critical processes and employee touch points. For now, the Leave Management System is live for employees based in Siroya, Kaledonia, Kurla and Star Hub. We plan to go live network-wide in the coming months

Being a geographically widespread organization in which 40% of our critical workforce does not operate out of fixed workstations, it was our topmost priority to ensure that our employees feel connected and engaged at work. A significant step towards building an open and inclusive culture has been the introduction of 'Workplace', an online unified social collaboration platform by Facebook, to disseminate critical information and help employees connect, communicate and collaborate at work. Since launch, majority of our employees regularly engage with teams across locations through multiple active groups.

In the coming years, our focus will be on digitizing our key HR processes for boosting organizational effectiveness and enhancing employee experience. We will also drive organizational capability through an active focus on continuous learning.

OPPORTUNITIES, RISKS, CONCERNS AND THREATS

- With the start of "UDAN" scheme lot of underdeveloped tier 2 and tier 3 airports are getting developed which will enable network expansion on the domestic front, cargo business will also get benefited with this.
- With India growing at its fastest speed at 7.7% in Q4 FY 18 bolstered by the growth in the construction, manufacturing and public services along with increase in per capita income there will be an increase in demand for air travel for business and leisure purpose as well.
- Government agency like AAI is likely to invest in the development of infrastructure of various airports over the next 4-5 years, along with development of new Green field airport.
- Rising crude prices and weakening of rupee continues to put pressure on economic health of the company.
- Indian aviation market continue to remain price sensitive and it is difficult to pass on the increase in fuel cost to the customers.

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 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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 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")

Composition of the Board

The Board of Directors as on 31st March, 2018, comprised of nine Directors of which eight were Non-Executive Directors and one Whole Time Director. The Company has a Non-executive Promoter Chairman and four Independent Director (including one woman Director).

Except for Mr. Naresh Goyal and Mrs. Anita Goyal who are related to each other as husband and wife, none of the Directors are related inter-se.

Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) required the Board of the Company to comprise of five Independent Directors. Mr. Dinesh Kumar Mittal, Independent Director, resigned from the Board of the Company on 29th January, 2018. Pursuant to the provisions of Regulation 25 of the Listing Regulations, the Company was in the process of appointing an Independent Director on the Board of the Company within three months of the resignation of Mr. Dinesh Kumar Mittal. Accordingly, Mr. Ashok Chawla was appointed on the Board of the Company on 11th April, 2018, thus complying with the aforesaid provisions of the Listing Regulations.

None of the Directors on the Board of the Company is a Member of more than ten committees or Chairman of more than five committees (Committees being Audit Committee and Stakeholders Relationship Committee as per Regulation 26(1) of the Listing Regulations) across all public companies in which he/she is a Director. Necessary disclosures regarding committee positions in other public companies as on 31st March, 2018, have been made by all the Directors.

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

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

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



Corporate Governance (Contd.)

Director	Category	No. of Board Meetings attended during 2017-18	Attendance at AGM held on 11.09.2017	No. of Directorships in other companies* (As on 31.03.2018)	No. of Committee positions# (As on 31.03.2018)	
					Chairman	Member
Mr. Naresh Goyal (Chairman)	Non-Executive Non-Independent	4	Yes	1	0	0
Mr. Ranjan Mathai	Non-Executive Independent	4	Yes	2	0	1
Mr. Vikram Mehta	Non-Executive Independent	4	Yes	7	1	2
Mr. Srinivasan Vishvanathan	Non-Executive Independent	4	Yes	2	1	2
Ms. Rajshree Pathy	Non-Executive Independent	4	Yes	2	0	0
Mrs. Anita Goyal	Non-Executive Non-Independent	3	Yes	0	0	1
Mr. Gaurang Shetty	Whole Time Director	4	Yes	1	0	2
Mr. Harsh Mohan (appointed w.e.f. 12.09.2017)	Non-Executive Non-Independent	3	NA	0	0	1
Mr. Kevin Nolan Knight (appointed w.e.f. 07.12.2017)	Non-Executive Non-Independent	2	NA	0	0	0
Mr. James Rigney (ceased w.e.f. 07.12.2017)	Non-Executive Non-Independent	1	No	-	-	-
Mr. James Hogan (ceased w.e.f. 12.09.2017)	Non-Executive Non-Independent	0	No	-	-	-
Mr. Dinesh Kumar Mittal (ceased w.e.f. 29.01.2018)	Non-Executive Independent	1	No	-	-	-

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

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

The Company held four Board Meetings during the financial year 2017-18 and the gap between two Meetings did not exceed one hundred and twenty days. The dates on which the Board Meetings were held were: 30th May, 2017, 12th September, 2017, 7th December, 2017 and 14th February, 2018.

Meeting of Independent Directors

During the year 2017-18, three separate meetings of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management were held on 4th April, 2017, 12th May, 2017 and 4th March, 2018 as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25(3) of the Listing Regulations. At the Meetings the Independent Directors:

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



Corporate Governance (Contd.)

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

Sr. No.	Name of Independent Director	No. of Meetings attended
1.	Mr. Dinesh Kumar Mittal (ceased w.e.f. 29.01.2018)	2
2.	Mr. Srinivasan Vishvanathan	3
3.	Mr. Vikram Mehta	3
4.	Ms. Rajshree Pathy	2
5.	Mr. Ranjan Mathai	1

Shareholding

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

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

Notes:

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

Familiarization program for Independent Directors

The Company has conducted the familiarization program for Independent Directors appointed during the year. The Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth, to acclimatize them with the processes, businesses and functionalities of the Company and to assist them in performing their role as Independent Directors of the Company. The Company's Policy of conducting the Familiarization Program has been disclosed on the website of the Company at:

<https://www.jetairways.com/doc/InvestorRelations/FamiliarisationProgramforIndependentDirectors.pdf>

Board Procedure

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

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

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

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

Board Training and Induction

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



Corporate Governance (Contd.)

3. COMMITTEES OF BOARD

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

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

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

A. Audit Committee of the Board (Audit Committee)

The Audit Committee oversees the existence of an effective internal control 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 Act, that defines its composition, authority, responsibility and reporting functions.

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

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



Corporate Governance (Contd.)

- The whistle blower / vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee on appropriate or exceptional cases.
- Review the reasons for substantial defaults in the payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors. Review the valuation of undertakings or assets of the Company, wherever it is necessary.
- Review the financial statements, in particular, the investments made by the unlisted subsidiary companies.
- Review the statement of significant related party transactions submitted by the management, including the 'significant' criteria / thresholds decided by the Management.
- Provide approval or any subsequent modification of transactions of the Company with related parties.

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

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

II. Committee Composition and Meetings

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

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

The Audit Committee met seven times during the financial year 2017-18 on 30th May, 2017, 10th July, 2017, 12th September, 2017, 6th December, 2017, 7th December, 2017, 13th February, 2018 and 14th February, 2018 and the gap between any two Meetings did not exceed one hundred and twenty days.

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

Name of Member	Category	No. of Meetings attended during 2017-18
Mr. Srinivasan Vishvanathan, Chairman	Non-Executive Independent Director	7
Mr. Dinesh Kumar Mittal, (ceased w.e.f. 29.01.2018)	Non-Executive Independent Director	2
Ms. Rajshree Pathy (ceased w.e.f. 12.09.2017)	Non-Executive Independent Director	2
Mr. Harsh Mohan (appointed w.e.f. 12.09.2017)	Non-Executive Non-Independent Director	4
Mr. Vikram Mehta (appointed w.e.f. 07.12.2017)	Non-Executive Independent Director	2

The Company Secretary attended all the above Meetings.

The prescribed Quorum was present for all the meetings.

The Chairman of the Audit Committee, Mr. Srinivasan Vishvanathan, was present at the 25th Annual General Meeting held on 11th September, 2017.



Corporate Governance (Contd.)

B. Nomination and Remuneration Committee

I. Terms of reference

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

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

Nomination Activities:

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

Remuneration Activities:

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

II. Committee Composition and Meetings

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

During the financial year 2017-18, the Nomination and Remuneration Committee met three times on 12th May, 2017, 10th July, 2017 and 13th February, 2018.

Corporate Governance (Contd.)

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

Name of Member	Category	No. of Meetings attended during 2017-18
Mr. Ranjan Mathai, Chairman (appointed w.e.f. 10.07.2017)	Non-Executive Independent Director	2
Mr. Srinivasan Vishvanathan	Non-Executive Independent Director	3
Mr. Dinesh Kumar Mittal, (ceased w.e.f. 29.01.2018)	Non-Executive Independent Director	2
Mr. Javed Akhtar (ceased w.e.f. 30.05.2017)	Non-Executive Independent Director	0
Ms. Rajshree Pathy	Non-Executive Independent Director	1
Mr. Vikram Mehta	Non-Executive Independent Director	3
Mr. Harsh Mohan (appointed w.e.f. 12.09.2017)	Non-Executive Non-Independent Director	1

The Company Secretary attended all the above Meetings.

III. Remuneration Policy

1. For Non-Executive Directors

The Non-Executive Directors are uniformly paid a Sitting Fee for attending Meetings of the Board and Committees. The Company has not paid any commission to the Independent Directors for the FY 2017-18.

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

Sitting Fees

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

Details of remuneration paid to Non-Executive Directors for the financial year 2017-18 are as follows:

Director Name	Sitting Fees Paid (Amount in ₹)
Mr. Naresh Goyal*	Nil
Mr. Dinesh Kumar Mittal	5,00,000
Mr. Gaurang Shetty#	Nil
Mr. James Hogan*	Nil
Mr. James Rigney*	Nil
Mrs. Anita Goyal	4,00,000
Mr. Srinivasan Vishvanathan	14,00,000
Mr. Vikram Mehta	14,50,000
Ms. Rajshree Pathy	8,00,000
Mr. Ranjan Mathai	10,50,000
Mr. Harsh Mohan*	Nil
Mr. Kevin Knight*	Nil

* Mr. Naresh Goyal, Mr. James Hogan, Mr. James Rigney, Mr. Harsh Mohan and Mr. Kevin Knight have written to the Company stating that they do not want to receive any sitting fees from the Company.

No sitting fees are paid to Mr. Gaurang Shetty, he being a Whole Time Director.

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.



Corporate Governance (Contd.)

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

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

Details of the remuneration paid during the year 2017-18 are as follows:

	Amount (In ₹)
Salary and Allowances	21,615,000
Perquisite	41,402
Retirement Benefits	777,600
Total	22,434,002

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

C. Stakeholder's Relationship Committee

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

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

I. Terms of reference

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

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

II. Committee Composition and Meetings

The Stakeholder's Relationship Committee met four times during the financial year i.e. on 30th May, 2017, 12th September, 2017, 7th December, 2017 and 14th February, 2018.

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

Name of Member	Category	No. of Meetings attended during 2017-18
Mr. Vikram Mehta, Chairman	Non-Executive Independent Director	4
Mr. Ranjan Mathai (appointed w.e.f. 12.09.2017)	Non-Executive Independent Director	3
Mr. Gaurang Shetty	Wholetime Director	4
Mrs. Anita Goyal	Non-Executive Non-Independent Director	1



Corporate Governance (Contd.)

III. Name and designation of Compliance Officer

Mr. Kuldeep Sharma, Company Secretary, has been appointed the Compliance Officer under Regulation 6 of the Listing Regulations.

IV. Details of Shareholders' complaints / queries

The details of Shareholders' complaints during the financial year 2017-18 are as follows:

Status of Complaints	Number of Complaints
Pending as of 1 st April, 2017	Nil
Received during the financial year 2017-18	43
Disposed of during the financial year 2017-18	43
Pending as of 31 st March, 2018	Nil

Investor complaints are given top priority by the Company and are promptly addressed by the Registrar and Share Transfer Agent, Karvy Computershare Private Limited, who strive to attend to all investor complaints within 48 hours of receipt. All investors' grievances / correspondences received during the financial year 2017-18 have been attended to.

The Company has a separate email ID 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 or 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 Act. The Company Secretary acts as the Secretary to the Committee. One Meeting of the CSR Committee was held on 14th February, 2018.

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

Name of Member	Category	No. of Meetings attended during 2017-18
Ms. Rajshree Pathy, Chairperson	Non-Executive Independent Director	0
Mr. Ranjan Mathai (appointed w.e.f. 12.09.2017)	Non-Executive Independent Director	0
Mr. Gaurang Shetty	Wholetime Director	1
Vikram Mehta	Non-Executive Independent Director	0
Mrs. Anita Goyal	Non-Executive Non-Independent Director	1

E. Risk Management Committee

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

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

Name of Member	Category
Mr. Vikram Mehta, Chairman	Non-Executive Independent Director
Mr. Ranjan Mathai (appointed w.e.f. 12.09.2017)	Non-Executive Independent Director
Mr. Amit Agarwal	Chief Financial Officer

No meeting of the Risk Management Committee was held during the year 2017-18.

The Company Secretary acts as the Secretary to the Committee.



Corporate Governance (Contd.)

F. Proceeds from Private Placement Issues

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

4. GENERAL BODY MEETINGS

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

Financial Year	Venue	Date and Time
2016-17 (25 th AGM)	Y. B. Chavan Centre, General Jangannath Bhosle Road, Nariman Point, Opposite Mantralaya, Mumbai – 400 021	11 th September, 2017 at 2.30 p.m
2015-16 (24 th AGM)	Bhaidas Maganlal Sabhagriha, Juhu Vile Parle Development Scheme, Bhaktivendanta Swami Marg, Vile Parle (West), Mumbai – 400 056	27 th December, 2016 at 2:30 p.m.
2014-15 (23 rd AGM)	ITC Maratha Hotel, Sahar Airport Road, Andheri East, Mumbai – 400 099	14 th August, 2015 at 3:30 p.m.

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

Annual General Meeting held on	Subject
11 th September, 2017 (25 th AGM)	➤ Re-appointment of Mr. Gaurang Shetty as Whole Time Director
27 th December, 2016 (24 th AGM)	➤ Increase in remuneration of Mr. Gaurang Shetty, Whole Time Director.
14 th August, 2015 (23 rd AGM)	➤ Re-Appointment of Mr. Iftikhar Kadri as an Independent Director ➤ Re-Appointment of Mr. Aman Mehta as an Independent Director ➤ Re-Appointment of Mr. Javed Akhtar as an Independent Director ➤ Re-Appointment of Mr. Dinesh Kumar Mittal as an Independent Director ➤ Appointment of Mr. Gaurang Shetty as a Whole Time Director

c. Resolutions passed during the year through Postal Ballot:

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

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

5. MEANS OF COMMUNICATION

Newspapers: The Company publishes the statement of financial results (quarterly / half yearly / annual) in prominent newspapers such as Loksatta and Financial Express.

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

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

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

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



Corporate Governance (Contd.)

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

6. GENERAL SHAREHOLDER INFORMATION:

i. Annual General Meeting

Date, time and venue : 9th August, 2018 at 2.30 PM at Y. B. Chavan Centre, General Jangannath Bhosle Road, Nariman Point, Mumbai, Maharashtra 400021

ii. **Financial Year** : 1st April, 2017 to 31st March, 2018

Financial Calendar (tentative)

The Company expects to announce the results for the financial year 2018-19, as per the following schedule:

First quarter results	On or before 14 th August, 2018
Second quarter results	On or before 14 th November, 2018
Third quarter results	On or before 14 th February, 2019
Annual Results	On or before 30 th May, 2019
Twenty Seventh Annual General Meeting	On or before 30 th September, 2019

iii. **Dates of Book Closure** : 3rd August, 2018 to 9th August, 2018 (both days inclusive) for the purpose of the Twenty Sixth Annual General Meeting.

iv. **Dividend Payment Date** : Not applicable as the Board of Directors has not recommended any dividend for the financial year 2017-18.

v. Listing on the Stock Exchanges

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

National Stock Exchange of India Limited (NSE)	BSE Limited (BSE)
"Exchange Plaza", Bandra-Kurla	P. J. Towers, Dalal Street, Fort
Complex, Bandra (East), Mumbai-400 051	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 2017-18 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		



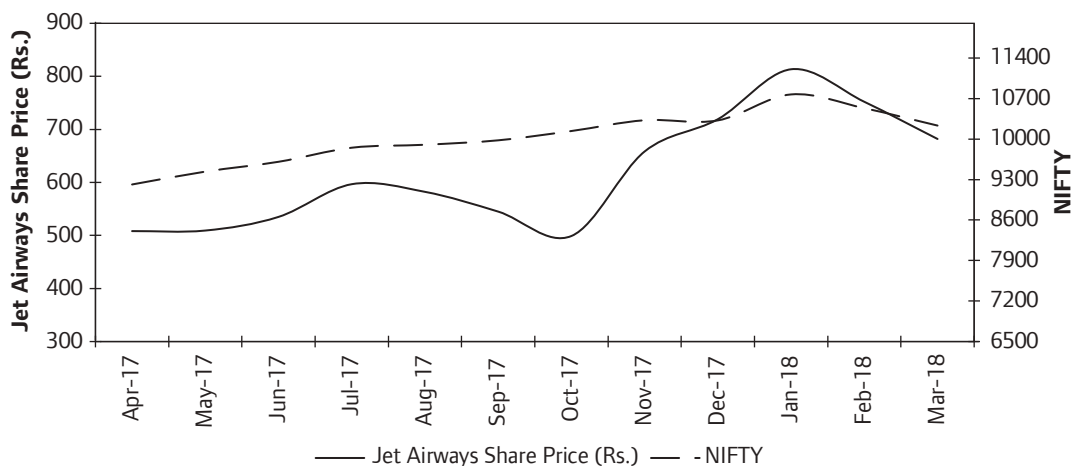
Corporate Governance (Contd.)

vii. Market price data (high, low during each month in the financial year 2017-18)

Month	BSE		NSE	
	High	Low	High	Low
	(₹)	(₹)	(₹)	(₹)
April 2017	539.95	473.85	539.45	473.10
May 2017	552.00	436.00	552.50	438.25
June 2017	577.75	467.75	577.85	467.55
July 2017	624.00	553.90	624.00	553.15
August 2017	645.00	528.40	646.00	517.00
September 2017	597.00	466.00	597.55	466.40
October 2017	588.45	463.30	589.50	462.65
November 2017	727.00	573.65	727.55	572.85
December 2017	834.95	626.65	835.10	626.00
January 2018	883.65	743.25	883.45	746.65
February 2018	830.50	640.10	830.70	639.00
March 2018	759.90	605.00	760.90	605.15

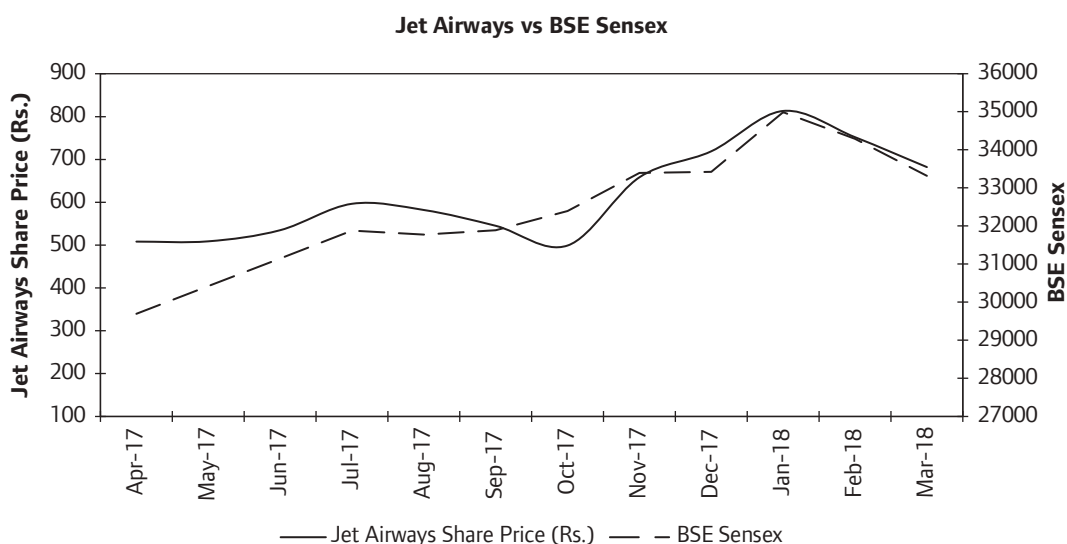
viii. Performance of Share Price in comparison to the NSE and BSE Indices

Jet Airways vs NIFTY





Corporate Governance (Contd.)



ix. Registrar and Share Transfer Agent

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

Head Office (Hyderabad)

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 Agent, Karvy Computershare Private Limited (RTA).

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

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

Transfers of Shares in physical form are approved by the Authorised Officials of the Company and the Share Certificates are dispatched within an average period of 15-20 days from the date of receipt of request, provided the relevant documents are complete in all respects.

A summary of transfer / transmission of securities of the Company so approved by the Authorised Officials of the Company is placed at every Meeting of the 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 2017-18.



Corporate Governance (Contd.)

xi. Distribution of Shareholding as on 31st March, 2018

Category From - To	Shareholders		Shares	
	Number	% of total	Number	% of total
1 - 500	93982	98.09	3313759	2.92
501 - 1000	928	0.97	723915	0.64
1001 - 1500	253	0.26	319318	0.28
1501 - 2000	165	0.17	299630	0.26
2001 - 2500	83	0.09	191958	0.17
2501 - 3000	43	0.04	122874	0.11
3001 - 3500	37	0.04	120969	0.11
3501 - 4000	34	0.04	130221	0.11
4001 - 4500	19	0.02	81684	0.07
4501 - 5000	22	0.02	107244	0.09
5001 - 10000	87	0.09	660569	0.58
10001 - 20000	50	0.05	702009	0.62
20001 - 30000	27	0.03	671494	0.59
30001 - 40000	8	0.01	278570	0.25
40001 - 50000	9	0.01	413591	0.36
50001 - 100000	23	0.02	1606013	1.41
100001 and above	38	0.04	103853565	91.42
Total :	95808	100	113597383	100.00

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 31st March, 2018, are given hereunder:

Particulars of Equity Shares	Equity Shares of ₹ 10 each	
	Number	% of total
Dematerialized form		
NSDL	111078958	97.78
CDSL	2518100	2.22
Sub-total	113597058	100.00
Physical form	325	0.00
Total	113597383	100.00

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

The Annual Custodial Fee has been paid for the financial year 2017-18 to both the depositories.

Corporate Governance (Contd.)

xiii. Reconciliation of Share Capital Audit

M/s. T. M. Khumri & Co., Company Secretaries, conduct a Reconciliation of Share Capital Audit every quarter to reconcile the total admitted capital with NSDL and CDSL and total issued and listed capital of the Company. The Audit Reports for all the quarters of the financial year ended 31st March, 2018, confirm that the total Issued / Paid-up Capital of the Company is in agreement with the total number of Equity Shares in physical form and the total number of Equity Shares in dematerialised form held with NSDL and CDSL.

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

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

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

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

xvi. Plant locations

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

xvii. Address for correspondence

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

7. OTHER DISCLOSURES:

- Details of related party transactions as per requirement of Indian Accounting Standard 24 are disclosed in Note no.47 to the Standalone Financial Statements for the year ended 31st March, 2018. A statement of these transactions was also placed before the Audit Committee and the Board, from time to time. None of the transactions with any of the related parties was in conflict with the interests of the Company. All transactions with related parties are negotiated on an arms' length basis and are intended to further the interests of the Company's business.
- The Company has not entered into any materially significant transaction with the Promoters, Directors or the Management, their subsidiaries or relatives, etc. that may have a potential conflict with the interests of the Company at large. The Register of Contracts containing the transactions in which Directors are interested is regularly placed before the Board for its noting / approval.
- With regard to matters related to capital markets, there have been no instances of non-compliance by the Company, penalties or strictures imposed on the Company by the Stock Exchanges, Securities and Exchange Board of India or any statutory authority on any matter related to capital markets during the last three years.
- 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.



Corporate Governance (Contd.)

e. CEO / CFO Certification

A Certificate from the Chief Executive Officer and Chief Financial Officer on reporting and the internal controls over financial reporting for the financial year ended 31st March, 2018, was placed before the Board. In addition, as required by Regulation 17(8) of the Listing Regulations, Certificates on the quarterly financial results were placed before the Board.

f. Risk Management

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

g. Disclosure of Accounting Treatment

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

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

Pursuant to Section 177(9) and (10) of the Act and Regulation 22 of Listing Regulations, the Company has in place a Whistle-Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical 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 victimization of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee

i. Code of Conduct for Prevention of Insider Trading

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

Mr. Kuldeep Sharma, Company Secretary, 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.

8. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT:

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

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

Type of Security	As on 1 st April, 2017		Shares transferred during the year		Balance as on 31 st March, 2018	
	Number of		Number of		Number of	
	Cases	Shares	Cases	Shares	Cases	Shares
Equity Shares	63	708	01	08	62	700

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

Note: The information given hereinabove is as on 31st March, 2018, unless otherwise stated.



Corporate Governance (Contd.)

9. COMPLIANCE WITH THE CODE OF CONDUCT AND ETHICS:

The Code is posted on the Company's website www.jetairways.com. All the Members of the Board and the Senior Management personnel have affirmed their compliance with the said Code. A declaration to this effect, signed by the 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 2017-18.

Mumbai
23rd May, 2018

Vinay Dube
Chief Executive Officer



Auditors' Certificate on 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 31 March, 2018, as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

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

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31st March, 2018.

Other matters and restrictions on Use

We 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.

This Certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

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

Bhavesh Dhupelia
Partner
Membership No: 042070

Place: Mumbai
Date: 23 May, 2018

For **D T S & Associates**
Chartered Accountants
Registration No. 142412W

T. P. Ostwal
Partner
Membership No: 030848

Business Responsibility Report

For the Financial Year 2017-18

[Pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company:	L99999MH1992PLC066213
2.	Name of the Company	Jet Airways (India) Limited
3.	Registered address	Siroya Centre, Sahar Airport Road, Andheri East, Mumbai 400 099
4.	Website	www.jetairways.com
5.	E-mail Id	companysecretary@jetairways.com
6.	Financial Year reported	1 st April, 2017 to 31 st March, 2018
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Passenger Airways, Freight Air Transport Services [National Industrial Classification (NIC) Code: 51101, 51201]
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Domestic and International scheduled air transport services of passengers and cargo.
9.	Total number of locations where business activity is undertaken by the Company	The Company operates flights to 45 domestic and 20 international locations.
	(a) Number of International Locations (Provide details of major 5)	The top 5 international locations by passenger volume are: United Arab Emirates, London, Singapore, Bangkok, Amsterdam
	(b) Number of National Locations	The top 5 national locations by passenger volume are: Mumbai, Delhi, Bangalore, Chennai and Kolkata
10.	Markets served by the Company – Local/State/ National/International	National (domestic) / International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (₹)	₹ 1,135,973,830
2.	Total Turnover (₹)	₹ 2,395,837 Lakhs
3.	Total profit after taxes (₹)	₹ (76,762) Lakhs
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Not applicable as the average Net Profit of the Company for the last three years is negative.
5.	List of activities in which expenditure in 4 above has been incurred	Not Applicable

SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies?	Yes
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No



Business Responsibility Report (Contd.)

SECTION D: BR INFORMATION

1.	Details of Director/Directors responsible for BR	
	(a) Details of the Director/Director responsible for implementation of the BR policy/policies	
	1. DIN Number	01293134
	2. Name	Mr. Gaurang Shetty
	3. Designation	Whole Time Director
	(b) Details of the BR head	
	DIN	Not Applicable
	Name	Mr. Amit Agarwal
	Designation	Dy. CEO & CFO

2. Principle-wise (as per NVGs) BR Policy/policies

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the well being of all employees
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
P5	Businesses should respect and promote human rights
P6	Business should respect, protect, and make efforts to restore the environment
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

Business Responsibility Report (Contd.)

(a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	Principle 1	Principle 2	Principle 3	Principle 4	Principle 5	Principle 6	Principle 7	Principle 8	Principle 9
1	Do you have a policy/ policies for:	Yes	Yes	Yes	Yes	Yes	Yes	The Company actively engages with industry associations and Chambers of Commerce, as well as Government Ministries when called upon to do so.	Yes	Yes
2	Has the policy being formulated in consultation with the relevant Stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Not Applicable	Yes	Yes
3	Does the policy conform to any national / international standards?	Yes	Yes	Yes	Yes	Yes	Yes	Not Applicable	Yes	Yes
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes	Yes	Yes	Yes	Yes	Yes	Not Applicable	Yes	Yes
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes	Yes	Yes	Yes	Yes	Yes	Not Applicable	Yes	Yes
6	Indicate the link for the policy to be viewed online?	www.jetainways.com	The Safety policy is available in the Approved Manuals of the Company.	All HR Policies are available on the intranet and are accessible to employees.	Details of CSR activities undertaken are provided in the annual report of the Company and on our website and through our inflight magazine.	All HR Policies are available on the intranet and are accessible to employees.	All Policies relating to the environment are available on the intranet and are accessible to employees.	Not Applicable	All relevant Policies are available on the intranet and are accessible to employees.	All requisite policies are available to Customer Service Department



Business Responsibility Report (Contd.)

Sr. No.	Questions	Principle 1	Principle 2	Principle 3	Principle 4	Principle 5	Principle 6	Principle 7	Principle 8	Principle 9
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Not Applicable	Yes	Yes
8	Does the company have in-house structure to implement the policy/ policies?	Yes	Yes	Yes	Yes	Yes	Yes	Not Applicable	Yes	Yes
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes	Yes	Yes	Not Applicable	Yes	Yes	Not Applicable	Yes	Yes
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	A Formal audit is not required under any law however inputs are taken periodically from management for evaluation.	The Company conducts Internal Audits. External Audits are also conducted by IOSA and the DGCA.	Any formal audit is not required under any law however inputs are taken periodically from management for evaluation.	A formal audit is not required under any law as the Company has not been generating profits that mandate contribution. However inputs and suggestions are taken periodically from management for evaluation.	Any formal audit is not required under any law however inputs are taken periodically from management for evaluation.	Any formal audit is not required under any law however, regular internal audits are conducted by the relevant departments.	Not Applicable	Any formal audit is not required under any law however inputs are taken periodically from management for evaluation.	Any formal audit is not required under any law however inputs are taken periodically from management for evaluation.



Business Responsibility Report (Contd.)

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	Principle 1	Principle 2	Principle 3	Principle 4	Principle 5	Principle 6	Principle 7	Principle 8	Principle 9
1	The company has not understood the Principles	NA	NA	NA	NA	NA	NA	NA	NA	NA
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	NA	NA	NA	NA	NA	NA	NA	NA	NA
3	The company does not have financial or manpower resources available for the task	NA	NA	NA	NA	NA	NA	NA	NA	NA
4	It is planned to be done within next 6 months	NA	NA	NA	NA	NA	NA	NA	NA	NA
5	It is planned to be done within the next 1 year	NA	NA	NA	NA	NA	NA	NA	NA	NA
6	Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

3. Governance related to BR

- a. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

The Board of Directors of the Company reviews the Business Responsibility performance of the Company annually.

- b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company publishes a Business Responsibility Report in its Annual Report.

The Business Responsibility Report is available at the website of the Company at www.jetairways.com.



Business Responsibility Report (Contd.)

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

Your Company is committed in conducting its business in an ethical manner and believes in complete transparency so as to uphold the trust of its stakeholders. Necessary policies and procedures are in place to ensure that all our business transactions are conducted without compromising on integrity and accountability.

The Code of Business Conduct and Ethics (the 'Code') for our employees and Directors covers various principles regarding ethical behaviour and accountability. The Code lays down the ethical standards that the Company expects from its employees/directors in all their dealings and activities. It also sets out the necessary guidelines for them to achieve and maintain high standards of ethics and professional conduct. Considering the importance of good governance for the long term sustainability of an organisation, we are of the view that the Code combined with our system of monitoring compliance goes a long way in ensuring sound governance.

Your Company's Code is reviewed by the Board of Directors in consultation with the Management. The spirit and content of the Code are in compliance with and are based on the applicable regulatory requirements, best practices and standards.

The Ethics Committee (EC) set up as per the Code, comprising of the Chief People Officer, Head of Legal, Head of Internal Audit and the Company Secretary, looks into all incidents reported under the Code. Our Ethics helpline encourages all employees to report incidents of actual or potential violation of the Code. Our Ethics Helpline is manned by an independent entity which manages the helpline on behalf of the Company. The management of the Ethics Helpline by an independent entity is designed to encourage employees to report actual or potential violation of the Code with the confidence that their identity shall be protected.

Resources have also been deployed by the Company to deal with complaints received from other stakeholders in a timely manner.

Details of the Company's governance structure are available in the "Report on Corporate Governance" forming part of the Annual Report.

Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

While constantly enhancing the quality of our services and promoting high safety standards, we also endeavour to minimize the environmental impact of our operations by the use of technology and regular maintenance procedures.

The Ministry of Civil Aviation ('MoCA'), the Bureau of Civil Aviation Security ('BCAS') along with the Directorate General Civil Aviation ('DGCA') are the government agencies primarily responsible for overseeing air transport services in India including civil air regulations and air safety.

Regular monitoring of the various parameters of our operations is carried out by various operating teams in accordance with our safety policy which is framed in accordance with regulations prescribed by the Directorate General of Civil Aviation. The Chief of Flight Safety through the Flight Safety Department is responsible for the implementation of the Safety Policy. In addition to monitoring and benchmarking of the services rendered by us, we also enhance our product offering through constant innovation and robust training provided to all our operational staff. All training courses provided to our staff are refreshed periodically and comply with guidelines stipulated by the aviation authorities.

Our commitment to the safety of our guests is reflected in the maintenance of our aircraft and engines, the extensive training given to pilots, engineers, cabin crew and employees and the strict policies and procedures in compliance with the local regulations, international standards and best practices regarding all areas of our business that are involved with the operation of our aircraft. Software are installed on all of our aircraft to report engine performance and maintenance data to our centralized Operations Control Center.

Our Flight Safety Department conducts regular checks and audits as part of our quality assurance program covering all aspects of our operations. In addition to the audits and checks conducted by our Flight Safety Department, we are also subject to regular audits by IATA Operational Safety Audit ('IOSA') which is an internationally recognized and accepted evaluation system designed to assess the operational management and control systems of an airline. IOSA certification certifies our commitment to meeting international safety standards which also helps to reduce our insurance premiums.



Business Responsibility Report (Contd.)

Principle 3 - Businesses should promote the wellbeing of all employees

We believe that our employees are our greatest asset. Keeping them motivated and giving them opportunities to excel is the key to achieve important business goals. The Company's Code of Conduct provides guidelines for employee wellbeing related to participation, freedom, gender equality, good environment and harassment free workplace. A strong deployment mechanism is established for deployment of guidelines and grievance redressing mechanism.

The Company ensures overall well-being of its employees. It organises programs in various areas like financial well-being, physical well-being etc.

Employee Composition

The details of our employee composition as at 31st March, 2018 is as follows:

Sr. No.	Particulars	Number
1	Total number of permanent employees	16,558
2	Total number of temporary /casual employees	6,306
3	Total number of women employees	5,845
4	Total number of employees with disability	To eliminate any possibility of discrimination, the Company does not record any information regarding employee disabilities

Safety and well-being of women

The Company is committed to the safety of its women employees. Facilities such as maternal leave is extended to enable young mothers during/post pregnancy.

A committee has been formed to look into instances of sexual harassment of women at workplace. Such cases are treated with great sensitivity and are escalated in time for resolution. All instances are investigated in a fair and transparent manner. Our policy and the process of redressing is governed by The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Engagement, Training and Development

Speak Up - The Jet Airways Employee Engagement Survey, 2017-18 was conducted in May 2017. We have published the organization wide results on key focus areas identified and associated action plans which will be run across the organization. We have been conducting Action Planning workshops with specific department Heads to arrive at the list of department specific plans based on the engagement scores and insights received. Department engagement scores and action plans will then be linked to leader's performance scorecards for driving engagement.

