JET AIRWAYS (INDIA) LIMITED **CIN : L99999MH1992PLC066213**

Regd. Office: 2nd floor, Plot No C-68, G-Block; Bandra-Kurla Complex (East); Mumbai 400051.

Statement of Standalone Unaudited Financial Results for the Quarter ended 30th June 2019

Amount (INR in Lakhs)

Sr No	Particulars	Quarter Ended			Year Ended
		30.06.2019 Unaudited	31.03.2019 Audited (Refer Note 4)	30.06.2018 Unaudited	31.03.2019 Audited
1.	**Income**				
	a. Revenue from Operations (Net)	30,407	473,782	601,046	2,305,741
	b. Other Income	1,205	7,431	5,645	25,670
	Total Income	**31,612**	**481,213**	**606,691**	**2,331,411**
2.	**Expenses**				
	a. Aircraft Fuel Expenses	8,640	154,061	233,249	868,058
	b. Aircraft and Engines Lease Rentals	16,113	69,190	63,694	274,352
	c. Employees Remuneration and Benefits	42,172	73,392	81,629	313,485
	d. Finance Cost	28,406	24,451	24,888	98,163
	e. Depreciation and Amortisation	9,205	10,875	11,208	44,223
	f. Selling and Distribution Expenses	2,835	56,018	56,106	233,710
	g. Aircraft Maintenance	3,883	44,565	67,455	238,574
	h. Other Expenses	29,132	210,588	200,762	743,596
	Total Expenses	**140,386**	**643,140**	**738,991**	**2,814,161**
3.	**(Loss) / Profit before Tax (1-2)**	**(108,774)**	**(161,927)**	**(132,300)**	**(482,750)**
	Exceptional item	(42,646)	(70,825)	-	(70,825)
4.	**Tax Expense**	**-**	**-**	**-**	**-**
5.	**Net (Loss) / Profit after Tax (3-4)**	**(151,420)**	**(232,752)**	**(132,300)**	**(553,575)**
6.	**Other Comprehensive Income**				
	Items that will not be reclassified to Profit or Loss				
	(i) Remeasurements of defined benefit plans	(3,087)	237	387	(277)
	(ii) Income tax relating to above mentioned item	-	-	-	-
	Other Comprehensive Income (net of tax)	**(3,087)**	**237**	**387**	**(277)**
7.	**Total Comprehensive Income (5+6)**	**(154,507)**	**(232,515)**	**(131,913)**	**(553,852)**
8.	Paid up Equity Share Capital (Face Value of Rupees 10/- each)	11,360	11,360	11,360	11,360
9.	Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year)	**-**	**-**	**-**	(1,280,899)
10.	Basic and Diluted EPS (in Rupees) (Face Value of Rupees 10/- each) - Before exceptional items	**(95.75)**	**(142.54)**	**(116.46)**	**(424.97)**
11.	Basic and Diluted EPS (in Rupees) (Face Value of Rupees 10/- each) - After exceptional items	**(133.29)**	**(204.89)**	**(116.46)**	**(487.31)**



Unaudited standalone Segment wise revenue & results for the quarter ended 30th June 2019

As per IND AS 108 the Company has identified: a) Domestic (air transportation within India)
b) International (air transportation outside India) as reportable segments.

		Amount (INR in Lakhs)			
	Particulars	**Quarter Ended**			**Year Ended**
		30.06.2019 Unaudited	**31.03.2019 Audited (Refer Note 4)**	**30.06.2018 Unaudited**	**31.03.2019 Audited**
	Segment Revenue : (Primarily Passenger, Cargo, Excess Baggage and Leasing of Aircraft)				
	Domestic	29,511	167,619	266,369	931,440
	International	896	306,163	334,677	1,374,301
	Total	**30,407**	**473,782**	**601,046**	**2,305,741**
	Segmental Profit :				
	Domestic	16,076	96,368	131,877	462,661
	International	896	162,666	157,773	681,223
	Total	**16,972**	**259,034**	**289,650**	**1,143,884**
Less:	Finance Cost	28,406	24,451	24,888	98,163
Less:	Depreciation and Amortisation	9,205	10,875	11,208	44,223
Less:	Other Unallocable Expenditure	131,986	463,891	391,499	1,580,743
Add:	Other Unallocable Revenue	1,205	7,431	5,645	25,670
	(Loss) / Profit before tax (Including Exceptional Items)	**(151,420)**	**(232,752)**	**(132,300)**	**(553,575)**
Less:	Taxes	**-**	**-**	**-**	**-**
	(Loss) / Profit after Tax	**(151,420)**	**(232,752)**	**(132,300)**	**(553,575)**

Note: 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.

