

MILESTONES	
1992	Jet Airways was incorporated as an “air taxi” operator on
1993	Jet Airways begins domestic operations flying Boeing 737 jets.
1994	Jet Airways receive scheduled airline status when all major Indian air transport providers were nationalized under the Air Corporation Act (1953)
1997	Kuwait Airways and Gulf Air sell their stakes in Jet Airways.
1999	A regional network is launched with turboprop aircraft.
2004	The first international services are started.
2006	Jet Airways has international services to Kathmandu, Colombo, Singapore, Kuala Lumpur, London Heathrow, operating from Mumbai, Delhi, Chennai and Amritsar.
2007	Jet Airways acquired Air Sahara making it the biggest takeover in Indian aviation history.

The Aviation industry in India began with the birth of Tata Airlines, through the business relationship between Mr. Nevill Vintcent, a Royal Air Force pilot and Mr. JRD Tata, the first Indian to get an A-license. Tata Airlines became Air India in August 1946. In 1953, the Air Corporation Act nationalized all existing airline assets and established the Indian Airline Corporation and Air India International for domestic and international air services respectively.

These two companies enjoyed monopoly power in the industry until 1991, when private airlines were given permission to operate charter and non scheduled services under the ‘Air Taxi’ scheme to boost tourism. These carriers were not allowed at the time, to fly scheduled flights or issue air tickets to passengers. As a result, a number of private players including Jet Airways, Air Sahara, Modiluft, Damania Airways, NEPC airlines and East West Airlines commenced domestic operations. In 1994, following the repeal of the Air Corporation Act, private players were permitted to operate scheduled services. Ultimately the carriers with more efficient operations and strategies survived and by 1997, only Jet Airways and Air Sahara made the cut from the original group.

The mission statement says “Jet Airways going to upgrade the concept of domestic airline travel to that of a LI world-class airline.

Vision Statement: Organization vision is to become the “Best Airline in the World”.

Company Perspectives

Jet Airways will be the most preferred domestic airline in India. It will be the automatic first choice carrier for the travelling public and set standards, which other competing airlines will seek to match. Jet Airways will achieve this pre-eminent position by offering a high quality of service and reliable, comfortable and efficient operations.

Jet Airways will be an airline, which is going to upgrade the concept of domestic airline travel—be a world-class domestic airline. Jet Airways will achieve these objectives whilst simultaneously ensuring consistent profitability, achieving

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healthy, long-term returns for the investors and providing its employees with an environment for excellence and growth.



Awards and Accolades

- Best Full Service Carrier category from Galileo Express Travel & Tourism. (Nov 2006)
- Jet Airways once again voted India's best airline at the TTG Travel Asia Awards. (Oct 2006)
- Jet Airways wins three Avion Global Awards for In-flight Entertainment (Sep 2006)
- Jet Airways voted India's Leading Airline at the World Travel Awards, 2006 (Sep 2006)
- Jet Airways frequent flyer programme Jet Privilege wins laurels at the 18th Freddie Awards. (May 2006)
- Jet Airways recognized for its popularity and spectacular growth by the Travel and Tourism fraternity. (Apr 2006)
- Star of The Industry Awards for the Best Domestic Airline For The Year 2005. (Feb 2006)
- "Best Domestic Airline of the year" for a no. consecutive years.
- Hero Mindmine's First BML Munjal award for excellence in learning & development (Jan 2006)
- Jet Airways wins coveted award for Emerging Company of the year' at the Economic Times awards for Corporate Excellence (Nov 2005)
- Jet Airways bags the coveted TTG Travel Asia's Award for the Best Domestic Airline for 2005 (Oct 2005)
- Emerging Company of the year for Corporate Excellence, 2005 (Sep 2005)
- Jet Airways wins Freddie Awards (Apr 2005)
- Jet Airways is 'India's Best Domestic Airline' for the second consecutive year (Nov 2004)
- TTG Travel Award - The Best Domestic Airline, Asia Pacific (Oct 2004)
- Jet Airways Bags Businessworld's 'Most Respected Company' Award For The Second Consecutive Year (Oct 2004)
- feBusiness Traveller Awards (Feb 2004)
- Galileo-Express Travel & Tourism Award for 'India's Best Domestic Airline (Dec 2003)
- 'Superbrand' (Aug 2003)
- Boeing Company Award for maintaining 'Best Technical Despatch Reliability' for 2002 (May 2003)
- India's Most Respected Company in the Travel and Hospitality Sector (Jan 2003)
- 'Best Domestic Airline' of Asia by Travel Trade Gazette's (TTG) Asia (Oct 2002)
- Best Domestic Airline of the Year' 2001 (Sep 2002)
- Award in the Co-branded/Affinity Programme category at the MasterCard Annual Meeting Asia-Pacific 2001 (Jul 2001)
- Air Transport World Market Development Award (Feb 2001)
- Best Domestic Airline of the Year 1999 - H&FS (Mar 2000)
- Vocational Excellence Award by Rotary Club of Mumbai (Jan 2000)
- Best Domestic Airline of the Year 1998- H&FS (Dec 1998)
- India's Best Domestic Airline at the International Brand Summit (Nov 1998)