Capability Development of our people is a critical focus area for us. More Learning opportunities with an impetus on structured Learning inputs was the common feedback from employees in the recently concluded Engagement study. In order to bridge this gap, we endeavour to roll out the following structured Learning interventions:

- Leadership Development Program for the top 30 executives across grades GM/SGM to develop our Leadership capability at the N-1 level.
- Emerging Leaders Program for Mid/Senior management executives in grades GM/M1/M2 who have been identified as future leaders/ successors to key leadership roles
- Managerial Development Program for top executives in grades E1/M3/M2. This program will enable People Managers to act as catalysts for cultural transformation.

In addition to this we are also making structured investments in online learning which will help us provide state of the art, high quality learning opportunities to our mobile workforce 'anywhere, anytime'.

The well-being of employees is of paramount importance to the Company and in keeping with this philosophy, the Company has a number of employee welfare policies. The Company also provides Medclaim facility under the Group Medclaim policy to its employees and their dependants.



Business Responsibility Report (Contd.)

Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment are as follows:

Sr. No.	Particulars	Number of complaints on 31 st March, 2017	Number of complaints on 31 st March, 2018
1	Child Labour	NIL	NIL
2	Forced Labour	NIL	NIL
3	Involuntary Labour	NIL	NIL
4	Sexual Harassment	1 case	3 case

Principle 4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

Effectively managing our stakeholders is essential for the sustainability of the business. The Company has several programs that are structured to create a positive societal impact. By engaging with various NGO's and organizations the Company aims to aid and assist the socially disadvantaged sections of society.

The Company also has in place a CSR Policy. The CSR Policy conforms to best practices both nationally and internationally. The Public Relations Team is responsible for undertaking the necessary initiatives and also keeps informed all departments and senior management about the CSR initiatives under taken during the year.

Principle 5 - Businesses should respect and promote human rights

Providing our employees with a healthy work environment that is free of discrimination and unlawful harassment and that enables employees to work without fear of prejudice, gender bias and sexual harassment is central to our employee strategy. All forms of employee discrimination or harassment based on race, color, religion, sex, nationality, age, disability, sexual orientation, or status is strictly prohibited and discouraged. In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the "Act") and Rules made thereunder, the Company continued conducting workshops and awareness programs for sensitizing the employees with the provisions of the Act. Details of complaints received and resolved are already covered under Principle 3.

The policies of the Company affecting Human Rights encompass international best practises and are implemented through the Human Resource Department of the Company.

Principle 6 - Business should respect, protect and make efforts to restore the environment

Aviation fuel constitutes approximately 95% of the Jet Group's carbon footprint. Jet Group recognizes it's responsibility to contain the climate change impacts of increasing carbon emissions and supports the industry initiatives in this regard. The Group's strategy identifies key strategic objectives that underpin environmental sustainability and lead to tangible progress towards performance improvement. The Company makes persistent efforts to reduce the consumption of fuel and thereby preserve the environment. Fuel efficiency efforts span through Flight Operations, Flight Dispatch, Engineering, Airport Services, and external stakeholders which include ATC, Airport Operators, and Regulator(s). The Management Team periodically monitors fuel efficiency programme and progress.

The key focus areas to enhance environmental performance are (i) improvement / upgradation of the state of the assets, (ii) enhanced policies and processes for preparation for flights, (iii) crew training, (iv) post flight analysis, and (v) technology infusion.

Regular review of operating and flight planning processes is undertaken to optimize fuel consumption. Specific initiatives pertain to optimized routes, operating weight reduction, and optimum fueling for the mission – without compromising the safety of operations. The Company utilizes latest models, techniques and systems which optimise fuel consumption. Deployment of the assets is done so as to optimize fuel efficiency for each flight.

Energy conservation is an ongoing activity. Best practices are in place for preventive maintenance of buildings and equipment. The integrated approach to maintenance and management helps to yield ongoing energy savings.

The Group continuously seeks new opportunities to reduce waste from ground operations. The Group recycles materials



Business Responsibility Report (Contd.)

collected from our aircraft as well as materials used in our facilities. The Group follows a prescribed process to ensure that hazardous wastes are disposed of in accordance with the regulatory requirements.

Environmental cost, which includes maintenance, upkeep, and recycling, is one of the factors in selection of material to be used within the aircrafts. This ensures that the Life cycle cost of the selected material is duly evaluated with respect to environmental impact.

All policies and activities of the Company relating to environmental protection are in compliance with applicable domestic and international regulations.

Jet Airways Engineering & Maintenance ('E&M') has also implemented Safety Management System (SMS). SMS tools such as Risk Register (RR) and mitigation systems are in place. All risks and hazards are discussed in a forum attended by responsible managers and mitigation planned and implemented. EHS and SMS policy has been implemented for compliance by all concerned in E&M.

Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

The Company does not engage in policy advocacy, but is actively involved in consultations and discussion forums with the government and other bodies in the Aviation industry in a responsible manner. The Board Members and senior leadership team members are associated with several regulatory and global bodies.

The Company is represented in key industry and business associations which include the Associated Chamber of Commerce and Industry of India (ASSOCHAM), PHD Chamber of Commerce and other associations. Your Company participates in multi-stakeholder debates and, when relevant, responds to public consultations. In the aviation industry, we are members of the International Civil Aviation Organization (ICAO), Federation of Indian Airlines (FIA), International Air Transport Association (IATA) and Air Cargo Forum India.

Principle 8 - Businesses should support inclusive growth and equitable development

The Company is committed to making a contribution to the society it serves in general, and in particular, towards the betterment, education and empowerment of the girl child. Your Company has over the years partnered with NGOs such as the Wishing Factory, Save the Children India, YouWeCan, Akanksha, Maijwan, and a host of others, to educate them with specially prepared presentations about the world of aviation, organising trips to our hangars, airport terminal buildings to showcase the behind the scenes workings of an airline to young children.

On the occasion of Children's Day (November 14th) each year, the Company organises its annual "Flight of Fantasy" event for underprivileged children, and those with special needs. This is Jet Airways' flagship event done yearly across centres offers over 100 underprivileged children from select NGOs not just the chance for a joy ride, but also give them the opportunity to realise their dream to fly in an aircraft. The Company has always been in the forefront in the wake of calamities, natural disasters and other such contingencies.

Jet Airways has been running an in-flight collection programme called the 'Magic Box' in association with a Non-Governmental Organisation named - Save the Children India (STCI). The funds raised through this unique initiative from our guests (flying on our domestic flights) are utilised by STCI for education and for providing healthcare for underprivileged children and education for children with special needs. The collections from the "Magic Box" are also used by STCI to fund vocational courses for women.

As an equal opportunities employer, it has always been the airline's endeavour to hire and promote diversity within the organisation and facilitate empowerment of women. To celebrate and recognise womanhood, Jet Airways organises a special in-flight fund raising drive on the occasion of International Women's Day, each year, across its 45 domestic destinations. The funds collected are donated to three chosen NGOs who work primarily for the upliftment and empowerment of under privileged women.

The airline annually organises 'Joy of Giving Week' across its domestic network. This special week gives a chance to all our colleagues to donate for a chosen NGO in each metro city. We are proud to state that our colleagues donate very generously both in cash and in kind and have helped many NGOs with their care and generosity over the years.



Business Responsibility Report (Contd.)

The airline has responded and supported various state Governments and the Government of India's call for rehabilitation of displaced persons, transporting emergency supplies of food, medicine and rehabilitation material, assisting and transporting doctors, stranded guests with rebated travel and carriage of free cargo for medical and relief supplies.

Your Company takes its commitment to society and the upliftment of both women and children very seriously and we do our best with the resources in hand to put smiles on the faces of those less fortunate than us.

Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner

Being incorporated in 1992, having identified the burgeoning need for a seamless and affordable air travel, we started our service as an air taxi operator. It was in 1995 that we started our scheduled service and in 2004 that we began international operations. Growing over the years we have imbibed our philosophy which is stated in our mission statements. These veer towards the warmth, personalization and care which is synonymous to the Indian culture of hospitality. While in public domain we may flaunt this philosophy towards consumers, internally too this stands true to our employees and associates as well. We believe in having a transparent environment which encourages frank exchange of thoughts and synergies. We learn not just through our research but also from the frequent feedback shared by our eminent guests.

Voice of Guest ('VOG') is a tool with which we analyze the quality of the service rendered as also glean the 'ask' of guests for forthcoming travels. VOG is garnered using various mediums. It encompasses all guest touch points; be it Contact Centre, Web, Social Media, Guest Relations or Guest Experience. VOG is the barometer of Jet Airways services and it happily indicates a positive position.

Ability to foresee change and adapt to it is our key strength. Needless to say whether it is the lack of motivation or the "inability to adapt," these excuses are no longer valid. In today's world, the ability to adapt to necessary changes is no longer a choice. We act proactively and seek guest feedback to understand their expectations and be able to adapt to them. Thus at Guest Relations we engage guests through emails, online web, outcall as also survey forms. The responses so garnered are captured on our Customer Relationship Management ('CRM') and its output is churned to derive trend lines, areas to focus upon and overall satisfaction level for the service rendered.

On an average, 80% + guests feedback is responded to with a final response within 4 days. The response so filed is based on holistic investigations, identification of failures, if any and speedy execution of regulatory compensation, if applicable. The guest is engaged with not just in writing but also telephonically thereby giving it a more personal and a human touch. We are happy to state that our robust systems yields 99% satisfaction level and the grievances received are not more than 0.9 per 10,000 guest flown.



Independent Auditors' Report

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

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS financial statements of Jet Airways (India) Limited ('the Company'), which comprise the Balance sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements").

Management's Responsibility for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the state of affairs, loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS 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 of the standalone Ind AS financial statements 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS 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 Standalone Ind AS 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 Standalone Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 March 2018 and its loss, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 52 of the standalone Ind AS financial statements regarding preparation of the Ind AS standalone financial statements on going concern basis for the reasons stated therein. The appropriateness of assumption of going concern is dependent upon realization of the various initiatives undertaken by the Company and/or the Company's ability



Independent Auditors' Report (Contd.)

to raise requisite finance/generate cash flows in future to meet its obligations, including financial support to its subsidiary companies.

Our opinion is not modified in respect of this matter.

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 (including Other Comprehensive Income), the Cash Flow Statement and the statement of change in equity dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting standards) Rules, 2015, as amended;
 - (e) the matter described under the Emphasis of Matter 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 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
 - (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 Standalone Ind AS financial statements – Refer Note 45 to the Standalone Ind AS 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.
 - iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018.

For B S R & CO. LLP

Chartered Accountants

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

Bhavesh Dhupelia

Partner

Membership No. 042070

Place : Mumbai

Date : 23 May 2018

FOR D T S & ASSOCIATES

Chartered Accountants

(Firm's Registration No: 142412W)

T. P. Ostwal

Partner

Membership No. 030848



Annexure-A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2018, 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 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 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, guarantees or securities granted in respect of which provisions of Section 185 and 186 of the Act are applicable to the Company. The Company has complied with the provision of section 186 of the Act in respect of the investment made.
- (v) 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, service tax, Goods and Service Tax, profession tax, income tax (tax deducted at source), duty of customs, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

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, Goods and Service Tax, profession tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable except in respect of interest on service tax of ₹ 6,342 Lakhs for the period 2012-13 to 2014-15.

 - (b) According to the information and explanations given to us, there are no material dues of duty of excise, sales tax and value added tax which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of Income Tax, Service Tax and Duty of Customs have not been deposited by the Company on account of disputes:



Annexure-A to the Independent Auditors' Report (Contd.)

Name of the statute	Nature of dues	Period to which the amount relates	Forum where dispute is pending	Amount not deposited on account of demand (Rs in Lakhs)
Inland Air Travel and Tax Rules, 1989 (IATT)	Interest & Penalty*	2003-04	Delhi High Court	321
Customs Act 1962	Custom Duty	2010-2011 to 2013-2014	Commissioner of Customs (Appeals)	9
Customs Act 1962	Custom Duty	2009-2010 to 2014-2015 and 2016-2017	Commissioner of Customs	438
Customs Act 1962	Custom Duty*	2006-2007 to 2013-2014 and 2017-18	The Customs, Excise and Service Tax Appellate Tribunal	2,479
Finance Act 1994	Service Tax	2003-2004 to 2005-2006	Supreme Court of India	361
Finance Act 1994	Service Tax*	2004-2005 to 2014-2015	The Customs, Excise and Service Tax Appellate Tribunal (CESTAT)	43,377
Finance Act 1994	Service Tax*	2004-2005, 2005-2006 and 2008-2009 to 2016-2017	Commissioner of Central Excise	77,846
Finance Act 1994	Service Tax*	2014-2015	Commissioner of Central Excise (Appeals)	23
Income Tax Act 1961	Income Tax	2008-2009 and 2012-13 to 2016-17	Commissioner of Income Tax (Appeals)	2,391
Income Tax Act 1961	Income Tax	2002-03 and 2008-09	Income Tax Appellate Tribunal	332
Income Tax Act 1961	Income Tax	2006-2007	Bombay High Court	233
Income Tax Act 1961	Income Tax	2006-2007 to 2016-2017	Commissioner of Income Tax	1,523

*Amount paid for IATT interest and penalty ₹ 105 Lakhs, Service tax (CESTAT) ₹ 587 Lakhs, Service Tax (commissioner of central excise) ₹ 500 Lakhs, Service Tax (commissioner of central excise (Appeal) ₹ 2 Lakhs and Custom duty (CESTAT) ₹ 84 Lakhs and Commissioner of Customs (Appeals) ₹ 21,134 Lakhs.

- (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) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practice in India and according to the information and explanations given to us, we have neither come across any instance of 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, nor have we been informed of any such case by the management.
- (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 Ind AS financial statements as required by the applicable Accounting Standards.



Annexure-A to the Independent Auditors' Report (Contd.)

- (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 : 23 May 2018

FOR D T S & ASSOCIATES

Chartered Accountants

(Firm's Registration No: 142412W)

T. P. Ostwal

Partner

Membership No. 030848



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 with reference to financial statements of Jet Airways (India) Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 standalone Ind AS 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 with reference to financial statements.

Meaning of Internal Financial Controls over with reference to financial statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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-B to the Independent Auditors' Report (Contd.)

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2018, based on the internal control with reference to financial statements 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 : 23 May 2018

FOR D T S & ASSOCIATES

Chartered Accountants

(Firm's Registration No: 142412W)

T. P. Ostwal

Partner

Membership No. 030848



Balance Sheet as at 31 March 2018

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars	Notes	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
ASSETS				
Non-current assets				
Property, plant and equipment	4	289,127	485,955	666,509
Capital work-in-progress	4(C)	2,474	70,930	3,624
Investment Property	5	69,727	-	-
Other Intangible assets	6	1,950	3,589	2,905
Financial Assets				
- Investments	7	69,670	69,667	69,619
- Loans	8	7,170	9,213	13,388
- Other financial assets	9	14,252	23,393	43,051
Income tax assets		13,204	14,424	21,027
Other non-current assets	10	77,204	54,162	56,888
Total non current assets		544,778	731,333	877,011
Current Assets				
Inventories	11	48,110	49,876	47,292
Financial Assets				
- Investments	12	-	53,400	50,066
- Trade receivables	13	127,935	133,362	158,726
- Cash and cash equivalents	14a	32,050	53,697	30,983
- Other Bank balances	14b	103,994	100,057	116,782
- Loans	15	2,698	615	10,076
- Other financial assets	16	112,708	90,736	85,740
Other current assets	17	104,959	51,751	53,315
Assets held for sale	4	172,891	-	-
Total current assets		705,345	533,494	552,980
TOTAL ASSETS		1,250,123	1,264,827	1,429,991
EQUITY AND LIABILITIES				
Equity				
Share capital	18	11,360	11,360	11,360
Other equity	19	(735,560)	(658,947)	(802,018)
Total equity		(724,200)	(647,587)	(790,658)
Liabilities				
Non current liabilities				
Financial liabilities				
- Borrowings	20	508,556	696,785	620,944
- Other financial liabilities	21	841	837	51,831
Provisions	22	42,210	37,432	26,598
Other non-current liabilities	23	3,791	6,969	52,627
Total non current liabilities		555,398	742,023	752,000
Current liabilities				
Financial liabilities				
- Borrowings	24	20,956	25,252	302,106
- Trade payables	25	643,333	466,745	587,201
- Other financial liabilities	26	318,864	247,522	172,324
Provisions	27	4,266	3,260	2,574
Other current liabilities	28	431,506	427,612	404,444
Total Current liabilities		1,418,925	1,170,391	1,468,649
Total Liabilities		1,974,323	1,912,414	2,220,649
TOTAL EQUITY AND LIABILITIES		1,250,123	1,264,827	1,429,991
Significant accounting policies	1-3			
The accompanying notes are an integral part of the financial statements	4-54			

As per our attached report of even date

For B S R & Co. LLP

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

Bhavesdh Dhpelia

Partner
Membership No. 042070

For D T S & Associates

Chartered Accountants
Firm's Registration No:
142412W

T. P. Ostwal

Partner
Membership No. 030848

On behalf of Board of Directors

Naresh Goyal (DIN: 01180386)
Kevin Knight (DIN: 07928561)
Vikram Mehta (DIN: 00041197)
Ranjan Mathai (DIN: 07572976)
Rajshree Pathy (DIN: 00001614)
S. Vishvanathan (DIN: 02255828)
Anita Goyal (DIN: 01992051)
Harsh Mohan (DIN: 06539338)
Ashok Chawla (DIN: 00056133)
Dr. Nasim Zaidi (DIN: 07979530)
Gaurang Shetty (DIN: 01293134)

Chairman

Director

Whole Time Director

Date: 23 May 2018
Place: Mumbai

Vinay Dube
Chief Executive Officer

Amit Agarwal (Membership No. 056880)
Kuldeep Sharma (Membership No. 2941)

Deputy CEO & CFO
Company Secretary



Statement of Profit and Loss for the Year Ended 31 March 2018

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue			
Revenue from Operations	29	2,328,653	2,155,235
Other income	30	67,184	148,852
Total Income		2,395,837	2,304,087
Expenses			
Aircraft Fuel Expenses		695,325	547,378
Aircraft and Engines Lease Rentals		231,621	227,800
Employee Benefit Expenses	31	299,535	289,001
Finance cost	32	84,286	85,109
Depreciation and Amortization Expenses	33	62,057	67,090
Selling and Distribution Expenses	34	282,632	253,105
Other Expenses	35	817,143	686,372
Total Expenses		2,472,599	2,155,855
(Loss)/Profit before Tax		(76,762)	148,232
Tax expense:			
- Current Tax		-	-
- Short / (excess) tax provisions net for earlier years		-	(20)
(Loss)/Profit for the year		(76,762)	148,252
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurement of Defined Benefit Plans		149	(5,181)
- Income tax related to above mentioned items		-	-
Other comprehensive income for the year		149	(5,181)
Total comprehensive income for the year		(76,613)	143,071
Earnings per equity share of face value ₹ 10 each			
Basic & Diluted (in ₹)	36	(67.57)	130.50
Significant accounting policies	1 - 3		
The accompanying notes are an integral part of the financial statements	4-54		

As per our attached report of even date

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

Bhavesh Dhupelia
Partner
Membership No. 042070

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

T. P. Ostwal
Partner
Membership No. 030848

On behalf of Board of Directors

Naresh Goyal (DIN: 01180386)
Kevin Knight (DIN: 07928561)
Vikram Mehta (DIN: 00041197)
Ranjan Mathai (DIN: 07572976)
Rajshree Pathy (DIN: 00001614)
S. Vishvanathan (DIN: 02255828)
Anita Goyal (DIN: 01992051)
Harsh Mohan (DIN: 06539338)
Ashok Chawla (DIN: 00056133)
Dr. Nasim Zaidi (DIN: 07979530)
Gaurang Shetty (DIN: 01293134)

Chairman

Director

Whole Time Director

Date: 23 May 2018
Place: Mumbai

Vinay Dube
Chief Executive Officer

Amit Agarwal (Membership No. 056880)
Kuldeep Sharma (Membership No. 2941)

Deputy CEO & CFO
Company Secretary



Cash Flow Statement for the Year Ended 31 March 2018

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Cash flow from operating activities		
(Loss)/Profit before tax	(76,762)	148,232
Adjustments for:		
Depreciation and amortisation expenses	62,057	67,090
Mark to market gain on embedded derivative	(210)	(454)
Amortisation of Lease Rent	408	412
Loss / (Profit) on sale of Property, Plant and Equipements (Net)	7,818	(47,814)
Profit on sale of Investments	(345)	(878)
Finance Cost	84,286	85,109
Interest on Income Tax Refund	(618)	(1,726)
Interest on Bank and Other Deposits	(6,203)	(9,172)
Guarantee Commission	(655)	(513)
Discounting of provisions	418	92
Excess Provision no longer required written back	(3,769)	(31,892)
Provision for Compensated Absences and Gratuity	4,421	10,827
Unrealised foreign exchange loss/(gain) (net)	7,768	(24,026)
Provision for doubtful debts	1,879	264
Provision for doubtful Advances / Deposits	4,916	(3,940)
Provision for diminution in value of investment in Subsidiary	-	1,255
Bad Debts written off	33	81
Recognition upon fulfilment of commitment	(30,449)	(31,155)
Profit on development of leasehold land	(11,403)	(32,903)
Actuarial gain/(loss) on remeasurement of defined benefit obligation	149	(5,181)
Inventory scrapped during the year	884	312
Operating profit before working capital changes	44,623	124,020
Adjustments for		
Changes in Inventories	882	(7,818)
Changes in Trade receivables	5,689	8,937
Changes in Loans, other financial assets and other assets	(88,960)	28,876
Changes in trade payables, other financial liabilities, provisions and other liabilities	205,692	(66,279)
Cash generated from operations	167,926	87,736
Direct Taxes Refund	1,838	8,349
Net cash flow generated from operating activities	169,764	96,085



Cash Flow Statement for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Cash Flow from Investing Activities		
Purchase of Property, Plant & equipment, Investment Property and Intangible assets (Incl. Capital Work in Progress)	(89,091)	(22,932)
Proceeds from sale of Property, Plant & equipment	1,510	156,783
Purchase of Current Investments	(1,320,300)	(3,205,521)
Sale of Current Investments	1,374,045	3,203,065
Sale of Non-Current Investments	-	2
Investment in Equity Shares of Subsidiary	(3)	(50)
Changes in Fixed Deposits with Banks	(8,978)	20,035
Interest Received on Bank Deposits, Other Loans and Deposits	6,902	13,105
Net cash (used in) / generated from investing activities	(35,915)	164,487
Cash flow from Financing Activities		
Net Decrease in Short Term Loans	(4,296)	(276,854)
Proceeds from Long Term Loans during the year	125,000	355,867
Repayment of Long Term Loans during the year	(193,157)	(232,519)
Finance cost	(83,043)	(84,352)
Net cash used in financing activities	(155,496)	(237,858)
Net change in cash and cash equivalents	(21,647)	22,714
Cash and cash equivalents at beginning of the year (Refer note 1 below)	53,697	30,983
Cash and cash equivalents at end of the year (Refer note 1 below)	32,050	53,697

1) Cash and Cash Equivalents for the year ended 31 March 2018 includes Unrealised Gain (net) of ₹ 2,664 Lakhs (31 March 2017 ₹ 3,624 Lakhs) on account of translation of Foreign Currency Bank Balances.

Change in Liability arising from financing activities

Particulars	01 April 2017	Cash flow	Foreign exchange movement	Expense / Fair value adjustments	31 March 2018
Finance lease Obligations including current portion	2,80,888	(76,031)	556	-	2,05,413
Term loans including current portion	6,01,632	7,874	2,307	2,133	6,13,946
Short Term borrowings	25,252	(4,296)	-	-	20,956
Interest accrued but not due	1,237	(83,043)		82,904	1,098
	9,09,009	(1,55,496)	2,863	85,037	8,41,413

As per our attached report of even date

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

Bhavesh Dhupelia
Partner
Membership No. 042070

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

T. P. Ostwal
Partner
Membership No. 030848

On behalf of Board of Directors

Naresh Goyal (DIN: 01180386)
Kevin Knight (DIN: 07928561)
Vikram Mehta (DIN: 00041197)
Ranjan Mathai (DIN: 07572976)
Rajshree Pathy (DIN: 00001614)
S. Vishvanathan (DIN: 02255828)
Anita Goyal (DIN: 01992051)
Harsh Mohan (DIN: 06539338)
Ashok Chawla (DIN: 00056133)
Dr. Nasim Zaidi (DIN: 07979530)
Gaurang Shetty (DIN: 01293134)

Chairman

Director

Whole Time Director

Date: 23 May 2018
Place: Mumbai

Vinay Dube
Chief Executive Officer

Amit Agarwal (Membership No. 056880)
Kuldeep Sharma (Membership No. 2941)

Deputy CEO & CFO
Company Secretary

Statement of Changes in Equity (SOCIE)

(All Amounts in INR Lakhs, unless otherwise stated)

(a) Equity share capital	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	113,597,383	11,360	113,597,383	11,360	113,597,383	11,360
Changes in equity share capital during the year	-	-	-	-	-	-
Balance at the end of the year	113,597,383	11,360	113,597,383	11,360	113,597,383	11,360

(b) Other equity

Particulars	Reserves & Surplus (Refer Note 19)						Total
	Capital Reserve	Securities Premium Account	Capital Redemption Reserve	Debt Redemption Reserve	Retained earnings	General Reserve	Other Comprehensive Income
Balance at 1 April 2016	89	344,253	5,558	1,747	(1,155,763)	2,098	-
Profit for the year	-	-	-	-	148,252	-	-
Other comprehensive income for the year (remeasurement of defined benefit plan)	-	-	-	-	-	-	(5,181)
Total comprehensive income for the year	-	-	-	-	148,252	-	(5,181)
Transfer to Debt Redemption Reserve	-	-	-	3,495	(3,495)	-	-
Balance at 31 March 2017	89	344,253	5,558	5,242	(1,011,006)	2,098	(658,947)
(Loss) for the year	-	-	-	-	(76,762)	-	-
Other comprehensive income for the year (remeasurement of defined benefit plan)	-	-	-	-	-	-	149
Total comprehensive income for the year	-	-	-	-	(76,762)	-	149
Balance at 31 March 2018	89	344,253	5,558	5,242	(1,087,768)	2,098	(76,613)

As per our attached report of even date
For B S R & Co. LLP
 Chartered Accountants
 Firm's Registration No: 101248W/W-100022
 Firm's Registration No: 142412W

Bhavesh Dhupelia
 Partner
 Membership No. 042070

T. P. Ostwal
 Partner
 Membership No. 030848

Date: 23 May 2018
 Place: Mumbai

Vinay Dube
 Chief Executive Officer

On behalf of Board of Directors

Naresh Goyal (DIN: 01180386)
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Chairman

Director

Whole Time Director

Amit Agarwal (Membership No. 056880)
Kuldeep Sharma (Membership No. 2941)

Deputy CEO & CFO
 Company Secretary



Notes to the Financial Statements for the Year Ended 31 March 2018

(All Amounts in INR Lakhs, unless otherwise stated)

1. COMPANY INFORMATION/ OVERVIEW

Jet Airways (India) Limited (the Company) is a public limited company incorporated in India. The Company commenced its operations on 5 May, 1993. The principal activities of the Company comprise scheduled air transportation which includes carriage of passengers & cargo and provision of related allied services. The Company's registered office is at Siroya Centre, Sahar Airport Road Andheri (East), Mumbai-400 099.

2. BASIS OF PREPARATION

i. Statement of compliance

The Company has adopted Indian Accounting Standards (Ind AS) with effect from 1 April 2017, with transition date of 1 April 2016, pursuant to notification issued by Ministry of Corporate Affairs dated 16 February 2015, notifying the Companies (Indian Accounting Standards) Rules, 2015. Accordingly, the financial statements comply with Ind AS as prescribed under section 133 of the Companies Act, 2013 (the "Act"), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, relevant provisions of the Act and other accounting principles generally accepted in India. The financial statements upto and for the year ended 31 March 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended), as notified under section 133 of the Act ("Previous GAAP") and other relevant provision of the Act.

The financial statements for the year ended 31 March 2018 are the first financial statements of the Company prepared under Ind AS. A detail reconciliation on the impact of transition to Ind AS to the previously reported financial position, financial performance and cash flows of the Company is included in Note 37.

The financial statements were approved by the Board of Directors of the Company on 23rd May 2018..

ii. Functional and presentation currency

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

iii. Basis of measurement

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities (including derivative instrument) that are measured at fair value or amortised cost.

iv. Going Concern Assumption

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

v. Critical accounting estimates and judgements

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

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

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

- Note 3(b)(iv) – estimate of revenue recognition from "Forward Sales Account"
- Note 4 - measurement of useful life and residual values of property, plant and equipment and the assessment as to which components of the cost may be capitalized
- Note 22 - estimation of costs of redelivery and overhaul
- Note 39 - recognition of deferred tax assets
- Note 40 - recognition and measurement of defined benefit obligations
- Note 41 - judgement required to ascertain lease classification
- Note 43 - measurement of fair values and Expected Credit Loss (ECL)



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

- Note 45 - judgement is required to ascertain whether it is probable or not that an outflow of resources embodying economic benefits will be required to settle the taxation disputes and legal claim.
- Notes 50 - estimation of future engine maintenance plan

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set below have been applied consistently to all periods presented in these financial statements and in preparing the opening Ind AS Balance sheet as at 1 April 2016 for the purposes of the transition to Ind AS.

Current - non-current classification

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

Assets

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

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

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

Liabilities

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

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

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

Operating cycle

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

A. Leases

Leased assets

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



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

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

For arrangements entered into prior to 1 April 2016, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Lease payments

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

Sale and lease back transactions

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

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

B. Revenue

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

- i. Passenger revenue is recognised on flown basis i.e. when the service is rendered, net of discounts given to the passengers, applicable taxes and airport levies such as passenger service fee, user development fee, etc., if any.
- ii. Cargo revenue is recognised when service is rendered i.e. goods are transported, net of airport levies and applicable taxes.
- iii. 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.
- iv. 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.
- v. 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.
- vi. Interest income on financial assets (including deposits with banks) is recognised using the effective interest rate method on a time proportionate basis.



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

C. Lease claim / Incentives (credit):

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

D. Export Incentives:

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

E. Commission:

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

F. Expenditure:

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

G. Foreign currency transactions:

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

Initial Recognition

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

Conversion

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

H. Aircraft Fuel Expenses

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

I. Aircraft Maintenance and Repair Cost:

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

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



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

J. Employee benefits

Short-term employee benefits

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

Post-employment benefit plans

i. Defined contribution plans

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

ii. Defined benefit plans

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The gratuity plan of the Company is unfunded.

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

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

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

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

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

Other long-term employee benefits

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

K. Borrowing costs

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

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



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

L. Income Tax

Income tax expense comprises of current tax and deferred tax.

Current tax

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

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

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

Deferred tax

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

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

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

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

Current and deferred tax for the year

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

M. Inventories

Inventories primarily includes stores and spares and loose tools (other than those which meet the criteria of property, plant and equipment), fuel and in-flight inventories. Inventories are stated at the lower of cost and Net Realizable Value (NRV). Cost of inventories comprise all costs of purchase after deducting non-refundable rebates and discounts and all other costs incurred in bringing the inventories to their present location and condition. Costs of inventories are determined on weighted average basis. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. NRV for stores and spares, loose tools and fuel used in rendering of services are not written down below cost except in cases where the price of such materials have declined and it is estimated that the cost of rendering of services will exceed their selling price. Where necessary, due allowance is made for all damaged, obsolete and slow moving items.

N. Property, plant and equipment

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

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



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

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

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

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

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

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

Depreciation

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

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

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

Depreciation has been charged based on the following useful lives:

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

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

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

O. Investment Property

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



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

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

P. Intangible assets

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

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

Amortisation:

Intangible assets are amortised on straight line basis as follows:

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

Q. Asset Held for Sale

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

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

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

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

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

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

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



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

S. Investment in Subsidiaries and Associate

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

T. Financial Instruments

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

i. Financial assets

Recognition and initial measurement

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

Classification

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

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

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

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

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

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

Subsequent measurement

Financial assets at amortised cost

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

Financial assets at FVTPL

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

Derecognition

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



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Impairment of financial assets (other than at fair value)

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

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

ii. Financial liabilities

Recognition and initial measurement

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

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

Classification and subsequent measurement

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

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

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

Derecognition

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

iii. Offsetting of financial instruments

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

iv. Embedded Derivatives

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

U. Fair value Measurement

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

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



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

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

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

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

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

V. Provisions

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

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

Onerous contracts

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

Contingent liabilities and assets

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

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

W. Share capital

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

X. Cash and cash equivalents

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

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

Y. Earnings per share:

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

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



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

z. Recent accounting pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On 28 March 2018, the Ministry of Corporate Affairs ('the MCA') notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from 1 April 2018. The Company has evaluated the effect of this on the financial statements and impact is not material.

Ind AS 115, Revenue from Contract with Customers: On 28 March 2018, the MCA notified the Ind AS 115. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, Ind AS 115 requires enhanced disclosures about the nature, amount, timing, and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach – Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimate and Errors.
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch – up approach)

The effective date for adoption of Ind AS 115 is financial period beginning on or after 1 April 2018.

The Company is currently evaluating the impact on its financial reporting from Ind AS 115.

Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 4: PROPERTY, PLANT AND EQUIPMENT

Description	Freehold Land	Leasehold Land	Buildings	Improvement On Leased Aircraft	Plant and Equipment	Furniture and Fixtures	Electrical Fittings	Data Processing Equipments	Ground Support Equipments	Simulator	Vehicles	Ground Support Vehicles	Office Equipment	Spare Parts	Aircraft & Engine	Improvement On Leased Property	Total
Gross carrying value																	
Balance as at 1 April 2016	32	48,316	-	19,316	751	3,324	2,206	8,380	8,231	20,385	314	8,444	4,604	112,653	169,091	866,573	1,279,029
Additions	-	-	26	72	-	247	50	1,013	531	-	825	1,970	146	11,924	-	3,706	20,954
Deletions / retirements	-	(48,316)	-	-	(5)	(685)	(375)	(3,489)	(2,177)	-	(78)	(944)	(1,313)	(7,754)	(112,870)	(118,435)	(296,580)
Balance as at 31 March 2017	32	-	26	19,388	746	2,886	1,881	5,904	6,585	20,385	1,061	9,470	3,437	116,823	56,221	751,844	1,003,403
Additions	-	-	-	-	77	205	64	1,414	58	4,585	167	238	277	16,150	13,298	7,990	44,725
Deletions / retirements	-	-	-	-	-	(42)	(50)	(270)	(37)	-	(68)	(308)	(248)	(13,071)	(1,500)	-	(15,594)
Asset held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(396,543)	-	(396,543)
At 31 March 2018	32	-	26	19,388	823	3,049	1,895	7,048	6,606	24,970	1,160	9,400	3,466	119,902	68,019	363,291	635,991
Accumulated depreciation																	
Balance as at 1 April 2016	-	(15,648)	-	(10,967)	(405)	(2,423)	(1,583)	(7,013)	(4,675)	(12,908)	(207)	(6,330)	(4,275)	(53,109)	(90,905)	(396,034)	(612,520)
Charge for the year	-	(464)	-	(1,290)	(65)	(282)	(207)	(812)	(468)	(1,315)	(51)	(579)	(123)	(6,856)	(7,981)	(44,440)	(65,253)
Impairment loss reversal	-	-	-	-	-	-	-	-	-	-	-	-	-	4,921	-	-	4,921
Deletions / retirements	-	16,112	-	-	3	600	365	3,489	2,138	-	72	941	1,308	3,634	69,185	57,417	155,404
Balance as at 31 March 2017	-	-	-	(12,257)	(467)	(2,105)	(1,425)	(4,336)	(3,005)	(14,223)	(186)	(5,968)	(3,090)	(51,410)	(29,701)	(383,057)	(517,448)
Charge for the year	-	-	(1)	(1,293)	(69)	(209)	(127)	(1,030)	(440)	(1,732)	(131)	(667)	(126)	(5,665)	(5,673)	(41,897)	(59,331)
Deletions / retirements	-	-	-	-	-	41	49	270	34	(1)	32	307	248	4,095	1,188	-	6,263
Asset held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	223,652	223,652
At 31 March 2018	-	-	(1)	(13,550)	(536)	(2,273)	(1,503)	(5,096)	(3,411)	(15,956)	(285)	(6,328)	(2,568)	(52,980)	(34,186)	(201,302)	(6,490)
Net carrying amount																	
As at 1 April 2016	32	32,668	-	8,349	346	901	623	1,367	3,556	7,477	107	2,114	329	59,544	78,186	470,539	666,509
As at 31 March 2017	32	-	26	7,131	279	781	456	1,568	3,580	6,162	875	3,502	347	65,413	26,520	368,787	485,955
As at 31 March 2018	32	-	25	5,838	287	776	392	1,952	3,195	9,014	875	3,072	498	66,922	33,833	161,989	289,127

A Plant and Equipment held under finance lease

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

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Cost or Deemed cost	759,834	751,844	944,427
Accumulated depreciation	(424,954)	(383,057)	(435,046)
Net Carrying amount	334,880	368,787	509,381

The above amounts include aircraft held for sale as at 31 March 2018 at net carrying value ₹ 172,891 Lakhs (Cost - ₹ 396,543 and accumulated depreciation - ₹ 223,652)

B Security

Assets having net carrying value of ₹ 441,251 Lakhs (31 March 2017: ₹ 475,532 Lakhs; 01 April 2016: ₹ 622,783 Lakhs) are pledged as security against the loan availed by the Company.

