JET AIRWAYS

JET/SEC/SE/FEB2023 February 09, 2023

To,

BSE Limited
Department of Corporate Services
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400001

Scrip Code: 532617/JETAIRWAYS

National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex
Bandra (East)
Mumbai – 400051

Symbol: JETAIRWAYS / Series: EQ

Sub: **Intimation under Regulation 30 and 33 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 regarding Outcome of the Meeting pertaining to declaration of Un-Audited Financial Results (Standalone) for the quarter and nine months ended December 31, 2022 of Jet Airways (India) Limited**

Sir/Madam,

This is in continuation to our letter No. *JET/SEC/SE/FEB2023* dated February 03, 2023 regarding the intimation of date of meeting for consideration and approval of Un-Audited Financial Results (Standalone) of Jet Airways (India) Limited ("Company") for the quarter and nine months ended December 31, 2022 along with Independent Auditors' Limited Review Report.

In accordance with Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), this is to inform you that the Monitoring Committee has today i.e., Thursday, February 09, 2023, *inter alia*, considered and approved the Un-Audited Financial Results (Standalone) of the Company for the quarter and nine months ended December 31, 2022 ("Financial Results"). Further, in terms of Regulation 33 of the SEBI LODR Regulations, the following documents are enclosed herewith:

a. Un-Audited Financial Results (Standalone) for the quarter and nine months ended December 31, 2022
b. Independent Auditors' Limited Review Report on the said Financial Results

As informed vide Letter no. ***JET/RP/NCLT/21-22/865*** dated June 28, 2021, Monitoring Committee was constituted on June 28, 2021 and the aforesaid Financial Results have been signed by the Authorised Representative of the Monitoring Committee (duly authorised by the Monitoring Committee). These Financial Results have 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.

Regulation 33(3)(b) of the SEBI LODR Regulations provides that in case the listed entity has subsidiaries, in addition to the requirement at clause (a) of sub-regulation (3), the listed entity shall also submit quarterly/year-to-date consolidated financial results. There are 5 (Five) subsidiaries of the Company.

This is to bring to your notice that the Monitoring Committee is not in a position to provide the consolidated financial results, as the subsidiaries of the Company are separate legal entities, also currently non-operational and the team is facing huge difficulty in obtaining relevant data from the said subsidiaries, as also there are no KMPs / senior management personnel (in the Company's subsidiaries), from whom the relevant information can be obtained for the preparation of consolidated financial results of the Company. In view of the above, we are submitting the standalone financial results, you are therefore requested to kindly take the same on record.

The Company shall also make necessary arrangements to publish the extracts of the Financial Results in newspapers pursuant to the requirements as prescribed under the SEBI LODR Regulations.

The meeting commenced at 04:07 PM IST and concluded at 06:10 PM IST.

Please take the same on your record.

Yours faithfully
For **Jet Airways (India) Limited**

Neeraj Manchanda
Company Secretary & Compliance Officer

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 and nine months ended 31st December 2022

Amount (INR in Lakhs)