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- Best Domestic Airline Award for Service Excellence (Nov 1997)
- 'Best' Airline by Rangaswamy Tourism Foundation associated with the Karnataka Tourism Development (Sep 1997)
- Best Airline of the Year 1996-97 Award (Jan 1997)
- Best Domestic Airline of the Year Award (Dec 1996)
- The World Travel Market Global Award (Oct 1996)
- Great Management Show Award (Oct 1996)
- Citibank Diners Club Blue Moon Award for Service Excellence (Sep 1995)
- Service Excellence Award (Oct 1994)

Company History

Jet Airways (India) Private Limited is India's leading private airline. It boasts a market share of about 45 percent. Jet operates a relatively young fleet of Boeing 737 jets and ATR72 turboprops. It carries about seven million passengers a year. Its reputation for punctuality and outstanding service attracts a large proportion of business travelers. Jet's founder and chairman is Naresh Goyal, an Indian expatriate living in London.

Jet Airways, completed fourteen years of operations on May 05, 2007, they have pioneered benchmarks such as automated ticketing at travel agency locations, automated flight alerts on GSM mobile phones, Tele-check in, Return Tele-check-in, Through Check-in, City Check-in, satellite ticketing at corporate houses and the unique three-tier frequent flier programme, Jet Privilege, in the domestic skies to make travel pleasant and quicker.

Jet Airways operates over 255 flights daily to 41 destinations across the country.

Jet Airways today operates one of the youngest aircraft fleet in the world with an average age of 3.31 years. The fleet consists of 33 Classic and Next-Generation Boeing 737-400/700/800 aircraft and eight Modern 62-seater ATR 72-500

turbo-prop aircraft. The Airline offers Club Premiere (Business Class) in addition to Economy Class on most of its Boeing 737 flights.

The Airline has won several national and international awards. The most recent being Business world 'India's Most Respected Company in the Travel and Hospitality Sector', for 2003, Travel Trade Gazette's (TTG) 'Best Domestic Airline Award' for 2002 among 14 countries in the Asia-Pacific region, Air Transport World (ATW) 'Market Development Award' for 2001, the Qimpro Gold Standard for 2001 and the Hospitality & Food Service (H&FS) 'Best Domestic Airline' trophy four times.

Jet Airways is proud that we are one of the few airlines in the world to receive the ISO 9001 certification for our in-flight services.

Origins

Company founder Naresh Goyal began his travel career in 1967 at the age of 18 as a general sales agent (GSA) for Lebanese International Airlines. In May 1974, he formed his own company, Jetair (Private) Limited, to market other foreign airlines in India. Jet air eventually grew to a network of 60 branch offices.

After three and a half decades of monopoly by Air India and Indian Airlines, the Indian government reopened the domestic aviation market to private carriers in April 1989. Goyal set up Jet Airways (India) Private Limited in 1991.

Initial investment was \$20 million. Through an Isle of Man holding company, Tail Winds, company founder Naresh Goyal (then based in London) owned 60 percent of Jet Airways, with Gulf Air and Kuwait Airways dividing the remaining 40 percent.

Jet Airways began domestic flight operations with four new-generation Boeing 737s on May 5, 1993. The first flights were from Mumbai (Bombay) to Delhi and Madras and ten other destinations. (Jet was not the first private airline in the skies; that distinction went to East West Airlines, which launched in February 1992.) Jet Airways aimed to carry seven million passengers by the end of 1993, and to take in first year revenue in excess of \$75 million (INR 2.4 billion).

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The schedule was coordinated with that of Gulf Air to provide convenient connections. Gulf Air assisted the new airline with technical and marketing assistance. The Australian airline Ansett Worldwide also provided engineering expertise, and was the lessor for Jet's first four aircraft.

Malaysia Airlines System (MAS) provided technical and flight training and performed maintenance services, while a unit of British Airways educated cabin staff in customer service. Three of Jet's Boeing 737s were leased from MAS. Jet entered a comprehensive marketing agreement with KLM in 1995.

Surviving and Thriving in the Mid-1990s

Eight private airlines plied the skies over India in the mid-1990s. Jet Airways was the second largest. Revenues for the 1994-95 fiscal year were estimated at INR 360 crore (\$120 million), with profits of more than INR 18 crore (\$6 million), crore being a traditional term meaning 10 million.