Notes:

1. The Company was facing liquidity issues and was unable to discharge its dues to its Creditors. With effect from 18th April 2019, the Company had to temporarily suspend its operations owing to critical liquidity position. Before and after temporary suspension of operations, all the members of the Board of Directors, Key Managerial Persons ("KMPs") including CEO, CFO, Company Secretary and other employees of the Company resigned from their respective positions which had severe impact on all functions of the Company. Based on the petitions filed by financial and operational creditors, the Hon'ble NCLT, Mumbai Bench, passed the order for initiation of CIRP under section 7 of the Insolvency and Bankruptcy Code, 2016 (As amended and hereinafter referred to as "the Code") dated 20th June 2019 appointing Mr. Ashish Chhawchharia as Interim Resolution Professional, subsequently confirming him as the Resolution Professional ("RP") under the provisions of the Code. Further, the erstwhile RP had invited expression of Interest (EoI) from prospective Resolution Applicants (PRAs) to submit the Resolution Plan for the Company. Final plans received was placed, put to vote in the 17th CoC meeting held on 03rd October 2020. The resolution plan submitted by the Jalan Fritsch Consortium was approved by CoC. The application for Plan approval was filed with Hon'ble National Company Law Tribunal (NCLT) dated 05th November 2020 and subsequently has been approved/allowed by the Hon'ble NCLT on 25th June 2021 via order dated 22nd June 2021, subject to certain directions which are to be issued by a separate order.

2. Due to absence of CFO, Company Secretary and other officials who were primarily responsible for the book-keeping and closure process and financial reporting, the erstwhile RP and the employees of Asset Preservation Team (a team formed by the erstwhile Resolution professional based on recommendation of functional heads to safeguard and preserve the value of the assets of the company) has made all practical and reasonable efforts to prepare these quarterly results. These results have been prepared with the same 'Basis of Preparation' as adopted by the erstwhile board of directors as prescribed under

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the Companies Act, 2013 and related regulations. The Statutory Auditors have carried out a limited review of the above results.

3. Due to financial crisis, operations of the Company were temporarily put to suspension from 18th April 2019. As a result of temporary suspension, all the revenues and its related expenses have been impacted and revenue and expenses cannot be compared on quarterly basis. Expenses incurred (post initiation of CIRP) for preserving the value of assets of the company and carry out the Corporate Insolvency Resolution process were duly approved by the Committee of Creditors (as required under the provisions of Insolvency Bankruptcy Code, 2016).

4. The figures for the Quarter ended 31st March 2019 are balancing figures between audited figures in respect of the full Financial Year ended 31st March 2019 and published year to date figures up to the third Quarter ended 31st December 2018.

5. With effect from 1st April 2019 the Company has adopted Ind AS 116, "Leases". Accordingly, the standalone financial results for the Quarter have been prepared in accordance with Ind AS, the recognition and measurement principles laid down under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and the other accounting principles generally accepted in India. The new Standard has been applied using the modified retrospective approach, with the cumulative effect of adopting Ind AS 116 being recognised in equity as an adjustment to the opening balance of retained earnings for the current period. Prior periods have not been restated.

6. (a) As on 31st March 2019, the company being operational was in physical possession of 22 aircraft that were under operational lease, and improvement of leased aircraft of INR 5,222 lakhs was related to expense incurred on these aircraft. Subsequent to 31st March 2019 and prior to the initiation of CIRP, due to default in lease payments, the lessor took physical possession of these aircrafts that were under operational lease. The capital expenditure incurred on these lease aircrafts (after charging depreciation of INR 48 lakhs) amounting to INR 5,174 lakhs have been written off in FY 2019-2020.

   (b) The company had paid an advance of INR 50,011 Lakh to 'The Boeing Company' (Boeing) under the agreement for purchase of 225 aircrafts of Boeing 737. Boeing B737 aircrafts were grounded worldwide due to technical issues from March 2019 onwards, before the scheduled delivery of the aircrafts under the purchase agreement, further basis the letter issued by Boeing dated 22nd May 2019, Boeing had suspended the agreement. Boeing has also filed a claim with the erstwhile RP, the claims submitted will be dealt as per the provisions of the code, post implementation of the approved Resolution plan, necessary adjustment will be made in these statements for the differential amounts, if any.

   (c) Security deposit also includes amount, which was realisable from credit card companies for sale of tickets, which was held by credit card companies to protect their recovery risks due to weak financial conditions of the Company. Prior to the initiation of CIRP, an amount of INR 44,522 lakhs (31st March 2019: INR 42,047 Lakhs) held against past ticket sales, were adjusted by Credit Card companies against their dues towards refund and recharge on account of cancellation of tickets booked by passengers. Since these adjustments took place due to temporarily suspension of operations by the Company subsequent to the year-end 31st March 2019 and prior to the initiation of CIRP, the credit card company has utilized the same against Chargeback and refunds of the Forward sale tickets.