Sr No	Particulars	Quarter ended			Nine months ended		Year Ended
		31.12.2022 Unaudited	31.12.2021 Unaudited	30.09.2022 Unaudited	31.12.2022 Unaudited	31.12.2021 Unaudited	31.03.2022 (Audited)
1.	**Income**						
	a. Revenue from Operations (Net)	1,237	1,058	1,245	3,735	12,543	13,643
	b. Other Income	46	219	107	210	736	799
	Total Income	**1,283**	**1,277**	**1,352**	**3,945**	**13,279**	**14,442**
2.	**Expenses**						
	a. Aircraft Fuel Expenses	-*	1	3	17	6	6
	b. Aircraft and Engines Lease Rentals	-	-	-	-	-	-
	c. Employees Remuneration & Benefits	406	536	463	1,390	1,478	2,032
	d. Finance Cost	115	134	114	350	574	700
	e. Depreciation and Amortization	3,816	4,310	4,041	12,032	13,232	17,393
	f. Selling and Distribution Expenses	-	-	-	-	-	-
	g. Aircraft Maintenance	35	49	100	285	136	288
	h. Other Expenses	21,789	6,666	27,455	84,584	27,246	46,779
	Total Expenses	**26,161**	**11,696**	**32,176**	**98,658**	**42,672**	**67,198**
3.	**(Loss) / Profit before Tax (1-2)**	**(24,878)**	**(10,419)**	**(30,824)**	**(94,713)**	**(29,393)**	**(52,756)**
	Exceptional item	-	-	-	-	(24,498)	(24,498)
4.	**Tax Expense**	**-**	**-**	**-**	**-**	**-**	**-**
5.	**Net (Loss) / Profit after Tax (3-4)**	**(24,878)**	**(10,419)**	**(30,824)**	**(94,713)**	**(53,891)**	**(77,254)**
6.	**Other Comprehensive Income**						
	Items that will not be reclassified to Profit or Loss						
	(i) Re-measurements of defined benefit plans	-	-	-	-	-	-
	(ii) Income tax relating to above mentioned item	-	-	-	-	-	-
	Other Comprehensive Income (net of tax)	**-**	**-**	**-**	**-**	**-**	**-**
7.	**Total Comprehensive Income (5+6)**	**(24,878)**	**(10,419)**	**(30,824)**	**(94,713)**	**(53,891)**	**(77,254)**
8.	Paid up Equity Share Capital (Face Value of Rupees 10/- each)	11,360	11,360	11,360	11,360	11,360	11,360
9.	Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year)	-	-	-	-	-	(1,66[illegible],804)
10.	Basic and Diluted EPS (in Rupees) (Face Value of Rupees 10/- each) - Before exceptional items	**(21.90)**	**(9.17)**	**(27.14)**	**(83.38)**	**(25.87)**	**(46.44)**
11.	Basic and Diluted EPS (in Rupees) (Face Value of Rupees 10/- each) - After exceptional items	**(21.90)**	**(9.17)**	**(27.14)**	**(83.38)**	**(47.44)**	**(68.01)**

*The expense is less than INR 50,000.

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SCTA
Sharp & Tannan Associates
ICAI Regn. No. 109983W
Mumbai

JET AIRWAYS (INDIA) LTD

JET AIRWAYS

Unaudited Standalone Segment-Wise Revenue & Results for the Quarter and nine months ended 31st December 2022

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			Nine months ended		Year Ended
		31.12.2022 Unaudited	31.12.2021 Unaudited	30.09.2022 Unaudited	31.12.2022 Unaudited	31.12.2021 Unaudited	31.03.2022 Audited
	Segment Revenue : (Primarily Passenger, Cargo, Excess Baggage and Leasing of Aircraft)						
	Domestic	-	-	-	64	-	-
	International	1,237	1,058	1,245	3,671	12,543	13,643
	Total	**1,237**	**1,058**	**1,245**	**3,735**	**12,543**	**13,643**
	Segmental Profit :						
	Domestic	(2,331)	(2,331)	(2,334)	(6,936)	(6,973)	(9,254)
	International	1,237	1,058	1,245	3,671	12,543	13,643
	Total	**(1,094)**	**(1,273)**	**(1,089)**	**(3,266)**	**5,570**	**4,389**
Less:	Finance Cost	115	134	114	350	574	700
Less:	Depreciation and Amortization	3,816	4,310	4,041	12,032	13,232	17,393
Less:	Other Unallocable Expenditure	19,899	4,921	25,687	79,275	46,391	64,350
Add:	Other Unallocable Revenue	45	219	107	210	736	799
	(Loss) / Profit before tax (including exceptional Items)	**(24,878)**	**(10,419)**	**(30,824)**	**(94,713)**	**(53,891)**	**(77,254)**
Less:	Taxes	-	-	-	-	-	-
	(Loss) / Profit after Tax	**(24,878)**	**(10,419)**	**(30,824)**	**(94,713)**	**(53,891)**	**(77,254)**

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

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 [illegible]

3. (a) These results have been prepared with the same 'Basis of Preparation' as adopted by the erstwhile board of directors as prescribed under the Companies Act, 2013 and related regulations. The Statutory Auditors have carried out a limited review of the above result.

   (b) Expenses incurred during the period 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 (for period prior to approval of the resolution plan) and subsequently post approval of the resolution plan by the Monitoring Committee.

4. (a) The company had paid an advance of INR 50,011 Lakh to 'The Boeing Company' (Boeing) under the agreement for purchase of 225 aircraft of Boeing 737. Boeing B737 aircraft were grounded worldwide due to technical issues from March 2019 onwards, before the scheduled delivery of the aircraft 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

JET AIRWAYS

(j) 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 ar [illegible] 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 31st December 2022. 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.