Jet Airways claimed to be the only profitable privately owned airline in India. Indeed, by 1997, five of the seven that had been launched since 1992 were grounded. By another count, more than 20 start-up airlines had been launched in India since deregulation, reported *Airline Business*. Jet Airways was one of the very few survivors.

Jet's revenues rose 32 percent to \$300 million in 1997, with profits of \$11 million. During the year, Jet bought out the shareholdings of Kuwait Airways and Gulf Air after the Indian government banned foreign ownership in India's airlines. This also scuttled MAS's proposal to acquire a 9 percent stake in Jet Airways.

In 1997, Jet Airways was operating a fleet of one dozen Boeing 737s and was ordering ten more for \$486 million. By this time, Jet was India's largest private carrier, and was flying to 20 destinations. Its market share was about 15 percent. Jet Airways Executive Director Saroj Datta (formerly of Air-India and Kuwait Airways) told Britain's *Financial Times* that the airline's choice of newer aircraft was a significant factor in its success. While they cost more to less, they saved fuel and helped endear business travelers with

their reliability. Datta added that Jet benefited from Goyal's background as a general sales agent; it had established interline agreements with 90 foreign carriers flying into India, accounting for 25 percent of revenues.

Late 1990s Price Wars

While the Tat industrial group was unable to secure government approval to create a proposed carrier with Singapore Airlines, the domestic aviation market remained competitive. As demand contracted, rivals engaged in a spirited price war, particularly on the Mumbai (Bombay) to Delhi route.

Nikos Kardassis, Jet's chief executive officer for five years, resigned in the summer of 1999. He was replaced by Executive Director Saroj Dutta, who had been with the airline since 1992.

In 1999, Jet Airways was flying 155 flights a day to 30 destinations. The fleet was up to 25 aircraft, and the airline employed 4,300 people. Jet estimated that it had a 32 percent market share and that 80 percent of its passengers were business travelers.

In October 1999, the airline launched a regional feeder network using leased 64-seat ATR 72 turboprop aircraft. Jet Airways unveiled new uniforms for its 270 cockpit crew members and 660 cabin staff about the same time as the ATR rollout. Designed by Ravi Bajaj, the new uniforms took a year in the making.

Changes in the Early 21st Century

Jet Airways got a new CEO in 2000, Steve Forte, formerly vice-president of marketing at the U.S. carrier TWA. Forte, a native of Italy, also had worked for Meridiana, a small Italian domestic airline, when its aviation market was undergoing liberalization. Forte left the airline in December 2002 to return to the United States. He was replaced by Wolfgang Prock-Schauer, a former Star Alliance board member. In May 2003, Jet hired its first chief operating officer, Peter Luethi.

The air travel market in India was making up for lost time after being flat for a couple of years. Jet and other airlines were appealing to the government to reduce the tariffs on India's

relatively expensive aviation fuel, as domestic carriers paid a \$2 per gallon premium compared with foreign ones. Chairman Naresh Goyal told the *Hindu* that the airline planned to connect to all of India's tourist destinations. Jet also was increasing frequencies on key routes.

According to *India Business Insight*, Jet Airways' share of domestic passenger traffic rose to 48.7 percent, or more than six million passengers, in 2002. Although the company had reportedly been profitable from its inception, it was now posting significant losses despite total revenue in 2003 of INR 2,876.41 crore (\$550 million).

Business Today observed that interest costs had risen 50 percent during the year; fuel costs were also up sharply. The effects of the September 11, 2001 terrorist attacks on the United States, and, later, the SARS health crisis, took their toll on traffic for not just Jet Airways, but most airlines.

Controlling costs was CEO Wolfgang Prock-Schauer's primary agenda. The airline leased two of its Boeing 737s to a Japanese company, and implemented a number of workforce productivity measures. Prock-Schauer aimed for Jet to be posting a profit of \$60 million by 2005.

The airline was introducing ultra-low "Super Apex" (advanced purchase excursion fares) tickets to lure passengers away from trains. Passenger demand fell slightly, however, and Jet reduced capacity on some routes and began assigning employees multiple roles and cutting capacity on various routes. A charge card for frequent flyers had been launched with Citibank in August 2000.

International in 2004

Jet Airways and rival private airlines in India were freed to begin flying outside the country on March 22, 2004. Colombo, Sri Lanka, was the first such international destination. Flights to Bangladesh and Nepal followed soon after.

Jet was poised to profit from an expected extension of flying rights throughout Asia. An initial public offering of 25 percent of shares, discussed since 1995, was also in the works. Jet had borrowed about \$800 million to finance new aircraft.

Principal Competitors: Air Deccan; Air-India Limited; Air Sahara Limited; Indian Airlines Ltd.

CEO Profile (Naresh Goyal)



Personal

Naresh Goyal had to walk for a few miles everyday to school as his parents could not afford a bicycle for him, and started his career as a cashier at his maternal uncle's company at a starting salary of Rs 300 a month.