   (d) Security deposits available with Lessors was adjusted by them against their outstanding dues as per the contract for non-payment of outstanding (event of default) dues prior to the initiation of CIRP. Lessor's deposits amounting to INR 28,658 Lakhs and INR 32,377 Lakhs against other deposit were adjusted against their liability basis the communication received from lessors / others on such adjustment made by them.

   (e) Subsequent to 31st March 2019 and prior to the initiation of CIRP, due to default in lease payments, the lessor took physical possession of the aircrafts that were currently not in the possession of the Company. Upon initiation of Corporate Insolvency Resolution Process (CIRP) of the Company from 20th June 2019, Lessors have submitted claim (including claim for redelivery of aircraft) under the provisions of the Code, post implementation of the approved Resolution plan, necessary adjustment will be made in these statements for the differential amounts, if any.

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(f) Advances of INR 167,603 lakhs received by the Company as non-refundable incentive under sale and lease back transaction for potential Aircrafts, which were to be acquired under a separate purchase agreement. Incentives are deferred and reduced from the operating lease rentals on a straight-line basis over the initial lease period of the respective aircraft for which the aircraft is expected to be used. In case of return of an aircraft taken on operating lease before the expiry of the lease term, the unamortised balance of deferred incentive is recorded in the Standalone Statement of Profit and Loss. Upon initiation of Corporate Insolvency Resolution Process (CIRP) of the Company from 20th June 2019, Lessors/Vendors have submitted claim (including claim for such advances) under the provisions of the Code. Claims submitted will be dealt as per the provisions of the code, post implementation of the approved Resolution plan, necessary adjustment will be made in these statements for the differential amounts, if any.

(g) CIRP against the Company was initiated vide Hon'ble NCLT order dated 20th June 2019. Accordingly, Salary and wages has been accounted in the financials up to the month of initiation of CIRP. During the CIRP i.e. post 20th June 2019 salaries and other benefits of only employees part of Asset Preservation Team has been accrued and accounted for in the books of account, since their services have been utilized during the CIRP period.

(h) Interest on Borrowed funds (borrowed prior to initiation of CIRP) was included up to the date of CIRP i.e. 20th June 2019.

(i) 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.

(j) 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.

(k) In view of company's admission under CIRP all existing civil legal proceeding will be kept in abeyance as moratorium u/s 14 of insolvency and Bankruptcy Code, 2016 is applicable on the company till the conclusion of CIRP.

(l) Between 01st April 2019 – 17th April 2019 (date of temporary suspension of operations), there were 289 international flights; however due to non-availability of international segment details, the same has been clubbed under Domestic segment.

(m) The Company was admitted under Corporate Insolvency Resolution Process vide Order of Hon'ble NCLT dated 20th June 2019. As part of the Corporate Insolvency Resolution Process, creditors (including the MSME) of the company were called upon to submit their claims to the erstwhile RP in terms of the applicable provisions of the Insolvency and Bankruptcy Code, 2016 (IBC). Claims submitted by creditors were compiled and verified by the erstwhile RP and updated status is uploaded on the website of the company. The amount of claim admitted by the erstwhile RP may be different than the amount reflecting in the statements of the Company as on 30th June 2019. Claims submitted will be dealt as per the provisions of the code, post implementation of the approved Resolution plan, necessary adjustment will be made in these statements for the differential amounts, if any.

(n) External valuation for JPPL has not been conducted in the current year as the business plan for JPPL is in a flux given substantial dependency on the outcome of the IBC proceeding of Jet Airways (India) Ltd. Due to temporary suspension of operations of Jet Airways in April 2019; there has been a reduction in revenue of JPPL. Basis the confirmation received from JPPL's management, during the year, company introduced new services for booking of air tickets and hotels on its online travel-booking platform. Considering the recent introduction of these services, associated revenues were low and significant uncertainty in the future projections about revenue of JPPL, it was not feasible to determine impact of impairment if any for Company's investment in JPPL.

(o) Due to temporary suspension of operations, pending outcome of the CIRP and significant uncertainty about future economic outlook of the aviation industry, it is not feasible to determine the amount of impairment in its entirety, if any, which would have been required to be done in the net book value of the Aircraft, engines and spare parts classified as tangible assets and intangible assets in 'Property, Plant & Equipment'. Prior to the initiation of CIRP, certain assets were sent for repair to

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foreign vendors/locations. Due to non-payment to these vendors, they have filed claims with the erstwhile RP. However, even after multiple correspondences, they have not given the possession of the inventory to erstwhile RP. Value of these inventories amounts to INR 17,586 lakh.

