

# Partnering towards a brighter future

*Jet Airways (India) Limited  
Annual Report 2014*



JET AIRWAYS 

18 Codeshare Partners

26 Frequent Flier Partners

149 Interline Partners

99 Interline eTicketing Partners

46 Through Check-in Partners

*It's how we connect you across the globe.*

#### Codeshare Partners

#### Frequent Flier Partners



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## Letter from the Chairman



### Dear Shareholders,

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

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

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

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

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

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

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



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

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

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

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

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

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

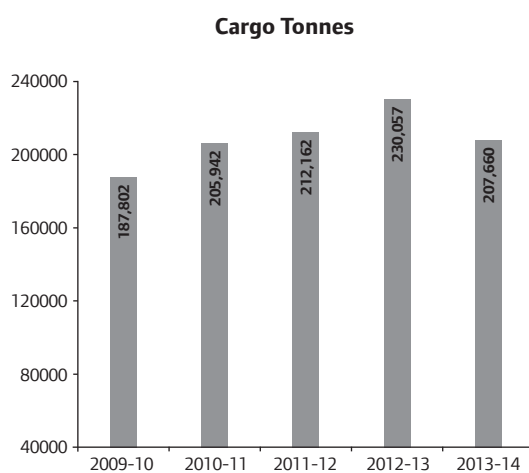
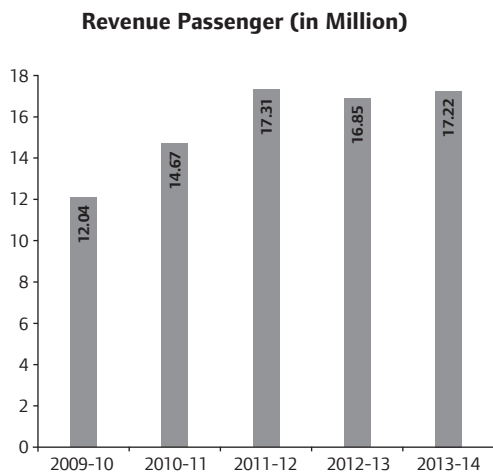
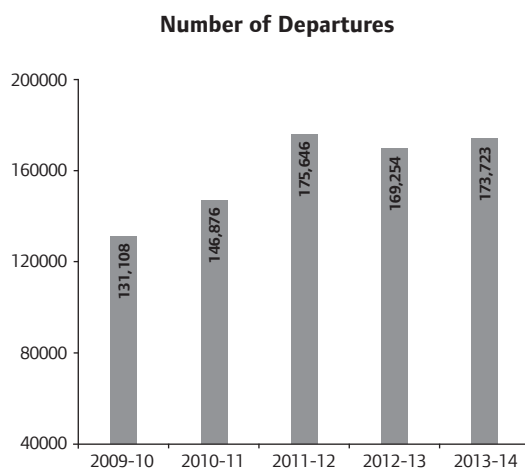
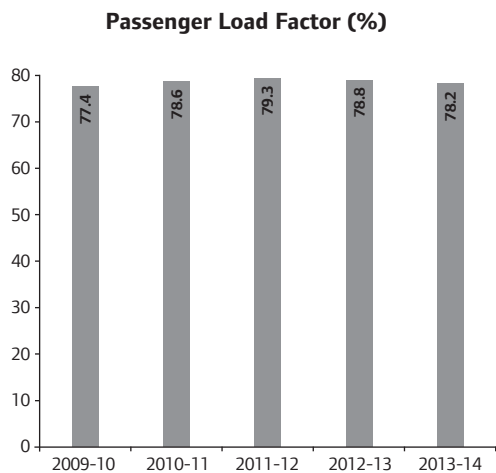
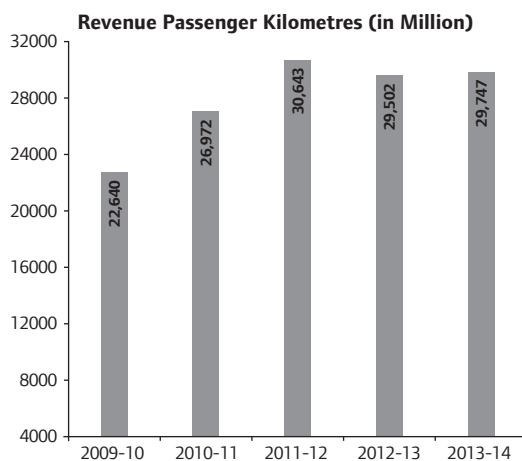
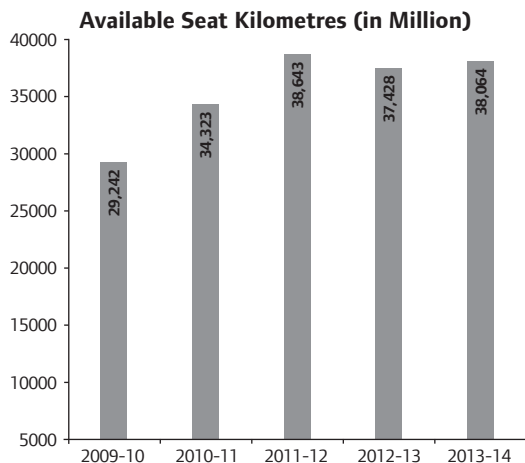
To conclude, I would like to personally thank the 20.5 Million passengers, who have flown with us during the year ended 31<sup>st</sup> March, 2014 and the shareholders who have continued to repose their faith in us. I am grateful to the banks for their continuing support to your Company during the Financial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