Today, the net worth of the Jet Airways promoter is over Rs 81 billion (Rs 8100 crore), which makes him the sixth richest Indian as per the *Business Standard Billionaire Club*.

Goyal, however, hasn't forgotten his humble past. A reason why he remains modest and avoids the limelight. For e.g. minutes after announcing his decision to buy Air Sahara for Rs 2,225 crore (Rs 22.25 billion) - a deal, which gives him control over almost half of India's domestic aviation airspace - Goel refuses to give it much importance and said, "It's no big deal. I am neither happy nor excited. Such acquisitions have been the way of life in the west."

The modesty has been interpreted in many ways. While his associates say it shows that the man has his feet firmly on the ground, others say it's his way of avoiding controversies.

Which is understandable, as Goyal has had his share of questions raised about the origin of funds. More recently, the US government has been dragging its feet on giving Jet permission to fly to that country because of what it called the airline owner's questionable links.

For the moment, however, the 56-year-old Goyal is on Cloud 9, and says he is "open to all new

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trends and will grab the opportunities coming his way.”

He has been doing precisely that ever since he got into the civil aviation industry 36 years back. He also has clear ideas about which way to go. For example, he thinks low cost airlines are just a myth in India.

There is nothing to call low cost carriers in India because there is no alternate second airport such as in Europe or the US. All airlines are paying for the same fuel, navigation, landing charges, which add up to 80 per cent of the total cost. There is hardly anything you can do with the balance 20 per cent.

Goyal holds a Bachelors of Commerce degree and after completing his education in 1967, joined the travel business as a general sales agent for Lebanese International Airlines.

Subsequently, he was appointed the public relation manager of Iraqi Airways in 1969 and from 1971 to 1974 was the regional manager for ALIA, Royal Jordanian Airlines.

During this period, he also worked with the Indian offices of Middle Eastern Airline, where he gained experience in various areas including ticketing, reservations and sales.

He was, thereafter, appointed regional manager of Phillipine Airlines where he handled the commercial operations of the airline in India.

He started on his own in 1974 by floating Jetair Private Ltd (then known as Jetair Transportation Private Ltd) to provide sales and marketing representation to foreign airlines in India. Shortly thereafter in 1975, he was appointed regional manager of Phillipine Airline in India.

Finally, in 1992, he took the big step of setting up his airline - Jet Airways. A firm believer in numerology, Goyal is fond of number “5”. People close to him say his decision to acquire Air Sahara was also taken on the 5th many months ago.

In his free time, he loves watching Bollywood movies for their emotional and entertainment value. But the bigger reason, as he once said,

is, you don't have to remember what you saw last time.

IndiaJobLine

Mr. Naresh Goyal joined the travel business with the GSA(general sales agent) for Lebanese International Airlines. He also travelled overseas extensively on business during this period.

Subsequently, Mr. Goyal was appointed the Public Relations Manager of Iraqi Airways in 1969 and from 1971 to 1974 was the Regional Manager for ALIA, Royal Jordanian Airlines. During this period, Mr. Goyal also worked with the Indian offices of Middle Eastern Airline (MEA) where he gained experience in various areas including ticketing, reservations and sales. He was thereafter appointed Regional Manager of Phillipine Airlines where he handled the commercial operations of the airline in India.

Founder of Jet Airways : With the experience, expertise and technical know-how thus acquired, in May 1974, Mr. Naresh Goyal founded Jetair (Private) Limited with the objective of providing Sales and Marketing representation to foreign airlines in India. He was involved in developing studies of traffic patterns, route structures, operational economics and flight scheduling, all of which has made him an authority in world of aviation and travel. Shortly thereafter in 1975, he was appointed Regional Manager of Phillipine Airlines in India.

In 1991, as part of the ongoing diversification programme of his business activities, Mr. Naresh Goyal took advantage of the opening of the Indian economy and the enunciation of the Open Skies Policy by the Government of India to set up Jet Airways (India) Private Limited for the operation of scheduled air services on domestic sectors in India.

Mr. Goyal has been elected to the Board of Governors of the International Air Transport Association (IATA), at its 60th Annual General Meeting held in Singapore in early June 2004.

Mr. Naresh Goyal is listed as one of the World's Richest People 2005 in Forbes magazine. He has a fortune of \$1.5 billion.

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Jet Airways has been voted India's "Best Domestic Airline" consecutively by several organisations of world-class repute. The airline has also been conferred with several national and international awards instituted by leading organisations including the Market Development Award for 2001 of Air Transport World (ATW) of USA.

Jet Airways has also won the 'Service Excellence Award' hosted by Global Managers at Mumbai.

Mr. Goyal in his capacity as Chairman, Jet Airways has won the 'Entrepreneur of the Year Award for Services' from Ernst & Young and also 'Distinguished Alumni Award-2000' for meritorious and distinguished performance as an Entrepreneur and also the most respected company in travel and hospitality sector.