(p) The Letter of Credit's provided as advance to vendor's that have been invoked by the vendor or lessor during the year 31st March 2020 of USD 39,915,959 and AED 5,500,000 (Approx. INR 50,540 lakhs) (31st March 2019: USD 24,646,293.50 (Approx. INR 17,044 Lakhs)) is included as advance to vendor in the books of the company as of 31st March 2020. These lessors have also submitted claim under CIRP. Claims submitted will be dealt as per the provisions of the code, post implementation of the approved Resolution plan, necessary adjustment will be made in these statements for the differential amounts, if any. The Letter of Credit's provided as security deposit to vendor's that have been invoked by the vendor or lessor before 31st March 2020 of USD 24,502,498 (Approx. INR 18,540 Lakhs) (31st March 2019 of USD 94,513,955.63 (Approx. INR 65,361 Lakhs)) is included as security deposit in the books of the company as of 31st March 2020. These vendors or lessors have also submitted claim under CIRP. Claims submitted will be dealt as per the provisions of the code, post implementation of the approved Resolution plan, necessary adjustment will be made in these statements for the differential amounts, if any.

(q) During the year, Company has received regulatory enquiries/notices/summons from various Government Authorities like Serious Fraud Investigation Office (SFIO), Enforcement Directorate (ED), GST Mumbai and Income Tax Department and lenders have initiated investigation audit. Pending outcome of the ongoing investigations/enquiries, no impact of the same has been considered in these statements as of now.

7. Exceptional Items consists of the following:
(a) Pursuant to the expiry of the PBTH Engine Maintenance Agreement with the maintenance service providers as on 31st December 2018 and subsequent failure of negotiations to extend the tenure of the agreement till 31st March 2019 the 'contribution receivable from lessor' have been considered as non-recoverable and has been provided for as on 31st March 2019.

(b) Four aircrafts were deregistered, and lessors took possession of these aircrafts prior to the initiation of CIRP, accordingly finance lease liability on redelivery to the amount of INR 101,194 lakhs is written back and book value of the aircraft to the amount of INR 98,792 lakhs is written off.

(c) Certain inventory and engines sent for repair but remains unrepaired which leads to significant reduction in the value, accordingly impairment provision has been created against such inventory and engines amounting to INR 18,556 lakhs.

(d) Advance / deposits available with counterparties was held by them against their outstanding dues as per the contract for non-payment of outstanding dues prior to the initiation of CIRP. On conservative basis, provision of INR 26,492 lakhs is created against such advance / deposits.

8. 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 04th May 2011 whereby SICCL's demand for restoration of the original price of INR 200,000 lakhs was denied and the Purchase Consideration was sealed at the revised amount of INR 145,000 lakhs. However, in its judgment, the Hon'ble Bombay High Court had 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 INR 11,643 lakhs became payable as interest which was 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.
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 INR 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

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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 had filed Special Leave Petitions (SLP) before the Hon'ble Supreme Court challenging both the orders of 04th 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 had since been filed. The Hon'ble Supreme Court also recorded that the statement made by Jet Airways, as recorded in the order dated 06th May 2011 passed by the Hon'ble Bombay High Court, would continue till further orders. The Company had filed its Counter Affidavit in the SLPs filed by SICCL and the Hon'ble Supreme Court had granted further time to SICCL to file their Rejoinder. The SLPs are still pending to be heard. Subsequently, Sahara had filed a Claim with the erstwhile Resolution Professional (under the ongoing Corporate Insolvency Process) amounting to INR 166,092 lakhs. Since the same is contingent in nature (Liability not Crystalize) and the dispute is subjudice with the Hon'ble SC, the claim has been admitted at INR 1..

9. Other Non-current assets as at 30th June 2019 includes Integrated Goods and Service Tax (IGST) paid by the Company 'under protest' on reimport of repaired aircraft engines and certain aircraft parts aggregating to INR 39,880 Lakhs. The Company has filed / in the process of filing an appeal with CESTAT against the order of Commissioner (Appeal), based on the advice received from experts. Pending adjudication, the Company has considered it as recoverable in the statement of Assets and Liabilities.