(k) External valuation for Jet Privilege Private Limited ("JPPL") has not been conducted in the current year. Due to temporary suspension of operations of Jet Airways in April 2019; there has been a reduction in revenue of JPPL. During the previous year, JPPL introduced new services for booking of air tickets and hotels on its online travel-booking platform. JPPL 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

(l) Due to temporary suspension of operations and ongoing revival of the company, 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 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.

(m) During the earlier years ended 31st March 2020, the Letter of Credit's provided as advance to vendor's amounted to USD 39,915,959 and AED 5,500,000 (Approx. INR 50,540 lakhs) were invoked by the vendor or lessor. 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 adjustments will be made in advance to vendor. Also, the Letter of Credit's provided as security deposit to vendor's that have been invoked by the vendor or lessor prior to initiation of CIRP of USD 24,502,498 (approx. INR 18,540 Lakhs) is included as security deposit in the books of the company as of 31st March 2022. 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.

(n) After the initiation of CIRP, the Company had 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.

(o) The liabilities and assets for the period is classified as a "Current" wherever considered appropriate, as the Company was admitted into the Corporate Insolvency Resolution Process by order of NCLT as on 20th June 2019 and no further reclassifications has been carried out pending implementation of the approved resolution plan.

(p) During the earlier years, due to initiation of insolvency proceedings in Netherlands and London, the London Administrator debited the current accounts for INR 1,103 lakhs (INR 16.39 lakhs in July 2019 and INR 1,086.27 lakhs in November 2019). Dutch Administrator debited the current accounts for INR 3 lakhs in September 2019 and the London Administrator debited an additional amounts of INR 15.40 lakhs and subsequently closed those accounts in September 2021.

(q) During the previous years, provision for obsolescence of inventory was made on Consumable spares (due to expiry of shelf life) amounted to INR 101 lakhs. For the quarter ended 31st December 2022, no provision was made.

(r) As part of the recovery process, during the period ended March 2022, the company had recovered an amou [illegible] 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 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 [illegible]

9. The company had received a notice from Tahsildar & Executive Magistrate regarding the non-payment of gratuity dues of certain employee/workmen. Post receipt of such notice the department had put up a notice of attachment on certain aircraft of the company. The company had also appropriately responded to such notice and requesting the Tahsildar office to withdraw such attachment.

10. 27th and 28th AGM was scheduled on 08th June 2021 (adoption of financials for the year ended 31st March 2019 and 31st March 2020 as one of the agendas) 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, [illegible] 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. AGM for the year ended 31st March 2021 and 31st March 2022 could not be held due to non-conclusion of the earlier AGMs.

11. As per the terms of the Resolution Plan 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 authorized representative of the monitoring committee (duly authorized by the monitoring committee). These financial statements have 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.

12. One of the major Conditions Precedent for implementation of the approved [illegible]

13. [illegible]

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

Place: Mumbai
Dated: 09 February 2023

Ashish Chhawchharia
Authorised Representative of the Monitoring Committee

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SETA

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Chartered Accountants
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To,
The Monitoring Committee,
Jet Airways (India) Limited,
Regd. Office: 2nd floor, Plot No C-68, G-Block;
Bandra-Kurla Complex (East); Mumbai 400051

Independent Auditor's Limited Review Report on standalone unaudited financial results of Jet Airways (India) Limited for the quarter and nine months ended December 31, 2022, 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 and nine months ended December 31, 2022, (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 was 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'). During the CIRP, 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. Further, under process, the resolution plan submitted by Consortium of Mr. Murari Lal Jalan, and Mr. Florian Fritsch was approved (with the condition precedent therein) by the Hon'ble NCLT on June 25, 2021 via order dated June 22, 2021 (detailed order received on June 30, 2021). With the approval of the Resolution Plan by the Hon'ble NCLT, the CIRP of the Company was concluded and Mr. Ashish Chhawchharia has ceased to be the resolution professional of the Company, effective on and from June 25, 2021. As per the terms of the approved resolution plan, Monitoring Committee was constituted (hereinafter referred to as the 'Management'), and first meeting of Monitoring Committee was duly held on June 28, 2021. During the CIRP, 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 and up to the plan approval date (June 25, 2021) 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 condition and value of the assets of the company). Accordingly, the Asset Preservation Team was also dissolved. Members of Monitoring Committee in the first meeting held on June 28, 2021, approved the formation of Implementation Support Team (IST) as well as employment of certain employees on the rolls of the Company. We have been informed that considering the aforesaid the Statement has been prepared on the going concern basis by the Management.