Other awards conferred on Mr. Goyal include the 'Outstanding Asian-Indian' award for leadership and contribution to the global community given by the Indian American Centre for Political Awareness, 'Aerospace Laurels' for outstanding contribution in the field of Commercial Air Transport twice, in April 2000 and February 2004. The airline has also been given the 'Pride in Excellence' award from Boeing Company for maintaining the highest Technical Dispatch Reliability for the second year in succession in April 2004. In August 2003, the airline was awarded the 'Superbrand' status by the world's leading authority on branding, the Superbrands Council.

Awards received by the Chairman: Nov 2005 - 'Star of Asia' award instituted by the Business Week a leading magazine published from United States of America, Europe and Asia.

Feb 2004 - Aerospace Laurels to Chairman Naresh Goyal for his contribution to 'Commercial Air Transport' by the leading aerospace industry publication, Aviation Week & Space Technology, USA for the second time in four years.

Dec 2003 - The Federation of Indian Chambers of Commerce and Industry (FICCI) 'First Lifetime Achievement' award conferred on the Chairman Mr. Naresh Goyal for creating standards of excellence in the domestic aviation industry in India.

Nov 2003 - The Indian American Center for Political Awareness (IACPA) New York (USA) 'Outstanding Asian-Indian' award conferred on Chairman Mr. Naresh Goyal for leadership and contribution to the global community.

Mar 2002 - The Qimpro Gold Standard 2001 Award for recognizing Mr. Goyal as an individual who 'has led the implementation of a world-class quality management model' on the lines of the European Quality Award criteria, the Malcom Balridge National Quality Award criteria and the Deming Prize criteria.

Apr 2000 - Aviation Week and Space Technology 1998 Aerospace Laurels Award conferred on Chairman, Mr. Naresh Goyal 'for outstanding in the field of Commercial Air Transport'.

Aug 1995 - Bharat Sarathi Samman of the National Press India to Mr. Goyal at a function held at the Parliament House Annexe.

Business Standard ... Corporate

The RoC also found that Naresh Goyal (owner of Tailwinds, the holding company of Jet) is a member or director of Tailwinds, Jetair, International Cargo Carriers, Jet Airways, Vimpal Holding, Jetair Tours, Jet Airways (India) Ltd as well as Jet Aviation.

In the first four firms, Goyal has a holding of more than two per cent. He is also a partner in National Travel Service.

Product And Services

Given that business travellers account for over 80% of the domestic air traffic in India, schedules are carefully designed to provide same day return trips between significant city pairs, e.g. Delhi-Mumbai, Mumbai-Bangalore, etc.

The airline provides a business class service on almost all its flights operated by 737 aircraft. The Club Premiere cabin, with wider seats and greater seat pitch, exclusive ground check-in facilities, etc. is today regarded as one of the best. In-flight meals are served course by course, on specially designed Noritake crockery. Dedicated lounges at airports enable Club Premiere passengers to experience in-flight hospitality on the ground.

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Jet Airways woos the economy passenger not through discounts but by adding value, such as being the first domestic airline to offer Tele Check-in, City Check-in, Through Check-in and One Time Check-in facilities.

Economy passengers enjoy more than 50 different menus offered across different routes and at different times of the day.

Jet Airways' frequent flier programme, Jet Privilege is comparable with the best in the world. The Jet Privilege Programme has many 'Firsts' to its credit in the Indian domestic airline market.

Launched in July 1994, the JP Programme was repackaged and relaunched in its current avatar in December 1999.

Jet Privilege was the first domestic frequent flyer programme in India to launch a three-tiered programme (Blue, Silver and Gold) to recognize the differences in customer segments. It has the widest alliances with international airlines for earning and redemption of miles, including British Airways and KLM-Northwest, besides premium hotel chains, car rental services and financial services. With a membership of over 300,000, it is the largest and fastest growing loyalty programme in the country.

Jet Escapes holiday packages have been developed in conjunction with leading hotel chains to promote the domestic leisure market. This, along with Apex and Super Apex fares, for advanced bookings at lower rates, has encouraged up-gradation of passengers from rail-to air travel. Jet Kids, a branded in-flight product for children, is a reflection of the Jet Airways philosophy that every passenger is equally important to the airline.

Other alliances and the use of technology have seen Jet Airways lead the market with value-added services. The Citibank-Jet Airways co-branded card is a unique product that encourages subscribers to earn miles while dining or shopping. Jet Mobile service provides mobile phone users with up-dates on flight schedules and flight timings.

Charters are a new and growing contributor to the airline's business. Several high profile

companies (MasterCard, Louis Vuitton, etc.) and individuals (Bill Clinton and his entourage) have chartered Jet Airways flights for their domestic travels and conferences. Jet Airways Cargo, having carried over 77,000 tons of cargo between April 2002 and March 2003, is a growing business for the airline.