10. As informed above, the Company has incurred losses during the financial year ended 31st March 2019 and 31st March 2020 and has negative net worth as at 31st March 2020 that may create uncertainties. Operations of the Company were temporarily suspended from 18th April 2019, the aircrafts under operating lease arrangement were returned back to the respective lessors, currently the Company does not possess any aircraft under operating lease arrangement. Subsequent to year-end 31st March 2019, upon an application filed by State Bank of India, Company was admitted to Corporate Insolvency Resolution Process (CIRP) by Order of Hon'ble National Company Law Tribunal (NCLT), Mumbai dated 20th June 2019. Upon commencement of CIRP, the powers of the Board of Directors of the Company stand suspended and management of Company / company vest in the Interim Resolution Professional/ Resolution Professional. The interim resolution professional/ RP is expected to make every endeavor to protect and preserve the value of the property of the company and manage the operations of the company as a going concern. RP is expected to conduct the CIRP, invite claims from various creditors of the Company by way of public announcement and also invite prospective resolution applicants to submit Resolution Plans. To conduct the CIRP and to preserve and protect the value of assets of the Company, Resolution Professional has put together the Asset preservation team comprising of certain employees of the Company. Further the erstwhile RP had initiated various measures to take custody and control of the company's asset and for recovery of the Company's assets where it is in possession of third party. As per requirements of the 'Code' and 'CIRP Regulations' Resolution Professional has invited expression of Interest (EoI) from prospective Resolution Applicants (PRAs) to submit the Resolution Plan for the Company. Final plans received was placed and put to vote in the 17th CoC meeting held on 03rd October 2020. The resolution plan submitted by the Jalan Fritsch Consortium was approved by CoC. Accordingly, the statements of the Company have been prepared on going concern basis.

11. Previous period figures/revaluation amounts have been regrouped / reclassified wherever necessary to correspond with the current period's classification / disclosure.

12. This Limited review have been done for the purpose of compliance with various rules and regulations applicable to the company and it is post publishing of annual results dated 15th February 2021.

13. 27th and 28th AGM of the Company was scheduled on 08th June 2021 (Adoption of Financials for the year ended 31st March 2019 and 31st March 2020 as one of the Agenda in respective AGMs) was adjourned to 15th June 2021 for want of quorum. On 15th June 2021, the meeting was called, convened, held, and conducted as per the provisions of the Act, the rules and secretarial standards made thereunder. The AGM held on 15th June 2021 was adjourned sine die, after receiving the e-voting results from the Scrutinizer as the Agenda for Adoption of Audited Annual Accounts was not passed with requisite majority.



14. As informed in Note 10 above, the resolution plan submitted by the Jalan Fritsch Consortium was approved/allowed by the Hon'ble NCLT on 25th June 2021 via order dated 22nd June 2021, Monitoring Committee was constituted on 28th June 2021 and these statements have been signed by the Authorised Representative of the monitoring committee (duly authorised by the monitoring committee). These financial statements has been adopted by the Monitoring Committee while exercising the powers of the Board of Directors of the Company, in good faith, solely for the purpose of compliance and discharging their duties which has been conferred upon them as per the terms of the approved resolution plan.

For and on behalf of the Jet Airways (India) Ltd.

Place: Mumbai
Dated: 30 June 2021

Ashish Chhawchharia
Authorised Representative of the Monitoring Committee

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To,

The Monitoring Committee,
Jet Airways (India) Limited,
Global One, 3rd floor, 252, LBS Marg,
Kurla (West), Mumbai 400 070.

Independent Auditor's Limited Review Report on standalone unaudited financial results of Jet Airways (India) Limited for the quarter ended June 30, 2019 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Introduction

We were engaged to review the accompanying Statement of Standalone Unaudited Financial Results of Jet Airways (India) Limited (the 'Company') for the quarter ended June 30, 2019, (the 'Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('SEBI Regulation 2015').

The Company has been under the Corporate Insolvency Resolution Process ('CIRP') under the provisions of Insolvency and Bankruptcy Code, 2016 ('the Code') vide order dated June 20, 2019 passed by the National Company Law Tribunal ('NCLT'). The powers of the Board of Directors stand suspended as per Section 17 of the Code and such powers were exercised by the erstwhile Resolution Professional (RP) appointed by the NCLT by the said order under the provisions of the Code. As per Section 20 of the Code, the management and operations of the Company were managed by the erstwhile Resolution Professional Mr. Ashish Chhawchharia from the commencement of CIRP with the assistance of employees of the Asset Preservation Team (a team formed by the erstwhile Resolution Professional based on recommendation of functional heads to safeguard and preserve the value of the assets of the company) till June 25, 2021. The resolution plan submitted by the Jalan Fritsch Consortium was approved by the Hon'ble NCLT on June 25, 2021 via order dated June 22, 2021 and post such approval, Monitoring Committee was constituted on June 28, 2021. Erstwhile RP, along with the team of employees of Asset preservation team (are hereafter referred to as the 'Management'). It was also incumbent upon erstwhile RP to manage the operations of the company as a going concern upon initiation of CIRP. Accordingly, the Statement has been prepared on going concern basis by the Management.