We refer to the Note no 1, 2 & 11 to the Statement with regard to the responsibility of the erstwhile RP (up to June 25, 2021) and Monitoring Committee 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. 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 (the 'Act'), and other accounting principles generally accepted in India and in compliance with SEBI Regulation 2015. 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 have been conferred upon them as per the terms of the approved resolution plan. This Statement has been signed by the Authorized Representative of the Monitoring Committee duly authorized by the members of the Monitoring Committee.

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

...anjim (Goa). Also at Ahmedabad, Baroda and Pune. Associate Offices at Bengaluru, Chennai, Hyderabad, New Delhi and

Our responsibility is to express a conclusion on this Statement based on our review. *In view of the matters described in our 'Basis for Disclaimer of Conclusion' mentioned below, we are unable to obtain sufficient appropriate evidence to provide a basis for our conclusion on this Statement. Accordingly, 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 draw attention to the below mentioned points pertaining to various elements of the Statement that may require necessary adjustments / disclosures in the Statement including but not limited to an impact on the Company's ability to continue as a going concern and these adjustments when made, may have material and pervasive impact on the outcome of the Statement for the quarter and nine months ended December 31, 2022. As mentioned in the Note No 8 the resolution plan has been approved by the Hon'ble NCLT that stipulates certain conditions to be fulfilled by the Company to give effect to the resolution plan as approved. Further, the latest order of the NCLT dated January 13, 2023 stating that the condition precedent was complied by the successful resolution applicant and grant an exclusion of 180 days from May 20, 2022 and considered November 16, 2022 as a date to make the payment to different class of creditor as provided under the plan within six months, the said order of Hon'ble NCLT has been challenged by erstwhile committee of creditors by filing an application in the Hon'ble NCLAT. We have been informed by the management that the impact of the order (plan approval order dated June 22, 2021) can be given only on completion of implementation of the approved resolution plan post final outcome (ongoing litigations). Accordingly, pending these adjustments including certain major points mentioned below and unavailability of sufficient and appropriate evidence in respect of these items, we are unable to express our conclusion on the attached Statement of the Company.

1. *a) Audit for the year ended March 31, 2019 was carried out by predecessor auditor and had issued a 'Disclaimer of opinion'. Therefore, we could not obtain sufficient and appropriate audit evidence for the opening balances which have a continuing impact on the financial statements. In view of this fact, we have continued with a 'Disclaimer of Opinion' on the financial statements audited by us for year(s) ended March 31, 2020, March 31, 2021 and March 31, 2022. These respective reports including the one from the predecessor auditor, do mention certain material points that form the basis for respective disclaimer of opinions. Any changes to the opening balances would materially impact the Statement including but not limited to the resultant accounting treatment and disclosures thereof.*

   b) The Shareholders of the Company have not approved the financial statements for financial year ended March 31 2019 and March 31 2020 in the 27th & 28th Annual General Meeting, respectively convened on June 15, 2021. Annual General Meeting for financial year ended March 31, 2021 and financial year ended March 31, 2022, is yet to be

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109983W
Chartered Accountants

3. *The Company continues to incur losses resulting in an erosion in its net-worth and its current liabilities exceed current assets as of December 31, 2022. Further, the operations of the Company currently stand suspended from April 18, 2019 till date. The Company has undergone and completed the CIRP, and we have been informed that the Resolution Plan submitted by the Jalan Fritsch Consortium is since approved by the Hon'ble NCLT on June 25, 2021 vide their order dated June 22, 2021 (detailed order received on June 30, 2021). We have been informed by the management that the impact of the Order can be given only on completion of implementation of the approved resolution plan post final outcome (ongoing litigations). (Refer note 8 & 11)*

   The Erstwhile Resolution Professional/management has prepared this Statement using going concern basis of accounting based on his assessment of a possible effects that will be given in the financial statements in view of the said implementation of the approved resolution and accordingly no adjustments have been made to the carrying value of the assets and liabilities and their presentation and classification in the Statement.