On Ground Services

At Jet Airways, service on the ground is as important as service in the air. Whether it is the process of booking ticket or checking in for flight, Jet Airways ensures that every need on the ground is met.

Check-in options

Jet Airways offer multiple check-in options.

Airport Lounges

Jet Privilege Silver, Gold or Platinum card member or a Club Premiere passenger, can relax and enjoy complimentary snacks and beverages in jet Airways' plush airport lounges.

24-Hour Helpdesk

Coach Services

Airport Authority of India (A. A. I.) operates shuttle coaches for transit passengers from domestic to international airport and vice-versa at Mumbai and Delhi airports.

Complimentary Chauffeur Drive

A service specially for PREMIERE passengers traveling between Mumbai/Delhi and London (Heathrow).

In-Flight Services

Jet Airways continually endeavours to better its services, both on the ground and in the air. From crew, whose priority is passengers' comfort to the safety standards enforced to ensure that one is free of worry

Jet Airways in-flight meals are designed keeping in mind the varied customers.

Class of Service

Jet Airways operates two classes of service – Club Premiere and Economy class.

In-flight Convenience
In-flight meals
In-flight Entertainment
eMagazine



Special Services

Jet Airways understands that some of their passengers have special needs. It is their constant effort to meet these needs to the best of their ability.

Infant and Child Care

Special attention is always given to younger patrons of Jet Airways.

Wheel Chair Assistance

Handicapped and infirm passengers can also look forward for a comfortable, safe and hassle free journey

Expectant Mothers

Expectant Mothers till 36 weeks of pregnancy can be permitted to fly on Jet Airways flights

Unaccompanied Minors

Parents / guardians can be rest assured regarding their ability to look after their children whilst traveling with Jet Airways

Medical Emergencies

Traveling with Pets

Carriage of pets are permitted only on Jet Airways Boeing 737 aircraft

Carriage of stretcher

Jet Airways now accept stretchers on all domestic flights operated by Jet Airways

Jet Mobile

Flight Delays/ Cancellations due to Fog/ Weather

Jet Airways realizes that disruptions / delays and cancellations of flights can cause inconvenience to the passengers and therefore it is equipped to resolve these

issues via a dual approach of systemized tracking of flight updates and a formal hotel accommodation policy for the passengers.

Jet Kids

Jet Kids is a special programme for the younger patrons, children between the ages 2 to 12 years, of Jet Airways.

Jet Mail

Jet Airways is a periodic newsletter, which keeps one updated with all the latest at Jet Airways and its partner promotion.

Cargo

Jet Airways has been on the forefront in the transportation and handling of general and special cargo.

With a fleet of 62 modern and next generation aircraft, Jet Airways provides seamless connections throughout the world on its own and partner airlines network.

The cargo product ranges from carriage of fresh flowers, household pets, life saving drugs, valuables and all other general goods.

A special care service for human remains is specially designed for support at times of need.

Jet Airways ensures the delivery of services with the most amount of care to reach the customers' delight.

Safety and Comfort

Safety is of vital importance. Hence, great emphasis is laid on the maintenance of our

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aircraft. Staff of 560 engineers and technicians, with 5 to 20 years of aviation experience, ensure that Jet Airways conform to international safety standards so that passengers' favourite airline is also their safe airline.

Comfort comes right up with safety. Which is why Jet Airways have designed their aircraft with passengers' comfort in mind. Their Première seats are fitted with armrest tables, arranged in a two-by-two configuration so that every passenger has a window or aisle seat. The seat pitch is a luxurious 38 inches to give enough legroom. Even in Economy Class, seat pitch is a spacious 31 inches with a three-by-three configuration.

Recent Developments

During the last two years, the brand has consolidated its market position of leadership, placing greater emphasis on Customer Relationship Management. The Service Tracker, a system for collecting and acting on passenger feedback within seven days, helps analyze trends and measure quality aspects such as meals, in-flight service, on-time performance, etc.

Jet Airways recently launched e-ticketing. This significant initiative enables its customers to book tickets on the airline website. Passengers can now book, pay and print their Jet Airways e-ticket online from any point globally and travel with paperless tickets across its network.

Brand And Promotion

The first advertising campaign was released in 1993. However, even before this, to reflect the brand position, 'A world class airline for business travellers', the identity needed to reflect the professionalism and warmth. This was built in to the Jet Airways logo design and the choice of colors, where blue represents professionalism and ochre the warmth. The corporate symbol is a graphic representation of an aircraft's tail-wings speeding past the sun.

The sign-off or tag line evolved from research findings, key being that the domestic air traveller perceived flying as a joyless, necessary evil. An integral part of the launch strategy was for Jet

Airways to hold out and deliver the promise that domestic air travel with the airline would be a joy. This led to the familiar line, 'The Joy of Flying', which was also incorporated into the logo unit.