We refer to the Note no 1, 2 & 10 to the Statement with regard to the responsibility of the erstwhile RP in respect of the preparation of this Statement while exercising the powers of the Board of Directors of the Company, which were conferred by the Order of Hon'ble NCLT, Mumbai Bench, passed as on June 20, 2019. For the purpose of ensuring regulatory compliance, this Statement has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with SEBI Regulation 2015. We have been given to understand that as per the terms of the Resolution Plan approved/allowed by the Hon'ble NCLT on June 25, 2021 via order dated June 22, 2021. Monitoring Committee was constituted on June 28, 2021 and this Statement has been signed by the Authorized Representative of the monitoring committee (duly authorized by the monitoring committee). This Statement has been adopted by the Monitoring Committee while exercising the powers of the Board of Directors of the Company, in good faith, solely for the purpose of compliance and discharging their duties which has been conferred upon them as per the terms of the approved resolution plan.

Sharp & Tannan Associates * Chartered Accountants * ICAI Regn. No. 109983W

Our responsibility is to express a conclusion on this Statement based on our review. Because of the matters described in paras Basis for Disclaimer of Conclusion and material uncertainty to going concern below, we are unable to obtain sufficient appropriate evidence to provide a basis for conclusion on this Statement and hence we do not express a conclusion on this Statement.

Scope of Review

We conducted our review of the Statement in accordance with the 'Standard on Review Engagement (SRE) 2410, *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"*, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Disclaimer of Conclusion

We were appointed as a statutory auditor for the financial year ended March 31, 2020 of the Company on September 29, 2020 and we have issued a Disclaimer of Opinion basis the observations forming part of the report for the financial year ended March 31, 2020. Points pertaining to various elements of the Statement as mentioned below may require necessary adjustments / disclosures in the Statement including material uncertainty regarding Company's ability to continue as a going concern and may have material and pervasive impact on the Statement for the quarter ended June 30, 2019. As referred in Note 10 and 14, under CIRP, the Committee of Creditors ("CoC") has approved the resolution plan submitted by the Jalan Fritsch Consortium after verifying the feasibility and viability of the business plan. The application for Plan approval was filed with Hon'ble National Company Law Tribunal (NCLT) dated November 5, 2020 and subsequently has been approved/allowed by the Hon'ble NCLT on June 25, 2021 via order dated June 22, 2021, subject to certain directions which are to be issued by a separate order. Accordingly, the books of account of the company have been prepared on going concern basis. We have been informed by the erstwhile RP that approved resolution plan being confidential in nature cannot be shared with us and impact of the Order can be given only on completion of conditions precedent mentioned therein. Accordingly, pending following adjustments and unavailability of sufficient and appropriate evidence, we are unable to express our conclusion on the attached Statement of the Company.

Attention is drawn to the fact that this Statement is prepared post audit of annual financial statements for the year ended March 31, 2020, for the compliance of SEBI Regulation 2015. Our conclusion on this Statement is to be read in consonance with the annual financial statements along with our audit report thereon for the year ended March 31, 2020. We refer to Note 3 which states that current quarter figures are not comparable to previous quarter and corresponding quarter, hence we are unable to carry out certain analytical procedures.

1. *Predecessor auditor has issued 'Disclaimer of opinion' for the previous year ended March 31, 2019. Shareholders of the Company have not approved the financial statements for above mentioned year in the 27th Annual General Meeting held on June 15, 2021. Considering the above mentioned points we are unable to obtain sufficient and appropriate audit evidence with respect to opening balances. Any changes to the opening balances would materially impact the Statement including but not limited to the resultant accounting treatment thereof.*



2. *As explained in Note 1 & 2 to the Statement, the Company has been facing liquidity issues and was unable to discharge its dues to its Creditors. With effect from April 18, 2019 the Company had to temporarily suspend its operations owing to critical liquidity position. Before and after temporary suspension of operations, all the members of the Board of Directors, Key Managerial Persons ("KMPs") including CEO, CFO, company secretary and other employees of the Company resigned from their respective positions which had severe impact on all functions of the Company. Based on the petitions filed by financial and operational creditors, the Hon'ble NCLT, Mumbai Bench, passed the order for initiation of CIRP under section 7 of the Code dated June 20, 2019 appointing Mr. Ashish Chhawchharia as Interim Resolution Professional, subsequently appointed as the Resolution Professional ("RP") by the Committee of Creditors ("CoC") at the first meeting of the CoC held on July 16, 2019. Due to absence of CFO, Company Secretary and other officials who were primarily responsible for the book keeping and closure process and financial reporting, the erstwhile RP and the employees of Asset Preservation Team ("APT") made all practical and reasonable efforts from time to time to gather details to prepare this Statement. This Statement relates to the period comprising of both pre and post CIRP hence, as informed to us, this Statement has been prepared with the same 'Basis of Preparation' as adopted by the erstwhile Board of directors under section 134(5) under Companies Act, 2013 and related regulations, while highlighting/addressing any material departures as per the current condition and events which occurred subsequent to the quarter ended June 30, 2019. We have been informed that for the closing balances as on March 31, 2019 and period prior to initiation of CIRP, the erstwhile RP has relied on the representations and statements made by remaining staff / Head of department and accounts, finance and tax team of the company.*