C Capital Work-in-Progress

Capital Work-in-Progress represents property, plant and equipment.



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 5: INVESTMENT PROPERTY

Description	Total
Gross carrying value	
Balance as at 1 April 2016	-
Additions	-
Deletions	-
Balance as at 31 March 2017	-
Additions	70,529
Deletions	-
At 31 March 2018	70,529
Accumulated depreciation	
As at 1 April 2016	-
Depreciation for the year	-
Depreciation on Deletion	-
Balance as at 31 March 2017	-
Charge for the year	(802)
Deletions	-
At 31 March 2018	(802)
Net carrying amount	
As at 1 April 2016	-
As at 31 March 2017	-
As at 31 March 2018	69,727

Carrying amount of approx ₹ 48,800 Lakhs is Secured against borrowing. Further, the Company has restriction to sell certain portion of the property till September 2020.

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

Fair Value

Investment Property	31 March 2018	31 March 2017	1 April 2016
Buildings	79,000	-	-

Measurement of fair values

- i The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The fair value measurement for all of the investment property has been categorised as a level 3 fair value based on the inputs to the valuation technique used.
- ii Valuation technique : Valuation is done as per income approach (discounted cash flow) method. The following steps were performed to arrive at the value estimate:
 - Developed projections for the Subject Property of potential gross revenue, rent losses and operating expenses during the holding period.
 - Estimated available annual cash flows during the holding period and estimated a terminal value at the end of the holding period that represented the hypothetical sale of the property.
 - Estimated the present value of the annual cash flows and terminal value as of the Estimate Date using a discount rate consistent with the inherent level of risk associated with the property.
 - The main assumptions used for valuing are rental growth rate, rent abatement period, terminal yields and discount rates based on comparable transaction.



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 6: INTANGIBLE ASSETS

Description	Computer software	Trademarks	Total
Gross carrying value			
Balance as at 1 April 2016	13,721	3,144	16,865
Additions	2,521	-	2,521
Deletions	-	-	-
Balance as at 31 March 2017	16,242	3,144	19,386
Additions	285	-	285
Deletions	-	-	-
At 31 March 2018	16,527	3,144	19,671
Accumulated amortisation			
As at 1 April 2016	(10,816)	(3,144)	(13,960)
Amortisation for the year	(1,837)	-	(1,837)
Amortisation on deletions	-	-	-
Balance as at 31 March 2017	(12,653)	(3,144)	(15,797)
Amortisation for the year	(1,924)	-	(1,924)
Amortisation on deletions	-	-	-
At 31 March 2018	(14,577)	(3,144)	(17,721)
Net carrying amount			
As at 1 April 2016	2,905	-	2,905
As at 31 March 2017	3,589	-	3,589
As at 31 March 2018	1,950	-	1,950

NOTE 7: NON-CURRENT INVESTMENTS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Non-current Investments			
Investment in equity of subsidiaries - unquoted (at cost)	165,755	165,755	164,500
796,115,409 Shares (31 March 2017: 796,115,409 Shares, 01 April 2016: 796,115,409 Shares) of Jet Lite (India) Limited of ₹ 10 each [including 6 Shares held by its nominees (31 March 2017: 6 shares, 01 April 2016: 6 Shares)]			
Less : Impairment in value of Investment	(165,755)	(165,755)	(164,500)
500,000 Shares (31 March 2017: 500,000 Shares, 01 April 2016: Nil shares) of Airjet Ground Services Limited of ₹ 10 each [including 6 Shares held by its nominees (31 March 2017: 6 Shares; 01 April 2016: Nil Shares)]	50	50	-
10,000 Shares (31 March 2017 : Nil Shares; 01 April 2016: Nil Shares) of Airjet Engineering Services Limited of ₹ 10 each [including 6 Share held by its nominees 31 March 2017 : Nil Shares; 01 April 2016: Nil Shares]	1	-	-



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
10,000 Shares (31 March 2017 : Nil Shares; 01 April 2016: Nil Shares) of Airjet Security and Allied Services Limited of ₹ 10 each [including 6 Share held by its nominees 31 March 2017 : Nil Shares; 01 April 2016: Nil Shares]	1	-	-
10,000 Shares (31 March 2017 : Nil Shares; 01 April 2016: Nil Shares) of Airjet Training Services Limited of ₹ 10 each [including 6 Share held by its nominees 31 March 2017 : Nil Shares; 01 April 2016: Nil Shares]	1	-	-
Nil Shares (31 March 2017: Nil Shares, 01 April 2016: 10,000 Shares) of erstwhile Jet Airways Training Academy Private Limited of ₹ 10 each [including Nil Share held by its nominees (31 March 2017: Nil Shares, 01 April 2016: 01 Share)]	-	-	1
Less : Impairment in value of Investment		-	(1)
Investment in equity of Associates unquoted (at cost)	69,522	69,522	69,522
54,772 (31 March 2017: 54,772, 1 April 2016: 54,772) Equity Shares of Jet Privilege Private Limited of ₹10 each.			
Other Investments			
Investment in equity - unquoted	6	6	8
3,176 (31 March 2017: 3,201, 1 April 2016: 4,133) Equity Shares of THB 100 each of Aeronautical Radio of Thailand, a State Enterprise under the Ministry of Transport. The transfer of this investment is restricted to Airline members flying in Thailand			
104 (31 March 2017: 96, 1 April 2016: 71) Equity Shares in Societe Internationale de Telecommunications Aeronautiques S.C. (S.I.T.A.) of Euro 5 each #	*	*	*
Investment in Certificate of Deposits	89	89	89
145,276 (31 March 2017: 145,276, 1 April 2016: 145,276) Depository Certificates in SITA Group foundation of USD 1.2 each			
	69,670	69,667	69,619
Aggregate amount of unquoted investments:	235,425	235,422	234,120
Aggregate amount of Impairment in value of investments	(165,755)	(165,755)	(164,501)

* ₹ 36,127 (31st March 2017: ₹ 32,895; 01st April 2016: ₹ 24,234)

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 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 8: LOANS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured, considered good, unless stated otherwise			
Security Deposits (Refer Note (i) below)	7,170	9,213	13,388
Unsecured considered doubtful			
Loans to Related Party (Refer Note (ii) below)	240,838	235,838	239,782
Less: Loss allowance for doubtful loans	(240,838)	(235,838)	(239,782)
	<u>7,170</u>	<u>9,213</u>	<u>13,388</u>

- i. Security Deposits include deposits to Related Parties at amortised cost of ₹ 148 Lakhs 31 March 2018 (31 March 2017: ₹ 137 Lakhs, 1 April 2016: ₹ 127 Lakhs) placed as deposit with private limited company in which the Company's Director is a Director / Member.
- ii. Loans to Related Party represents loan given to Jet Lite (India) Limited, a wholly owned subsidiary.

NOTE 9: OTHER FINANCIAL ASSETS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured, considered good, unless stated otherwise			
Fixed Deposits with Banks (Refer Note below)	5,084	43	3,353
Interest accrued but not due on above fixed deposits	117	12	470
Derivative Assets	1,468	1,258	804
Contribution receivable from lessors (Refer Note 50)	7,583	22,080	38,424
	<u>14,252</u>	<u>23,393</u>	<u>43,051</u>

Fixed Deposits with Banks represents deposits with Banks under Lien.

NOTE 10: OTHER NON-CURRENT ASSETS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured, considered good, unless stated otherwise			
Capital Advances	53,790	51,779	52,593
Prepaid Expenses	1,165	1,727	3,395
Deferred Guarantee Commission	26	78	337
Deposit with Service Tax Department	1,089	578	563
Deposit with government authorities (Refer Note below)	21,134	-	-
	<u>77,204</u>	<u>54,162</u>	<u>56,888</u>

Customs duty and Integrated Goods and Service Tax (IGST) paid by the Company 'under protest' on reimport of repaired aircraft engines and certain aircraft parts aggregating to ₹ 21,134 Lakhs. The Company has since filed appeals with the appropriate authorities based on the advice received from experts.



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 11: INVENTORIES

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
(Valued at Cost or NRV whichever is less)			
Stores and Spares (Refer Note 24)			
- Consumables	40,591	43,233	41,271
Less: Provision for Obsolescence / Slow and Non - Moving Items	(146)	(146)	(146)
- Catering / Inflight Inventory	11,832	9,168	7,233
Less: Provision for Obsolescence / Slow and Non - Moving Items	(4,624)	(2,708)	(1,386)
Fuel	457	329	320
	<u>48,110</u>	<u>49,876</u>	<u>47,292</u>

Above inventory except Fuel is hypothecated against the loan.

NOTE 12: INVESTMENTS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Investment in Mutual Funds (Quoted)			
SBI Liquid Fund-Growth Plan 31 March 2018: Nil (31 March 2017: 1,744,605 units, 01 April 2016: 2,107,083 units)	-	44,400	50,066
SBI Debt Fund- Growth Plan 31 March 2018: Nil (31 March 2017: 428,477 units 01 April 2016: Nil)	-	9,000	-
	<u>-</u>	<u>53,400</u>	<u>50,066</u>
Aggregate amount of quoted investments:	-	53,400	50,066

NOTE 13: TRADE RECEIVABLES

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured, considered good, unless otherwise stated			
Related Party	3,380	3,697	29,980
Others			
- Considered Good	124,555	129,665	128,746
- Considered Doubtful	13,730	12,366	12,405
	<u>138,285</u>	<u>142,031</u>	<u>141,151</u>
Less: Provision for doubtful receivables	(13,730)	(12,366)	(12,405)
	<u>127,935</u>	<u>133,362</u>	<u>158,726</u>

Above is hypothecated against the loan

NOTE 14a: CASH AND CASH EQUIVALENTS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Balance with banks :			
Current account (Refer notes below)	31,894	53,576	30,826
Cash on hand	156	121	157
	<u>32,050</u>	<u>53,697</u>	<u>30,983</u>

- Current account balance includes ₹ 24,888 Lakhs as at 31 March 2018 (31 March 2017: ₹ 49,496 Lakhs, 01 April 2016: ₹ 25,645 Lakhs) held in foreign currency.
- It includes an amount of ₹ 4,578 Lakhs as at 31 March 2018 (31 March 2017 : ₹ 3,606 Lakhs; 1 April 2016: ₹ 1671 Lakhs) held as lien with banks.

Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 14b: OTHER BANK BALANCES

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Deposits For Margin Money With Banks with original maturity less than 12 months (Refer Note below)	103,994	100,057	116,782
	<u>103,994</u>	<u>100,057</u>	<u>116,782</u>

Fixed Deposits with Banks represents deposits with Banks under Lien.

NOTE 15: LOANS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured, considered good, unless stated otherwise			
Security deposits - considered good	2,698	615	10,076
Security deposits - considered doubtful	446	855	864
Less: Provision for doubtful deposits	(446)	(855)	(864)
	<u>2,698</u>	<u>615</u>	<u>10,076</u>

NOTE 16: OTHER FINANCIAL ASSETS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured, considered good, unless stated otherwise			
Unbilled Revenue	8,551	15,343	18,027
Interest accrued on deposits and loans and advances	1,703	2,561	2,588
Contribution receivable from lessors (Refer Note 50)	56,450	56,487	45,070
Claims Receivable from lessors/insurer/others	46,004	16,345	20,055
Interest accrued on Advance to subsidiary	-	403	403
Less: Provision for doubtful interest accrual	-	(403)	(403)
	<u>112,708</u>	<u>90,736</u>	<u>85,740</u>

NOTE 17: OTHER CURRENT ASSETS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured, considered good, unless stated otherwise			
Prepaid Expenses	22,093	19,614	18,144
Balances with Government Authorities	53,542	9,180	6,322
Advance to Vendors; considered good	27,381	21,571	27,169
Advance to Vendors; Considered doubtful	11,963	11,643	11,643
Less: Provision for doubtful advances	(11,963)	(11,643)	(11,643)
Deferred Guarantee Commission	52	259	436
Other recoverable	1,891	1,127	1,244
	<u>104,959</u>	<u>51,751</u>	<u>53,315</u>



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 18: SHARE CAPITAL

Particulars		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016			
a	Authorised : Equity Shares of ₹ 10 each 180,000,000 (31 March 2017: 180,000,000, 1 April 2016: 180,000,000) Equity shares Preference Shares of ₹ 10 each 20,000,000 (31 March 2017: 20,000,000, 1 April 2016: 20,000,000) Preference shares TOTAL	18,000 2,000 20,000	18,000 2,000 20,000	18,000 2,000 20,000			
b	Issued and Subscribed and Paid up: 113,597,383 (31 March 2017: 113,597,383, 1 April 2016:113,597,383) Equity shares fully paid up TOTAL	11,360 11,360	11,360 11,360	11,360 11,360			
c	Reconciliation of number of shares outstanding at the beginning and end of the year : Equity share : Outstanding at the beginning of the year Outstanding at the end of the year	113,597,383 113,597,383	113,597,383 113,597,383	113,597,383 113,597,383			
d	Terms / Rights attached to each classes of shares 1. 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.						
e	Shareholders holding more than 5% shares in the company is set out below:						
	Equity share	31 March 2018		31 March 2017	1 April 2016		
		No. of Shares	Percentage of holding	No. of Shares	Percentage of holding	No. of Shares	Percentage of holding
	Mr. Naresh Goyal	57,933,665	51	57,933,665	51	57,933,665	51
	Etihad Airways PJSC Aviation	27,263,372	24	27,263,372	24	27,263,372	24

NOTE 19: OTHER EQUITY

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Reserves and Surplus			
Capital reserve	89	89	89
Capital Redemption Reserve	5,558	5,558	5,558
Securities premium	344,253	344,253	344,253
Debenture Redemption Reserve	5,242	5,242	1,747
General reserve	2,098	2,098	2,098
Retained earnings	(1,087,768)	(1,011,006)	(1,155,763)
Other Comprehensive Income	(5,032)	(5,181)	-
	(735,560)	(658,947)	(802,018)

Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars	As at 31 March 2018	As at 31 March 2017
Capital reserve		
As per Last Balance Sheet	89	89
Add: Increase/(Decrease) during the year	*	*
Closing Balance	<u>89</u>	<u>89</u>
Capital reserve represents shares held in S.I.T.A. & S.I.T.A group foundation received free of cost.		
* During the year the company has received additional shares of ₹ 3,232 for 31 March 2018 (31 March 2017: ₹ 8,662).		
Capital redemption reserve		
As per Last Balance Sheet	5,558	5,558
Increase/(Decrease) during the year	-	-
Closing Balance	<u>5,558</u>	<u>5,558</u>
Capital redemption reserve represents reserve created out of profits for the difference between the face value of the Cumulative Convertible Redeemable Preference Shares (CCRP) and the fresh equity capital raised as required under law.		
Securities premium		
As per Last Balance Sheet	344,253	344,253
Increase/(Decrease) during the year	-	-
Closing Balance	<u>344,253</u>	<u>344,253</u>
Securities premium represents the premium on issue of equity shares.		
Debenture redemption reserve		
As per Last Balance Sheet	5,242	1,747
Increase/(Decrease) during the year	-	3,495
Closing Balance	<u>5,242</u>	<u>5,242</u>
Debenture redemption reserve represents reserve created for redeemable non-convertible debentures in accordance with provisions of the Companies Act, 2013. No transfer has been made during the year ended 31 March 2018 since there is a loss.		
General reserve		
As per Last Balance Sheet	2,098	2,098
Increase/(Decrease) during the year	-	-
Closing Balance	<u>2,098</u>	<u>2,098</u>
General reserve represents difference between of revaluation reserve and written down value of assets on opting for Historical cost model as per the Companies (Accounting Standard) Amendment Rules, 2016.		
Retained earnings		
As per Last Balance Sheet	(1,011,006)	(1,155,763)
Profit / (Loss) during the year	(76,762)	148,252
Transfer to Debenture redemption reserve	-	(3,495)
Closing Balance	<u>(1,087,768)</u>	<u>(1,011,006)</u>
Retained earnings represents accumulated deficit in statement of profit and loss.		
Other comprehensive income - Remeasurement of defined benefit plans (net of tax)		
As per Last Balance Sheet	(5,181)	-
Actuarial losses on defined benefit plan for the year (net of tax)	149	(5,181)
Other Comprehensive income represents actuarial gains / (losses) arising on recognition of defined benefit plans	<u>(5,032)</u>	<u>(5,181)</u>



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 20: BORROWINGS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Non-Convertible Debentures (Refer note (a))	72,023	71,300	70,695
Secured			
Term loans from Banks (Refer note (b),(c),(d) below)	279,728	314,390	96,634
Term loans from Other party (Refer note (e) below)	39,779	-	-
Unsecured loan			
Term loans from Banks (Refer note (f) below)	-	90,624	92,409
Term loans from Other party (Refer note (g) below)	10,298	16,083	20,009
Long Term Maturities of Finance Lease Obligations (refer note (h) below)	106,728	204,388	341,197
	508,556	696,785	620,944

- (a) 6,989 Non-Convertible Debentures (NCD) were issued in September 2015 at a face value of ₹ 10,00,000 per debenture. These debentures are redeemable at the end of five years from the date of allotment at a premium of ₹ 70,100 per debenture. These NCDs are unsecured and carry an interest rate of 20.64 % p.a. payable quarterly. This NCD has prepayment option at end of third and fourth year.
- (b) Rupee Term Loans of ₹ 161,306 Lakhs as on 31 March 2018 (₹ 149,417 Lakhs as on 31 March 2017, ₹ 4,717 Lakhs as on 1 April 2016) and Foreign Currency Term Loan of ₹ 7,239 Lakhs as on 31 March 2018 (₹ 10,324 Lakhs as on 31 March 2017, ₹ 15,875 Lakhs as on 1 April 2016) which are secured by way of a first pari-passu charge on domestic credit card realization, both present and future. These loans are repayable in monthly instalments by September 2023. Interest rates are based on respective Banks MCLR / LIBOR plus Margin.
- (c) Foreign Currency Term Loans of ₹ 87,657 Lakhs as on 31 March 2018 (₹ 82,176 Lakhs as on 31 March 2017, ₹ 46,862 Lakhs as on 1 April 2016) secured by way of a pari-passu charge on all the current and future international credit card realizations, received into a Trust and Retention Account maintained with the Banks together with a First hypothecation charge on the four flight simulators and an exclusive charge on Fixed Deposits aggregating to ₹ 11,328 Lakhs as on 31 March 2018 (₹ 10,435 Lakhs as on 31 March 2017, ₹ 10,435 Lakhs as on 1 April 2016) with maturity value of ₹ 11,936 Lakhs.
- These loans are repayable in monthly instalments by December, 2022. Interest rates are based on LIBOR plus Margin.
- (d) Foreign Currency Term Loan of ₹ 140,499 Lakhs as on 31 March 2018 (₹ 181,364 Lakhs as on 31 March 2017, ₹ 89,196 Lakhs as on 1 April 2016) secured by way of First Charge on: (i) IATA BSP receivables from the Kingdom of Saudi Arabia, United Arab Emirates, Qatar, Oman, Bahrain and Kuwait (ii) Revenue Account, Debt Service Reserve Account and Receivable Collection Account, maintained with the lead Bank.
- These loans are repayable in monthly instalments by August, 2021. Interest rates are based on LIBOR plus Margin.
- (e) Rupee Term Loan of ₹ 40,000 Lakhs as on 31 March 2018 (31 March 2017: Nil; 01 April 2016: Nil) secured by first charge on a portion of the investment property.
- This loan is repayable in monthly instalments by August 2022. Interest rates are based on Corporate Prime Landing Rate (CPLR) less Margin.
- (f) Foreign Currency Term Loan of ₹ 91,245 Lakhs as on 31 March 2018 (₹ 90,790 Lakhs as on 31 March 2017, ₹ 92,757 Lakhs as on 1 April 2016) is availed against a corporate guarantee given by one of the Shareholder to the lender. In return, the Company has hypothecated one of its B737 Aircraft in favour of that Shareholder; however, creation of pledge on 54,772 shares held in Jet Privilege Private Limited is pending.
- The loan is repayable by way of a bullet payment in March 2019. Interest rates are based on LIBOR plus Margin plus Guarantors margin.
- (g) Foreign Currency Term Loan repayable within 40 instalments starting March 2017. Interest rate is linked to LIBOR plus margin thereon payable on monthly basis.
- (h) (i) Finance Lease obligation for six aircraft secured by Corporate Guarantees provided by the Subsidiary Company aggregating to ₹ 66,668 Lakhs equivalent to USD 1,023 Lakhs as on 31 March 2018 (₹ 111,780 Lakhs equivalent to USD 1,724 Lakhs as on 31 March 2017, ₹ 161,492 Lakhs equivalent to USD 2,437 Lakhs as on 1 April 2016).
- (ii) Repayable in quarterly / half yearly instalments over a period of twelve years from the date of disbursement of the respective loans. Interest rate are linked to LIBOR plus margin.



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 21: OTHER FINANCIAL LIABILITIES

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Deposit from customers	841	837	-
Advance from developer (Refer Note below)	-	-	51,831
	<u>841</u>	<u>837</u>	<u>51,831</u>

Note: The Company had entered into an agreement with Godrej Buildcon Private Limited, Mumbai (GBPL) for the development of its plot of land, situated at Bandra-Kurla Complex, Mumbai, taken on long term lease from MMRDA. The development has since been completed during the previous year ended 31 March 2017. During the year ended 31 March 2018, the Company has recognised an amount of ₹ 11,403 Lakhs in 'Other income' as its share of accrued profit from the said project upon final settlement with Godrej Buildcon Private Limited (GBPL). In the previous year ended 31 March 2017, consequent to the completion of the development, the advance received from the developer together with the profit accrued to the Company till 31 March 2017 aggregating to ₹ 65,106 Lakhs has been adjusted against the carrying value of the leasehold land amounting to ₹ 32,203 Lakhs and the balance of ₹ 32,903 Lakhs has been accounted as 'Other income'.

NOTE 22: PROVISIONS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Provision for employee benefits			
Gratuity	17,429	16,083	10,374
Compensated Absences	5,800	5,934	4,185
Others			
Redelivery Provision (Refer Note below)	18,981	15,415	12,039
	<u>42,210</u>	<u>37,432</u>	<u>26,598</u>

Redelivery Provision

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

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Balance as at beginning of the year	15,415	12,900
Provisions created during the year	3,031	2,518
Interest accretion on provisions during the year	1,575	1,116
Amounts Utilised during the year	(299)	(795)
Exchange loss / (gain) adjustment	71	(324)
Balance as at end of the year	<u>19,793</u>	<u>15,415</u>

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

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

Expected timing of resulting outflow of economic benefit is financial year 2018-2019 to 2025-2026.



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 23: OTHER NON-CURRENT LIABILITIES

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Advances	3,079	5,764	8,099
Advance from Developer	-	-	13,500
Deferred Revenue (Refer note 21)	-	-	30,423
Deferred Guarantee Commission	712	1,205	605
	<u>3,791</u>	<u>6,969</u>	<u>52,627</u>

NOTE 24: BORROWINGS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Secured:			
Loans repayable on demand from Banks			
Rupee Loan (Refer note (a) and (c) below)	20,956	25,252	116,592
Unsecured			
From bank			
Foreign Currency Loan (Refer note (b) and (c) below)	-	-	185,514
	<u>20,956</u>	<u>25,252</u>	<u>302,106</u>

- (a) Loans aggregating to ₹ 20,956 Lakhs as on 31 March 2018, ₹ 25,252 Lakhs as on 31 March 2017, ₹ 116,592 Lakhs as on 01 April 2016 are secured by way of hypothecation of Inventories (excluding Aircraft fuel), Debtors / Receivables [excluding (i) credit card receivables, (ii) IATA - BSP receivables from the Kingdom of Saudi Arabia, United Arab Emirates, Qatar, Oman, Bahrain and Kuwait, collectively called as Gulf receivables (iii) receivables from aircraft subleased but including claim receivables from aircraft lessors) Ground Support Vehicles / Equipment (excluding trucks, jeeps and other motor vehicles), Spares (including engines), Data Processing Equipment, other current assets excluding cash and bank balances and fixed deposits with bank both present and future, the residual Aircraft proceeds and all accounts of the borrower in which such aircraft proceeds are deposited in relation to existing fleet of 14 aircraft (out of which charge in respect of 3 aircraft is pending creation) on pari passu basis. The Company has escrowed the entire IATA collection excluding Gulf receivables with the lead bank for facilitating interest servicing and regularisation in case of any irregularity.
- (b) Foreign Currency Loan of ₹ Nil as on 31 March 2018, Nil as on 31 March 2017 and ₹ 185,514 Lakhs as on 01 April 2016 was availed against standby letter of credit issued by foreign banks backed by corporate guarantee provided by one of the Shareholders.
- (c) The rate of interest for the loans listed in (a) & (b) are based on respective Banks' MCLR / LIBOR plus Margin.



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 25: TRADE PAYABLES

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Related parties	9,614	8,752	48,119
Micro and small enterprises (Refer Note below)	375	287	289
Other than micro and small enterprises	633,344	457,706	538,793
	<u>643,333</u>	<u>466,745</u>	<u>587,201</u>

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 :

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
a) Principal amount remaining unpaid	375	287	289
b) Interest due thereon	-	-	-
c) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-	-
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
e) Interest accrued and remaining unpaid	-	-	-
f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-	-

NOTE 26: OTHER FINANCIAL LIABILITIES

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Current maturities of long-term debt (Refer note 20)	212,118	109,235	55,543
Current maturities of finance lease obligations (Refer note 20)	98,685	76,500	98,279
Balance with Banks - overdrawn as per books	136	-	6,476
Interest accrued but not due on borrowings	1,098	1,237	1,670
Deposits from customers / vendors	5,346	7,435	6,495
Capital creditor (Refer note 21)	-	52,129	-
Other payables	1,481	986	3,861
	<u>318,864</u>	<u>247,522</u>	<u>172,324</u>

NOTE 27: PROVISIONS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Provision for employee benefits			
Gratuity	1,135	1,000	686
Compensated Absences	2,304	2,245	1,012
Other provision :			
Redelivery Provision (Refer note 22)	812	-	861
Wealth Tax	15	15	15
	<u>4,266</u>	<u>3,260</u>	<u>2,574</u>



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 28: OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Forward Sales (Net) [Passenger / Cargo]	3,58,080	3,51,839	3,15,568
Advance received against Sub lease	3,790	1,860	14,744
Advances from customers	8,444	11,387	12,233
Statutory Dues	50,961	23,926	23,910
Airport Dues	9,737	7,496	6,296
Deferred Revenue (Refer Note 51)	-	30,449	31,180
Deferred Guarantee commissions	494	655	513
	<u>4,31,506</u>	<u>4,27,612</u>	<u>4,04,444</u>

NOTE 29: REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
A. Sale of Services		
Passenger (Net of Service tax / Goods and Service Tax)	2,030,988	1,823,044
Cargo (Net of Service tax / Goods and Service Tax)	178,914	135,049
Excess Baggage	17,207	16,485
	<u>2,227,109</u>	<u>1,974,578</u>
B. Other operating revenue		
Export incentives	5,847	8,732
Cancellation charges	62,010	62,108
Revenue from leasing of aircrafts	3,328	62,384
Provisions no longer required written back	3,769	31,892
Other revenue (includes security services, cargo screening, technical certification etc.)	26,590	15,541
	<u>101,544</u>	<u>180,657</u>
	<u>2,328,653</u>	<u>2,155,235</u>

NOTE 30: OTHER INCOME

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest on deposits with banks	5,717	8,050
Other Interest (including interest on income tax refunds)	646	1,750
Interest on loan to subsidiary	58	179
Unwinding of discount on security deposits	400	919
Guarantee commission on guarantee given to subsidiary	655	513
Net gain on sale of current investments	345	878
Profit on sale & leaseback of aircraft	-	40,276
Profit on sale of aircraft	-	11,487
Mark to market Gain on embedded derivative	210	454
Recognition upon fulfilment of commitment (Refer Note 51)	30,449	31,155
Profit on development of leasehold land (Refer Note 21)	11,403	32,903
Other non-operating Income (includes insurance claim, frequent flyer programme, advertisement and other related income etc.)	17,301	14,187
Net gain on foreign currency transactions and translation	-	6,101
	<u>67,184</u>	<u>148,852</u>



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 31: EMPLOYEE BENEFIT EXPENSE

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries and wages	280,135	260,404
Contribution to provident and other funds	7,635	11,368
Provision for gratuity	2,523	1,752
Provision for compensated absences	2,047	3,894
Staff welfare expenses	7,195	11,583
	<u>299,535</u>	<u>289,001</u>

NOTE 32: FINANCE COSTS

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest on Borrowings measured at amortised cost	55,526	50,515
Finance charges on finance lease obligations measured at amortised cost	7,550	10,818
Other borrowing Costs	20,649	23,764
Others	561	12
	<u>84,286</u>	<u>85,109</u>

NOTE 33: DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Depreciation of property, plant and equipment	59,331	65,253
Depreciation on investment property	802	-
Amortisation of intangible assets	1,924	1,837
	<u>62,057</u>	<u>67,090</u>

NOTE 34: SELLING & DISTRIBUTION EXPENSES

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Computerised reservation system cost	122,841	113,545
Commission	112,020	91,282
Cost of miles accrued	34,287	33,674
Other Selling & distribution expenses	13,484	14,604
	<u>282,632</u>	<u>253,105</u>



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 35: OTHER EXPENSES

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Aircraft & Engine variable rentals	111,686	88,019
Landing, Navigation and other Airport charges	237,188	203,370
Aircraft maintenance	237,517	194,396
Inflight and other pax amenities	89,856	90,757
Repairs and maintenance:		
- Others	10,055	7,661
Rent	11,416	11,680
Rates and taxes	719	431
Aircraft Insurance and other insurance	9,804	9,427
Electricity	1,311	1,410
Commission to directors	-	23
Communication cost	4,350	4,498
Travelling and subsistence	30,678	28,338
Loss on sale / write-off of property, plant and equipment (net)	7,818	3,949
Provision for doubtful trade receivables	1,879	264
Provision for doubtful advances / deposits to a subsidiary	4,916	(3,940)
Bad Trade receivables / advances / deposits written off	33	81
Diminution in value of investment in subsidiary	-	1,255
Directors sitting fees	56	67
Net Loss on foreign currency transactions and translations	4,706	-
Payment to auditors*	224	275
Miscellaneous expenses (including professional fees, printing & stationery, cargo handling & bank charges etc.)	52,931	44,411
	817,143	686,372
* Auditors remuneration (Excluding Service Tax /Goods and Service tax Input Credit)*	For the year ended 31 March 2018#	For the year ended 31 March 2017*
As Auditor		
Audit Fee	116	116
Tax audit fee	-	20
In any other manner		
For other services such as quarterly limited reviews, certificates etc.	105	136
For Reimbursement of expenses	3	3
	224	275

Pertain to payment made to current joint auditors and one of the previous joint auditor for limited review for the period ended 30 June 2017 including reimbursement of expenses

* includes fees paid to one of the previous joint auditor.

Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 36 : EARNINGS PER SHARE (EPS)

i. (Loss)/Profit attributable to Equity holders

Particulars	for the year ended 31 March 2018	for the year ended 31 March 2017
(Loss)/Profit attributable to equity holders :	(76,762)	148,252
(Loss)/Profit attributable to equity holders for calculation of basic and diluted earnings	(76,762)	148,252

ii. Weighted average number of ordinary shares

Particulars	31 March 2018	31 March 2017
Weighted average number of equity shares for calculation of basic and diluted EPS	113,597,383	113,597,383
Basic & diluted earnings per share	(67.57)	130.50

NOTE 37: TRANSITION TO IND AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The Company has adopted Indian Accounting Standards (Ind AS) as notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, with effect from 1 April 2016, transition date pursuant to notification issued by Ministry of Corporate Affairs dated 16 February 2015. Accordingly, the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and the opening Ind AS balance sheet as at 1 April 2016 have been prepared in accordance with Ind AS.

For the purposes of reporting as set out in Note 2, we have transitioned our basis of accounting from Indian generally accepted accounting principles to Ind AS. The accounting policies set out in note 3 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the "transition date").

In preparing the financial statements for the year ended 31 March 2017 and balance sheet as at 1 April 2016 (Date of transition), the Company has adjusted amounts reported previously in financial statements prepared in accordance with Previous Generally Accepted Accounting Principles (Previous GAAP). This note explains the principal adjustments made by the Company in restating its Previous GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements for the year ended 31 March 2017. An explanation of how the transition from GAAP to Ind AS has affected our financial performance, cash flows and financial position is set out in the following tables and the notes that accompany the tables. On transition, we did not revise estimates made under previous GAAP except where required by Ind AS.



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Exemptions and exceptions availed

A Ind AS optional exemptions

Determining whether an arrangement contains a lease

Ind AS 101 includes an optional exemption that permits an entity to apply the relevant requirements in Appendix C of Ind AS 17 for determining whether an arrangement existing at the date of transition contains a lease by considering the facts and circumstances existing at the date of transition (rather than at the inception of the arrangement). The Company has elected to avail of the above exemption. Company has elected to apply this exemption on the basis of facts and circumstances existing as at the transition date.

B Ind AS mandatory exceptions

1. Estimates

Under Ind AS 101, an entity's estimates in accordance with Ind AS at 'the date of transition to Ind AS' (i.e. 1 April 2016) or 'the end of the comparative period presented in the entity's first Ind AS financial statements' (i.e. 31 March 2017), as the case may be, should be consistent with estimates made for the same date in accordance with the Previous GAAP.

The Company's Ind AS estimates as at the transition date are consistent with the estimates made as at the same date made under previous GAAP. Key estimates considered in preparation of the financial statements that were not required under the previous GAAP are listed below:

- Fair valuation of financial instruments
- Determination of the discounted value for financial instruments carried at amortised cost
- Discount rate for determining value of provision for redelivery cost and security deposit.
- Expected credit losses on financial assets.

2. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exists at the date of transition to Ind AS.

3. De-recognition of financial assets and liabilities

As per Ind AS 101, an entity should apply the de-recognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, an entity may apply the derecognition requirements retrospectively chosen by it, if the information needed to apply Ind AS 109 to financial assets and liabilities de-recognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The company has elected to apply the de-recognition requirements in Ind AS 109 from the date of transition i.e. 1 April 2016.

Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

(A) Reconciliation of equity as at 1 April 2016

Particulars	Notes	Amount as per Previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment	3	877,560	(211,051)	666,509
Capital work-in-progress	10	410	3,214	3,624
Other Intangible assets		2,905	-	2,905
Financial Assets				
Investments		69,619	-	69,619
Loans	1 and 4	229,288	(215,900)	13,388
Other financial assets	7	42,247	804	43,051
Income tax assets (net)		21,027	-	21,027
Other non-current assets	1 and 9	53,487	3,401	56,888
Total non current assets		<u>1,296,543</u>	<u>(419,532)</u>	<u>877,011</u>
Current Assets				
Inventories	3	104,971	(57,679)	47,292
Financial Assets				
Current investments	2	50,000	66	50,066
Trade receivables	4	162,490	(3,764)	158,726
Cash and cash equivalents		30,983	-	30,983
Other Bank balances		116,782	-	116,782
Loans	1	11,117	(1,041)	10,076
Other financial assets	4	86,140	(400)	85,740
Other current assets	1 and 9	57,056	(3,741)	53,315
Total current assets		<u>619,539</u>	<u>(66,559)</u>	<u>552,980</u>
TOTAL ASSETS		<u>1,916,082</u>	<u>(486,091)</u>	<u>1,429,991</u>
EQUITY AND LIABILITIES				
Equity				
Share capital		11,360	-	11,360
Other equity	11	(312,760)	(489,258)	(802,018)
Total equity		<u>(301,400)</u>	<u>(489,258)</u>	<u>(790,658)</u>
Non current liabilities				
Financial liabilities				
Borrowings	5 and 7	621,033	(89)	620,944
Other financial liabilities		51,831	-	51,831
Provisions	8	33,635	(7,037)	26,598
Other non current liabilities	9 and 10	38,522	14,105	52,627
Total non current liabilities		<u>745,021</u>	<u>6,979</u>	<u>752,000</u>
Current liabilities				
Financial liabilities				
Borrowings		302,106	-	302,106
Trade payables		587,201	-	587,201
Other financial liabilities	5	176,649	(4,325)	172,324
Provisions		2,574	-	2,574
Other current liabilities	9	403,931	513	404,444
Total current liabilities		<u>1,472,461</u>	<u>(3,812)</u>	<u>1,468,649</u>
Total liabilities		<u>2,217,482</u>	<u>3,167</u>	<u>2,220,649</u>
Total Equity and Liabilities		<u>1,916,082</u>	<u>(486,091)</u>	<u>1,429,991</u>

Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

(B) Reconciliation of equity as at 31 March 2017

Particulars	Notes	Amount as per Previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment	3	653,853	(167,898)	485,955
Capital work-in-progress		70,930	-	70,930
Other Intangible assets		3,589	-	3,589
Financial Assets				
Investments		69,667	-	69,667
Loans	1 and 4	217,200	(207,987)	9,213
Other financial assets	7	22,135	1,258	23,393
Income tax assets (net)		14,424	-	14,424
Other non-current assets	1 and 9	53,481	681	54,162
Total non current assets		<u>1,105,279</u>	<u>(373,946)</u>	<u>731,333</u>
Current Assets				
Inventories		49,876	-	49,876
Financial Assets				
Current investments		53,400	-	53,400
Trade receivables	4	137,276	(3,914)	133,362
Cash and cash equivalents		53,697	-	53,697
Other Bank balances		100,057	-	100,057
Loans	1	1,740	(1,125)	615
Other financial assets	4	91,139	(403)	90,736
Other current assets	1 and 9	53,273	(1,522)	51,751
Total current assets		<u>540,458</u>	<u>(6,964)</u>	<u>533,494</u>
TOTAL ASSETS		<u>1,645,737</u>	<u>(380,910)</u>	<u>1,264,827</u>
EQUITY AND LIABILITIES				
Equity				
Share capital		11,360	-	11,360
Other equity	11	(286,506)	(372,441)	(658,947)
Total equity		<u>(275,146)</u>	<u>(372,441)</u>	<u>(647,587)</u>
Non current liabilities				
Financial liabilities				
Borrowings	5 and 7	697,076	(291)	696,785
Other financial liabilities	5	2,307	(1,470)	837
Provisions	8	44,377	(6,945)	37,432
Other non-current liabilities	9	5,764	1,205	6,969
Total non current liabilities		<u>749,524</u>	<u>(7,501)</u>	<u>742,023</u>
Current liabilities				
Financial liabilities				
Borrowings		25,252	-	25,252
Trade payables		466,745	-	466,745
Other financial liabilities	5	249,145	(1,623)	247,522
Provisions		3,260	-	3,260
Other current liabilities	9	426,957	655	427,612
Total current liabilities		<u>1,171,359</u>	<u>(968)</u>	<u>1,170,391</u>
Total liabilities		<u>1,920,883</u>	<u>(8,469)</u>	<u>1,912,414</u>
Total Equity and Liabilities		<u>1,645,737</u>	<u>(380,910)</u>	<u>1,264,827</u>

Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

(C) Reconciliation of total comprehensive income for the year ended 31 March 2017

Particulars	Notes	Amount as per Previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS
Revenue				
Revenue from Operations		2,155,235	-	2,155,235
Other income	1,2,3,7,9,10	102,418	46,434	148,852
Total Income		<u>2,257,653</u>	<u>46,434</u>	<u>2,304,087</u>
Expenses				
Aircraft Fuel Expenses		547,378	-	547,378
Aircraft and Engines Lease Rentals	1	227,510	290	227,800
Employee Benefits Expenses	6	294,182	(5,181)	289,001
Finance costs	5 and 9	84,068	1,041	85,109
Depreciation and Amortization Expenses	3	88,701	(21,611)	67,090
Selling and Distribution Expenses		253,105	-	253,105
Other Expenses	1,3,4,8	723,686	(37,314)	686,372
Total Expenses		<u>2,218,630</u>	<u>(62,775)</u>	<u>2,155,855</u>
Profit before Tax		<u>39,023</u>	<u>109,209</u>	<u>148,232</u>
Tax expense:				
- Current Tax		-	-	-
- Short / (excess) tax provisions net for earlier years		(20)	-	(20)
Profit for the year		<u>39,043</u>	<u>109,209</u>	<u>148,252</u>
Other comprehensive income				
Items that will not be reclassified to profit or loss				
- Remeasurement of Defined Benifit Plans	6	-	(5,181)	(5,181)
- Income tax related to above mentioned items		-	-	-
Total comprehensive income for the year		<u>39,043</u>	<u>104,028</u>	<u>143,071</u>

Effect of Ind AS adoption on the Statement of Cash Flow for the year ended 31 March 2017

No Impact on cash flow from operating activities, Investing activities and financing activities under Ind AS from previous GAAP



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

(D) Reconciliation of total equity as at 1 April 2016 and 31 March 2017

Particulars	Notes	As at 1 April 2016	As at 31 March 2017
Equity under Previous GAAP		(301,400)	(275,146)
Summary of Ind AS adjustments			
Additional provision as per ECL	4	(216,296)	(212,342)
Discounting of redelivery provision	8	7,037	6,945
Fair valuation of security deposit	1	(703)	(195)
Fair valuation of investment in Mutual Fund	2	66	-
Reversal of forex capitalized in the cost of property, plant and equipment	3	(268,730)	(167,899)
Unwinding of deferred guarantee commission	9	(345)	(268)
Reversal of revenue earlier recognised as per Joint Development Agreement	10	(10,286)	-
Amortised cost of Non-convertible debentures as per EIR	5	(246)	619
Embedded derivative	7	245	699
Total Ind AS adjustments		(489,258)	(372,441)
Equity under Ind AS		(790,658)	(647,587)

(E) Reconciliation of total comprehensive income for the year ended on 31 March 2017

Particulars	Footnote ref.	For the year ended 31 March 2017
Comprehensive income under Previous GAAP		39,043
Summary of Ind AS adjustments		
Additional provision as per ECL	4	3,954
Discounting of redelivery provision	8	(92)
Fair valuation of security deposit	1	508
Fair valuation of investment in Mutual Fund	2	(66)
Reversal of forex capitalized in the cost of property, plant and equipment	3	89,512
Unwinding of deferred guarantee commission	9	77
Reversal of revenue earlier recognised as per Joint Development Agreement	10	10,286
Amortised cost of Non-convertible debentures as per EIR	5	(605)
Embedded derivatives	7	454
Actuarial Loss on remeasurement of defined benefit plans reclassified in other comprehensive income	6	5,181
Total Ind AS adjustments		109,209
Net profit for the year as per IND AS		148,252
Other comprehensive income		(5,181)
Total comprehensive income as per IND AS		143,071



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTES TO THE RECONCILIATION:

1 Security Deposit:

Under Previous Indian GAAP, security deposits were recorded at their transaction value. However, under Ind AS, such security deposit are required to be recognised initially at their fair value and subsequently at amortised cost. Difference between the fair value and transaction value of the security deposit has been recognised as deferred rent. The unwinding of security deposit is recognised as notional interest income in Statement of Profit and Loss at effective interest rate and the deferred rent gets amortised on a straight line basis over the term of the security deposit.

As a result of the above change, the amount of security deposit as on 31 March 2017 has decreased by ₹ 3,890 Lakhs (1 April 2016 : ₹ 4,809 Lakhs) with a creation of deferred rent of ₹ 3,695 Lakhs (1 April 2016 : ₹ 4,106 Lakhs) and retained earnings decreased by ₹ 703 Lakhs as at 1 April 2016. The profit and retained earnings for the year ended 31 March 2017 increased by ₹ 508 Lakhs due to amortisation of deferred rent of ₹ 411 and increase in notional interest income of ₹ 919 Lakhs recognised on security deposits.

2 Fair Value Through Profit and Loss (FVTPL) financial assets:

Under Previous GAAP, the Company accounted for investments in Mutual Funds as investment measured at lower of cost or fair value. However, under Ind-AS, such investments are measured at fair value with a change to be recorded in statement of profit and loss. At the date of transition to Ind-AS, difference between the instruments fair value and Previous GAAP carrying amount of ₹ 66 Lakhs has been recognised in the Retained Earnings. Further, the profit and other equity for the year ended 31 March 2017 has decreased by ₹ 66 Lakhs due to the fair value changes.

3 Property, Plant and Equipment:

Under Previous GAAP, the Company capitalised foreign exchange differences as part of property, plant and equipment ("PPE"). Under Ind AS such differences are recorded in statement of profit and loss. Consequently, the value of property, plant and equipment is decreased by ₹ 268,730 Lakhs as on transition date. The profit and retained earnings for the financial year ended 31 March 2017 has been increased by ₹ 71,391 Lakhs.

Under previous GAAP, Company recorded exchange differences relating to certain borrowings in the equity and amortised over a period of loan. Under Ind AS such exchange differences are recorded in the statement of profit and loss in the year to which it relate to. Consequently foreign exchange differences lying under Foreign Currency Monetary Item Translation Difference Account (FCMITDA) ₹ 1,683 Lakhs has been reversed. The profit and retained earnings for the financial year ended 31 March 2017 has been increased by ₹ 18,121 Lakhs.

The Company, in accordance with Ind AS 16 - Property, Plant and Equipment, has identified certain spare parts as they meet the definition of PPE, which were earlier presented as inventories in the Previous GAAP. As a result, such inventory amounting to ₹ 57,679 Lakhs is reclassified as rotables and non-aircraft equipment as on transition date under PPE and depreciated over its remaining useful life.

4 Trade receivables and Loan to Subsidiary:

Under Previous GAAP, the Company has created provision for impairment of receivables and loan to subsidiary for specific amount based on the realisability assessment. Under Ind-AS, impairment allowance has been determined based on Expected Credit Loss model (ECL) following Ind AS 109. Accordingly the trade receivables and loans to subsidiary has decreased by ₹ 3,764 Lakhs and ₹ 212,532 Lakhs respectively and the corresponding impact is given to the retained earnings as on transition date. The profit and retained earning has been Increased by ₹ 3,954 Lakhs for the year ended 31 March 2017.

5 Non-convertible Debenture (NCD) at Amortised cost:

Under Previous GAAP, interest were charged to statement of profit and loss on time proortion as per the terms of the NCD. However, under Ind-AS, the same is charged to statement of profit and loss using the EIR method. The profit / (loss) for the year ended 31 March 2017 decreased by ₹ 605 Lakhs. Further, the impact on retained earnings as on transition date and as on 31 March 2017 are ₹ (246) Lakhs and ₹ 619 Lakhs respectively.



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

6 Employee benefits :

Under Previous GAAP, actuarial gains and losses were charged to statement of profit and loss. However, under Ind AS actuarial gains and losses on defined benefit liability are recognised in Other Comprehensive Income. As a result of this change, the employee benefit expense to the extent of actuarial loss amounting to ₹ 5,181 Lakhs (net of taxes ₹ 5,181 Lakhs) for the year ended 31 March 2017 has been reduced and the same has been reclassified to Other Comprehensive Income. There is no impact on the other equity as at 31 March 2017.

7 Embedded Derivative:

Under Previous GAAP, there was no requirement to assess and measure embedded derivatives in a debt contract. However, under Ind AS, embedded derivative requires separation (if certain conditions are satisfied) from the host debt contract and measured at fair value at every reporting period and the changes to fair value are to be recorded in statement of profit and loss. This change has resulted in recording an embedded derivative asset amounting to ₹ 804 Lakhs, out of which ₹ 245 Lakhs credited to retained earnings and ₹ 559 Lakhs is credited to debenture on transition date. Consequently, the profit and retained earnings has been increased by ₹ 454 Lakhs for the year ended 31 March 2017 due to fair valuation of embedded derivative.

8 Discounting of Redelivery provision:

Under the Previous GAAP, discounting of provisions was not required. However, under Ind AS, the provisions are measured at discounted amounts, if the effect of the time value of money is material. Consequent to this change, the provision for redelivery cost has decreased by ₹ 7,037 Lakhs as on transition date. The profit and retained earnings for the year ended 31 March 2017 decreased by ₹ 92 Lakhs (net) due to unwinding of discounted provision (included in other expense).

9 Recognition of financial guarantee contract:

Under Previous GAAP, there was no requirement to recognise any liability for financial guarantee extended to subsidiary. However, under Ind AS a guarantor is required to recognise the liability for financial guarantee initially at its fair value. Accordingly a deferred liability has been created with corresponding debit to retained earnings on the transition date amounting to ₹ 1,118 Lakhs. Subsequently, this guarantee is to be measured as income in accordance with Ind AS 18, accordingly the Company has recognised income of ₹ 513 Lakhs for the financial year ended 31 March 2017.

Similarly, Ind AS 109 also requires the entity guaranteed to recognise asset for financial guarantee initially at its fair value. Accordingly a deferred asset has been created with corresponding credit to retained earnings on the transition date amounting to ₹ 773 Lakhs. Subsequently, this deferred asset is amortised through statement of profit and loss as expense over the period of guarantee contract. Accordingly, the Company has recognised expense of ₹ 436 Lakhs for the financial year ended 31 March 2017.

10 Other financial liability : Advance from developer

Under, the previous GAAP, advance of ₹ 13,500 Lakhs received from developer towards reimbursement of expenses and cost of construction incurred till the date of entering into development agreement was credited to retained earnings of (₹ 10,286 Lakhs) and adjusted against capital work in progress (₹ 3,214 Lakhs). Under Ind AS advance from developer is required to be carried as a liability till the completion of the project, accordingly liability of ₹ 13,500 Lakhs has been recognised under Ind AS on the transition date. Further, profit and retained earnings has been increased by ₹ 10,286 Lakhs for the year ended 31 March 2017.

11 Retained earnings :

Retained earnings as at 1 April 2016 has been appropriately restated consequent to the above Ind AS transition adjustments.

Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 38: TAX EXPENSE

(a) Amounts recognised in profit and loss

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Current income tax		
Current Year	-	-
Prior Period excess paid	-	(20)
Deferred income tax liability / (asset), net	-	-
Deferred tax expense	-	-
Income Tax expense reported in statement of profit and loss	-	(20)

(b) Amounts recognised in other comprehensive income

	For the year ended 31 March 2018			For the year ended 31 March 2017		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Net Gain / (Loss) on remeasurements of the defined benefit plans	149	-	149	(5,181)	-	(5,181)
	<u>149</u>	<u>-</u>	<u>149</u>	<u>(5,181)</u>	<u>-</u>	<u>(5,181)</u>

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

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Accounting Profit before Income Tax	(76,762)	148,232
Tax using the Company's domestic tax rate (31 March 2018: 30.90% and 31 March 2017: 32.445%)	23,719	(48,094)
Tax effect of:		
Non deductible expenses for tax purpose	25	5
Tax effect of brought forward Losses/unabsorbed depreciation of current year on which no deferred tax asset is recognised	(42,058)	-
Set-off of the carried forward tax losses for which no deferred tax asset was recognised	-	30,621
Temporary differences in current year on which no deferred tax asset is recognised	14,452	25,119
Deferred tax on Long Term Capital Loss (LTCL)	3,289	(6,944)
Prior period tax	-	(20)
Others	573	(707)
Net effective income tax	-	(20)



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

39. (a) Components of deferred tax assets and (liabilities) recognised in the balance sheet, statement of profit and loss and statement of other comprehensive income

(a) Deferred Tax

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Deferred Tax Liability	(69,676)	(74,925)	(90,863)
Deferred Tax Assets	69,676	74,925	90,863
Net Deferred Tax asset / (liability)	-	-	-

Year ended March 2018	Opening	Recognised in profit or loss	Recognised in OCI	Closing Balance
Property, Plant and equipment	(72,394)	4,857	-	(67,537)
Financial Assets	(2,531)	392	-	(2,139)
Provisions	53,742	8,230	-	61,972
Others additions and disallownces (Net)	21,183	(13,479)	-	7,705
Total	-	-	-	-

Year ended March 2017	Opening	Recognised in profit or loss	Recognised in OCI	Closing Balance
Property, Plant and equipment	(88,920)	16,526	-	(72,394)
Financial Assets	(1,943)	(588)	-	(2,531)
Provisions	77,308	(23,565)	-	53,742
Others additions and disallownces (Net)	13,555	7,627	-	21,183
Total	-	-	-	-

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

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Unused Tax Losses	522,986	481,437	511,076
Unabsorbed Tax depreciation	96,939	28,345	97,670
Temporary differences	94,773	121,510	44,090
Total	714,698	631,292	652,836

- (1) Unabsorbed depreciation does not have any expiry period under the Income Tax Act, 1961.
- (2) The tax benefits for the losses would expire if not utilised starting from financial year 2018-19 to 2025-26.
- (3) No deferred tax benefit is recognised in the absence of reasonable certainty that taxable income will be generated by the company to offset the losses.



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 40: EMPLOYEE BENEFITS

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

(i) Defined Contribution Plans:

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

Expenses recognised for defined contribution plans are summarised below:

Particulars	for the year ended 31 March 2018	for the year ended 31 March 2017
Contribution to Provident Fund	4,674	7,347
Contribution to F.P.F.	1,940	3,058
Contribution to EDLI	110	108
Contribution to Employees' State Insurance Scheme	267	213
Total	6,991	10,726

(ii) 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 :

- 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.
- On death while in service :
As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity was carried out on 31 March 2018 by an actuary. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Movement in net defined benefit (asset) liability

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

Particulars	Defined benefit obligation for the year ended	
	31 March 2018	31 March 2017
Opening balance	17,083	11,060
Included in profit or loss		
Current service cost	1,278	863
Past service cost	-	-
Interest cost	1,245	889
Closing Balance	19,606	12,811
Included in Other Comprehensive Income		
Actuarial loss (gain) arising from remeasurement of defined benefit liability		
Financial assumptions	(1,136)	1,507
Experience adjustment	987	3,674
	19,457	17,992
Contributions paid by the employer		
Benefits paid	(893)	(910)
Closing balance	18,564	17,083



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Plan assets

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

Actuarial assumptions

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

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Discount rate	7.78%	7.29%
Salary escalation rate	5.00%	5.00%
Mortality rate	Indian Assured Lives Mortality(2006-08)	Indian Assured Lives Mortality(2006-08)
Rate of Employee Turnover	For service 4 years and below 30.00% p.a. & For service 5 years and above 1.00% p.a.	For service 4 years and below 30.00% p.a. & For service 5 years and above 1.00% p.a.

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

Sensitivity analysis

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

Particulars	For the year ended 31 March 2018		For the year ended 31 March 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(2,036)	2,429	(1,965)	2,359
Future salary growth (1% movement)	2,473	(2,103)	2,390	(2,022)
Employee Turnover rate (1% movement)	670	(765)	530	(607)

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

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

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

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

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

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

Expected Future Cash flows

Projected Benefits Payable in Future Years From the Date of Reporting	For the year ended 31 March 2018	For the year ended 31 March 2017
Less than 1 year	1,136	1,001
Between 1 - 2 years	538	347
Between 2 - 5 years	2,344	2,154
Over 5 Years	5,308	4,276

(iii) Other long term employee benefits

The obligation of compensated absences (non-funded) for the year ended 31 March 2018, amounting to ₹ 2,047 Lakhs (31 March 2017 ₹ 3,894 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 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 41: LEASES

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

A. Finance Leases (Aircraft)

Particulars	Future Minimum Lease Payments			Present Value of Future Minimum Lease Payments			Finance Charges	
	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016	As at 31 March 2018	As at 31 March 2017
Not later than one year	104,199	84,421	110,499	98,685	76,500	98,279	5,514	7,921
Later than one year and not later than five years	109,746	212,250	358,344	106,728	204,388	341,197	3,018	7,862
Later than five years	-	-	-	-	-	-	-	-
TOTAL	213,945	296,671	468,843	205,413	280,888	439,476	8,532	15,783

The salient features of a Finance Lease Agreement are :

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

B. Operating leases

Leases as lessee

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

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

a) Commercial Premises and Amenities

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Not later than one year	1,449	1,422	8
Later than one year and not later than five years	951	2,387	-
Later than five years	-	-	-
	2,400	3,809	8

b) Aircraft and Spare Engines

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Not later than one year	240,181	225,021	215,380
Later than one year and not later than five years	654,481	687,868	750,596
Later than five years	75,362	145,027	254,265
	970,024	1,057,916	1,220,241



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

The Salient features of an Operating Lease agreement are :

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

c) Landing Rights

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

	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 1 April 2016
Not later than one year	3,646	3,317	3,478
Later than one year and not later than five years	3,111	-	3,389
Later than five years	-	-	-
	<u>6,757</u>	<u>3,317</u>	<u>6,867</u>

d) Details of future minimum lease income in respect of one (1) Aircraft (31 March 2017: 1; 01 April 2016: 10) given on non-cancellable Dry Lease as at 31st March as follows:

Aircraft

	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 1 April 2016
Not later than one year	3,363	3,346	35,330
Later than one year and not later than five years	7,109	10,420	53,747
Later than five years	-	-	389
	<u>10,472</u>	<u>13,766</u>	<u>89,466</u>

The Salient features of Dry Lease agreements are as under :

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

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

Particulars	For the year ended	
	31 March 2018	31 March 2017
Cost of Acquisition	37,845	37,845
Accumulated Depreciation	22,431	19,920
Depreciation Debited to Statement of Profit and Loss during the year on the above Leased Assets	2,510	2,510
Lease Rental income recognised on Assets Leased during the year	3,328	62,384

- The lease rentals recognised in the Statement of Profit and Loss for the year ended 31 March 2018 are ₹ 358,823 Lakhs (31 March 2017 ₹ 331,309 Lakhs).

Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 42: FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

A. Accounting classification and fair values

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

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

31 March 2017	Fair Value through Profit and Loss	Amotised Cost	Total Carrying Values	Total Fair Values
Financial assets				
Cash and cash equivalents	-	53,697	53,697	53,697
Other bank balances	-	100,057	100,057	100,057
Investment in certificate of deposit	-	89	89	89
Investment in equity - unquoted	-	6	6	6
Current investments	53,400	-	53,400	53,400
Non-Current loans	-	9,213	9,213	9,213
Current loans	-	615	615	615
Trade and other receivables	-	133,362	133,362	133,362
Other Non-current financial asset	1,258	22,135	23,393	23,393
Other Current financial asset	-	90,736	90,736	90,736
	<u>54,658</u>	<u>409,910</u>	<u>464,568</u>	<u>464,568</u>
Financial liabilities				
Long term borrowings	-	625,485	625,485	625,485
Non-convertible debentures	-	71,300	71,300	71,300
Short term borrowings	-	25,252	25,252	25,252
Trade and other payables	-	466,745	466,745	466,745
Other Non-Current financial liabilities	-	837	837	837
Other Current financial liabilities	-	247,522	247,522	247,522
	<u>-</u>	<u>1,437,141</u>	<u>1,437,141</u>	<u>1,437,141</u>



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

1 April 2016	Fair Value through Profit and Loss	Amotised Cost	Total Carrying Values	Total Fair Values
Financial assets				
Cash and cash equivalents	-	30,983	30,983	30,983
Other bank balances	-	116,782	116,782	116,782
Investment in certificate of deposit	-	89	89	89
Investment in equity - unquoted	-	8	8	8
Current investments	50,066		50,066	50,066
Non-Current loans	-	13,388	13,388	13,388
Current loans	-	10,076	10,076	10,076
Trade and other receivables	-	158,726	158,726	158,726
Other Non-current financial asset	804	42,247	43,051	43,051
Other Current financial asset	-	85,740	85,740	85,740
	<u>50,870</u>	<u>458,039</u>	<u>508,909</u>	<u>508,909</u>
Financial liabilities				
Long term borrowings	-	550,249	550,249	550,249
Non-convertible debentures	-	70,695	70,695	70,695
Short term borrowings	-	302,106	302,106	302,106
Trade and other payables	-	587,201	587,201	587,201
Other Non-Current financial liabilities	-	51,831	51,831	51,831
Other Current financial liabilities	-	172,324	172,324	172,324
	-	<u>1,734,406</u>	<u>1,734,406</u>	<u>1,734,406</u>

B. Fair value heirarchy

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

Particulars	As on 31 March 2018			
Financial assets	Level 1	Level 2	Level 3	Total
Other Non-current financial asset	-	1,468	-	1,468
Total	<u>-</u>	<u>1,468</u>	<u>-</u>	<u>1,468</u>
Particulars	As on 31 March 2017			
Financial assets	Level 1	Level 2	Level 3	Total
Other Non-current financial asset	-	1,258	-	1,258
Current investments - Mutual Fund	53,400	-	-	53,400
Total	<u>53,400</u>	<u>1,258</u>	<u>-</u>	<u>54,658</u>
Particulars	As on 01 April 2016			
Financial assets	Level 1	Level 2	Level 3	Total
Other Non-current financial asset	-	804	-	804
Current investments - Mutual Fund	50,066	-	-	50,066
Total	<u>50,066</u>	<u>804</u>	<u>-</u>	<u>50,870</u>

Valuation Process:

- (1) The Company's borrowings have been contracted at floating rates of interest, which gets reset periodically based on the market movements. Accordingly, the carrying value of such borrowings approximates fair value.
- (2) The carrying amounts of trade receivables, short term borrowings, trade payables, cash and cash equivalents, other current financial assets, and other current financial liabilities approximates fair value, being short-term in nature.



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

- (3) The other non-current financial assets includes bank deposits (due for maturity beyond twelve months from the reporting date), interest accrued but not due on bank deposits and contribution receivable from lessors. The carrying value of these are approximately equal to the fair values as on the reporting date.
- (4) Other Non-current financial asset also includes embedded derivative as regards the value of call option for pre-payment of Debenture, created on the date of transition. The valuation of the same is arrived at after considering average of the following two approaches:
 - (i) Direct method - Differential analysis between the price of a hypothetical non-callable bond and the price of the callable bond as on the Value Analysis Dates
 - (ii) Cost Saving method - Cost saving analysis, based on the interest cost saved on account of the callability feature as on the Value Analysis Dates
- (5) Current Investments represents investments in Mutual funds which are fair valued at year end NAV.
- (6) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for all financial instruments, the fair value estimates presented above are indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.
- (7) There has been no transfers between Level 1, Level 2 and Level 3 for the years ended 31 March 2018 and 31 March 2017.

NOTE 43: FINANCIAL RISK MANAGEMENT

In the course of its business, the Company is primarily exposed to fluctuations in foreign currency exchange rates, interest rates, Jet fuel rate, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate & credit risks and Jet fuel rate movement. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

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

i. Credit risk

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

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

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Trade Receivables	127,935	133,362	158,726
Loans	9,868	9,828	23,464
Cash & cash equivalents	31,894	53,576	30,826
Other bank balances	103,994	100,057	116,782
Investments	-	53,400	50,066
Other financial assets	126,960	114,129	128,791



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Trade receivables

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

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

The ageing of the trade receivable is as follows:

	Gross Carrying amount		
	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Neither past due nor impaired	120,045	125,532	106,918
Past due 1-90 days	2,501	2,473	38,066
Past due 91-180 days	2,521	1,825	10,551
Past due more than 180 days	16,598	15,898	15,596
	<u>141,665</u>	<u>145,728</u>	<u>171,131</u>

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

The provision matrix is as below:

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

The Company's exposure to customers is diversified and no single customer contributes to more than 10 % of outstanding trade receivables as at 31 March 2018, 31 March 2017 and 1 April 2016.

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

Particulars	Expected credit loss
Balance as at 1 April 2016	12,405
Additional provision recognised	264
Provisions not required written back	(238)
Amounts written off	(65)
Balance as at 31 March 2017	<u>12,366</u>
Additional provision recognised	1,879
Provisions not required written back	(515)
Amounts written off	
Balance as at 31 March 2018	<u>13,730</u>



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Loans

The loans primarily represents security deposits placed with aircraft & engine lessors. Such deposits will be returned to the Company on redeliveries of the aircraft. The credit risk associated with such deposits is relatively low given the credit standing of these reputed lessors and the diversified lease portfolio.

Security Deposit	31 March 2018	31 March 2017	1 April 2016
Gross carrying amount	10,314	10,683	24,328
Impairment allowance	(446)	(855)	(864)
Carrying amount net of impairment provision	9,868	9,828	23,464

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

Particulars	Loss allowances measured at lifetime expected losses*
Balance as at 1 April 2016	864
Additional provision recognised	-
Provisions not required written back	(9)
Amounts written off	-
Balance as at 31 March 2017	855
Additional provision recognised	-
Provisions not required written back	-
Amounts written off	(409)
Balance as at 31 March 2018	446

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

Cash and cash equivalents

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

Investments

Investments primarily include investment in liquid mutual funds.

Other financial assets

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

Loan to subsidiary

Non current financial assets include loan to subsidiary ₹ 240,838 Lakhs as at 31 March 2018 (₹ 235,838 Lakhs: 31 March 2017 and ₹ 239,782 Lakhs : 01 April 2016) are fully impaired as per Ind AS 109 following ECL model.

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

Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars	Loss allowances measured at lifetime expected losses*
Balance as at 1 April 2016	240,182
Additional provision recognised	-
Provisions not required written back	(3,940)
Amounts written off	-
Balance as at 31 March 2017	236,242
Additional provision recognised	4,596
Provisions not required written back	-
Amounts written off	-
Balance as at 31 March 2018	240,838

* Financial assets for which credit risk is originally credit impaired

ii. Liquidity risk

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

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

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

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Company's liquidity position on the basis of expected cash flows.
- Maintaining diversified credit lines.

Exposure to liquidity risk

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

31 March 2018	Contractual cash flows				
	Carrying amount	Total	Within 12 months	1-5 years	More than 5 years
Non-derivative financial liabilities					
Non Current borrowings					
Term Loan from Banks*	486,247	554,550	241,528	310,436	2,586
Term Loan from Others*	55,957	69,945	10,685	59,260	-
Non-convertible Debentures*	72,198	105,864	14,425	91,439	-
Long Term Maturities of Finance Lease Obligation*	206,055	213,945	104,199	109,746	-
Current borrowings	20,956	23,332	23,332	-	-
Trade payables	643,333	643,333	643,333	-	-
Other non current financial liability	841	841	-	841	-
Other current financial liabilities	6,963	6,963	6,963	-	-
	<u>1,492,550</u>	<u>1,618,773</u>	<u>1,044,465</u>	<u>571,722</u>	<u>2,586</u>

Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

31 March 2017	Contractual cash flows				
	Carrying amount	Total	Within 12 months	1-5 years	More than 5 years
Non-derivative financial liabilities					
Non Current borrowings					
Term Loan from Banks*	510,957	595,441	140,884	454,557	-
Term Loan from Others*	19,595	20,178	3,773	16,405	-
Non-convertible Debentures*	71,475	120,289	14,425	105,864	-
Long Term Maturities of Finance Lease Obligation*	281,730	296,671	84,421	212,250	-
Current borrowings	25,252	25,252	25,252	-	-
Trade payables	466,745	466,745	466,745	-	-
Other non current financial liability	837	837	-	837	-
Other current financial liabilities	60,550	60,550	60,550	-	-
	<u>1,437,141</u>	<u>1,585,963</u>	<u>796,050</u>	<u>789,913</u>	<u>-</u>

1 April 2016	Contractual cash flows				
	Carrying amount	Total	Within 12 months	1-5 years	More than 5 years
Non-derivative financial liabilities					
Non Current borrowings					
Term Loan from Banks*	244,354	277,481	72,054	205,427	-
Term Loan from Others*	20,418	21,013	601	20,412	-
Non-convertible Debentures*	70,870	134,686	14,396	120,290	-
Long Term Maturities of Finance Lease Obligation*	440,794	468,843	110,499	358,344	-
Current borrowings	302,106	308,227	308,227	-	-
Trade payables	587,201	587,201	587,201	-	-
Payable for purchase of fixed asset	51,831	51,831	51,831	-	-
Other current financial liabilities	16,832	16,832	16,832	-	-
	<u>1,734,406</u>	<u>1,866,114</u>	<u>1,161,641</u>	<u>704,473</u>	<u>-</u>

* The amounts includes interest accrued but not due on borrowings.

iii. Market risk

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

Jet Fuel Price risk

The Company is exposed to Volatility in the price of Jet fuel and closely moniteres the actual cost against the forecast cost. To manage the price risk, the Company evaluates its option to achieve control over its impact on profitability.