Based on a research commissioned in 1998 the new strategy was developed to make the brand more 'warm and caring'. The brand property or central theme to this new strategy was the yellow rose, and the entire communications programme was developed around this. The campaign was rolled out on Valentine's Day, 14 February 1999, with each passenger travelling that day on a Jet Airways flight receiving a yellow rose on boarding. The focus had changed, from the airline to the passenger.

This period also saw the introduction of the new uniform. While continuing to stress on the professional, young, modern look, the uniform design uses a floating diya (a traditional Indian lamp) in its print. The diya is depicted in motion to signify progress. Over the last four years, the uniform has become a very visible and significant feature of the brand.

Brand Values

The core focus of the brand is to be a world-class airline. Towards this end it strives to offer passenger a world-class product, be it the world's latest aircraft, a world-class in-flight service or a business class product comparable to the best in the world. It endeavours to ensure that the customer can depend on the clockwork-like regularity of Jet Airways' operations; and it promises to deliver a highly professional and efficient brand experience – pre-flight, in-flight and post-flight.

Financial Position

Jet Airways had reported profit after tax of Rs. 400 mn (US\$ 9.0 mn) for the third quarter for the year 2006; operating revenues were up by 31%.

Although in year 2007 Jet Airways announced it has incurred a net loss in the first quarter of fiscal 2007 amounting to Rs 449.8* million compared with a net income of Rs 953 million in the corresponding previous year quarter.

Highlights for quarter ended December 31, 2006 vs. December 31, 2005.

Financial focus points

- Revenue of Rs. 20,300 million (US\$ 458.7 million), up by 35.4%
- EBITDAR of Rs. 3,083 million (US\$ 69.7 million), down by 14.2%
- Profit before tax of Rs. 619 million (US\$ 14.0 million) including sale-leaseback vs. profit before tax of Rs. 954 million (US\$ 21.2 million), down 35%
- Profit after tax of Rs. 400 million (US\$ 9.0 million) including sale-leaseback vs. profit after tax of Rs. 610 million (US\$ 13.5 million), down 34%

Domestic operations accounted for 78% of revenues (Rs. 15,845/US\$358 million) as compared to 86 % (Rs. 12,938/US\$287 million) in the third quarter of last year, reflecting the growing scale and contribution of the company's international operations.

The company achieved a domestic seat factor of 70.1% in the quarter ended December 31 2006 versus 72.5% in the same period a year ago, notwithstanding a 40% increase in industry capacity over this period. The company generated pre-tax profit on domestic operations of Rs. 733 million (US\$ 16.6 million) versus a pre-tax profit of Rs. 1,301 million (US\$ 28.9 million) in the same period a year ago and a profit of Rs. 389 million (US\$ 8.5 million) in the immediately preceding quarter. The results for the second and third quarters of this fiscal year include the profit from sale-leaseback of Boeing 737 aircraft.

In third quarter, the company generated profit of Rs. 484 million (US\$ 10.9 million) from the sale and subsequent lease-back of one Boeing 737 aircraft in October; excluding the sale-leaseback, domestic operations generated a pre-tax profit of Rs. 249 million (US\$ 5.6 million).

Factors driving domestic performance in the third quarter included:

Continued expansion of industry capacity and growth in demand

There were approximately 160,000 seats per day offered across all domestic scheduled carriers in

December 2006, 25% higher than in April 2006 and approximately 40% higher than in December 2005. The company increased capacity by 15%, consistent with the projected increase in the company's domestic capacity of 12-15% over the coming years. The impact of the recent capacity increase on yields was mitigated to some extent by high demand during the peak travel quarter. Average gross revenue per passenger, inclusive of fuel and congestion surcharges stood at Rs. 5,570, 4.2% higher than the same period a year ago.

The number of passenger carried across all scheduled carriers grew by approximately 46% year-on-year. The company carried 2.5 million passengers during the quarter, 11% higher than the same period a year ago. Our full-fare versus discounted fare mix remained stable at approximately 30:70.

Increase in fuel costs

Fuel costs were higher by Rs. 938 million (US\$ 21.2 million) during this quarter versus the same period a year ago. Of this, Rs. 450 million (US\$ 10 million) was on account of higher rates and the balance on account of higher block hours. The average fuel rate was Rs. 39.2 per litre vs. Rs. 35.7 per litre a year ago. To reduce the impact of higher fuel costs on account of air traffic congestion in the key metros, an Air Traffic Congestion Surcharge of Rs. 150 per passenger was introduced in December.