3. *As informed by the erstwhile RP, certain information including the minutes of meetings of the CoC and the outcome of certain procedures carried out as a part of the CIRP are confidential in nature and same could not be shared with anyone other than the member of CoC and Hon'ble NCLT. Accordingly, we are unable to comment on the possible financial impact, presentation / disclosures etc., if any, that may arise if access to above-mentioned documents would have been provided to us.*

4. *Basis the information and explanations provided to us, as part of erstwhile RP's responsibility under the CIRP, the erstwhile RP has sent recovery notices to certain parties having outstanding trade receivables / loans & advances etc., however, erstwhile RP could not receive adequate response. As required by Standard on Review Engagement (SRE), we could not carry out/complete certain mandatory review procedures due to various factors. Accordingly, we could not obtain sufficient and appropriate evidence for adequacy and reasonableness of management estimates for various provisions, fair valuation / net realizable value of various assets etc. These matters can have material and pervasive impact on the Statement. Consequential impact, if any, of matters described below, on the recognition of certain components in the Statement including its presentation / disclosure is currently not ascertainable. Certain such matters pertaining to major elements of the Statement are mentioned below:*

   a) *Tangible and intangible assets:*
      - *The Company has not carried out impairment testing of these assets including assets held for sale, in its entirety;*
      - *Basis the information and explanation provided to us, to take control of assets lying at various locations all over India, erstwhile RP had carried out verification of these assets. The said process was initiated for areas like Mumbai, Chennai, Hyderabad and Delhi wherein majority of the assets have been lying. On account of various accessibility issues, the verification process at certain locations was interrupted. Erstwhile RP was in the process of obtaining necessary approvals for the verification exercise at these locations. Accordingly, discrepancies and*

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effects of the same on the Statement could not be determined as the activity was not complete. Also, for fixed assets lying with third parties, confirmation letters were sent by erstwhile RP, however satisfactory response has not been received against all such requests.

- *We have been informed that one aircraft is located outside India and has been attached by the Dutch Administrator against dues to creditors who have initiated Insolvency Proceedings in Netherlands. As informed to us, the Dutch Administrator has also filed the claim under CIRP as per the Code and as agreed under the Dutch protocol between the erstwhile RP and the Dutch Administrator.*

b) *Investments: The Company has not carried out impairment testing. [Refer Note 6(n)]*

c) *Loans and advances: Basis the information and explanations provided to us; the erstwhile RP had sent recovery notices to certain parties especially w.r.t. security deposits. In addition, prior to initiation of CIRP, certain parties had utilized these deposits against their pending dues from the Company and have filed claims with erstwhile RP under CIRP. We are unable to comment whether loans and advances have been fairly stated in the Statement;*

d) *Other non-current assets: It includes capital advances and deposits with Government authorities:*
   - *In case of capital advances especially given for purchase of aircrafts, balances are either not confirmed or not reconciled. No adjustment is made to these balances; [Refer Note 6(b)]*
   - *Majority of the deposits with Government authorities are paid under protest and matter is pending adjudication. [Refer Note 9]*

e) *Inventories: As informed to us, due to various difficulties erstwhile RP was unable to complete physical verification of all inventories during the financial year 2019-20. Considering the unavailability of requisite documents, we are unable to comment on discrepancies, if any, and its treatment in books. We are also unable to obtain sufficient and appropriate evidence by way of alternate additional procedures.*

f) *Trade receivable: Certain balances are either not confirmed or not reconciled. Accordingly, we are unable to comment with respect to adjustments, if any, required to be carried out.*

g) *Cash and bank balances: As informed to us, due to restricted access, erstwhile RP could not conduct physical verification of cash at all locations during the financial year 2019-20. Accordingly, we are unable to comment with respect to existence or adjustments, if any, required to be carried out;*

h) *Other current assets: It mainly includes advances to vendors (LC's invoked by them), balances with government authorities and other recoverable. Basis the information and explanations provided to us; the erstwhile RP had sent recovery notices to certain vendors. Due to unavailability of confirmations we are unable comment on the same. [Refer Note 6(p)]*

i) *Borrowings:*
   - *As per the information and explanations provided to us, as part of CIRP, financial creditors have filed their claims with erstwhile RP [Refer Note 6(m)], any settlement with creditors will be carried out as per the provisions of the Code and as per the terms of approved resolution plan, pending implementation of the approved Resolution plan the actual settlement amount could not be ascertained. [to be read with point 5 below]*

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j) *Provisions: It includes provision for redelivery and provisions for employee benefits.*