Currency risk

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



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Exposure to currency risk

The company's exposure to foreign currency risk as at the 31 March 2018, 31 March 2017 and 01 April 2016 expressed are as follows:

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

	31 March 2017	31 March 2017	31 March 2017
	USD	EURO	Others*
Financial assets			
Cash and cash equivalents	34,303	3,383	11,825
Loans and advances	101,152	133	1,007
Trade and other receivables	8,526	9,737	55,415
Other financial assets	441	83	833
	<u>144,422</u>	<u>13,336</u>	<u>69,080</u>
Financial liabilities			
Finance lease obligation	280,888	-	-
Long term borrowings	384,244	-	-
Interest Accrued but Not Due on Borrowings	1,062	-	-
Trade and other payables	250,874	12,238	26,835
Other Financial liabilities	1,157	82	316
	<u>918,225</u>	<u>12,320</u>	<u>27,151</u>

	1 April 2016	1 April 2016	1 April 2016
	USD	EURO	Others*
Financial assets			
Cash and cash equivalents	11,359	2,607	11,700
Loans and advances	125,239	60	1,167
Trade and other receivables	28,829	10,348	51,168
Other financial assets	3,933	187	443
	<u>169,360</u>	<u>13,202</u>	<u>64,478</u>
Financial liabilities			
Finance lease obligation	439,476	-	-
Long term borrowings	265,097	-	-
Short term borrowings	252,051	-	-
Interest Accrued but Not Due on Borrowings	1,495	-	-
Trade and other payables	309,774	15,559	27,551
Other Financial liabilities	2,703	89	331
	<u>1,270,596</u>	<u>15,648</u>	<u>27,882</u>

* Others include mainly AED, GBP, HKD



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Sensitivity analysis

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

	Profit or loss	
Effect	Weakening	Strengthening
For the year ended 31 March 2018		
1% movement		
USD	(8,075)	8,075
EUR	(12)	12
Others	294	(294)
	<u>(7,793)</u>	<u>7,793</u>
	Profit or loss	
Effect	Weakening	Strengthening
For the year ended 31 March 2017		
1% movement		
USD	(7,738)	7,738
EUR	10	(10)
Others	419	(419)
	<u>(7,309)</u>	<u>7,309</u>

Interest rate risk

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

Exposure to interest rate risk

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

	31 March 2018	31 March 2017	1 April 2016
Fixed-rate instruments			
Financial assets	109,078	100,100	120,135
Financial liabilities	72,023	71,300	70,695
	<u>181,101</u>	<u>171,400</u>	<u>190,830</u>
Variable-rate instruments			
Financial liabilities	768,428	836,472	1,012,653
	<u>768,428</u>	<u>836,472</u>	<u>1,012,653</u>
Total	<u>949,529</u>	<u>1,007,872</u>	<u>1,203,483</u>



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Cash flow sensitivity analysis for variable-rate instruments

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

	Profit or loss	
	50 bp increase	50 bp decrease
31 March 2018		
Variable-rate instruments	(3,842)	3,842
Cash flow sensitivity	<u>(3,842)</u>	<u>3,842</u>
31 March 2017		
Variable-rate instruments	(4,182)	4,182
Cash flow sensitivity	<u>(4,182)</u>	<u>4,182</u>

NOTE 44: CAPITAL MANAGEMENT

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

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

The Company's adjusted net debt to equity ratio as at 31 March 2018 is as follows.

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Non - Current Borrowings	508,556	696,785	620,944
Current Borrowings	331,759	210,987	455,928
Gross Debt	840,315	907,772	1,076,872
Less : Cash and cash equivalent	32,050	53,697	30,983
Less : Other Bank Deposits	-	-	3,246
Less : Current Investments	-	53,400	50,066
Adjusted net debt	808,265	800,675	992,577
Total Equity	(724,200)	(647,587)	(790,658)
Adjusted net debt to adjusted equity ratio*	-	-	-

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

As at 31 March 2018, the company has complied with the financial covenants in all material respect in relation to its borrowings.

Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

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

		31 March 2018	31 March 2017	1 April 2016
A.	Contingent liabilities			
a)	Guarantees			
i.	Letters of Credit Outstanding	312,218	283,818	233,496
ii.	Bank Guarantees outstanding	127,686	109,501	119,849
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	17,678	16,441	22,045
-	Outstanding Amounts against the Guarantee	17,678	16,441	22,045
b)	Claims against the Company not acknowledged as debt			
i.	Service Tax demands in appeals	122,696	86,396	109,180
ii.	Fringe Benefit Tax demand in appeals	142	142	142
iii.	Pending Civil and Consumer Suits	12,389	13,474	15,472
iv.	Inland Air Travel Tax demands under appeal	426	426	426
	Amount deposited with the Authorities for the above demands	105	105	105
v.	Customs	3,010	2,948	2,099
vi.	Income tax demands in appeal	3,952	1,468	5,548
vii.	Sales tax	-	-	13
viii.	Employee State Insurance Corporation	2,999	2,999	2,999
ix.	IGST paid under Protest (Refer note 10)	21,134	-	-

x. The Company is in receipt of favourable orders in relation to certain service tax, income tax, customs and octroi demands. However, respective tax departments have preferred an appeal against these orders before higher appellate authorities. The amounts involved (excluding interest and penalty thereon, if any, not included in such demands) in these appeals as on 31 March 2018, with respect to service tax, income tax (including FBT), customs and octroi aggregating to ₹ 202,714 Lakhs (31 March 2017: ₹ 179,511 Lakhs; 01 April 2016: ₹ 179,511 Lakhs), ₹ 14,917 Lakhs (31 March 2017 ₹ 20,123 Lakhs; 01 April 2016: 27,982), 5 Lakhs (31 March 2017: ₹ 5 Lakhs; 01 April 2016: Nil) and ₹ 2,899 Lakhs (31 March 2017: ₹ 2,899 Lakhs; 01 April 2016: ₹ 2,899 Lakhs) respectively are not included above as there is no outstanding demand in relation to the same.

xi. The Company had acquired 100% of the shareholding of Sahara Airlines Limited (SAL) (now known as Jet Lite (India) Limited) in April 2007. As per the Share Purchase Agreement (SPA) as amended by the subsequent Consent Award, the mutually agreed sale consideration was to be paid to the Selling Shareholders Sahara India Commercial Corporation Limited (SICCL) in four equal interest free instalments by 30 March 2011. As a result of certain disputes that arose between the parties, both the parties had filed petitions in the Hon'ble Bombay High Court for breach of SPA as amended by the subsequent Consent Award. The Hon'ble Bombay High Court delivered its Judgment on 4th May, 2011 whereby 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 immoveable assets and properties in any manner other than in the normal course of the business, stood released.



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

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

The Division Bench of the Hon'ble Bombay High Court heard the matter and vide its order dated 17th October, 2011 dismissed both the appeals as being not maintainable in view of jurisdictional issue. The Company has since filed Special Leave Petitions (SLP) before the Hon'ble Supreme Court challenging both the orders of 4th May, 2011 and 17th October, 2011. SICCL had earlier filed a SLP before the Hon'ble Supreme Court for increased compensation and interest.

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

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

- xii. **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

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

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Property, Plant and Equipment	5,250,913	3,717,602	3,798,638
TOTAL	5,250,913	3,717,602	3,798,638

For the commitment relating to Lease arrangement refer note 41

NOTE 46: SEGMENT REPORTING

(a) Factors used to identify the entity's reportable segments, including the basis of organisation

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

The principal activities of the Company comprises scheduled Air Transportation, which includes carriage of passenger and cargo in Domestic and International sectors. Accordingly, the Company has two reportable segments as follows:

Domestic (within India)

International (outside India)

Segment revenue and expenses:

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



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Segment assets and liabilities:

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

B. Information about reportable segments

Particulars	For the Year ended 31 March 2018	For the Year ended 31 March 2017
Revenue (Primarily Passenger, Cargo, Excess Baggage and Leasing of Aircraft)		
Domestic	1,038,037	9,15,659
International	1,290,616	1,239,576
Total	2,328,653	2,155,235
Segment Results		
Domestic	601,402	576,261
International	708,803	763,179
Total	1,310,205	1,339,440
Less:		
Finance Cost	(84,286)	(85,109)
Depreciation and amortization	(62,057)	(67,090)
Other unallocable expenses	(1,307,808)	(1,187,861)
Add:		
Other unallocable revenue	67,184	148,852
(Loss)/Profit before tax	(76,762)	148,232
Add/Less:		
Tax expense	-	20
(Loss)/Profit After Tax	(76,762)	148,252

C. Information about major customers

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

D. Entity wide disclosure

Revenue from external customers	For the Year ended 31 March 2018	For the Year ended 31 March 2017
India	1,038,037	915,659
Asia	786,652	799,617
Europe & Americas	500,322	377,575
Other International Points (Including leasing income)	3,642	62,384
Total	2,328,653	2,155,235

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



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 47: RELATED PARTY RELATIONSHIPS, TRANSACTIONS AND BALANCES

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

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

Sr. No.	Name of the Related Party	Nature of Relationship
1.	Naresh Goyal	Non-Executive Chairman and Controlling Shareholder of the Company
2.	Etihad Airways PJSC	Enterprise exercising Significant Influence over the Company.
3.	Jet Lite (India) Limited	Wholly Owned Subsidiary Company
4.	Jet Airways Training Academy Private Limited (JATAPL) * till 15 January 2016	
5.	Airjet Engineering Services Limited w.e.f 18 May 2017	
6.	Airjet Security and Allied Services Limited w.e.f 19 May 2017	
7.	Airjet Ground Services Limited w.e.f 10 March 2017	
8.	Airjet Training Services Limited w.e.f 18 May 2017	
9.	Jet Privilege Private Limited	Associate Company
10.	Anita Goyal	Relatives of Executive Chairman and controlling shareholder
11.	Nivaan Goyal	
12.	Namrata Goyal	
13.	Gaurang Shetty	Wholetime Director
14.	Jetair Private Limited	Enterprises over which controlling shareholder and his relatives are able to exercise significant influence directly or indirectly.
15.	Kevin Knight	Non-Executive Director
16.	Harsh Mohan	Non-Executive Director
17.	Srinivasan Vishvanathan	Non-Executive Director
18.	Vikram Mehta	Non-Executive Director
19.	Rajshree Pathy	Non-Executive Director
20.	James Reginald Hogan (ceased w.e.f. 7 December 2017)	Non-Executive Director
21.	James Denis Rigney (ceased w.e.f. 12 September 2017)	Non-Executive Director
22.	Javed Akhtar (ceased w.e.f. 30 May 2017)	Non-Executive Director
23.	Dinesh Kumar Mittal (ceased w.e.f. 29 January 2018)	Non-Executive Director
24.	Aman Mehta (ceased to be independent director w.e.f. 27 December 2016)	Non-Executive Director
25.	I M Kadri (ceased to be independent director w.e.f. 27 December 2016)	Non-Executive Director
26.	Vinay Dubey (w.e.f. 9 August 2017)	Chief Executive Officer (CEO)
27.	Amit Agarwal	Deputy Chief Executive Officer and Chief Financial Officer (Dy. CEO & CFO)



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars	for the year ended		
	31 March 2018	31 March 2017	1 April 2016
(a) Subsidiary Companies			
Jet Lite (India) Limited :			
Transactions during the year :			
1) Other Hire Charges received	142	351	
2) (Increase) / Decrease in Corporate Guarantee given by the Company on behalf of the Subsidiary Company	(1,237)	5,604	
3) Decrease in Corporate Guarantee given by Subsidiary Company on behalf of the Company	45,112	49,712	
4) Interest Income	58	180	
5) Interline Billing (Net)	135,089	132,308	
6) Interline Service Charges Received	8,697	9,047	
7) Interline Service Charges Paid	8	5	
8) Sale of Engine	324	-	
9) Loan Given	133,742	133,605	
10) Loan Received back / Adjusted	128,723	133,180	
11) Provision for doubtful advances			
12) Provision for Diminution in Value of Investment / Advance	4,596	(3,940)	
Closing Balance as on 31 March			
1) Loan and Advances Given (Net of Provision ₹ 240,838 Lakhs for 31 March 2018 (₹ 235,838 Lakhs 31 March 2017; ₹ 239,782 Lakhs 1 April 2016)	-	-	-
2) Investments in Equity (Net of Provision ₹ 165,755 Lakhs (₹ 165,755 Lakhs 31 March 2017; ₹ 164,500 Lakhs 1 April 2016)	-	-	-
3) Interest Receivable (*40,324)	30	*	40
4) Corporate Guarantee by Company on behalf of Subsidiary Company*	17,678	16,441	22,045
5) Corporate Guarantee given by Subsidiary Company on behalf of the Company #	66,668	111,780	161,492
Jet Airways Training Academy Private Limited			
1) Loan Repaid	-	-	2
2) Provision for doubtful advances / Bad Debts Written off	-	3	4
3) Interest Income # ₹ 39,517	-	-	#
Closing Balance as on 31 March			
1) Investments in Equity Shares (Net of Provision ₹ Nil 31 March 2018; ₹ Nil 31 March 2017; ₹ 1 Lakh 1 April 2016)	-	-	-
2) Loan Given (Net of Provision ₹ Nil (₹ Nil 31 March 2018; ₹ Nil 31 March 2017; ₹ 3 Lakh 1 April 2016)	-	-	-
3) Provision for doubtful Advances and investment	-	-	4



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars	for the year ended		
	31 March 2018	31 March 2017	1 April 2016
Airjet Ground Services Limited			
1) Investment in equity share capital (5,00,000 shares of 10/- each)	-	50	-
2) Reimbursement of Expenses	-	2	-
3) Loan and Advances Repaid	2	-	-
Closing Balance as on 31 March			
1) Loan and Advances Given	-	2	-
2) Investments in Equity	50	50	-
Airjet Engineering Services Limited			
1) Investment in equity share capital (10,000 shares of 10/- each)	1	-	-
Closing Balance as on 31 March			
1) Investments in Equity	1	-	-
Airjet Security and Allied Services Limited			
1) Investment in equity share capital (10,000 shares of 10/- each)	1	-	-
Closing Balance as on 31 March			
1) Investments in Equity	1	-	-
Airjet Training Services Limited			
1) Investment in equity share capital (10,000 shares of 10/- each)	1	-	-
Closing Balance as on 31 March			
1) Investments in Equity	1	-	-

* Closing Balance of Corporate Guarantee given by Jet Airways (India) Limited represents utilised amount against total guarantee amount of ₹ 17,678 Lakhs (₹ 16,441 Lakhs 31 March 2017; ₹ 22,045 Lakhs 1 April 2016).

Closing Balance of Corporate Guarantee given by Subsidiary Company on behalf of Company as at 31 March 2018, represents utilised amount against total guarantee amount of ₹ 464,300 Lakhs (₹ 461,985 Lakhs 31 March 2017; ₹ 471,994 Lakhs 1 April 2017). Equivalent to USD 7,124 Lakhs (USD 7,124 Lakhs 31 March 2017; USD 7,124 Lakhs 1 April 2017).

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 1 April 2016
(b) Associate Company			
Jet Privilege Private Limited:			
Transactions during the year :			
1) Marketing Services Received - Expense	1,521	1,024	
2) Reimbursement of Expenses Received	61	66	
3) Sale of Tickets (Net of discount of ₹ 9,337 Lakhs (₹ 7,003 Lakhs 31 March 2017)	14,557	16,523	
4) Miles Purchased Expense	36,345	33,750	
5) Service Rendered Income	1,280	1,298	
6) Handling Charges Income	592	-	
Closing Balance as on 31 March			
1) Advance Received	5,764	8,099	9,849
2) Trade Payable	3,446	4,693	28,803
3) Trade Receivables	-	3,225	-
4) Investments in Equity Shares	69,522	69,522	69,522



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 1 April 2016
(c) Non-Executive Chairman and controlling Shareholder Naresh Goyal Share capital	5,793	5,793	5,793
(d) Remuneration includes remuneration to			
(a) Relatives of Non-Executive Chairman and controlling shareholder of Holding Company			
Anita Goyal :			
Directors' sitting fees	4	7	
Share Capital	0.1	0.1	0.1
Namrata Goyal (From 8 February 2016)	22	22	
Nivaan Goyal	18	17	
(b) Whole time Director Gaurang Shetty:	224	224	
(c) Chief Executive Officer (CEO) Vinay Dube:			
Salary	794	-	
Perquisites	224	-	
(d) Deputy Chief Executive Officer and Chief Financial Officer (Dy. CEO & CFO) Amit Agarwal	577	420	
(e) Enterprise over which controlling shareholder and his relatives are able to exercise significant influence Jetair Private Limited Transactions during the Year			
Commission	7,647	6,666	
Rent Paid	200	196	
Reimbursement of Expenses Paid (Staff Costs, Communication Costs etc.)	14	23	
Rent Received	4	5	
Other Expenses Recovered Income	2	-	
Deposit Refunded	1	-	
Closing Balance as on 31 March			
Deposits for Leased Premises	148	137	127
Trade Receivables	-	5	2,550
Trade Payables	5,687	3,832	3,263



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 1 April 2016
(f) Enterprise exercising significant influence over the Company			
Etihad Airways PJSC :			
Transactions during the year:			
1) Interline Billing (Net)	12,322	1,179	
2) Miles Accrual income	2,975	3,588	
3) Redeemable miles expense	252	225	
4) Airworthiness Management, Security and other service income	2,451	1,328	
5) Purchase of Parts	70	698	
6) Aircraft lease Rental Income	5,301	38,581	
7) Equipment Hire Charges	-	5	
8) Interline Service Charges Received	1,994	2,484	
9) Security Deposit Taken	-	856	
10) Security Deposit Refunded	-	2,056	
11) Lease Rent - Slot	3,580	3,527	
12) Technical, Handling, Lounge and other Services etc.	1,650	5,046	
13) Reimbursement of Expenses Received	190	889	
14) Load and trim Income	19	32	
15) Interline Service Charges Paid	1,471	2,331	
16) Reimbursement of Expenses Paid	7,230	6,428	
17) Lease charges (expense)	117	-	
18) Sale of parts	2	-	
Closing Balance as on 31 March			
1) Trade Receivable	3,380	467	27,430
2) Trade Payable	481	227	16,053
3) Share Capital	2,727	2,727	2,727
4) Corporate Guarantee given on behalf of the Company	91,245	90,790	92,757
5) Standby Letter of Credit given on behalf of the Company	-	-	185,514
6) Advance and Deposit Received	841	837	2,120

Independent Director sitting fees

Name of Director	For the year ended 31 March 2018	For the year ended 31 March 2017
Vikram Mehta	15	4
Srinivasan Vishvanathan	14	19
Ranjan Mathai	10	-
Rajshree Pathy	8	5
Dinesh Kumar Mittal	5	15
Javed Akhtar	-	2
Aman Mehta	-	8
I M Kadri (ceased to be independent director w.e.f. 27 December 2016)	-	6
TOTAL	52	59

Loans to subsidiaries

Loan of ₹ Nil Lakhs (Net of provision ₹ 240,838 Lakhs 31 March 2018; ₹ 235,838 Lakhs 31 March 2017) is a loan given to the Subsidiary Company to support its operations and is repayable in March 2020.



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Terms and conditions of transactions with related parties

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

NOTE 48: ADDITIONAL DISCLOSURES

Particulars	For the year 2018	For the year 2017
C.I.F. Value of Imports :		
Components and Spares	13,519	17,575
Capital Goods	31,223	13,623
TOTAL	44,742	31,198
Earnings in Foreign Currency :		
Passenger and Cargo Revenue	958,343	922,339
(Including excess baggage and cancellation charges)		
Sale of Aircraft	-	156,461
Leasing Operations	3,328	62,384
Other Operating and Non-operating Income	31,923	19,236
TOTAL	993,594	1,160,420
Expenditure in Foreign Currency :		
Employee Remuneration and Benefits	10,547	14,854
Aircraft Fuel Expenses	199,307	163,376
Aircraft Maintenance	215,792	169,217
Selling and Distribution Expenses	175,406	174,574
Other Operating Expenses	309,187	273,565
Aircraft / Engine Lease Rentals	231,621	227,510
Lease Rentals-Slot	3,932	3,519
Finance Cost	26,870	37,850
TOTAL	1,172,662	1,064,465

A. Value of Components and Spare Parts Consumed

Particulars	For the year 2018		For the year 2017	
	₹ in Lakhs	%	₹ in Lakhs	%
- Imported	12,503	86.55	11,369	85.54
- Indigenous	1,943	13.45	1,922	14.46
TOTAL	14,446	100	13,291	100

49. MERGER WITH JETLITE (INDIA) LIMITED

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

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



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

50. Contribution receivable from lessor

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 ₹ 64,033 Lakhs (31 March 2017: ₹ 78,567 Lakhs; 01 April 2016: ₹ 83,494 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.

51. Other income

Other Income includes gain of ₹ 30,449 Lakhs (31 March 2017 ₹ 31,155 Lakhs) for the Year ended 31 March 2018 consequent upon the satisfaction of the terms and conditions underlying the agreement for the transfer of 'Jet Privilege Frequent Flyer Programme' (JPFFP) undertaking to Jet Privilege Private Limited (JPPL) on 21 April 2014 as a going concern on a slump sale basis.

52. Going concern

The Company has incurred a loss during the year and has negative net worth as at 31 March 2018 that may create uncertainties. However, various initiatives undertaken by the Company in relation to saving cost, optimize revenue management opportunities and enhance ancillary revenues is expected to result in improved operating performance. Further, Company's continued thrust to improve operational efficiency and initiatives to raise funds are expected to result in sustainable cash flows addressing any uncertainties. Accordingly, the financial statements continues to be prepared on a going concern basis, which contemplates realization of assets and settlement of liabilities in the normal course of business including financial support to its subsidiaries.

53. 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, guarantee given or security provided and the related disclosures on purpose/utilization by recipient companies, are not applicable to the Company. Investments are disclosed under note 7.



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

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 March 2018	As at 31 March 2017	As at 31 March 2016	As at 31 March 2018	Maximum Balance during March 2017
Jet Lite (India) Limited (Wholly owned Subsidiary Company)	Loans and Advances	240,838	235,838	239,782	249,724	242,973
	Less: Provision for Doubtful advances	(240,838)	(235,838)	(239,782)		
	Net Loans and Advances	-	-	-		
	Investment	165,755	165,755	164,500	165,755	165,755
	Less: Provision for diminution in value of investment	(165,755)	(165,755)	(164,500)		
	Net Investment					
Jet Airways Training Academy Private Limited- (Wholly owned Subsidiary Company)	Loans and Advances	-	-	3	-	-
	Less: Provision for Doubtful advances	-	-	(3)		
	Net Loans and Advances					
	Investment	-	-	1	-	-
	Less: Provision for diminution in value of investment	-	-	(1)		
	Net Investment					
Airjet Ground Services Limited (Wholly owned Subsidiary)	Loans and Advances	-	2	-	0	2
	Less: Provision for Doubtful advances	-	-	-		
	Net Loans and Advances		2	-		
	Investment	50	50	-	50	50
	Less: Provision for diminution in value of investment	-	-	-		
	Net Investment	50	50	-		
Airjet Engineering Services Limited (Wholly owned Subsidiary)	Investment	1	-	-	1	-
	Less: Provision for diminution in value of investment	-	-	-		
	Net Investment	1	-	-		
Airjet Secuity and Allied Services Limited (Wholly owned Subsidiary)	Investment	1	-	-	1	-
	Less: Provision for diminution in value of investment	-	-	-		
	Net Investment	1	-	-		
Airjet Training Services Limited (Wholly owned Subsidiary)	Investment	1	-	-	1	-
	Less: Provision for diminution in value of investment	-	-	-		
	Net Investment	1	-	-		



Notes to the Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Note 54. Other information

Information with regard to other matters, as required by schedule III to the act is disclosed to the extent applicable to the Company for the year.

As per our attached report of even date

For B S R & Co. LLP

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

Bhavesh Dhupelia

Partner
Membership No. 042070

For D T S & Associates

Chartered Accountants
Firm's Registration No:
142412W

T. P. Ostwal

Partner
Membership No. 030848

Date: 23 May 2018
Place: Mumbai

Vinay Dube

Chief Executive Officer

On behalf of Board of Directors

Naresh Goyal (DIN: 01180386)

Kevin Knight (DIN: 07928561)

Vikram Mehta (DIN: 00041197)

Ranjan Mathai (DIN: 07572976)

Rajshree Pathy (DIN: 00001614)

S. Vishvanathan (DIN: 02255828)

Anita Goyal (DIN: 01992051)

Harsh Mohan (DIN: 06539338)

Ashok Chawla (DIN: 00056133)

Dr. Nasim Zaidi (DIN: 07979530)

Gaurang Shetty (DIN: 01293134)

Chairman

Director

Whole Time Director

Amit Agarwal (Membership No. 056880)

Kuldeep Sharma (Membership No. 2941)

Deputy CEO & CFO
Company Secretary



Independent Auditors' Report

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

Report on the audit of Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Jet Airways (India) Limited ("the Holding Company") and its subsidiaries (together constitute "the Group") and its associate which comprise the consolidated balance sheet as at 31 March 2018, the consolidated statement of profit and loss (including Other Comprehensive Income), the consolidated cash flow statement and consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of the consolidated Ind AS 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 state of affairs, consolidated loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the companies included in the Group and of its associate 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 Consolidated Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the 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 Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 Ind AS 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 as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and based on consideration of reports of other auditors on separate financial statements and on other information of the subsidiaries and associate and in terms of their report referred in subparagraph of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reports of other auditors on separate financial statements and other financial information of the subsidiaries and associate as aforesaid, these consolidated Ind AS financial statements :



Independent Auditors' Report (contd.)

- (i) include the Ind AS Financial Statement of the following entities

Subsidiaries

- a) Jet Lite (India) Limited
- b) Airjet Engineering Services Limited
- c) Airjet Training Services Limited
- d) Airjet Security and Allied Services Limited
- e) Airjet Ground Services Limited

Associate

- a) Jet Privilege Private Limited

- (ii) give the information required by the Act in the manner so required; and

- (iii) give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group and its associate as at 31 March 2018 and their consolidated loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 52 of the Consolidated Ind AS financial statements regarding the preparation of the Consolidated financial statements on going concern basis for the reasons stated therein. The appropriateness of assumption of going concern is dependent upon realization 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 modified in respect of this matter.

Other matter

We did not audit the Ind AS financial statements of five subsidiaries included in the consolidated Ind AS financial Statements, whose Ind AS financial statements reflect total assets of ₹ 32,704 lacs as at 31 March 2018 as well as the total revenue of ₹ 131,803 lacs for the year ended 31 March 2018. The Consolidated Ind AS Financial Statements also include the Group's share of net profit of ₹ 8,849 lacs for the year ended 31 March 2018 in respect of an associate. These Ind AS Financial Statements and other financial information of five subsidiaries have been audited by other auditor and Ind AS Financial Statements of an associate which is audited by one of the joint auditors with other, whose reports have been furnished to us, and our opinion on the Consolidated Ind As Financial Statements, to the extent they have been derived from such Ind As financial statements is based solely on the report of such other auditor.

Our opinion is not modified in respect of this matter.

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 Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors.
- (c) The consolidated balance sheet, the consolidated statement of profit and loss (including Other Comprehensive Income), the consolidated cash flow statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.



Independent Auditors' Report (contd.)

- (e) the matter described under the Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.
- (f) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2018, and taken on record by the Board of Directors of the Holding Company and the report of the other auditors of its subsidiary companies and associate Company in India, none of the Directors of the Group companies and its associate incorporated in India is disqualified as on 31 March 2018 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 with reference to the financial statements of the Holding Company, its subsidiaries companies and associate company incorporated in india and the operating effectiveness of such controls, refer to our separate report in "Annexure A";
- (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 and based on the consideration of the report of the other auditor and one of the joint auditors with other in respect of associate, on separate on financial statements and other financial information of the subsidiaries and associate as noted in the "Other matter" paragraph:
 - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate. Refer Note 45 to the consolidated Ind AS financial statements;
 - ii. The Group and its associate 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 and its associate.
 - iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018.

For B S R & CO. LLP

Chartered Accountants

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

Bhavesh Dhupelia

Partner

Membership No. 042070

Place : Mumbai

Date : 23 May 2018

FOR D T S & ASSOCIATES

Chartered Accountants

(Firm's Registration No: 142412W)

T. P. Ostwal

Partner

Membership No. 030848



Annexure-A to the Independent Auditors' Report

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 Ind AS financial statements of the company as of and for the year ended 31 March 2018, we have audited the internal financial controls with reference to financial statements of Jet Airways (India) Limited ("the Holding Company"), its subsidiary companies (together referred to as "the Group") and its associate 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 with reference to financial statements 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 Holding Company and its subsidiary companies and associate, which are companies incorporated in India, internal financial controls with reference to financial statements 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 with reference to financial statement and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence by us and other auditors in terms of their reports 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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-A to the Auditors' Report (contd.)

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditor of subsidiary companies and in respect of an associate based on the consideration of report of one of the joint auditors with other, as referred to in Other Matters paragraph, the Holding Company, its subsidiaries and its associate, which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at 31 March 2018, based on the internal control with reference to financial statements criteria established by the Holding 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 with reference to financial statements in so far as it related to subsidiaries which are companies incorporated in India, is based on the consideration of the report of other auditor and internal financial controls with reference to financial statements in so far as it related to an associate which is the Company incorporated in India, is based on the consideration of report of one of the joint auditors with other.

For B S R & CO. LLP

Chartered Accountants

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

Bhavesh Dhupelia

Partner

Membership No. 042070

Place : Mumbai

Date : 23 May 2018

FOR D T S & ASSOCIATES

Chartered Accountants

(Firm's Registration No: 142412W)

T. P. Ostwal

Partner

Membership No. 030848

Consolidated Balance Sheet as at 31 March 2018

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars	Notes	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
ASSETS				
Non-current assets				
Property, Plant and Equipment	4	289,203	486,089	666,846
Capital work-in-progress	4(c)	2,474	70,930	3,624
Investment Property	5	69,727	-	-
Other Intangible assets	6	1,950	3,589	2,905
Financial Assets				
- Investments	7	83,746	74,897	69,578
- Loans	8	9,313	11,957	17,773
- Other financial assets	9	14,252	23,393	44,376
Income tax assets (net)		16,560	16,434	22,966
Other non-current assets	10	78,316	54,576	57,238
Total non current assets		565,541	741,865	885,306
Current Assets				
Inventories	11	48,764	50,612	48,591
Financial Assets				
- Investments	12	-	53,400	50,066
- Trade receivables	13	128,078	133,484	158,851
- Cash and cash equivalents	14a	32,113	53,759	31,656
- Other Bank balances	14b	104,427	100,459	117,157
- Loans	15	3,126	712	11,199
- Other financial assets	16	121,565	94,773	88,808
Other current assets	17	119,004	59,167	65,155
Assets held for sale	4	172,891	-	-
Total current assets		729,968	546,366	571,483
TOTAL ASSETS		1,295,509	1,288,231	1,456,789
EQUITY AND LIABILITIES				
Equity				
Share capital	18	11,360	11,360	11,360
Other equity	19	(725,273)	(661,876)	(806,042)
Total equity		(713,913)	(650,516)	(794,682)
Liabilities				
Non current liabilities				
Financial liabilities				
- Borrowings	20	508,556	696,785	620,944
- Other financial liabilities	21	841	837	51,831
Provisions	22	46,430	41,903	29,225
Other non-current liabilities	23	3,079	5,764	52,022
Total non current liabilities		558,906	745,289	754,022
Current liabilities				
Financial liabilities				
- Borrowings	24	20,956	25,252	302,106
- Trade payables	25	671,380	487,300	612,003
- Other financial liabilities	26	319,251	247,875	172,861
Provisions	27	4,954	3,519	3,654
Other current liabilities	28	433,975	429,512	406,825
Total Current liabilities		1,450,516	1,193,458	1,497,449
Total liabilities		2,009,422	1,938,747	2,251,471
TOTAL EQUITY AND LIABILITIES		1,295,509	1,288,231	1,456,789
Significant accounting policies	1-3			
The accompanying notes are an integral part of the financial statements	4-53			

As per our attached report of even date

For B S R & Co. LLP

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

Bhavesh Dhupelia

Partner
Membership No. 042070

For D T S & Associates

Chartered Accountants
Firm's Registration No:
142412W

T. P. Ostwal

Partner
Membership No. 030848

On behalf of Board of Directors

Naresh Goyal (DIN: 01180386)
Kevin Knight (DIN: 07928561)
Vikram Mehta (DIN: 00041197)
Ranjan Mathai (DIN: 07572976)
Rajshree Pathy (DIN: 00001614)
S. Vishvanathan (DIN: 02255828)
Anita Goyal (DIN: 01992051)
Harsh Mohan (DIN: 06539338)
Ashok Chawla (DIN: 00056133)
Dr. Nasim Zaidi (DIN: 07979530)
Gaurang Shetty (DIN: 01293134)

Chairman

Director

Whole Time Director

Date: 23 May 2018
Place: Mumbai

Vinay Dube
Chief Executive Officer

Amit Agarwal (Membership No. 056880)
Kuldeep Sharma (Membership No. 2941)

Deputy CEO & CFO
Company Secretary



Consolidated Statement of Profit and Loss for the Year Ended 31 March 2018

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars	Notes	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
Revenue			
Revenue from Operations	29	2,451,069	2,269,258
Other income	30	66,678	148,248
Total Income		2,517,747	2,417,506
Expenses			
Aircraft Fuel Expenses		741,979	593,593
Aircraft and Engines Lease Rentals		245,684	243,081
Employee Benefits Expenses	31	317,422	308,421
Finance costs	32	84,894	85,868
Depreciation and Amortization Expenses	33	62,114	67,155
Selling and Distribution Expenses	34	282,809	253,328
Other Expenses	35	855,339	721,533
Total Expenses		2,590,241	2,272,979
(Loss)/Profit before Tax		(72,494)	144,527
Tax expense:			
- Current Tax		-	-
- Short / (excess) tax provisions net for earlier years		-	(20)
(Loss)/Profit before share of profit from Associate		(72,494)	144,547
Share of profit from Associate		8,849	5,321
(Loss)/Profit for the Year		(63,645)	149,868
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurement of Defined Benefit Plans		248	(5,702)
- Income tax related to above mentioned items		-	-
Other comprehensive income for the year		248	(5,702)
Total comprehensive income for the year		(63,397)	144,166
Earnings per equity share of face value ₹ 10 each			
Basic & Diluted (in ₹)	36	(56.03)	131.93
Significant accounting policies	1 - 3		
The accompanying notes are an integral part of the financial statements	4 - 53		

As per our attached report of even date

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

Bhavesh Dhupelia
Partner
Membership No. 042070

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

T. P. Ostwal
Partner
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On behalf of Board of Directors

Naresh Goyal (DIN: 01180386)
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Anita Goyal (DIN: 01992051)
Harsh Mohan (DIN: 06539338)
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Dr. Nasim Zaidi (DIN: 07979530)
Gaurang Shetty (DIN: 01293134)

Chairman

Director

Whole Time Director

Date: 23 May 2018
Place: Mumbai

Vinay Dube
Chief Executive Officer

Amit Agarwal (Membership No. 056880)
Kuldeep Sharma (Membership No. 2941)

Deputy CEO & CFO
Company Secretary



Consolidated Statement of Cash Flows for the Year Ended 31 March 2018

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Cash flow from operating activities		
(loss)/Profit before tax	(63,645)	149,848
Adjustments for:		
Depreciation and amortisation expenses	62,114	67,155
Mark to market gain on embedded derivative	(210)	(454)
Amortisation of Lease Rent	564	423
Loss / (Profit) on sale of Property, Plant and Equipment (Net)	7,812	(47,683)
Profit on sale of Investments	(345)	(878)
Finance cost	84,894	85,868
Interest on Income Tax Refund	(627)	(1,726)
Interest on Bank and Other Deposits	(6,316)	(9,208)
Discounting of provision	671	307
Excess Provision no longer required written back	(5,549)	(32,601)
Provision for Compensated Absences and Gratuity	4,463	11,741
Unrealised foreign exchange Loss/(Gain) (Net)	7,643	(21,551)
Provision for doubtful debts	1,947	264
Provision for doubtful Advances/Deposit	320	-
Bad Debts written off	33	81
Share of profit of Associate	(8,849)	(5,321)
Recognition upon fulfilment of commitment	(30,449)	(31,155)
Profit on development of leasehold land	(11,403)	(32,903)
Actuarial gain/(loss) on remeasurement of defined benefit obligation	248	(5,702)
Inventory scrapped during the year	918	312
Operating profit before working capital changes	44,234	126,817
Adjustments for		
Changes in Inventories	930	(7,253)
Changes in Trade receivables	5,822	8,814
Changes in Loans, other financial assets and other assets	(96,076)	36,627
Changes in trade payables, other financial liabilities, provision and other liabilities	125,605	(72,150)
Cash generated from operations	170,515	92,855
Direct Taxes Refund	501	8,278
Net cash flow generated from operating activities	171,016	101,133



Consolidated Statement of Cash Flows for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Cash flow from investing activities		
Purchase of Property, Plant & equipment, Investment Property and Intangible assets (Incl. Capital Work in Progress)	(89,091)	(22,932)
Proceeds from sale of Property, Plant & equipment	1,516	156,791
Purchase of Current Investments	(1,320,300)	(3,205,521)
Sale of Current Investments	1,374,045	3,203,065
Sale of Non-Current Investments	-	2
Changes in Fixed Deposits with Banks	(9,009)	20,008
Interest Received on Bank Deposits, Other Loans and Deposits	6,669	8,592
Net cash (used in) / generated from investing activities	(36,170)	160,005
Cash flow used in financing activities		
Net Decrease in Short Term Loans	(4,296)	(276,854)
Proceeds from Long Term Loans during the year	125,000	355,867
Repayment of Long Term Loans during the year	(193,157)	(232,518)
Finance cost	(84,039)	(85,530)
Net cash used in financing activities	(156,492)	(239,035)
Net change in cash and cash equivalents	(21,646)	22,103
Cash and cash equivalents at beginning of the year (Refer note 1 below)	53,759	31,656
Cash and cash equivalents at end of the year (Refer note 1 below)	32,113	53,759

- 1) Cash and Cash Equivalents for the year ended 31 March 2018 includes Unrealised Gain (net) of ₹ 2,664 Lakhs (31 March 2017 ₹ 3,624 Lakhs) on account of translation of Foreign Currency Bank Balances.