Increase in other operating costs

- Personnel costs were higher mainly due to the increase in average staff numbers; at the company level, headcount increased from 8,472 to 9,780 on account of the expansion in level of operations. New hires among pilots, engineers and cabin crew constituted the substantial part of this increase.
- Selling and distribution expenses are higher mainly on account of increased passenger revenues, increased advertisement expenses and higher levels of incentives paid to cargo agents.

Fact File

International operations

International operations accounted for 22% of total revenues (Rs. 4,455/US\$ 101 million) as compared to 14% (Rs. 2,052/US\$ 46 million) in the third quarter of last year.

The company achieved an average seat factor in international operations of 67.6% for the quarter (62.4% a year ago; 58.9% in the second quarter) and 75% in the month of December alone. Overall, the company generated a pre-tax loss on international operations of Rs. 113 million (US\$ 2.6 million) as against a pretax loss of Rs. 347 million (US\$ 7.7 million) in the same period last year and a pre-tax loss of Rs 1,114 million (US\$ 24.2 million) in the second quarter. Higher passenger yields, higher cargo revenues and continually improving seat factors on key routes contributed to the improved performance of the company's international operations.

The company is at an inflection point of a major expansion in international operations. Deliveries of the company's orders for ten Boeing 777 and ten Airbus 330 aircraft commence in April 2007; by October 2008, the company's widebody fleet will stand at 22 state-of-the-art aircraft.

It is interesting to note that since inception in May 1993 until end-December 2006, Jet Airways has flown close to 69 million passengers. **(Table One) (Annexure One).**

Merger with Air Sahara

On January 2006 Jet Airways announced that it was to buy Air Sahara for \$500 million in an all-cash deal. Everything, including Sahara's assets and infrastructure, would belong to Jet Airways. This deal would have been the biggest in India's aviation history and the resulting airline the country's largest, had it gone through.

Market reaction to the deal was mixed, with analysts suggesting that Jet Airways was paying too much for Air Sahara. The deadline for the deal to be completed was June 21, 2006. Jet Airways claimed that a final sticking point was the government's delay in approving Jet chairman Naresh Goyal's appointment to the Air

Sahara board. Air Sahara countered that Jet Airways had engineered this impasse by delaying the request for such approval, as a way of extricating themselves from a deal they now regretted. Jet was said to be willing to go ahead with the deal only if the originally agreed price was lowered by 20-25% on the basis of Air Sahara's mounting debts, an option which was firmly rejected by Air Sahara. Finally both sides confirmed that the deal was off.

Following the failure of the deals, the companies had filed lawsuits seeking damages from each other.

The Bombay High Court on Friday 22nd September allowed Jet Airways to withdraw Rs 1,500 crore deposited by it for acquiring rival Air Sahara. "Jet will have the right to withdraw Rs 1,500 crore against bank guarantee of the same amount," Justice D K Deshmukh said in his order. The amount in the escrow account will go to Jet and the interest will go to Air Sahara. However, the escrow account formalities will be decided by an arbitration tribunal. Arbitration is to begin on 9 October 2006

Buyout of Air Sahara

On April 12, 2007 **Jet Airways** agreed to buy out its smaller rival Air Sahara for 14.5 billion rupees (\$340m). Air Sahara would be renamed as Jetlite hereafter and it has been placed between a lowcost carrier and full fledged airliner. It may be noted that Jet Airways with the acquisition of Air Sahara is all set to refurbish the fleet and crew with new livery and uniform and plans are in pipeline to start a freighter by the year end.

The deal will give the airline a combined domestic market share of about 32%.

Jet's attempt to buy Air Sahara last year collapsed but the company has said the new deal has been reached amicably.

Both airlines also fly to international destinations and their operations and re-structuring will be merged. **Jet Airways**, founded by London-based former travel agent Naresh Goyal, controls about 24.5% of the Indian domestic aviation market.

Air Sahara, owned by reclusive businessman Subroto Roy, controls about 7%.

Table One

Brief Financials (in Rs. Mn.)			
Period ending (months)	31-Dec-2006(9)	31-Mar-2006 (12)	31-Mar-2005 (12)
Net sales	51972.60	56937.30	43380.10
Other Income	3327.70	631.50	370.10
Total Income	55300.30	57568.80	43750.20
Cost of goods sold	51198.20	47352.40	31148.50
OPBDIT	4102.10	10216.40	12601.70
PAT	-600.70	4520.40	3919.90
Gross Block	-	40379.20	49064.10
Equity capital	863.30	863.30	863.30
EPS (Rs.)	-	52.36	45.40
DPS (Rs.)	-	6.00	3.00
BV (Rs.)	-	229.99	198.78
P/E range (x)	-	17.02 - 26.34	25.73 - 29.49
Debt / Equity (x)	-	2.47	1.73
Operating margin (% of OI)	7.4	17.7	28.8
Net margin (% of OI)	-1.1	7.9	9.0

Share price movement of Jet Airways in last 12 months

Annexure One