With kind regards,

Naresh Goyal  
Chairman



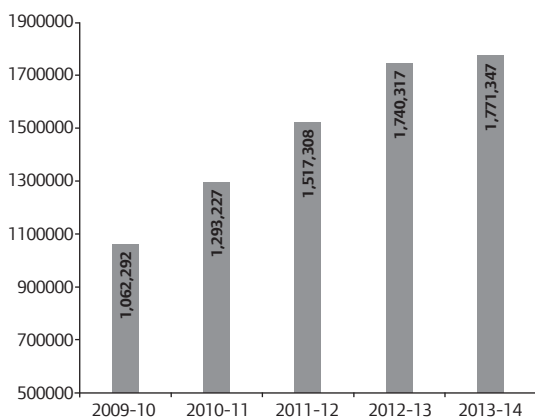
## Operating Highlights



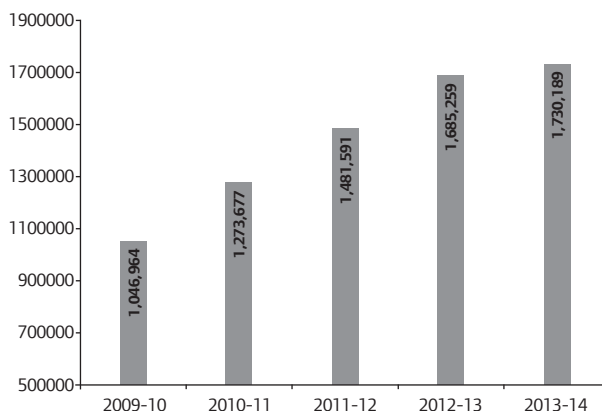


## Financial Highlights

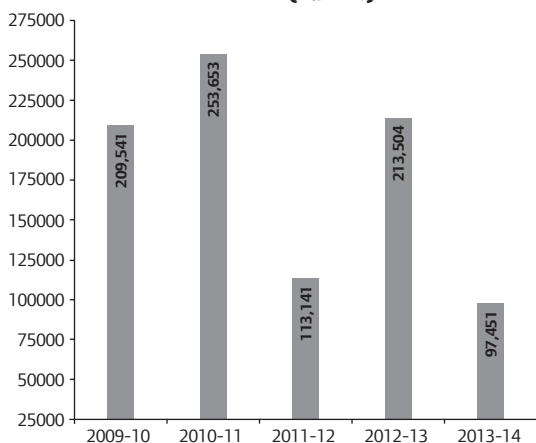
Income (Lakh ₹)