Change in Liability arising from financing activities

Particulars	01 April 2017	Cash flow	Foreign exchange movement	Expense / Fair value adjustments	31 March 2018
Finance lease Obligations	280,888	(76,031)	556	-	205,413
Term loans including current portion	601,632	7,874	2,307	2,133	613,946
Short Term borrowings	25,252	(4,296)	-	-	20,956
Interest accrued but not due	1,237	(84,039)	-	81,704	1,098
	909,009	(156,492)	2,863	83,837	841,413

As per our attached report of even date

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

Bhavesh Dhupelia
Partner
Membership No. 042070

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

T. P. Ostwal
Partner
Membership No. 030848

On behalf of Board of Directors

Naresh Goyal (DIN: 01180386)
Kevin Knight (DIN: 07928561)
Vikram Mehta (DIN: 00041197)
Ranjan Mathai (DIN: 07572976)
Rajshree Pathy (DIN: 00001614)
S. Vishvanathan (DIN: 02255828)
Anita Goyal (DIN: 01992051)
Harsh Mohan (DIN: 06539338)
Ashok Chawla (DIN: 00056133)
Dr. Nasim Zaidi (DIN: 07979530)
Gaurang Shetty (DIN: 01293134)

Chairman

Director

Whole Time Director

Date: 23 May 2018
Place: Mumbai

Vinay Dube
Chief Executive Officer

Amit Agarwal (Membership No. 056880)
Kuldeep Sharma (Membership No. 2941)

Deputy CEO & CFO
Company Secretary

Statement of Changes in Equity (SOCIE)

(All Amounts in INR Lakhs, unless otherwise stated)

(a) Equity share capital	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	113,597,383	11,360	113,597,383	11,360	113,597,383	11,360
Changes in equity share capital during the year	-	-	-	-	-	-
Balance at the end of the year	113,597,383	11,360	113,597,383	11,360	113,597,383	11,360

(b) Other equity	Reserves & Surplus (Refer Note 19)						Total Equity
	Capital Reserve	Securities Premium Account	Capital Redemption Reserve	Debt Redemption Reserve	Retained earnings	General Reserve	
Balance at April 1, 2016	199	344,253	5,558	1,747	(1,159,897)	2,098	(806,042)
Profit for the year	-	-	-	-	149,868	-	149,868
Other comprehensive income for the year (remeasurement of defined benefit plan)	-	-	-	-	-	-	(5,702)
Total comprehensive income for the year	-	-	-	-	149,868	-	144,166
Transfer to Debt Redemption Reserve	-	-	-	3,495	(3,495)	-	-
Balance at March 31, 2017	199	344,253	5,558	5,242	(1,013,524)	2,098	(661,876)
(Loss) for the year	-	-	-	-	(63,645)	-	(63,645)
Other comprehensive income for the year (remeasurement of defined benefit plan)	-	-	-	-	-	-	248
Total comprehensive income for the year	-	-	-	-	(63,645)	-	(63,645)
Balance at March 31, 2018	199	344,253	5,558	5,242	(1,077,169)	2,098	(725,273)

As per our attached report of even date
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 142412W
101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No. 042070

T. P. Ostwal
Partner
Membership No. 030848

Date: 23 May 2018
Place: Mumbai

Vinay Dube
Chief Executive Officer

On behalf of Board of Directors

Naresh Goyal (DIN: 01180386)
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Chairman

Director

Whole Time Director

Amit Agarwal (Membership No. 056880)
Kuldeep Sharma (Membership No. 2941)

Deputy CEO & CFO
Company Secretary



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018

(All Amounts in INR Lakhs, unless otherwise stated)

1. COMPANY INFORMATION/ OVERVIEW

Jet Airways (India) Limited (the Company) is a public limited company incorporated in India. The Company commenced its operations on 5 May 1993. The principal activities of the Company comprise of scheduled air transportation which includes carriage of passengers, cargo and provision of related allied services. The Company's registered office is located at Siroya Centre, Sahar Airport Road Andheri (East), Mumbai-400 099.

2. BASIS OF PREPARATION

i. Statement of compliance

The Company has adopted Indian Accounting Standards (Ind AS) with effect from 1 April 2017, with transition date of 1 April 2016, pursuant to notification issued by Ministry of Corporate Affairs dated 16 February 2015, notifying the Companies (Indian Accounting Standards) Rules, 2015. Accordingly, the financial statements comply with Ind AS as prescribed under section 133 of the Companies Act, 2013 (the "Act"), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, relevant provisions of the Act and other accounting principles generally accepted in India. The Consolidated Financial Statements of Jet Airways (India) Limited ("the Holding Company"), its wholly owned Subsidiaries (together "the Company / Group") and its Associate upto and for the year ended 31 March 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended), as notified under section 133 of the Act ("Previous GAAP") and other relevant provision of the Act.

The Consolidated financial statements for the year ended 31 March 2018 are the first consolidated financial statements of the Company prepared under Ind AS. A detail reconciliation on the impact of transition to Ind AS to the previously reported financial position, financial performance and cash flows of the Company is included in Note 37.

The Consolidated financial statements were approved by the Board of Directors of the Company on 23 May 2018.

- a) The Consolidated Financial Statements present the consolidated accounts of Jet Airways (India) Limited with the following Subsidiaries and Associate:

Name of the Subsidiary / Associate Company	Country of Incorporation	Extent of Holding as on 31 March 2018	Extent of Holding as on 31 March 2017
Subsidiaries			
Jet Lite (India) Limited	India	100%	100%
Airjet Ground Services Limited w.e.f 10 March 2017	India	100%	100%
Airjet Engineering Services Limited w.e.f 18 May 2017	India	100%	0%
Airjet Security and Allied Services Limited w.e.f 19 May 2017	India	100%	0%
Airjet Training Services Limited w.e.f 18 May 2017	India	100%	0%
Jet Airways Training Academy Private limited till 15 January 2016	India	-	0%
Associate			
Jet Privilege Private limited	India	49.90%	49.90%

ii. 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.



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

- 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) Investment in associate has been accounted under equity method as per Ind AS 28 - Investment in Associates and Joint Ventures

iii. Functional and presentation currency

These Consolidated financial statements are presented in Indian rupees, which is the Company's functional currency. All amounts have been rounded off to two decimal places to the nearest Lakh, unless otherwise indicated.

iv. Basis of measurement

The Consolidated financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities (including derivative instrument) that are measured at fair value or amortised cost.

v. Going Concern Assumption

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

vi. Critical accounting estimates and judgements

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

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

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

- Note 3(b)(iv) – estimate of revenue recognition from "Forward Sales Account"
- Note 4 - measurement of useful life and residual values of property, plant and equipment and the assessment as to which components of the cost may be capitalized
- Note 22 - estimation of costs of redelivery and overhaul
- Note 39 - recognition of deferred tax assets
- Note 40 – recognition and measurement of defined benefit obligations
- Note 41 - judgement required to ascertain lease classification
- Note 43 - measurement of fair values and Expected Credit Loss (ECL)
- Note 45 - judgement is required to ascertain whether it is probable or not that an outflow of resources embodying economic benefits will be required to settle the taxation disputes and legal claim.
- Notes 50 – estimation of future engine maintenance plan

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set below have been applied consistently to all periods presented in these consolidated financial statements and in preparing the opening Ind AS Balance sheet as at 1 April 2016 for the purposes of the transition to Ind AS.

Current - non-current classification

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

Assets

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

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

- it is expected to be realised within 12 months after the reporting period; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

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

Liabilities

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

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

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

Operating cycle

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

A. Leases

Leased assets

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

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

For arrangements entered into prior to 1 April 2016, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Lease payments

Minimum lease payments made under finance lease are apportioned between the finance costs and the reduction of the outstanding liability. The finance costs is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Lease payments in respect of assets taken on operating lease are charged to the Statement of Profit and Loss on a straight line basis over the period of



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

the lease unless the payments are structured to increase in line with the expected general inflation to compensate the lessor's expected inflationary cost increases.

Sale and lease back transactions

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

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

B. Revenue

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

- i. Passenger revenue is recognised on flown basis i.e. when the service is rendered, net of discounts given to the passengers, applicable taxes and airport levies such as passenger service fee, user development fee, etc., if any.
- ii. Cargo revenue is recognised when service is rendered i.e. goods are transported, net of airport levies and applicable taxes.
- iii. 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.
- iv. 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.
- v. 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.
- vi. Interest income on financial assets (including deposits with banks) is recognised using the effective interest rate method on a time proportionate basis.

C. Lease Claim/Incentives (Credit):

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

D. Export Incentives:

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

E. Commission:

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



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

F. Expenditure:

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

G. Foreign currency transactions:

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

Initial Recognition

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

Conversion

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

H. Aircraft Fuel Expenses

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

I. Aircraft Maintenance and Repair Cost:

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

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

J. Employee benefits

Short-term employee benefits

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

Post-employment benefit plans

i. Defined contribution plans

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

ii. Defined benefit plans

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

employment or on termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The gratuity plan of the Company is unfunded.

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

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

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

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

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

Other long-term employee benefits

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

K. Borrowing costs

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

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

L. Income Tax

Income tax expense comprises of current tax and deferred tax.

Current tax

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

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

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

Deferred tax

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



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

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

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

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

Current and deferred tax for the year

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

M. Inventories

Inventories primarily includes stores and spares and loose tools (other than those which meet the criteria of property, plant and equipment), fuel and in-flight inventories. Inventories are stated at the lower of cost and net realizable value (NRV). Cost of inventories comprise all costs of purchase after deducting non-refundable rebates and discounts and all other costs incurred in bringing the inventories to their present location and condition. Costs of inventories are determined on weighted average basis. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. NRV for stores and spares, loose tools and fuel used in rendering of services are not written down below cost except in cases where the price of such materials have declined and it is estimated that the cost of rendering of services will exceed their selling price. Where necessary, due allowance is made for all damaged, obsolete and slow moving items.

N. Property, plant and equipment

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

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

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

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

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

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

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



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Depreciation

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

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

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

Depreciation has been charged based on the following useful lives:

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

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

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

O. Investment Property

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

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

P. Intangible assets

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

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



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Amortisation:

Intangible assets are amortised on SLM basis as follows:

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

Q. Asset Held for Sale

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

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

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

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

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

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

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

S. Investment in Associate

Investment in associate is carried at cost, plus share of profit or loss from associate as per equity method in consolidated financial statements.

T. Financial Instruments

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

i. Financial assets

Recognition and initial measurement

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



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Classification

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

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

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

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

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

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

Subsequent measurement

Financial assets at amortised cost

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

Financial assets at FVTPL

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

Derecognition

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

Impairment of financial assets (other than at fair value)

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



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

ii. Financial liabilities

Recognition and initial measurement

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

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

Classification and subsequent measurement

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

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

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

Derecognition

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

iii. Offsetting of financial instruments

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

iv. Embedded Derivatives

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

U. Fair value Measurement

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

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

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

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

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

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



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

V. Provisions

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

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

Onerous contracts

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

Contingent liabilities and assets

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

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

W. Share capital

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

X. Cash and cash equivalents

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

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

Y. Earnings per share:

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

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

z. Recent accounting pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On 28 March 2018, the Ministry of Corporate Affairs ('the MCA') notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from 1 April 2018. The Company has evaluated the effect of this on the financial statements and impact is not material.



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Ind AS 115, Revenue from Contract with Customers: On 28 March 2018, the MCA notified the Ind AS 115. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, Ind AS 115 requires enhanced disclosures about the nature, amount, timing, and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach – Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimate and Errors.
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch – up approach)

The effective date for adoption of Ind AS 115 is financial period beginning on or after 1 April 2018.

The Company is currently evaluating the impact on its financial reporting from Ind AS 115.

Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 4: PROPERTY, PLANT AND EQUIPMENT

Description	Freehold Land	Leasehold Land	Buildings	Improvement On Leased Aircraft	Plant and Equipment	Furniture and Fixtures	Electrical Fittings	Data Processing Equipments	Ground Support Equipments	Simulator	Vehicles	Ground Support Vehicles	Office Equipment	Spare Parts	Aircraft & Engine	Improvement on Leased Property	Total
Gross carrying value (at deemed cost)																	
Balance as at 1 April 2016	32	48,316	-	19,316	753	4,290	2,359	9,022	8,940	20,385	400	9,432	5,138	119,335	169,091	866,573	1,389,791
Additions	-	-	26	72	-	247	50	1,015	531	-	825	1,970	146	11,924	-	3,706	20,956
Deletions / retirements	-	(48,316)	-	-	(5)	(685)	(375)	(3,489)	(2,178)	-	(94)	(981)	(1,313)	(9,972)	(112,870)	(118,435)	(298,852)
Balance as at 31 March 2017	32	-	26	19,388	748	3,852	2,034	6,548	7,293	20,385	1,131	10,421	3,971	121,287	56,221	751,844	1,011,895
Additions	-	-	-	-	77	205	64	1,414	58	4,585	167	238	276	16,150	13,298	7,990	44,724
Deletions / retirements	-	-	-	-	-	(44)	(51)	(270)	(65)	-	(73)	(335)	(275)	(13,467)	(1,500)	-	(16,080)
Asset held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(396,543)	(396,543)	-
At 31 March 2018	32	-	26	19,388	825	4,013	2,047	7,692	7,286	24,970	1,225	10,324	3,972	123,970	68,019	363,291	6,916
Accumulated depreciation																	
Balance as at 1 April 2016	-	(15,648)	-	(10,967)	(406)	(3,381)	(1,733)	(7,655)	(5,203)	(12,508)	(292)	(7,314)	(4,809)	(59,652)	(90,905)	(396,034)	(622,945)
Charge for the year	-	(464)	(0)	(1,290)	(65)	(286)	(208)	(812)	(527)	(1,315)	(51)	(580)	(123)	(6,855)	(7,981)	(44,440)	(65,318)
Impairment loss reversal	-	-	-	-	-	-	-	-	-	-	-	-	-	4,921	-	-	4,921
Deletions / retirements	-	16,112	-	-	3	600	365	3,489	2,139	-	88	978	1,308	5,713	69,185	57,416	139
Balance as at 31 March 2017	-	-	(0)	(12,257)	(468)	(3,067)	(1,576)	(4,978)	(3,591)	(14,223)	(256)	(6,916)	(3,623)	(55,874)	(29,701)	(383,057)	(525,806)
Charge for the year	-	-	(1)	(1,293)	(69)	(212)	(128)	(1,030)	(492)	(1,732)	(131)	(668)	(126)	(5,665)	(5,673)	(41,897)	(59,388)
Deletions / retirements	-	-	-	-	-	43	50	270	62	(1)	37	334	275	4,491	1,188	-	6,749
Asset held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	223,652	-	223,652
At 31 March 2018	-	-	(1)	(13,550)	(537)	(3,236)	(1,654)	(5,738)	(4,021)	(15,956)	(350)	(7,250)	(3,474)	(57,048)	(34,186)	(201,302)	(6,490)
Net carrying amount																	
As at 1 April 2016	32	32,668	-	8,349	347	909	626	1,367	3,737	7,477	108	2,118	329	59,683	78,186	470,539	371
As at 31 March 2017	32	-	26	7,131	280	785	458	1,570	3,702	6,162	875	3,505	348	65,413	26,520	368,787	495
As at 31 March 2018	32	-	25	5,838	288	777	393	1,954	3,265	9,014	875	3,074	498	66,922	33,833	161,989	426

A Plant and Equipment held under finance lease

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

	31 March 2018	31 March 2017	1 April 2016
Gross carrying amount	759,834	751,844	944,427
Accumulated depreciation	(424,954)	(383,057)	(435,046)
Net Carrying amount	334,880	368,787	509,381

The above amounts include aircraft held for sale as at 31 March 2018 at WDV of ₹ 172,891 Lakhs (Cost - ₹ 396,543 and accumulated depreciation - ₹ 223,652)

B Security

Assets having net carrying value of ₹ 441,251 Lakhs (31 March 2017: ₹ 475,532 Lakhs, 01 April 2016: ₹ 622,783 Lakhs) are charge / hypothecated against the loan availed by the Company.

C Capital Work-in-Progress

Capital Work-in-Progress represents property, plant and equipment.

Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 5: INVESTMENT PROPERTY

Description	Total
Gross carrying value	
Balance as at 1 April 2016	-
Additions	-
Deletions	-
Balance as at 31 March 2017	-
Additions	70,529
Deletions	-
At 31 March 2018	70,529
Accumulated amortisation	
As at 1 April 2016	-
Depreciation for the year	-
Depreciation on Deletion	-
Balance as at 31 March 2017	-
Charge for the year	(802)
Deletions	-
At 31 March 2018	(802)
Net carrying amount	
As at 1 April 2016	-
As at 31 March 2017	-
As at 31 March 2018	69,727

Carrying amount of approx ₹ 48,800 Lakhs is Secured against borrowing. Further, the Company has restriction to sell certain portion of the property till September 2020.

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

Fair Value

Investment Property	31 March 2018	31 March 2017	1 April 2016
Buildings	79,000	-	-

Measurement of fair values

- The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The fair value measurement for all of the investment property has been categorised as a level 3 fair value based on the inputs to the valuation technique used.
- Valuation technique : valuation is done as per income approach (discounted cash flow) method. The following steps were performed to arrive at the value estimate:
 - Developed projections for the Subject Property of potential gross revenue, rent losses and operating expenses during the holding period.
 - Estimated available annual cash flows during the holding period and estimated a terminal value at the end of the holding period that represented the hypothetical sale of the property.
 - Estimated the present value of the annual cash flows and terminal value as of the Estimate Date using a discount rate consistent with the inherent level of risk associated with the property.
 - The main assumptions used for valuing are rental growth rate, rent abatement period, terminal yields and discount rates based on comparable transaction.



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 6: INTANGIBLE ASSETS

Description	Computer software	Trademarks	Total
Gross carrying value			
Balance as at 1 April 2016	14,771	3,146	17,917
Additions	2,521	-	2,521
Deletions	(0)	-	(0)
Balance as at 31 March 2017	17,292	3,146	20,438
Additions	285	-	285
Deletions	-	-	-
At 31 March 2018	17,577	3,146	20,723
Accumulated amortisation			
As at 1 April 2016	(11,866)	(3,146)	(15,012)
Amortisation for the year	(1,837)	-	(1,837)
Amortisation on Deletions	-	-	-
Balance as at 31 March 2017	(13,703)	(3,146)	(16,849)
Amortisation for the year	(1,924)	-	(1,924)
Amortisation on Deletions	-	-	-
At 31 March 2018	(15,627)	(3,146)	(18,773)
Net carrying amount			
As at 1 April 2016	2,905	-	2,905
As at 31 March 2017	3,589	0	3,589
As at 31 March 2018	1,950	-	1,950

NOTE 7: INVESTMENTS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Investment in equity of Associates unquoted	83,541	74,692	69,371
54,772 (31 March 2017: 54,772, 1 April 2016: 54,772) Equity Shares of Jet Privilege Limited of ₹10 each.			
Other Investments			
Investment in equity - unquoted	6	6	8
3,176 (31 March 2017: 3,201, 1 April 2016: 4,133) Equity Shares of THB 100 each of Aeronautical Radio of Thailand, a State Enterprise under the Ministry of Transport. The transfer of this investment is restricted to Airline members flying in Thailand			
106 (31 March 2017: 102, 1 April 2016: 77) Equity Shares in Societe Internationale de Telecommunications Aeronautiques S.C. (S.I.T.A.) of Euro 5 each #	*	*	*
Investment in Certificate of Deposits	199	199	199
326,194 (31 March 2017: 326,194, 1 April 2016: 326,194) Depository Certificates in SITA Group foundation of USD 1.20 each #			
	83,746	74,897	69,578
Aggregate amount of unquoted investments:	83,746	74,897	69,578
Aggregate amount of Impairment in value of investments	Nil	Nil	Nil

* ₹ 36,289 (31 March 2017 ₹ 34,849; 01 April 2016 ₹ 26,188)

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 Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 8: LOANS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured, considered good, unless stated otherwise			
Security Deposits (Refer Note below)	9,313	11,957	17,773
	<u>9,313</u>	<u>11,957</u>	<u>17,773</u>

Security Deposits include deposits to Related Parties at amortised cost of ₹ 148 Lakhs as at 31 March 2018 (31 March 2017: ₹ 137 Lakhs, 1 April 2016: ₹ 127 Lakhs) placed as deposit with private limited company in which the Company's Director is a Director / Member.

NOTE 9: OTHER FINANCIAL ASSETS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured, considered good, unless stated otherwise			
Fixed Deposits with Banks (Refer Note below)	5,084	43	3,353
Interest accrued but not due on above fixed deposits	117	12	470
Derivative Assets	1,468	1,258	804
Contribution receivable from lessors (Refer Note 50)	7,583	22,080	39,749
	<u>14,252</u>	<u>23,393</u>	<u>44,376</u>

Fixed Deposits with Banks represent deposits with Banks under Lien.

NOTE 10: OTHER NON-CURRENT ASSETS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured, considered good, unless stated otherwise			
Capital Advances	53,790	51,779	52,593
Prepaid Expenses	1,422	2,189	4,052
Deposit with Service Tax Department	1,089	608	593
Deposit with government authorities (Refer Note below)	22,015	-	-
	<u>78,316</u>	<u>54,576</u>	<u>57,238</u>

Note : Customs duty and Integrated Goods and Service Tax (IGST) paid by the Company 'under protest' on reimport of repaired aircraft engines and certain aircraft parts aggregating to ₹ 22,015 Lakhs. The Company has since filed appeals with the appropriate authorities based on the advice received from experts.

NOTE 11: INVENTORIES

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
(Valued at Cost or NRV whichever is less)			
Stores and Spares (Refer Note 24)			
- Consumables	41,499	44,199	42,522
Less: Provision for Obsolescence / Slow and Non - Moving Items	(448)	(424)	(146)
- Catering / Inflight Inventory	11,854	9,191	7,265
Less: Provision for Obsolescence / Slow and Non - Moving Items	(4,624)	(2,708)	(1,386)
Fuel	483	354	336
	<u>48,764</u>	<u>50,612</u>	<u>48,591</u>

Above inventory except fuel is hypothecated against the loan.



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 12: INVESTMENTS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Investment in Mutual Funds (Quoted)			
SBI Liquid Fund-Growth Plan 31 March 2018: Nil (31 March 2017: 1,744,605 units (01 April 2016: 2,107,083 units)	-	44,400	50,066
SBI Debt Fund- Growth Plan 31 March 2018: Nil (31 March 2017: 428,477 units (01 April 2016: Nil)	-	9,000	-
	-	53,400	50,066
Aggregate amount of quoted investments:	-	53,400	50,066

NOTE 13: TRADE RECEIVABLES

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured, considered good, unless otherwise stated			
Related Party	3,390	3,704	29,996
Others			
- Considered Good	124,688	129,780	128,855
- Considered Doubtful	19,104	18,043	18,096
	143,792	147,823	146,951
Less: Provision for doubtful receivables	(19,104)	(18,043)	(18,096)
	128,078	133,484	158,851

Above is hypothecated against the loan

NOTE 14a: CASH AND CASH EQUIVALENTS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Balance with banks :			
Current account (Refer note below)	31,951	53,632	31,491
Cash on hand	162	127	165
	32,113	53,759	31,656

i) Current account balance with banks includes ₹ 24,888 Lakhs 31 March 2018 (31 March 2017: ₹ 49,496 Lakhs, 01 April 2016: ₹ 25,645 Lakhs) held in foreign currency.

ii) It includes an amount of ₹ 4,578 Lakhs as at 31 March 2018 (31 March 2017 : ₹ 3,606 Lakhs; 1 April 2016: ₹ 1671 Lakhs) held as lien with banks.

NOTE 14b: OTHER BANK BALANCES

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Deposits For Margin Money With Banks with original maturity less than 12 months (Refer Note below)	104,427	100,459	117,157
	104,427	100,459	117,157

Fixed Deposits with Banks represent deposits with Banks under Lien.



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 15: LOANS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured, considered good, unless stated otherwise			
Security deposits - considered good	3,126	712	11,199
Security deposits - considered doubtful	446	855	883
Less: Provision for doubtful deposits	(446)	(855)	(883)
	<u>3,126</u>	<u>712</u>	<u>11,199</u>

NOTE 16: OTHER FINANCIAL ASSETS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured, considered good, unless stated otherwise			
Unbilled Revenue	8,617	15,478	18,097
Interest accrued on deposits and loans and advances	1,715	2,572	2,600
Contribution receivable from lessors (Refer note 50)	57,747	57,784	47,720
Claims Receivable from lessors/insurer/others	53,486	18,939	20,391
	<u>121,565</u>	<u>94,773</u>	<u>88,808</u>

NOTE 17: OTHER CURRENT ASSETS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured, considered good, unless stated otherwise			
Prepaid Expenses	22,904	20,396	19,182
Balances with Government Authorities	61,651	14,425	10,263
Advance to Vendors; considered good	32,506	23,113	34,300
Advance to Vendors; considered doubtful	12,752	12,432	12,435
Less: Provision for doubtful advances	(12,752)	(12,432)	(12,435)
Other recoverables	1,943	1,233	1,410
	<u>119,004</u>	<u>59,167</u>	<u>65,155</u>

Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 18: SHARE CAPITAL

Particulars			As at 31 March 2018	As at 31 March 2017	As at 1 April 2016		
a	Authorised : Equity Shares of ₹ 10 each 180,000,000 (31 March 2017: 180,000,000, 1 April 2016: 180,000,000) Equity shares Preference Shares of ₹ 10 each 20,000,000 (31 March 2017: 20,000,000, 1 April 2016: 20,000,000) Preference shares TOTAL		18,000 2,000 20,000	18,000 2,000 20,000	18,000 2,000 20,000		
b	Issued and Subscribed and Paid up: 113,597,383 (31 March 2017: 113,597,383, 1 April 2016:113,597,383) Equity shares fully paid up TOTAL		11,360 11,360	11,360 11,360	11,360 11,360		
c	Reconciliation of number of shares outstanding at the beginning and end of the year : Equity share Issued and Subscribed and Paid up : Outstanding at the beginning of the year Changes during the year Outstanding at the end of the year		113,597,383 Nil 113,597,383	113,597,383 Nil 113,597,383	113,597,383 Nil 113,597,383		
d	Terms / Rights attached to each classes of shares 1. 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.						
e	Shareholders holding more than 5% shares in the company is set out below:						
Equity share		As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
		No. of Shares	Percentage of holding	No. of Shares	Percentage of holding	No. of Shares	Percentage of holding
Mr. Naresh Goyal		57,933,665	51	57,933,665	51	57,933,665	51
Etihad Airways PJSC Aviation		27,263,372	24	27,263,372	24	27,263,372	24

NOTE 19: OTHER EQUITY

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Reserves and Surplus			
Capital reserve	199	199	199
Capital Redemption Reserve	5,558	5,558	5,558
Securities premium	344,253	344,253	344,253
Debenture Redemption Reserve	5,242	5,242	1,747
General reserve	2,098	2,098	2,098
Retained earnings	(1,077,169)	(1,013,524)	(1,159,897)
Other Comprehensive Income	(5,454)	(5,702)	-
	(725,273)	(661,876)	(806,042)



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars	As at 31 March 2018	As at 31 March 2017
Capital Reserve		
As per Last Balance Sheet	199	199
Add: Increase/(Decrease) during the year	*	*
Closing Balance	<u>199</u>	<u>199</u>
Capital reserve represents shares held in S.I.T.A. & S.I.T.A group foundation received free of cost.		
* During the year the company has received additional shares of ₹ 1,440 for 31 March 2018 (31 March 2017: ₹ 8,662).		
Capital Redemption Reserve		
As per Last Balance Sheet	5,558	5,558
Increase/(Decrease) during the year	-	-
Closing Balance	<u>5,558</u>	<u>5,558</u>
Capital redemption reserve represents reserve created out of profits for the difference between the face value of the Cumulative Convertible Redeemable Preference Shares (CCRPS) and the fresh equity capital raised as required under law.		
Securities Premium		
As per Last Balance Sheet	344,253	344,253
Increase/(Decrease) during the year	-	-
Closing Balance	<u>344,253</u>	<u>344,253</u>
Securities premium reserve represents the premium on issue of equity shares.		
Debenture Redemption Reserve		
As per Last Balance Sheet	5,242	1,747
Increase/(Decrease) during the year	-	3,495
Closing Balance	<u>5,242</u>	<u>5,242</u>
Debenture redemption reserve represents reserve created for non redeemable non-convertible debentures in accordance with provisions of the Companies Act, 2013		
No transfer has been made during the year ended 31 March 2018 since there is a loss.		
General reserve		
As per Last Balance Sheet	2,098	2,098
Increase/(Decrease) during the year	-	-
Closing Balance	<u>2,098</u>	<u>2,098</u>
General reserve represents difference in between revaluation reserve and Written Down Value of assets on opting for Historical cost model as per the Companies (Accounting Standard) Amendment Rules, 2016		
Retained earnings		
As per Last Balance Sheet	(1,013,524)	(1,159,897)
Profit / (Loss) during the year	(63,645)	149,868
Transfer to Debenture redemption reserve	-	(3,495)
Closing Balance	<u>(1,077,169)</u>	<u>(1,013,524)</u>
Retained earnings represents accumulated deficit in statement of profit and loss.		
Other comprehensive income - Remeasurement of defined benefit plans (net of tax)		
As per Last Balance Sheet	(5,702)	-
Actuarial losses on defined benefit plan for the year (net of tax)	248	(5,702)
Other comprehensive income represents actuarial gains or (losses) arising on remeasurement of defined benefit plans		
	<u>(5,454)</u>	<u>(5,702)</u>



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 20: BORROWINGS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Non-Convertible Debentures (Refer note (a))	72,023	71,300	70,695
Secured			
Term loans from Banks (Refer note (b),(c),(d) below)	279,728	314,390	96,634
Term loans from Other party (Refer note (e) below)	39,779	-	-
Unsecured loan			
Term loans from Banks (Refer note (f) below)	-	90,624	92,409
Term loans from Other party (Refer note (g) below)	10,298	16,083	20,009
Long Term Maturities of Finance Lease Obligations (refer note (h) below)	106,728	204,388	341,197
	508,556	696,785	620,944

- (a) 6,989 Non-Convertible Debentures (NCD) were issued in September 2015 at a face value of ₹ 10,00,000 per debenture. These debentures are redeemable at the end of five years from the date of allotment at a premium of ₹ 70,100 per debenture. These NCDs are unsecured and carry an interest rate of 20.64 % p.a. payable quarterly. This NCD has prepayment option at end of third and fourth year.
- (b) Rupee Term Loans of ₹ 161,306 Lakhs as on 31 March 2018 (₹ 149,417 Lakhs as on 31 March 2017, ₹ 4,717 Lakhs as on 1 April 2016) and Foreign Currency Term Loan of ₹ 7,239 Lakhs as on 31 March 2018 (₹ 10,324 Lakhs as on 31 March 2017, ₹ 15,875 Lakhs as on 1 April 2016) which are secured by way of a first pari-passu charge on domestic credit card realization, both present and future. These loans are repayable in monthly instalments by September 2023. Interest rates are based on respective Banks MCLR / LIBOR plus Margin.
- (c) Foreign Currency Term Loans of ₹ 87,657 Lakhs as on 31 March 2018 (₹ 82,176 Lakhs as on 31 March 2017, ₹ 46,862 Lakhs as on 1 April 2016) secured by way of a pari-passu charge on all the current and future international credit card realizations, received into a Trust and Retention Account maintained with the Banks together with a First hypothecation charge on the four flight simulators and an exclusive charge on Fixed Deposits aggregating to ₹ 11,328 Lakhs as on 31 March 2018, (₹ 10,435 Lakhs as on 31 March 2017, ₹ 10,435 Lakhs as on 1 April 2016 with maturity value of ₹ 11,936 Lakhs).
These loans are repayable in monthly instalments by December 2022. Interest rates are based on LIBOR plus Margin.
- (d) Foreign Currency Term Loan of ₹ 140,499 Lakhs as on 31 March 2018, (₹ 181,364 Lakhs as on 31 March 2017, ₹ 89,196 Lakhs as on 1 April 2016) secured by way of First Charge on: (i) IATA BSP receivables from the Kingdom of Saudi Arabia, United Arab Emirates, Qatar, Oman, Bahrain and Kuwait (ii) Revenue Account, Debt Service Reserve Account and Receivable Collection Account, maintained with the lead Bank.
These loans are repayable in monthly instalments by August 2021. Interest rates are linked to LIBOR plus Margin.
- (e) Rupee Term Loan of ₹ 40,000 Lakhs as on 31 March 2018 (31 March 2017: Nil; 01 April 2016: Nil) secured by first charge on a portion of the Investment Property.
This loan is repayable in monthly instalments by August 2022. Interest rates are based on Corporate Prime Landing Rate (CPLR) less Margin.
- (f) Foreign Currency Term Loan of ₹ 91,245 Lakhs as on 31 March 2018, (₹ 90,790 Lakhs as on 31 March 2017, ₹ 92,757 Lakhs as on 1 April 2016) is availed against a corporate guarantee given by one of the Shareholder to the lender. In return, the Company has hypothecated one of its B737 Aircraft in favour of that Shareholder; however, creation of pledge on 54,772 shares held in Jet Privilege Private Limited is pending.
The loan is repayable by way of a bullet payment in March 2019. Interest rates are linked to LIBOR plus Margin plus Guarantors margin.
- (g) Foreign Currency Term Loan is repayable within 40 instalments starting March 2017. Interest rate is linked to LIBOR plus margin thereon is payable on monthly basis.
- (h) (i) Finance Lease obligation for six aircraft secured by Corporate Guarantees provided by the Subsidiary Company aggregating to ₹ 66,668 Lakhs equivalent to USD 1,023 Lakhs as on 31 March 2018, (₹ 111,780 Lakhs equivalent to USD 1,724 Lakhs as on 31 March 2017, ₹ 161,492 Lakhs equivalent to USD 2,437 Lakhs as on 1 April 2016).
(ii) Repayable in quarterly / half yearly instalments over a period of twelve years from the date of disbursement of the respective loans. Interest rate are based on LIBOR plus margin.

Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 21: OTHER FINANCIAL LIABILITIES

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Deposit from Customers	841	837	-
Advance from developer (Refer Note below)	-	-	51,831
	<u>841</u>	<u>837</u>	<u>51,831</u>

Note: The Company had entered into an agreement with Godrej Buildcon Private Limited, Mumbai (GBPL) for the development of its plot of land, situated at Bandra-Kurla Complex, Mumbai, taken on long term lease from MMRDA. The development has since been completed during the previous year ended 31 March 2017. During the year ended 31 March 2018, the Company has recognised an amount of ₹ 11,403 Lakhs in 'Other income' as its share of accrued profit from the said project upon final settlement with Godrej Buildcon Private Limited (GBPL). In the previous year ended 31 March 2017, consequent to the completion of the development, the advance received from the developer together with the profit accrued to the Company till 31 March 2017 aggregating to ₹ 65,106 Lakhs has been adjusted against the carrying value of the leasehold land amounting to ₹ 32,203 Lakhs and the balance of ₹ 32,903 Lakhs has been accounted as 'Other income'.