   In view of approval of the Resolution Plan by Hon'ble NCLT and subject to giving effect to the said approved plan as mentioned above, we reserve our comment on appropriateness of the going concern basis adopted for preparation of this Statement.

4. *Audit assertions i.e., existence, completeness, valuation, cut-off etc. with respect to majority of the assets, liabilities and certain income/ expenses cannot be concluded due to lack of sufficient and appropriate evidence. In addition, 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. including our inability to carry out certain other mandatory analytical procedures required for issuing a limited review report. These matters can have material and pervasive impact on the Statement of the Company. We draw attention to certain such matters and its consequential impact, if any, on the Statement including their presentation / disclosure:*

   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; exercise of physical verification is not complete in its entirety. Accordingly, we are unable to comment on the completeness including for fixed assets lying with third parties.*

   b) *Investments: The Company has not carried out impairment testing. [Refer Note 4(k)]*

   c) *Tax related balances: The Company is in the process of reconciling direct/indirect tax related balances as per books of account and as per tax records. Accordingly, we are unable to comment whether these balances are fairly stated in the books.*

   d) *Loans and advances: Prior to initiation of CIRP, certain parties have utilized 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.*

   e) *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 4(a)]*
      - *Majority of the deposits with Government authorities are paid under protest and matter is pending adjudication. [Refer Note 7]*

   f) *Inventories: As informed to us, exercise of physical verification is not complete in its entirety. Accordingly, we are unable to comment on the completeness including inventories lying with third parties, its value in use etc.*

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

g) *Cash and bank balances: As informed to us, certain bank statements / reconciliations are not available. Certain bank accounts were frozen in earlier years. 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 (LCs invoked by them), balances with government authorities and other recoverable. In absence of confirmations from such parties, we are unable to comment on it including its recoverable value etc.*

i) *Borrowings:*

- *As informed to us, certain bank statements / reconciliations are not available.*
- *As per the information and explanations provided to us, as part of CIRP, financial creditors had filed their claims with erstwhile RP [Refer note 4(j)], any settlement with creditors will be carried out as per the provisions of the Code and as per the terms of approved resolution plan. The impact of the Order can be given only on the implementation of the approved resolution plan hence the actual settlement is pending. [to be read with point 5 below]*

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 pre CIRP period, 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. During the period there is no additional provision made however opening provision has been carried forward.*
- *For various reasons, we are unable to obtain sufficient and appropriate audit evidence with respect to opening balances of these provisions. We have been informed that contracts with APT / Implementation Support Team are of short term in nature and there are no long term employee benefits payable; however, we have not been provided with its supporting documents.*

k) *Trade payable and other current /non-current liabilities: Certain parties have submitted their claims under CIRP. Post implementation of the plan, adjustments will be 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 4(j) 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. 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. *With respect to employee benefit expenses, certain documents could not be shared with us being confidential in nature. In addition, certain other expenses pertaining to earlier period were booked. Accordingly, we could not obtain sufficient and appropriate evidence for certain items of revenues, employee benefits expense and certain other expenses involving management estimates.*

7. *As stated in Note 4(h) & Note 9 to the Statement, various regulatory authorities and lenders have initiated investigation and notice for attachment, which remains unconcluded at this stage. In addition, there are certain legal proceedings against the company which are not yet concluded. The Company has also defaulted on certain compliances including SEBI LODR Regulations. Accordingly, it's impact, if any, on the Statement cannot be determined.*

8. *Due to Non-availability of confirmations from the related parties with respect to transactions during the period and balance outstanding as at period end, we are unable to comment whether the accounting is appropriately made in the Statement by the Company.*

Shah & Tannan Associates ★ Chartered Accountants ★ ICAI Regn. No. 109983W S4TA

Disclaimer of Conclusion

In view of the significance of the matters described in aforesaid paragraphs narrating our "Basis for Disclaimer of Conclusion", we have not been able to obtain sufficient and 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.

For Sharp & Tannan Associates
Chartered Accountants
Firm's Registration No.109983W
by the hand of

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

Tirtharaj Khot
Partner
Membership No.: (F) 037457

Place: Pune
Date: February 09, 2023

UDIN: 23037457BGYRIY2102