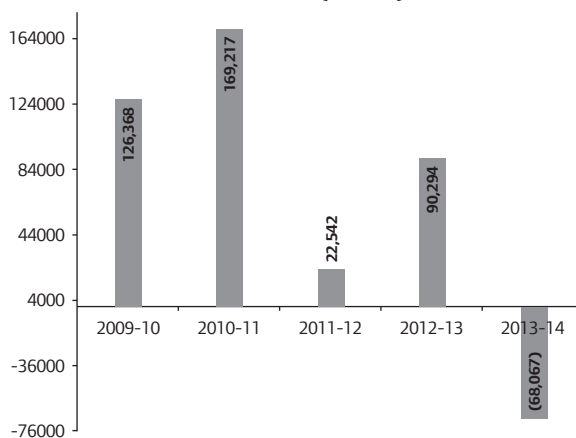
Operating Revenue (Lakh ₹)



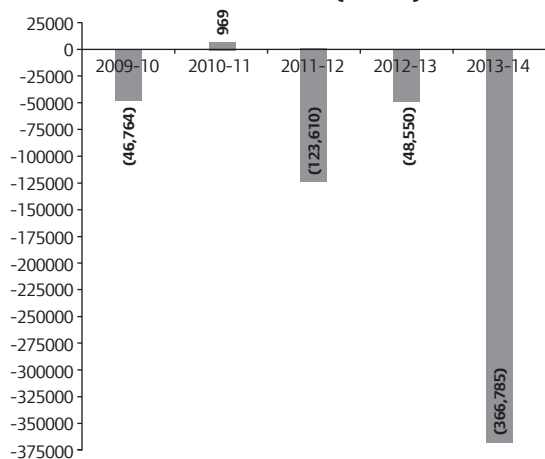
EBTDAR (Lakh ₹)



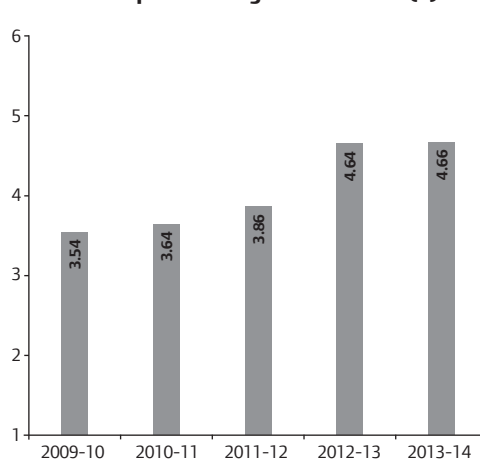
EBTDA (Lakh ₹)



Profit After Tax (Lakh ₹)



Revenue per Passenger Kilometres (₹)





## Corporate Information

### Board of Directors

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

### Company Secretary

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

Deloitte Haskins & Sells LLP  
Chaturvedi & Shah

### Legal Advisors

Gagrats

### Registered Office

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

### Registrar & Share Transfer Agent

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

### Bankers

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





## Notice

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

### ORDINARY BUSINESS:

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

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

#### Re-appointment of a Director

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

#### Re-appointment of Statutory Auditors

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

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

### SPECIAL BUSINESS:

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

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

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

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

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

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

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

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



## Notice (Contd.)

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

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

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

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

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

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

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

By Order of the Board of Directors

**Jet Airways (India) Limited**

Sd/-

**Arun Kanakal**

**Company Secretary & Associate Legal Counsel**

Registered Office:

Siroya Centre

Sahar Airport Road

Andheri (East)

Mumbai - 400 099

CIN: L99999MH1992PLC066213

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Phone. No. +91 22 6121 1000

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Mumbai

27<sup>th</sup> May, 2014