NOTE 22: PROVISIONS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Provision for employee benefits			
Gratuity	18,755	17,406	11,090
Compensated Absences	6,232	6,451	4,528
Others			
Redelivery Provision (Refer Note below)	<u>21,443</u>	<u>18,046</u>	<u>13,607</u>
	<u>46,430</u>	<u>41,903</u>	<u>29,225</u>

Redelivery Provision

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

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Balance as at beginning of the year	18,046	15,351
Provisions created during the year	3,031	2,548
Interest accretion on provisions during the year	1,829	1,344
Amounts Utilised during the year	(299)	(795)
Exchange loss / (gain) adjustment	110	(402)
Balance as at end of the year	<u>22,717</u>	<u>18,046</u>

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

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

Expected timing of resulting outflow of economic benefit is financial year 2018-2019 to 2025-2026.



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 23: OTHER NON-CURRENT LIABILITIES

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Advances	3,079	5,764	8,099
Advance from Developer	-	-	13,500
Deferred Revenue (Refer note 21)	-	-	30,423
	<u>3,079</u>	<u>5,764</u>	<u>52,022</u>

NOTE 24: BORROWINGS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Secured:			
Loans repayable on demand from Banks			
Rupee Loan (Refer note (a) and (c) below)	20,956	25,252	116,592
Unsecured			
From bank			
Foreign Currency Loan (Refer note (b) and (c) below)	-	-	185,514
	<u>20,956</u>	<u>25,252</u>	<u>302,106</u>

- (a) Loans aggregating to ₹ 20,956 Lakhs as on 31 March 2018, ₹ 25,252 Lakhs as on 31 March 2017, ₹ 116,592 Lakhs as on 01 April 2016 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, the residual Aircraft proceeds and all accounts of the borrower in which such aircraft proceeds are deposited in relation to existing fleet of 14 aircraft (out of which charge in respect of 3 aircraft is pending creation) on pari passu basis. The Company has escrowed the entire IATA collection excluding Gulf receivables with the lead bank for facilitating interest servicing and regularisation in case of any irregularity.
- (b) Foreign Currency Loan of ₹ Nil as on 31 March 2018, Nil as on 31 March 2017 and ₹ 185,514 Lakhs as on 01 April 2016 was availed against standby letter of credit issued by foreign banks backed by corporate guarantee provided by one of the Shareholders.
- (c) The rate of interest for the loans listed in (a) & (b) are linked to respective Banks' MCLR / LIBOR plus Margin.



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 25: TRADE PAYABLES

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Related parties	9,768	8,829	48,240
Micro and small enterprises (Refer Note below)	375	287	292
Other than micro and small enterprises	661,237	478,184	563,471
	<u>671,380</u>	<u>487,300</u>	<u>612,003</u>

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 :

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
a) Principal amount remaining unpaid as on	375	287	292
b) Interest due thereon as on	-	-	-
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	-	-	-
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	-	-	-

NOTE 26: OTHER FINANCIAL LIABILITIES

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Current maturities of long-term debt (Refer note 20)	212,118	109,235	55,543
Current maturities of finance lease obligations (Refer note 20)	98,685	76,500	98,279
Balance with Banks - overdrawn as per books	136	66	6,476
Interest accrued but not due on borrowings	1,098	1,237	1,670
Deposits from customers / vendors	5,708	7,698	6,528
Capital creditor (Refer note 21)	-	52,129	-
Other Payables	1,506	1,010	4,365
	<u>319,251</u>	<u>247,875</u>	<u>172,861</u>



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 27: PROVISIONS

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Provision for employee benefits			
Gratuity	1,253	1,117	814
Compensated Absences	2,411	2,386	1,080
Other provision :			
Redelivery Provision (Refer note 22)	1,274	-	1,744
Wealth Tax	16	16	16
	<u>4,954</u>	<u>3,519</u>	<u>3,654</u>

NOTE 28: OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Forward Sales (Net) [Passenger / Cargo]	3,58,699	3,52,282	3,16,353
Advance received against Sub lease	3,790	1,860	14,744
Advances from customers	8,522	11,565	12,554
Statutory Dues	53,035	25,724	25,654
Airport Dues	9,929	7,632	6,340
Deferred Revenue (Refer note 51)	-	30,449	31,180
	<u>4,33,975</u>	<u>4,29,512</u>	<u>4,06,825</u>

NOTE 29: REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
A. Sales of Services		
Passenger (Net of Service tax / Goods and Service Tax)	2,142,086	1,929,222
Cargo (Net of Service tax / Goods and Service Tax)	184,466	140,571
Excess Baggage	18,833	17,913
	<u>2,345,385</u>	<u>2,087,706</u>
B. Other operating revenue		
Export incentives	5,847	8,732
Cancellation Charges	62,010	62,110
Revenue from leasing of aircrafts	3,328	62,384
Provisions no longer required written back	5,549	32,601
Other revenue (includes security services, cargo screening, technical certification etc.)	28,950	15,725
	<u>105,684</u>	<u>181,552</u>
	<u>2,451,069</u>	<u>2,269,258</u>



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 30: OTHER INCOME

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest on deposits with banks	5,747	8,082
Other Interest (including interest on income tax refunds)	655	1,750
Unwinding of discount on security deposits	541	1,102
Net gain on sale of current investments	345	878
Profit on sale & leaseback of aircraft	-	40,276
Profit on sale of aircraft	-	11,487
Mark To Market Gain on Embedded Derivative	210	454
Recognition upon fulfilment of commitment (Refer Note 51)	30,449	31,155
Profit on development of leasehold land (Refer Note 21)	11,403	32,903
Other non-operating Income (includes insurance claim, frequent flyer programme, advertisement and other related income etc.)	17,328	14,020
Net Gain on Foreign Currency Transactions and translation	-	6,141
	<u>66,678</u>	<u>1,48,248</u>

NOTE 31: EMPLOYEE BENEFIT EXPENSE

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries and wages	297,191	278,912
Contribution to provident and other funds	8,030	11,781
Provision for gratuity	2,739	1,884
Provision for compensated absences	1,972	4,155
Staff welfare expenses	7,490	11,689
	<u>317,422</u>	<u>308,421</u>

NOTE 32: FINANCE COSTS

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest on borrowings measured at amortised cost	55,526	50,515
Finance charges on finance lease obligations measured at amortised cost	7,550	10,818
Other Borrowing Costs	21,222	24,523
Others	596	12
	<u>84,894</u>	<u>85,868</u>

NOTE 33: DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Depreciation of property, plant and equipment	59,388	65,318
Depreciation of investment property	802	-
Amortisation of intangible assets	1,924	1,837
	<u>62,114</u>	<u>67,155</u>



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 34: SELLING & DISTRIBUTION EXPENSES

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Computerised reservation system cost	122,850	113,562
Commission	112,187	91,488
Cost of miles accrued	34,287	33,674
Other Selling & distribution expenses	13,485	14,604
	282,809	253,328

NOTE 35: OTHER EXPENSES

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Aircraft & Engine variable rentals	120,838	98,196
Landing, Navigation and other Airport charges	248,133	212,893
Aircraft maintenance (including compensation)	253,823	200,103
Inflight and Other Pax Amenities	92,374	93,823
Repairs and Maintenance:		
- Others	10,200	7,844
Rent	12,260	12,529
Rates and taxes	725	438
Aircraft Insurance and other insurance	10,431	10,095
Electricity	1,349	1,448
Commission to Directors	-	23
Communication Cost	4,413	4,712
Travelling and Subsistence	31,293	29,137
Loss on sale / write-off of property, plant and equipment (net)	7,812	4,080
Provision for doubtful trade receivables	1,947	264
Provision for doubtful advances / deposits	320	-
Bad Trade receivables / advances / deposits written off	33	81
Directors Sitting Fees	60	82
Net Loss on Foreign Currency Transactions and translation	4,617	-
Payment to Auditors*	266	318
Miscellaneous expenses (including professional fees, printing & stationery, cargo handling & bank charges etc.)	54,445	45,467
	855,339	721,533
Auditors remuneration (Excluding Service Tax /Goods and Service tax Input Credit)	For the year ended 31 March 2018#	For the year ended 31 March 2017
As Audit Fee		
Audit Fees	148	147
Tax Audit Fees	10	30
In any other manner		
For other services such as quarterly limited reviews, certificates etc.	105	138
Out of pocket expenses	3	3
	266	318

Pertain to payment made to current joint auditors and one of the previous joint auditor for limited review for the period ended 30 June 2017 including reimbursement of expenses

* includes fees paid to one of the previous joint auditor.

Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 36 : EARNINGS PER SHARE (EPS)

i. (Loss)/Profit attributable to Equity holders

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
(Loss)/Profit attributable to equity holders:	(63,645)	149,868
(Loss)/Profit attributable to equity holders for calculation of basic and diluted earnings	(63,645)	149,868

ii. Weighted average number of ordinary shares

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Weighted average number of equity shares for calculation of basic and diluted EPS	113,597,383	113,597,383
Basic & diluted earnings per share	(56.03)	131.93

NOTE 37: TRANSITION TO IND AS:

These are the Company's first financial statements prepared in accordance with Ind AS.

The Company has adopted Indian Accounting Standards (Ind AS) as notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, with effect from 1 April 2016, transition date pursuant to notification issued by Ministry of Corporate Affairs dated 16 February 2015. Accordingly, the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and the opening Ind AS balance sheet as at 1 April 2016 have been prepared in accordance with Ind AS.

For the purposes of reporting as set out in Note 2, we have transitioned our basis of accounting from Indian generally accepted accounting principles ("GAAP") to Ind AS. The accounting policies set out in note 3 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the "transition date").

In preparing the financial statements for the year ended 31 March 2017 and balance sheet as at 1 April 2016 (Date of transition), the Company has adjusted amounts reported previously in financial statements prepared in accordance with Previous Generally Accepted Accounting Principles (Previous GAAP). This note explains the principal adjustments made by the Company in restating its Previous GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements for the year ended 31 March 2017. An explanation of how the transition from GAAP to Ind AS has affected our financial performance, cash flows and financial position is set out in the following tables and the notes that accompany the tables. On transition, we did not revise estimates made under previous GAAP except where required by Ind AS.

Exemptions and exceptions availed

A Ind AS optional exemptions

1. Determining whether an arrangement contains a lease

Ind AS 101 includes an optional exemption that permits an entity to apply the relevant requirements in Appendix C of Ind AS 17 for determining whether an arrangement existing at the date of transition contains a lease by considering the facts and circumstances existing at the date of transition (rather than at the inception of the arrangement). The Company has elected to avail of the above exemption. Company has elected to apply this exemption on the basis of facts and circumstances existing as at the transition date.



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

2. Investment in Associate

As per Ind AS 101, an entity may elect to account for its investments in associate either at cost as per Ind AS 27 or in accordance with Ind AS 109. Accordingly, the company has elected to account for its investments in associate at cost as per Ind AS 27.

B Ind AS mandatory exceptions

1. Estimates

Under Ind AS 101, an entity's estimates in accordance with Ind AS at 'the date of transition to Ind AS' (i.e. 1 April 2016) or 'the end of the comparative period presented in the entity's first Ind AS financial statements' (i.e. 31 March 2017), as the case may be, should be consistent with estimates made for the same date in accordance with the Previous GAAP.

The Company's Ind AS estimates as at the transition date are consistent with the estimates made as at the same date made under previous GAAP. Key estimates considered in preparation of the financial statements that were not required under the previous GAAP are listed below:

- Fair valuation of financial instruments
- Determination of the discounted value for financial instruments carried at amortised cost
- Discount rate for determining value of provision for redelivery cost and security deposit
- Expected credit losses on financial assets.

2. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exists at the date of transition to Ind AS.

3. De-recognition of financial assets and liabilities

As per Ind AS 101, an entity should apply the de-recognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, an entity may apply the derecognition requirements retrospectively chosen by it, if the information needed to apply Ind AS 109 to financial assets and liabilities de-recognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The company has elected to apply the de-recognition requirements in Ind AS 109 from the date of transition i.e. 1 April 2016..

Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

(A) Reconciliation of equity as at 1 April 2016

Particulars	Notes	Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment	3	877,758	(210,912)	666,846
Capital work-in-progress	10	410	3,214	3,624
Other Intangible assets		2,905	-	2,905
Financial Assets				
Investments	7	67,939	1,639	69,578
Loans	1	22,563	(4,790)	17,773
Other financial assets	8	43,572	804	44,376
Income tax assets (net)		22,966	-	22,966
Other non-current assets	1	53,487	3,751	57,238
Total non current assets		<u>1,091,600</u>	<u>(206,294)</u>	<u>885,306</u>
Current Assets				
Inventories	3	106,410	(57,819)	48,591
Financial Assets				
Current investments	2	50,000	66	50,066
Trade and other receivables	4	162,615	(3,764)	158,851
Cash and cash equivalents		31,656	-	31,656
Other Bank balances		117,157	-	117,157
Loans	1	12,264	(1,065)	11,199
Other financial assets		88,808	-	88,808
Other current assets	1 and 5	69,127	(3,972)	65,155
Total current assets		<u>638,037</u>	<u>(66,554)</u>	<u>571,483</u>
TOTAL ASSETS		<u>1,729,637</u>	<u>(272,848)</u>	<u>1,456,789</u>
EQUITY AND LIABILITIES				
Equity				
Share capital		11,360	-	11,360
Other equity	11	(532,405)	(273,637)	(806,042)
Total equity		<u>(521,045)</u>	<u>(273,637)</u>	<u>(794,682)</u>
Non current liabilities				
Financial liabilities				
Borrowings	5 and 8	621,033	(89)	620,944
Other financial liabilities		51,831	-	51,831
Provisions	9	37,522	(8,297)	29,225
Other non-current liabilities	10	38,522	13,500	52,022
Total non current liabilities		<u>748,908</u>	<u>5,114</u>	<u>754,022</u>
Current liabilities				
Financial liabilities				
Borrowings		302,106	-	302,106
Trade payables		612,003	-	612,003
Other financial liabilities	5	177,186	(4,325)	172,861
Provisions		3,654	-	3,654
Other current liabilities		406,825	-	406,825
Total current liabilities		<u>1,501,774</u>	<u>(4,325)</u>	<u>1,497,449</u>
Total liabilities		<u>2,250,682</u>	<u>789</u>	<u>2,251,471</u>
Total Equity and Liabilities		<u>1,729,637</u>	<u>(272,848)</u>	<u>1,456,789</u>



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

(B) Reconciliation of equity as at 31 March 2017

Particulars	Notes	Amount as per Previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment	3	653,987	(167,898)	486,089
Capital work-in-progress		70,930	-	70,930
Other Intangible assets		3,589	-	3,589
Financial Assets			-	-
Investments	7	72,742	2,155	74,897
Loans	1	13,761	(1,804)	11,957
Other financial assets	8	22,135	1,258	23,393
Income Tax assets (net)		16,434	-	16,434
Other non-current assets	1	53,481	1,095	54,576
Total non current assets		<u>907,059</u>	<u>(165,194)</u>	<u>741,865</u>
Current Assets				
Inventories		50,612	-	50,612
Financial Assets				
Current investments		53,400	-	53,400
Trade receivables	4	137,398	(3,914)	133,484
Cash and cash equivalents		53,759	-	53,759
Other Bank balances		100,459	-	100,459
Loans	1	1,838	(1,126)	712
Other financial assets		94,773	-	94,773
Other current assets	1 and 5	60,834	(1,667)	59,167
Total current assets		<u>553,073</u>	<u>(6,707)</u>	<u>546,366</u>
TOTAL ASSETS		<u>1,460,132</u>	<u>(171,901)</u>	<u>1,288,231</u>
EQUITY AND LIABILITIES				
Equity				
Share capital		11,360	-	11,360
Other equity	11	(501,349)	(160,527)	(661,876)
Total equity		<u>(489,989)</u>	<u>(160,527)</u>	<u>(650,516)</u>
Non current liabilities				
Financial liabilities				
Borrowings	5 and 8	697,076	(291)	696,785
Other financial liabilities	5	2,307	(1,470)	837
Provisions	9	49,893	(7,990)	41,903
Other non-current liabilities		5,764	-	5,764
Total non current liabilities		<u>755,040</u>	<u>(9,751)</u>	<u>745,289</u>
Current liabilities				
Financial liabilities				
Borrowings		25,252	-	25,252
Trade payables		487,300	-	487,300
Other financial liabilities	5	249,498	(1,623)	247,875
Provisions		3,519	-	3,519
Other current liabilities		429,512	-	429,512
Total current liabilities		<u>1,195,081</u>	<u>(1,623)</u>	<u>1,193,458</u>
Total liabilities		<u>1,950,121</u>	<u>(11,374)</u>	<u>1,938,747</u>
Total Equity and Liabilities		<u>1,460,132</u>	<u>(171,901)</u>	<u>1,288,231</u>

Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

(C) Reconciliation of Total Comprehensive Income for the year ended 31 March 2017

Particulars	Notes	Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS
Revenue				
Revenue from Operations (Gross)		2,269,258	-	2,269,258
Other income	1,2,3,8,10	97,733	50,515	148,248
Total Income		<u>2,366,991</u>	<u>50,515</u>	<u>2,417,506</u>
Expenses				
Aircraft Fuel Expenses		593,593	-	593,593
Aircraft and Engines Lease Rentals	1	242,780	301	243,081
Employee Benefit Expenses	6	314,123	(5,702)	308,421
Finance cost	5	85,263	605	85,868
Depreciation and Amortization Expenses	3	88,766	(21,611)	67,155
Selling and Distribution Expenses		253,328	-	253,328
Other Expenses	1,3,4,9	750,118	(28,585)	721,533
Total Expenses		<u>2,327,971</u>	<u>(54,992)</u>	<u>2,272,979</u>
Profit before Tax		<u>39,020</u>	<u>105,507</u>	<u>144,527</u>
Tax expense:				
- Current Tax				
- Short / (excess) tax provisions net for earlier years		<u>(20)</u>	<u>-</u>	<u>(20)</u>
Profit before share of profit of associate		39,040	105,507	144,547
Share of Profit from associates	7	4,805	516	5,321
Profit for the year		43,845	106,023	149,868
Other comprehensive income				
Items that will not be reclassified to profit or loss				
- Remeasurement of Defined Benefit Plans	6		(5,702)	(5,702)
- Income tax related to above mentioned items		<u>43,845</u>	<u>100,321</u>	<u>144,166</u>
Total comprehensive income for the year				

Effect of Ind AS adoption on the Statement of Cash Flow for the year ended 31 March 2017

No Impact on cash flow from operating activities, Investing activities and financing activities under Ind AS from previous GAAP.



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Reconciliation of Total equity as at 1 April 2016

Particulars	Notes	As at 1 April 2016	As at 31 March 2017
Equity under Previous GAAP		(521,045)	(489,989)
Summary of Ind AS adjustments			
Additional provision as per ECL	4	(3,764)	(3,914)
Discounting of redelivery provision	9	8,296	7,991
fair valuation of security deposit	1	(857)	(178)
fair valuation of investment in Mutual Fund	2	66	-
Reversal of forex capitalized in the cost of property, plant and equipment	3	(268,730)	(167,899)
Reversal of revenue earlier recognised as per Joint Development Agreement	10	(10,286)	-
Amortised cost of non-convertible debentures as per EIR	5	(246)	619
Embedded derivative	8	245	699
Revised share in profit of associate (incremental)	7	1,639	2,155
Total Ind AS adjustments		<u>(273,637)</u>	<u>(160,527)</u>
Equity under Ind AS		<u><u>(794,682)</u></u>	<u><u>(650,516)</u></u>

Reconciliation of Total Comprehensive income for the year ended on 31 March 2017

Particulars	Footnote ref.	For the year ended 31 March 2017
Comprehensive income under Previous GAAP		43,845
Summary of Ind AS adjustments		
Additional provision as per ECL	4	(150)
Discounting of redelivery provision	9	(305)
Fair valuation of security deposit	1	679
Fair valuation of investment in Mutual Fund	2	(66)
Reversal of forex capitalized in the cost of Property, Plant and Equipment	3	89,512
Reversal of revenue earlier recognised as per Joint Development Agreement	10	10,286
Amortised cost of non-convertible debentures as per EIR	5	(605)
Embedded derivative	8	454
Revised share in profit of associate (incremental)	7	516
Actuarial Loss on remeasurement of defined benefit plans reclassified in other comprehensive income	6	5,702
Total Ind AS adjustments		<u>106,023</u>
Net profit for the year as per IND AS		<u>149,868</u>
Other Comprehensive income		<u>(5,702)</u>
Comprehensive income under Ind AS		<u><u>144,166</u></u>



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Notes to the reconciliation:

1 Security Deposit:

Under Previous Indian GAAP, security deposits were recorded at their transaction value. However, under Ind AS, such security deposit are required to be recognised initially at their fair value and subsequently at amortised cost. Difference between the fair value and transaction value of the security deposit has been recognised as deferred rent. The unwinding of security deposit is recognised as notional interest income in Statement of Profit and Loss at effective interest rate and the deferred rent gets amortised on a straight line basis over the term of the security deposit.

As a result of the above change, the amount of security deposit as on 31 March 2017 has decreased by ₹ 4,753 Lakhs (1 April 2016 : ₹ 5,855 Lakhs) with a creation of deferred rent of ₹ 4,575 Lakhs (1 April 2016 : ₹ 4,998 Lakhs) and retained earnings decreased by ₹ 857 Lakhs as at 1 April 2016. The profit and retained earnings for the year ended 31 March 2017 increased by ₹ 679 Lakhs due to amortisation of deferred rent of ₹ 423 Lakhs and increase in notional interest income of ₹ 1,102 Lakhs recognised on security deposits.

2 Fair Value Through Profit and Loss (FVTPL) financial assets:

Under Previous GAAP, the Company accounted for investments in Mutual Funds as investment measured at lower of cost or fair value. However, under Ind-AS, such investments are measured at fair value with a change to be recorded in income statement. At the date of transition to Ind-AS, difference between the instruments fair value and Previous GAAP carrying amount has been recognised in the Retained Earnings. Further, the profit and other equity for the year ended 31 March 2017 has decreased by ₹ 66 Lakhs due to the fair value changes.

3 Property, Plant and Equipment:

- a) Under Previous GAAP, the Company capitalised all foreign exchange differences as part of Property, plant and equipment ("PPE"). However, under Ind AS such differences are recorded in income statement. Consequently, the value of property, plant and equipment is decreased by ₹ 268,730 Lakhs as on transition date. (31 March 2017: ₹ 167,899 Lakhs). Further, the profit and retained earning for the financial year ended 31 March 2017 has been increased by ₹ 71,391 Lakhs.
- b) Under previous GAAP, Company recorded exchange differences relating to certain borrowings in the equity and amortised over the period of loan. Under Ind AS such exchange differences are recorded in the year to which it relates to. Consequently foreign exchange difference lying under FCMITDA amounting to ₹ 1,683 Lakhs has been reversed. The profit and retained earnings for the financial year ended 31 March 2017 has been increased by ₹ 18,121 Lakhs.
- c) The Company, in accordance with Ind AS 16 - Property, Plant and Equipment, has identified certain spare parts as they meet the definition of PPE, which were earlier presented as inventories in the Previous GAAP. As a result, such inventories amounting to ₹ 57,679 Lakhs is reclassified as rotables and non-aircraft equipment as on transition date under PPE and depreciated over its remaining useful life.

4 Trade receivables

Under Indian GAAP, the Company has created provision for impairment of receivables for specific amount based on the realisability assessment. Under Ind-AS, impairment allowance has been determined based on Expected Loss model (ECL) following Ind AS 109. Accordingly the trade receivables decreased by ₹ 3,764 Lakhs, and the corresponding impact is given to retained earnings as on transition date. The profit and retained earnings has been decreased by ₹ 150 Lakhs for the year ended 31 March 2017.

5 Non-convertible Debenture at Amortised cost

Under Previous GAAP, interest were charged to statement of profit or loss of respective period as per the terms of the debenture. However, under Ind-AS, the same is charged to statement of profit and loss using the effective interest method. The profit / (loss) for the year ended 31 March, 2017 decreased by ₹ 605 Lakhs. Further, the impact on retained earnings as on transition date and as on 31 March, 2017 are ₹ 246 Lakhs and ₹ (619) Lakhs respectively.



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

6 Employee benefits :

Under Previous GAAP, actuarial gains and losses were charged to statement of profit and loss. However, under Ind AS actuarial gains and losses on defined benefit liability are recognised in Other Comprehensive Income. As a result of this change, the employee benefit expense to the extent of actuarial loss amounting to ₹ 5,702 Lakhs (net of taxes ₹ 5,702 Lakhs) for the year ended 31 March 2017 has been reduced and the same has been reclassified to Other Comprehensive Income. There is no impact on the other equity as at 31 March 2017.

7 Share of profit in associate:

Under Indian GAAP share of profit in associate was consolidated using equity method based on financial statement of associate prepared as per Indian GAAP. However under Ind AS share of profit in associate is consolidated based on financial statement of associate prepared in accordance of Ind AS.

8 Embedded Derivative on prepayment option:

Under Previous GAAP, there was no requirement to assess and measure embedded derivatives in a debt contract. However, under Ind AS, embedded derivative requires separation (if certain conditions are satisfied) from the host debt contract and measured at fair value at every reporting period and the changes to fair value are to be recorded in statement of profit and loss. This change has resulted in recording an embedded derivative asset amounting to ₹ 804 Lakhs, out of which ₹ 245 Lakhs credited to retained earnings and ₹ 559 Lakhs is credited to debenture) on transition date. Consequently, The profit and retained earnings has increased by ₹ 454 Lakhs for the year ended 31 March 2017 due to fair valuation of embedded derivative.

9 Discounting of Redelivery provision:

Under the Previous GAAP, discounting of provisions was not required. However, under Ind AS, the provisions are measured at discounted amounts, if the effect of the time value of money is material. Consequent to this change, the provision for redelivery cost has decreased by ₹ 8,296 Lakhs as on transition date. The profit and retained earnings for the year ended 31 March 2017 decreased by ₹ 305 Lakhs (net) due to unwinding of discounted provision (included in other expense).

10 Other financial liabilities: Advance from developer

Under, the previous GAAP advance of ₹ 13,500 Lakhs received from developer towards reimbursement of expenses and cost of construction incurred till the date of entering into development agreement was credited to retained earning of (₹ 10,286 Lakhs) and adjusted against capital work in progress (₹ 3,214 Lakhs). Under Ind AS advance from developer is required to be carried as a liability till the completion of the project, accordingly liability of ₹ 13,500 Lakhs has been recognised under Ind AS on the transition date. Further, profit and retain earnings has been increased by ₹ 10,286 Lakhs for the year ended 31 March 2017.

11 Retained earnings :

Retained earnings as at 1 April 2016 has been appropriately restated consequent to the above Ind AS transition adjustments..

Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 38: TAX EXPENSE

(a) Amounts recognised in profit and loss

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Current income tax		
Current Year	-	-
Prior Period excess paid	-	(20)
Deferred income tax liability / (asset), net	-	-
Deferred tax expense	-	-
Tax expense for the year	-	(20)

(b) Amounts recognised in other comprehensive income

	For the year ended 31 March 2018			For the year ended 31 March 2017		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	248		248	(5,702)		(5,702)
	<u>248</u>	<u>-</u>	<u>248</u>	<u>(5,702)</u>	<u>-</u>	<u>(5,702)</u>

(c) Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Profit before tax	(63,645)	149,868
Tax using the Company's domestic tax rate (Current year 30.90% and Previous Year 32.445%)	19,666	(48,625)
Tax effect of:		
Non deductible expenses for tax purpose	25	5
Tax effect of brought forward Losses/unabsorbed depreciation of current year on which no deferred tax asset is recognised	(42,141)	(1,452)
Set-off of the carried forward tax losses for which no deferred tax asset was recognised	-	30,621
Recognition of Deferred tax asset on carried forward losses to the extent of Deferred tax liability	15,853	25,341
Deferred tax on Long Term Capital Loss (LTCL)	3,289	(6,944)
Prior period tax	-	(20)
Share in profit of associates	2,734	1,726
Others	574	(672)
Net Effective income tax	<u>-</u>	<u>(20)</u>



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

39. Components of deferred tax assets and (liabilities) recognised in the balance sheet, statement of profit and loss and statement of other comprehensive income

(a) Deferred Tax

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Deferred Tax Liability	(69,676)	(74,925)	(90,863)
Deferred Tax Assets	69,676	74,925	90,863
Net Deferred Tax asset / (liability)	-	-	-

Year ended March 2018	Opening	Recognised in profit or loss	Recognised in OCI	Closing Balance
Property, Plant and equipment	(72,394)	4,858	-	(67,536)
Financial Assets	(2,531)	392	-	(2,139)
Provisions	19,187	212	-	19,399
Others additions and disallownces (Net)	21,196	(13,490)	-	7,706
Business losses	34,542	8,032	-	42,570
Total	-	-	-	-

Year ended March 2017	Opening	Recognised in profit or loss	Recognised in OCI	Closing Balance
Property, Plant and equipment	(88,920)	16,526	-	(72,394)
Financial Assets	(1,943)	(588)	-	(2,531)
Provisions	16,114	3,073	-	19,187
Others additions and disallownces (Net)	13,588	7,608	-	21,196
Business losses	61,161	(26,619)	-	34,542
Total	-	-	-	-

(b) Unused tax losses and unabsorbed depreciation on which no deferred tax asset is recognised in Balance Sheet

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Unused Tax Losses	542,400	554,185	533,847
Unabsorbed Tax depreciation	112,726	43,879	113,086
Total	655,126	598,064	646,933

- (1) Unabsorbed depreciation does not have any expiry period under the Income Tax Act, 1961.
- (2) The tax benefits for the losses would expire if not utilised starting from financial year 2019-20 to 2025-26.
- (3) No deferred tax benefit is recognised in absence of reasonable certainty that taxable income will be generated by the company to offset the losses.

Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 40: EMPLOYEE BENEFITS

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

(i) Defined Contribution Plans:

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

Expenses recognised for defined contribution plans are summarised below:

Particulars	for the year ended 31 March 2018	for the year ended 31 March 2017
Contribution to Provident Fund	4,982	7,654
Contribution to F.P.F.	2,019	3,140
Contribution to EDLI	115	113
Contribution to Employees' State Insurance Scheme	270	233
Total	7,386	11,140

(ii) 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 :

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

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

(b) On death while in service :

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

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity was carried out on 31 March 2018 by an actuary. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Movement in net defined benefit (asset) liability

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

Particulars	Defined benefit obligation	
	for the year ended 31 March 2018	for the year ended 31 March 2017
Opening balance	18,523	11,904
Included in profit or loss		
Current service cost	1,385	926
Past service cost	-	-
Interest cost	1,354	958
	21,262	13,788
Included in other comprehensive income		
Actuarial loss (gain) arising from:		
Financial assumptions	(1,180)	1,578
Experience adjustment	932	4,124
	21,014	19,490
Contributions paid by the employer		
Benefits paid	(1,006)	(967)
Closing balance	20,008	18,523



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

(C) Plan assets

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

i. Actuarial assumptions

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

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Discount rate	7.78%	7.29%
Salary escalation rate	5.00%	5.00%
Mortality rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Rate of Employee Turnover	For service 4 years and below 30.00% p.a. & For service 5 years and above 1.00% p.a.	For service 4 years and below 30.00% p.a. & For service 5 years and above 1.00% p.a.

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

ii. Sensitivity analysis

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

Particulars	For the year ended 31 March 2018		For the year ended 31 March 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(2,172)	2,589	(2,104)	2,522
Future salary growth (1% movement)	2,636	(2,244)	2,556	(2,165)
Employee Turnover rate (1% movement)	712	(812)	568	(651)

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

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

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

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

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

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

Expected Future Cash flows

Projected Benefits Payable in Future Years From the Date of Reporting	For the year ended 31 March 2018	For the year ended 31 March 2017
Less than 1 year	1,254	1,118
Between 1 - 2 years	593	414
Between 2 - 5 years	2,575	2,347
Over 5 Years	5,808	4,784

Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

(iii) Other long term employee benefits

The obligation of compensated absences (non-funded) for the year ended 31 March 2018, amounting to ₹ 1,972 Lakhs (31 March 2017 ₹ 4,155 Lakhs) has been recognised in the Statement of Profit and Loss, based on actuarial valuation carried out using the Projected Unit Credit Method.

NOTE 41: LEASES

A. Finance Leases / Hire Purchase (Aircraft)

Particulars	Future Minimum Lease Payments			Present Value of Future Minimum Lease Payments			Finance Charges	
	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016	As at 31 March 2018	As at 31 March 2017
Not later than one year	104,199	84,421	110,499	98,685	76,500	98,279	5,514	7,921
Later than one year and not later than five years	109,746	212,250	358,344	106,728	204,388	341,197	3,018	7,862
Later than five years	-	-	-	-	-	-	-	-
TOTAL	213,945	296,671	468,843	205,413	280,888	439,476	8,532	15,783

The salient features of a Finance Lease Agreement are :

- Option to purchase the Aircraft either during the term of the finance lease on payment of the outstanding Principal amount or at the end of the term on payment of a nominal option price.
- In the event of default, the 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.
- The property passes to the Lessee, on payment of a nominal price at the end of the term.

B. Operating leases

Leases as lessee

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

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

a) Commercial Premises and Amenities

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Not later than one year	1,449	1,422	8
Later than one year and not later than five years	951	2,387	-
Later than five years	-	-	-
	2,400	3,809	8

b) Aircraft and Spare Engines

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

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Not later than one year	252,303	238,993	228,203
Later than one year and not later than five years	681,227	724,508	782,751
Later than five years	75,362	147,583	260,777
	1,008,892	1,111,084	1,271,731



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

The Salient features of an Operating Lease agreement are :

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

c) Landing Rights

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

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 1 April 2016
Not later than one year	3,646	3,317	3,478
Later than one year and not later than five years	3,111	-	3,389
Later than five years	-	-	-
	<u>6,757</u>	<u>3,317</u>	<u>6,867</u>

- d) Details of future minimum lease income in respect of one (1) Aircraft (31 March 2018) (31 March 2017: 1; 01 April 2016: 10) given on non-cancellable Dry Lease as at 31 March as follows:

Aircraft

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 1 April 2016
Not later than one year	3,363	3,346	35,330
Later than one year and not later than five years	7,109	10,420	53,747
Later than five years	-	-	389
	<u>10,472</u>	<u>13,766</u>	<u>89,466</u>

The Salient features of Dry Lease agreements are as under :

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

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

Particulars	For the year ended	
	31 March 2018	31 March 2017
Cost of Acquisition	37,845	37,845
Accumulated Depreciation	22,431	19,920
Depreciation Debited to Statement of Profit and Loss during the year on the above Leased Assets	2,510	2,510
Lease Rental income recognised on Assets Leased during the year	3,328	62,384

- e) The lease rentals recognised in the Statement of Profit and Loss for the year ended 31 March 2018 are ₹ 382,882 Lakhs (31 March 2017 ₹ 357,617 Lakhs).

Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTE 42: FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

A. Accounting classification and fair values

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

31 March 2018	Fair Value through Profit and Loss	Amotised Cost	Total Carrying Values	Total Fair Values
Financial assets				
Cash and cash equivalents	-	32,113	32,113	32,113
Other bank balances	-	104,427	104,427	104,427
Investment in certificate of deposit	-	199	199	199
Investment in equity - unquoted	-	6	6	6
Non-current loans	-	9,313	9,313	9,313
Current loans	-	3,126	3,126	3,126
Trade and other receivables	-	128,078	128,078	128,078
Other Non-current financial asset	1,468	12,784	14,252	14,252
Other Current financial asset		121,565	121,565	121,565
	<u>1,474</u>	<u>411,605</u>	<u>413,079</u>	<u>413,079</u>
Financial liabilities				
Long term borrowings	-	436,533	436,533	436,533
Non-convertible Debentures	-	72,023	72,023	72,023
Short term borrowings	-	20,956	20,956	20,956
Trade and other payables	-	671,380	671,380	671,380
Other Non-Current financial liabilities	-	841	841	841
Other Current financial liabilities	-	319,251	319,251	319,251
	<u>-</u>	<u>1,520,984</u>	<u>1,520,984</u>	<u>1,520,984</u>

31 March 2017	Fair Value through Profit and Loss	Amotised Cost	Total Carrying Values	Total Fair Values
Financial assets				
Cash and cash equivalents	-	53,759	53,759	53,759
Other bank balances	-	100,459	100,459	100,459
Investment in certificate of deposit	-	199	199	199
Investment in equity - unquoted	-	6	6	6
Current investments	53,400		53,400	53,400
Non-current loans	-	712	712	712
Current loans	-	11,957	11,957	11,957
Trade and other receivables	-	133,484	133,484	133,484
Other Non-current financial asset	1,258	22,135	23,393	23,393
Other Current financial asset	-	94,773	94,773	94,773
	<u>54,664</u>	<u>417,478</u>	<u>472,142</u>	<u>472,142</u>
Financial liabilities				
Long term borrowings	-	625,485	625,485	625,485
Non-convertible Debentures	-	71,300	71,300	71,300
Short term borrowings	-	25,252	25,252	25,252
Trade and other payables	-	487,300	487,300	487,300
Other Non-Current financial liabilities	-	837	837	837
Other Current financial liabilities	-	247,875	247,875	247,875
	<u>-</u>	<u>1,458,049</u>	<u>1,458,049</u>	<u>1,458,049</u>



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

1 April 2016	Fair Value through Profit and Loss	Amotised Cost	Total Carrying Values	Total Fair Values
Financial assets				
Cash and cash equivalents	-	31,656	31,656	31,656
Other bank balances	-	117,157	117,157	117,157
Investment in certificate of deposit	-	199	199	199
Investment in equity - unquoted	-	8	8	8
Current investments	50,066		50,066	50,066
Non-current loans	-	17,773	17,773	17,773
Current loans	-	11,199	11,199	11,199
Trade and other receivables	-	158,851	158,851	158,851
Other Non-current financial asset	804	43,572	44,376	44,376
Other Current financial asset	-	88,808	88,808	88,808
	<u>50,878</u>	<u>469,215</u>	<u>520,093</u>	<u>520,093</u>
Financial liabilities				
Long term borrowings	-	550,249	550,249	550,249
Non-convertible Debentures	-	70,695	70,695	70,695
Short term borrowings	-	302,106	302,106	302,106
Trade and other payables	-	612,003	612,003	612,003
Other Non-Current financial liabilities	-	51,831	51,831	51,831
Other Current financial liabilities	-	172,861	172,861	172,861
	<u>-</u>	<u>1,759,745</u>	<u>1,759,745</u>	<u>1,759,745</u>

B. Fair value heirarchy

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

Particulars	As on 31 March 2018			
Financial assets	Level 1	Level 2	Level 3	Total
Other Non-current financial asset	-	1,468	-	1,468
Total	<u>-</u>	<u>1,468</u>	<u>-</u>	<u>1,468</u>
Particulars	As on 31 March 2017			
Financial assets	Level 1	Level 2	Level 3	Total
Other Non-current financial asset	-	1,258	-	1,258
Current investments - Mutual Fund	53,400	-	-	53,400
Total	<u>53,400</u>	<u>1,258</u>	<u>-</u>	<u>54,658</u>
Particulars	As on 01 April 2016			
Financial assets	Level 1	Level 2	Level 3	Total
Other Non-current financial asset	-	804	-	804
Current investments - Mutual Fund	50,066	-	-	50,066
Total	<u>50,066</u>	<u>804</u>	<u>-</u>	<u>50,870</u>

Valuation Process:

- (1) Company's borrowings have been contracted at floating rates of interest, which gets reset periodically based on the market movements. Accordingly, the carrying value of such borrowings approximates fair value.
- (2) The carrying amounts of trade receivables, short term borrowings, trade payables, cash and cash equivalents, other current financial assets, and other current financial liabilities approximates fair value, being short-term in nature.



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

- (3) Other non-current financial assets includes bank deposits (due for maturity beyond twelve months from the reporting date), interest accrued but not due on bank deposits and contribution receivable from lessors. The carrying value of these are approximately equal to fair values as on the reporting date.
- (4) Other Non-current financial asset also includes embedded derivative as regards the value of call option for prepayment of debenture, created on the date of transition. The valuation of the call option is arrived at after considering average of the following two approaches:
 - (i) Direct method - Differential analysis between the price of a hypothetical non-callable bond and the price of the callable bond as on the Value Analysis Dates
 - (ii) Cost Saving method - Cost saving analysis, based on the interest cost saved on account of the callability feature as on the Value Analysis Dates
- (5) Current Investments represent investments in Mutual funds which are fair valued at year end NAV.
- (6) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for all financial instruments, the fair value estimates presented above are indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.
- (7) There has been no transfers between Level 1, Level 2 and Level 3 for the years ended 31 March 2018 and 31 March 2017.

NOTE 43: FINANCIAL RISK MANAGEMENT

In the course of its business, the Company is primarily exposed to fluctuations in foreign currency exchange rates, interest rates, Jet fuel rate, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate & credit risks and Jet fuel rate movements. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

- (i) to set appropriate limits, controls and to monitor the risks and adherence to the means by reliable and upto date information.
- (ii) create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.

i. Credit risk

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

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

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Trade Receivables	128,078	133,484	158,851
Loans	12,439	12,669	28,972
Cash & cash equivalents	31,951	53,632	31,491
Other bank balances	104,427	100,459	117,157
Investments	-	53,400	50,066
Other financial assets	135,817	118,166	133,184

Trade receivables

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



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

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

The ageing of the trade receivable is as follows:

Particulars	Gross Carrying amount		
	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Neither past due nor impaired	120,187	125,619	107,015
Past due 1–90 days	2,543	2,501	38,120
Past due 91–180 days	2,546	1,851	10,583
Past due more than 180 days	21,906	21,555	21,229
	<u>147,182</u>	<u>151,526.00</u>	<u>176,947</u>

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

The provision matrix is as below:

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

The Company's exposure to customers is diversified and no single customer contributes to more than 10 % of outstanding trade receivables as at 31 March 2018, 31 March 2017 and 1 April 2016.

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

Particulars	Expected credit loss
Balance as at 1 April 2016	18,096
Additional provision recognised	264
Provisions not required written back	(251)
Amounts written off	(66)
Balance as at 31 March 2017	18,043
Additional provision recognised	1,947
Provisions not required written back	(886)
Amounts written off	-
Balance as at 31 March 2018	<u>19,104</u>

Loans

The loans primarily represents security deposits placed with aircraft & engine lessors. Such deposits will be returned to the Company on redeliveries of the aircraft. The credit risk associated with such deposits is relatively low given the credit standing of these reputed lessors and the diversified lease portfolio.

Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Security Deposit	Gross Carrying amount		
	31 March 2018	31 March 2017	1 April 2016
Gross carrying amount	12,885	13,524	29,855
Impairment allowance	(446)	(855)	(883)
Carrying amount net of impairment provision	12,439	12,669	28,972

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

Particulars	Loss allowances measured at lifetime expected losses*
Balance as at 1 April 2016	883
Additional provision recognised	-
Provisions not required written back	(28)
Amounts written off	-
Balance as at 31 March 2017	855
Additional provision recognised	-
Provisions not required written back	-
Amounts written off	(409)
Balance as at 31 March 2018	446

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

Cash and cash equivalents including other bank balances

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

Investments

Investments primarily include investment in liquid mutual fund units.

Other financial assets

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

iii. Liquidity risk

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

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

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

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Company's liquidity position on the basis of expected cash flows.
- Maintaining diversified credit lines.



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Exposure to liquidity risk

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

31 March 2018	Contractual cash flows				
	Carrying amount	Total	Within 12 months	1-5 years	More than 5 years
Non-derivative financial liabilities					
Non Current borrowings					
Term Loan from Banks*	486,247	554,551	241,528	310,436	2,587
Term Loan from Others*	55,957	69,945	10,685	59,260	-
Non-convertible Debentures*	72,198	105,864	14,425	91,439	-
Long Term Maturities of Finance Lease Obligation*	206,055	213,945	104,199	109,746	-
Current borrowings	20,956	23,332	23,332	-	-
Trade payables	671,380	671,380	671,380	-	-
Deposit and advance from customer	841	841	-	841	-
Other current financial liabilities	7,350	7,350	7,350	-	-
	<u>1,520,984</u>	<u>1,647,208</u>	<u>1,072,899</u>	<u>571,722</u>	<u>2,587</u>

31 March 2017	Contractual cash flows				
	Carrying amount	Total	Within 12 months	1-5 years	More than 5 years
Non-derivative financial liabilities					
Non Current borrowings					
Term Loan from Banks*	510,957	595,441	140,884	454,557	-
Term Loan from Others*	19,595	20,178	3,773	16,405	-
Non-convertible Debentures*	71,475	120,289	14,425	105,864	-
Long Term Maturities of Finance Lease Obligation*	281,730	296,671	84,421	212,250	-
Current borrowings	25,252	25,252	25,252	-	-
Trade payables	487,300	487,300	487,300	-	-
Deposit and advance from customer	837	837	-	837	-
Other current financial liabilities	60,903	60,903	60,903	-	-
	<u>1,458,049</u>	<u>1,606,871</u>	<u>816,958</u>	<u>789,913</u>	<u>-</u>

1 April 2016	Contractual cash flows				
	Carrying amount	Total	Within 12 months	1-5 years	More than 5 years
Non-derivative financial liabilities					
Non Current borrowings					
Term Loan from Banks*	244,354	277,481	72,054	205,427	-
Term Loan from Others*	20,418	21,013	601	20,412	-
Non-convertible Debentures*	70,870	134,686	14,396	120,290	-
Long Term Maturities of Finance Lease Obligation*	440,794	468,843	110,499	358,344	-
Current borrowings	302,106	308,227	308,227	-	-
Trade payables	612,003	612,003	612,003	-	-
Interest Accrued but not due on borrowings	-	-	-	-	-
Payable for purchase of fixed asset	51,831	-	-	-	-
Other current financial liabilities	17,369	17,369	17,369	-	-
	<u>1,759,745</u>	<u>1,839,622</u>	<u>1,135,149</u>	<u>704,473</u>	<u>-</u>

* The amounts includes interest accrued but not due on borrowings.



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

iv. Market risk

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

Jet Fuel Price risk

The Company is exposed to Volatility in the price of Jet fuel and closely monitors the actual cost against the forecast cost. To manage the price risk, the Company evaluates the its option to achieve control over its impact on profitability.

Currency risk

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

Exposure to currency risk

The company's exposure to foreign currency risk as at the 31 March 2018, 31 March 2017 and 01 April 2016 expressed are as follows:

	31 March 2018	31 March 2018	31 March 2018
	USD	EURO	Others*
Financial assets			
Cash and cash equivalents	10,707	1,596	12,610
Loans and advances	85	-	327
Trade and other receivables	14,278	16,763	51,759
Other financial assets	74,207	47	648
	<u>99,277</u>	<u>18,406</u>	<u>65,344</u>
Financial liabilities			
Finance lease obligation	205,413	-	-
Long term borrowings	342,804	-	-
Interest Accrued but Not Due on Borrowings	923	-	-
Trade and other payables	361,740	19,535	35,253
Other Financial liabilities	1,180	96	729
	<u>912,060</u>	<u>19,631</u>	<u>35,982</u>

	31 March 2017	31 March 2017	31 March 2017
	USD	EURO	Others*
Financial assets			
Cash and cash equivalents	34,303	3,377	11,815
Loans and advances	101,152	133	1,007
Trade and other receivables	9,724	9,803	55,415
Other financial assets	5,032	83	833
	<u>150,211</u>	<u>13,396</u>	<u>69,070</u>
Financial liabilities			
Finance lease obligation	280,888	-	-
Long term borrowings	384,244	-	-
Interest Accrued but Not Due on Borrowings	1,062	-	-
Trade and other payables	256,516	12,240	26,844
Other Financial liabilities	1,157	82	316
	<u>923,867</u>	<u>12,322</u>	<u>27,160</u>



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

	1 April 2016	1 April 2016	1 April 2016
	USD	EURO	Others*
Financial assets			
Cash and cash equivalents	11,359	2,607	11,700
Loans and advances	125,239	60	1,167
Trade and other receivables	35,894	10,419	51,169
Other financial assets	14,303	187	443
	<u>186,795</u>	<u>13,273</u>	<u>64,479</u>
Financial liabilities			
Finance lease obligation	439,476	-	-
Long term borrowings	265,097	-	-
Short term borrowings	252,051	-	-
Interest Accrued but Not Due on Borrowings	1,495	-	-
Trade and other payables	316,063	15,572	27,567
Other Financial liabilities	2,703	89	331
	<u>1,276,885</u>	<u>15,661</u>	<u>27,898</u>

* Others include mainly AED, GBP, HKD

Sensitivity analysis

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

Effect	Profit or loss	
	Weakening	Strengthening
For the year ended 31 March 2018		
1% movement		
USD	(8,128)	8,128
EUR	(12)	12
Others	294	(294)
	<u>(7,846)</u>	<u>7,846</u>
Effect	Profit or loss	
	Weakening	Strengthening
For the year ended 31 March 2017		
1% movement		
USD	(7,737)	7,737
EUR	11	(11)
Others	419	(419)
	<u>(7,307)</u>	<u>7,307</u>

Interest rate risk

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

Exposure to interest rate risk

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

Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

	Nominal amount		
	31 March 2018	31 March 2017	1 April 2016
Fixed-rate instruments			
Financial assets	109,511	100,502	120,510
Financial liabilities	72,023	71,300	70,695
	<u>181,534</u>	<u>171,802</u>	<u>191,205</u>
Variable-rate instruments			
Financial liabilities	768,428	836,538	1,012,653
	<u>768,428</u>	<u>836,538</u>	<u>1,012,653</u>
Total	<u>949,962</u>	<u>1,008,340</u>	<u>1,203,858</u>

Cash flow sensitivity analysis for variable-rate instruments

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

	Profit or loss	
	50 bp increase	50 bp decrease
31 March 2018		
Variable-rate instruments	(3,842)	3,842
Cash flow sensitivity (net)	<u>(3,842)</u>	<u>3,842</u>
31 March 2017		
Variable-rate instruments	(4,183)	4,183
Cash flow sensitivity (net)	<u>(4,183)</u>	<u>4,183</u>

NOTE 44: CAPITAL MANAGEMENT

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

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

The Company's adjusted net debt to equity ratio as at 31 March 2018 is as below.

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Total liabilities	508,556	696,785	620,944
Current Borrowings	331,759	210,987	455,928
Gross Debt	840,315	907,772	1,076,872
Less : Cash and cash equivalents	32,113	53,759	31,656
Less : Other Bank Deposits	-	-	3,246
Less : Current Investments	-	53,400	50,066
Adjusted net debt	808,202	800,613	991,904
Total Equity	(713,913)	(650,516)	(794,682)
Adjusted net debt to adjusted equity ratio*	-	-	-

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

As at 31 March 2018, the company has complied with the financial covenants in all material respect in relation to its borrowings.



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

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

	31 March 2018	31 March 2017	1 April 2016
A. Contingent liabilities			
a) Guarantees			
i. Letters of Credit Outstanding	314,664	285,798	238,073
ii. Bank Guarantees outstanding	141,063	122,885	133,320
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	17,678	16,441	22,045
- Outstanding Amounts against the Guarantee	17,678	16,441	22,045
b) Claims against the Company not acknowledged as debt			
i. Service Tax demands in appeals	165,908	122,403	145,307
ii. Fringe Benefit Tax demand in appeals	1,736	1,736	1,735
iii. Pending Civil and Consumer Suits	13,807	14,988	16,968
iv. Inland Air Travel Tax demands under appeal	426	426	426
Amount deposited with the Authorities for the above demands	105	105	105
v. Customs	3,022	2,960	2,114
vi. Income Tax demands in Appeals	6,925	4,310	8,403
vii. Wealth Tax demands in Appeals	24	24	24
viii. Sales tax	-	-	13
ix. Employee State Insurance Corporation	2,999	2,999	2,999
x. IGST paid under Protest (Refer note 10)	22,015	-	-

- xi. The Company is in receipt of favorable orders in relation to certain service tax, income tax, customs and octroi demands. However, respective tax departments have preferred an appeal against these orders before higher appellate authorities. The amounts involved (excluding interest and penalty thereon, if any, not included in such demands) in these appeals as on 31st March 2017, with respect to service tax, income tax (including FBT), customs and octroi aggregating to ₹ 2,32,812 Lakhs (31 March 2017 ₹ 209,609 Lakhs; 01 April 2016 ₹ 209,609), ₹ 2,03,331 Lakhs (31 March 2017 ₹ 213,225 Lakhs; 01 April 2016 ₹ 218,175 Lakhs), ₹ 5 Lakhs (31 March 2017 ₹ 5 Lakhs; 01 April 2016 Nil), and ₹ 2,899 Lakhs (31 March 2017 ₹ 2,899 Lakhs; 01 April 2016 ₹ 2,899 Lakhs), respectively are not included above as there is no outstanding demand in relation to the same.
- 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 30th March 2011. As a result of certain disputes that arose between the parties, both the parties had filed petitions in the Hon'ble Bombay High Court for breach of SPA as amended by the subsequent Consent Award. The Hon'ble Bombay High Court delivered its Judgment on 4 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 immoveable assets and properties in any manner other than in the normal course of the business, stands released.



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

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 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 May 2011 and 17 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 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.

- xiii. Enforcement Directorate (ED) had issued a notice to Jet Lite (India) Limited [formerly known as Sahara Airlines limited (SAL)] 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.
- xiv. **Note :** The Company is a party to various legal proceedings in the normal course of business and does not expect the outcome of these proceedings to have any adverse effect on its financial conditions, results of operations or cash flows. Further, claims by parties in respect of which the Management have been legally advised that the same are frivolous and not tenable, have not been considered as contingent liabilities as the possibility of an outflow of resources embodying economic benefit is highly remote.

B. Commitments

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April, 2016
Property, Plant and Equipment	<u>5,250,913</u>	<u>3,717,602</u>	<u>3,798,638</u>
TOTAL	<u>5,250,913</u>	<u>3,717,602</u>	<u>3,798,638</u>

For the commitment relating to Lease arrangement refer note 41

NOTES 46: SEGMENT REPORTING

A. General Information

(a) Factors used to identify the entity's reportable segments, including the basis of organisation

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

The principal activities of the Company comprises scheduled Air Transportation, which includes carriage of passenger and cargo in Domestic and International sectors. Accordingly, the Company has two reportable segments as follows:

Domestic (within India)

International (outside India)



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Segment revenue and expenses:

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

Segment assets and liabilities:

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

B. Information about reportable segments

Particulars	For the Year ended 31 March 2018	For the Year ended 31 March 2017
Revenue		
Primarily Passenger, Cargo, Excess Baggage and Leasing of Aircraft		
Domestic	1,160,453	1,029,682
International	1,290,616	1,239,576
Total Revenue	2,451,069	2,269,258
Segment Results		
Domestic	666,052	634,341
International	708,803	763,179
Total	1,374,855	1,397,520
Less:		
Finance Cost	(84,894)	(85,868)
Depreciation and amortization	(62,114)	(67,155)
Other unallocable expenses	(1,367,019)	(1,248,218)
Add:		
Other unallocable revenue	66,678	148,248
(Loss)/Profit before Tax	(72,494)	144,527
Add/Less:		
Tax expense	-	20
(Loss)/Profit after Tax before Share of Associate	(72,494)	144,547
Add:		
Share of Profit in Associate	8,849	5,321
(Loss) / Profit After Tax	(63,645)	149,868

C. Information about major customers

No single customer contributes 10% or more of total revenue

Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

D. Entity wide disclosure

	For the Year ended 31 March, 2018	For the Year ended 31 March, 2017
India	1,160,453	1,029,682
Asia	786,652	799,617
Europe & Americas	500,322	377,575
Other International Points (Including leasing income)	3,642	62,384
Total	2,451,069	2,269,258

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

NOTES 47: INTEREST IN OTHER ENTITIES

(a) Subsidiaries

Name of Entity	Country of Incorporation	Proportion of ownership interest			Principal activities
		31 March 2018	31 March 2017	1 April 2016	
Jet Lite (India) Limited	India	100%	100%	100%	Air Transportation
Jet Airways Training Academy Private Limited (JATAPL) * till 15 January 2016	India	0%	0%	100%	Training Services
Airjet Engineering Services Limited w.e.f 18 May 2017	India	100%	0%	0%	Engineering Services
Airjet Security and Allied Services Limited w.e.f 19 May 2017	India	100%	0%	0%	Security Services
Airjet Ground Services Limited w.e.f 10 March 2017	India	100%	100%	0%	Ground Handling Services
Airjet Training Services Limited w.e.f 18 May 2017	India	100%	0%	0%	Training Services

(b) Interest in associate

Name of Entity	Country of incorporation	Proportion of ownership interest			Carrying Amount		
		31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	1 April 2016
Jet Privilege Private Limited	India	49.9%	49.9%	49.9%	83,541	74,692	69,371

Summarised financial information for associates

(i) Summarised Balance Sheet

Particulars	31 March 2018	31 March 2017	1 April 2016
Current Assets	109,677	78,285	45,885
Non- Current Assets	187,042	193,652	204,419
Current Liabilities	40,767	38,978	27,728
Non- Current Liabilities	63,763	58,484	58,836
Net Assets	192,189	174,475	163,740



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

(ii) Summarised statement of profit and loss

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue	62,224	53,753
Profit for the year	17,735	10,663
Other Comprehensive income	(21)	72
Total Comprehensive income	17,715	10,735

(iii) Reconciliation to Net asset considered for consolidated financial statements to net asset as per associate financial

Particulars	31 March 2018	31 March 2017
Opening Net Assets	174,475	163,740
Profit for the year	17,735	10,663
Other Comprehensive income	(21)	72
Net Assets as per associates financial statements	192,189	174,475

Particulars	31 March 2018	31 March 2017
Group's Share in percentage	49.90%	49.90%
Group's Share in INR	95,893	87,054
Goodwill	12,352	12,362
Net Asset as per Consolidated Financial statements	83,541	74,692

Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTES 48: SCHEDULE III DISCLOSURE

For disclosure as required under Schedule III of the Companies Act 2013, by way of additional information, refer below:

Sr. No.	Name of the Company	Net Asset i.e. (Total Asset - Total Liabilities)		Share of Profit / (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated net assets	Amount	As % of Consolidated profit / (loss)	Amount	As % of Consolidated profit / (loss)	Amount	As % of Consolidated profit / (loss)	Amount
	Holding Company								
	Jet Airways (India) Limited	101%	(724,200)	106%	(76,762)	60%	149	106%	(76,613)
	Indian Subsidiaries								
1	Jet Lite (India) Limited	24%	(173,063)	44%	(32,102)	40%	99	44%	(32,003)
2	Airjet Engineering Services Limited w.e.f 18 May 2017	0%	-	0%	(1)	0%	-	0%	(1)
3	Airjet Security and Allied Services Limited w.e.f 19 May 2017	0%	-	0%	(1)	0%	-	0%	(1)
4	Airjet Ground Services Limited w.e.f 10 March 2017	0%	(47)	0%	(1)	0%	-	0%	(1)
5	Airjet Training Services Limited w.e.f 18 May 2017	0%	-	0%	(1)	0%	-	0%	(1)
6	Jet Airways Training Academy Private Limited (JATAPL) * till 15 January 2016	0%	-	-	-	-	-	0%	-
	Adjustment arising out of Consolidation	-26%	183,397	-250%	181,362	-	-	-250%	180,866
	Total	100%	(713,913)	100%	(72,494)	100%	248	100%	(72,246)
	Associate Company (Investment as per equity method)								
	Jet Privilege Private Limited	-	83,541	-	8,849	-	10	-	8,859



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

NOTES 49: RELATED PARTY RELATIONSHIPS, TRANSACTIONS AND BALANCES

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

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

Sr. No	Name of the Related Party	Nature of Relationship
1.	Naresh Goyal	Non- Executive Chairman and 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	Wholetime Director
8.	Jetair Private Limited	Enterprises over which controlling shareholder and his relatives are able to exercise significant influence directly or indirectly.
9.	Kevin Knight	Independent Director
10.	Harsh Mohan	Independent Director
11.	Srinivasan Vishvanathan	Independent Director
12.	Vikram Mehta	Independent Director
13.	Rajshree Pathy	Independent Director
14.	James Reginald Hogan (ceased to be director w.e.f. 7 December 2017)	Independent Director
15.	James Denis Rigney (ceased to be director w.e.f. 12 September 2017)	Independent Director
16.	Javed Akhtar (ceased to be director w.e.f. 30 May 2017)	Independent Director
17.	Dinesh Kumar Mittal (ceased to be director w.e.f. 29 January 2018)	Independent Director
18.	Aman Mehta (ceased to be director w.e.f. 27 December 2016)	Independent Director
19.	I M Kadri (ceased to be director w.e.f. 27 December 2016)	Independent Director
20.	Vinay Dubey	Chief Executive Officer (CEO)
21.	Amit Agarwal	Deputy Chief Executive Officer and Chief Financial Officer (Dy. CEO & CFO)



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 1 April 2016
(a) Associate Company			
Jet Privilege Private Limited:			
Transactions during the year :			
1) Marketing Services Received - Expense	1,521	1,024	
2) Reimbursement of Expenses Received	61	66	
3) Sale of Tickets (Net of discount of ₹ 9,337 Lakhs (₹ 7,003 Lakhs 31 March 2017))	14,557	16,523	
4) Miles Purchased Expense	36,345	33,750	
5) Service Rendered Income	1,280	1,298	
6) Handling Charges Income	592	-	
Closing Balance as on 31 March			
1) Advance Received	5,764	8,099	9,849
2) Trade Payable	3,446	4,693	28,803
3) Trade Receivables	-	3,225	-
4) Investments in Equity Shares	83,541	74,692	69,371
(b) Non-Executive Chairman and controlling Shareholder Naresh Goyal			
Share capital	5,793	5,793	5,793
(c) Remuneration includes remuneration to			
(a) Relatives of Non-Executive Chairman and controlling shareholder of Holding Company			
Anita Goyal :			
Directors' sitting fees	4	7	
Share Capital	0.1	0.1	0.1
Namrata Goyal (From 8 February 2016)	22	22	
Nivaan Goyal	18	17	
(b) Whole time Director			
Gaurang Shetty:	224	224	
(c) Chief Executive Officer (CEO)			
Vinay Dube:			
Salary	794	-	
Perquisites	224	-	
(d) Deputy Chief Executive Officer and Chief Financial Officer (Dy. CEO & CFO)			
Amit Agarwal	577	420	



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 1 April 2016
(d) Enterprise over which controlling shareholder and his relatives are able to exercise significant influence			
Jetair Private Limited			
Transactions during the Year			
Commission	7790	6,793	-
Rent Paid	200	196	-
Reimbursement of Expenses Paid (Staff Costs, Communication Costs etc.)	14	23	-
Rent Received	4	5	8
Reimbursement of Expenses Received	-	-	1
Other expenses recovered	2	-	-
Deposit refund	1	-	-
Closing Balance as on 31st March,			
Deposits for Leased Premises	159	160	160
Trade Receivables	-	5	2,550
Trade Payables	5841	3,908	3,384
(e) Enterprise exercising significant influence over the Company			
Etihad Airways PJSC :			
Transactions during the year:			
1) Interline Billing (Net)	12,543	1,494	
2) Miles Accrual income	2,975	3,588	
3) Redeemable miles expense	252	225	
4) Airworthiness Management, Security and other service income	2,451	1,328	
5) Purchase of Parts	70	698	
6) Aircraft lease Rental Income	5,301	38,581	
7) Equipment Hire Charges	-	5	
8) Interline Service Charges Received	1,995	2,484	
9) Security Deposit Taken	-	856	
10) Security Deposit Refunded	-	2,056	
11) Lease Rent - Slot	3,580	3,527	
12) Technical, Handling, Lounge and other Services etc.	1,650	5,046	
13) Reimbursement of Expenses Received	190	889	
14) Load and trim Income	19	32	
15) Interline Service Charges Paid	1,475	2,331	
16) Reimbursement of Expenses Paid	7,230	6,428	
17) Lease charges (expense)	117	-	
18) Sale of parts	2	-	



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 1 April 2016
Closing Balance as on 31 March			
1) Trade Receivable	3,390	474	27,446
2) Trade Payable	481	227	16,053
3) Share Capital	2,727	2,727	2,727
4) Corporate Guarantee given on behalf of the Company	91,245	90,790	92,757
5) Standby Letter of Credit given on behalf of the Company	-	-	185,514
6) Advance and Deposit Received	841	837	2,120

Independent Director sitting fees

Name of Director	For the year ended 31 March 2018	For the year ended 31 March 2017
Vikram Mehta	15	4
Srinivasan Vishvanathan	14	19
Ranjan Mathai	10	-
Rajshree Pathy	8	5
Dinesh Kumar Mittal	5	15
Javed Akhtar	-	6
Archana Capoor	3	3
Aman Mehta	-	8
I M Kadri	2	14
TOTAL	57	74

Terms and conditions of transactions with related parties

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

50. Contribution receivable from lessor

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 ₹ 64,033 Lakhs (31 March 2017: ₹ 78,567 Lakhs; 01 April 2016: ₹ 83,494 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.



Notes to the Consolidated Financial Statements for the Year Ended 31 March 2018 (Contd.)

(All Amounts in INR Lakhs, unless otherwise stated)

51. Other income

Other Income includes gain of ₹ 30,449 Lakhs (31 March 2017 ₹ 31,155 Lakhs) for the Year ended 31 March 2018 consequent upon the satisfaction of the terms and conditions underlying the agreement for the transfer of 'Jet Privilege Frequent Flyer Programme' (JPFFP) undertaking to Jet Privilege Private Limited (JPPL) on 21 April 2014 as a going concern on a slump sale basis.

52. Going concern

The Group has incurred a loss during the year and has negative net worth as at 31 March 2018 that may create uncertainties. However, various initiatives undertaken by the Company in relation to saving cost, optimize revenue management opportunities and enhance ancillary revenues is expected to result in improved operating performance. Further, Company's continued thrust to improve operational efficiency and initiatives to raise funds are expected to result in sustainable cash flows addressing any uncertainties. Accordingly, the financial statements continues to be prepared on a going concern basis, which contemplates realization of assets and settlement of liabilities in the normal course of business including financial support to its subsidiaries.

53. Other information

Information with regard to other matters, as required by schedule III to the act is disclosed to the extent applicable to the Company for the year.

As per our attached report of even date

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

Bhavesh Dhupelia
Partner
Membership No. 042070

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

T. P. Ostwal
Partner
Membership No. 030848

Date: 23 May 2018
Place: Mumbai

Vinay Dube
Chief Executive Officer

On behalf of Board of Directors

Naresh Goyal (DIN: 01180386)
Kevin Knight (DIN: 07928561)
Vikram Mehta (DIN: 00041197)
Ranjan Mathai (DIN: 07572976)
Rajshree Pathy (DIN: 00001614)
S. Vishvanathan (DIN: 02255828)
Anita Goyal (DIN: 01992051)
Harsh Mohan (DIN: 06539338)
Ashok Chawla (DIN: 00056133)
Dr. Nasim Zaidi (DIN: 07979530)
Gaurang Shetty (DIN: 01293134)

Chairman

Director

Whole Time Director

Amit Agarwal (Membership No. 056880)
Kuldeep Sharma (Membership No. 2941)

Deputy CEO & CFO
Company Secretary

[illegible]

[illegible]

JET AIRWAYS (INDIA) LIMITED

CIN : L99999MH1992PLC066213

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

Tel No : +91 22 6121 1000 Fax No.: +91 22 6121 1950

Email Id : companysecretary@jetairways.com Website : www.jetairways.com

ATTENDANCE SLIP

26th ANNUAL GENERAL MEETING

(Please complete this attendance slip and hand it over at the entrance of the auditorium.)

I / We hereby record my / our presence at the 26th Annual General Meeting of the Company held on Thursday, 9 August 2018, at 2:30 P.M. at Y. B. Chavan Centre, General Jangannath Bhosle Road, Nariman Point, Mumbai – 400 021.

Folio No./ Client ID No. DP ID No. No. of Shares Held

Name of the Member/Proxy Signature

Notes :

1. Shareholders / Proxies attending the Meeting are requested to bring this Attendance Slip and Annual Report with them.
2. Duplicate Attendance Slip and Annual Reports will not be issued at the Annual General Meeting.
3. Joint shareholders may obtain additional slip on request.

JET AIRWAYS (INDIA) LIMITED

CIN : L99999MH1992PLC066213

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

Tel No : +91 22 6121 1000 Fax No.: +91 22 6121 1950

Email Id : companysecretary@jetairways.com Website : www.jetairways.com

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s) :

Registered address :

E-mail ID :

Folio No./Client ID No. : DP ID No.

I/We, being the member(s) holding Shares of **Jet Airways (India) Limited**, hereby appoint

1. Name : E-mail ID :

Address:.....

Signature : or failing him

2. Name : E-mail ID :

Address:.....

Signature : or failing him

3. Name : E-mail ID :

Address:.....

Signature :

As my / our proxy to attend and vote (on poll) for me / us and on my / our behalf at the 26th Annual General Meeting of the Company to be held on Thursday, 9 August 2018, at 2.30 P.M. at Y. B. Chavan Centre, General Jangannath Bhosle Road, Nariman Point, Mumbai – 400 021 and at any adjournment thereof in respect of such resolutions as are indicated overleaf



Resolution No.	Resolution	For	Against
Ordinary Business			
1. (a)	To receive, consider and adopt the Audited Financial Statements for the financial year ended 31 March 2018, together with the Reports of the Board of Directors and Auditors thereon.		
(b)	To receive, consider and adopt the Audited Consolidated Financial Statements for the financial year ended 31 March 2018, together with the Reports of the Auditors thereon.		
2.	Re-appointment of Mrs. Anita Goyal, who retires by rotation		
3.	To fix the remuneration of the Joint Statutory Auditors, M/s. B S R & Co. LLP		
4.	To fix the remuneration of the Joint Statutory Auditors, M/s. D T S & Associates		
SPECIAL BUSINESS			
5.	Appointment of Mr. Ashok Chawla as an Independent Director		
6.	Appointment of Mr. Sharad Sharma as an Independent Director		
7.	Appointment of Dr. Nasim Zaidi as a Director		
8.	Appointment of Mr. Harsh Mohan as a Director		
9.	Appointment of Mr. Kevin Nolan Knight as a Director		

Signed this day of 2018

Signature of Member(s)

Affix
Revenue
Stamp

Signature of Proxyholder(s)

NOTES:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder
4. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

Our fleet

We fly a fleet of Boeing, Airbus and ATR aircrafts.



LOOKING BACK
SOARING AHEAD

Introducing the all-new BOEING 737 MAX



162 / 156
Seats in Economy



12 Seats in Première



LEAP-1B
CFM International Engine



129ft 8in
Length

AIRBUS A330-300



Capacity:

Première - 34
Economy - 259

AIRBUS A330-200



Capacity:

Première - 18
Economy - 236

ATR 72 - 500



Capacity:

Economy - 68

ATR 72 - 600



Capacity:

Economy - 72

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	05	06	72	04	03	15	119

Details mentioned are subject to change.



JET AIRWAYS 

Jet Airways (India) Limited

Registered Office: Siroya Centre, Sahar Airport Road,
Andheri (East), Mumbai - 400099.

www.jetairways.com