- *Redelivery provision is linked to number of aircrafts taken on operating lease and expected expenditure required to be incurred at the time of returning these aircrafts. During the quarter, lessors seized the possession of all such aircrafts due to defaults in lease rentals; no adjustment has been done regarding redelivery provision in this Statement. [Refer Note 6(e)]*
- *Many employees have resigned in pre CIRP period. As informed to us, updation of personnel records were carried out based on the availability of the documentation etc. In addition, employee dues including retirement/ termination benefits were calculated based on the available data and till initiation of CIRP. However, we are unable to obtain sufficient and appropriate evidence with respect to base data as provided to an actuary for the purpose of actuarial valuation.*

k) *Trade payable and other current /non-current liabilities: Certain parties have submitted their claims under CIRP. Pending implementation of the approved Resolution plan no adjustments have been made in the books for the differential amount, if any, in the claims admitted. There are certain statutory payments with respect to the pre CIRP period which are not accounted. Accordingly, we are unable to comment on the financial impact of the same. [to be read with point 5 below]*

5. *As mentioned in Note 6(m) to the Statement, pursuant to commencement of CIRP under the Code, there are various claims submitted by the financial creditors, operational creditors, Dutch Administrator, employees and other creditors to the erstwhile RP. The obligations and liabilities including interest on loans and the principal amount of loans shall be determined upon the successful resolution of the company. Pending implementation of the approved Resolution plan, no accounting impact in the books of account has been recognized in respect of excess or short claims or non-receipts of claims for above- mentioned creditors.*

6. *a) We could not obtain sufficient and appropriate evidence for revenue settlements, direct and indirect expenses related to its operations, employee benefit expenses, finance cost, selling & distribution expenses and other expenses pertaining to pre CIRP period.*

   b) Also during the pre CIRP period the Company had provided managerial remuneration of Rs.234 Lakhs, however no payment has been made. Considering unavailability of requisite documents, we are unable to comment with respect to the compliance of Section 197 read with Schedule V to the Companies Act, 2013.

7. *As stated in Note 6(q) to the Statement, various regulatory authorities and lenders have initiated investigation which remains unconcluded at this stage. In addition, there are certain legal proceedings against the company which are currently kept in abeyance as stated in Note 6(k). Accordingly, erstwhile RP is unable to determine its impact, if any, on the Statement.*

8. *Due to Non-availability of certified list of Related Parties from the Company and confirmations from the related parties for transactions during the period and amount receivable / payable, we are unable to comment whether the accounting and disclosures are appropriately made in the Statement by the Company.*

9. *Segment reporting: Due to suspension of operations, access to several applications was not available to erstwhile RP. In absence of such access certain information in Segment disclosure could not be verified. [Refer Note 6(l)].*



Material Uncertainty Related to Going Concern

We refer to Note 10 of the Statement; the Company continues to incur losses resulting in an erosion in its net-worth and its current liabilities exceed current assets as at June 30, 2019. Further, the operations of the Company currently stand suspended from April 18, 2019 till date and the Company is undergoing the CIRP. The CoC via e-voting concluded on October 17, 2020, has approved the resolution plan submitted by the Jalan Fritsch Consortium after verifying the feasibility and viability of the business plans and the same is approved by the Hon'ble NCLT vide their order dated June 25, 2021 vide their order dated June 22, 2021. However, since we have not verified the contents of the CoC approved resolution plan, we are unable to comment upon the same.

The erstwhile Resolution Professional has prepared this Statement using going concern basis of accounting based on his assessment of a possible successful outcome of the ongoing CIRP and accordingly no adjustments have been made to the carrying value of the assets and liabilities and their presentation and classification in the Statement.

Considering the above and matters described in Basis for Disclaimer of Conclusion in our review report indicate the existence of material uncertainties. Accordingly, we are unable to comment as to whether the going concern basis for preparation of this Statement is appropriate.

Disclaimer of Conclusion

Because of the significance of the matters described in aforesaid paragraphs narrating our "Basis for Disclaimer of Conclusion" and material uncertainty to be a going concern above, we have not been able *to obtain sufficient appropriate evidence as to whether the Statement has been prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India or state whether the Statement has disclosed the information required to be disclosed in terms of SEBI Regulation 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.*

Other matters

1. The comparative figures for quarter ended June 30, 2018 presented in the Statement are reviewed by the predecessor auditor whose limited review report dated August 27, 2018 expressed an unmodified conclusion on that statement which has been relied upon by us.

2. Figures for the quarter ended March 31, 2019 as reported in this Statement are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year.

Our conclusion is not modified in respect of these other matters.

Sharp & Tannan Associates
Chartered Accountants
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by the hand of

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Date : June 30, 2021