

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.

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.
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