



KINGFISHER AIRLINES LIMITED

Regd. Office: 100/1 "UB Anchorage"
Richmond Road, Bangalore - 560 025

3000
03/05

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Company will be held at the Registered Office of the company at UB Anchorage, 100/1, Richmond Road, Bangalore-560 025 on Friday the 23rd September, 2005 at 10 a.m. for transacting the following business:

1. To consider and adopt the audited profit and loss account of the Company for the period from 26th July, 2004 to 31st March, 2005 and the balance sheet as at the 31st March, 2005 together with the Directors' Report thereon.
2. To appoint a Director in place of Mr. S.R.Gupte, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. R.N.Pillai, who retires by rotation and being eligible offers himself for re-appointment.
4. To consider and if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**:

RESOLVED that M/s Price Waterhouse, Chartered Accountants, be and are hereby appointed Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on remuneration to be fixed by the Board of Directors of the Company, in place of the retiring auditors M/s Vishnuram & Company, Chartered Accountants, who are not seeking re-appointment.

Special Business:

5. To consider and if thought fit, to pass with or without modification the following Resolution as an **Ordinary Resolution**:

"RESOLVED that Mr. V.K.Rekhi be and is hereby appointed as a Director of the company whose period of office shall be liable to determination by retirement of Directors by rotation."

CERTIFIED TRUE COPY
For KINGFISHER AIRLINES LIMITED
MAHESH NEDUNGADI
COMPANY SECRETARY

By Order of the Board
for Kingfisher Airlines Limited

Mahesh Nedungadi
Company Secretary

**NOTES:**

- (1) *The necessary explanatory statement pursuant to Section 173(2) is given below.*
- (2) *A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the company. A blank form of proxy is enclosed and if intended to be used, it should be returned to the company, not less than fortyeight hours before the Anal General Meeting duly completed.*

Explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956***Item 4: (Appointment of Auditors)***

M/s. Vishnuram & Co., Chartered Accountants, were appointed Auditors of the company to hold office from the date of incorporation till the conclusion of the First Annual General Meeting. M/s. Vishnuram & Co., Chartered Accountants are not seeking re-appointment.

It is proposed, that M/s. Price Waterhouse, Chartered Accountants who are an internationally renowned firm, be appointed Statutory Auditors of the Company to hold office from the conclusion of the First Annual General Meeting till the conclusion of the next Annual General Meeting on a remuneration to be fixed by the Board of Directors.

The resolution under this item seeks the approval of the Members for the said appointment of auditors.

None of the Directors of the Company is concerned or interested in this resolution.

Item 5: (Appointment of Mr. V.K. Rekhi as Director)

Mr. V.K.Rekhi who was appointed as an Additional Director of the company on 10th June 2005 in terms of the Companies Act and the Articles of Association of the Company, vacates office at this Annual General Meeting. A notice has been received by the Company from a member under Section 257 of the Companies Act 1956 proposing the appointment of Mr.V.K.Rekhi as a Director of the company at this meeting Mr.V.K.Rekhi offers himself for appointment as a Director at this meeting having filed his consent with the company to act as Director. Mr.V.K.Rekhi's appointment as Director of the Company has been cleared by the Director General of Civil Aviation. Your Directors, feel that it will be in the interest of the company to appoint Mr. V.K.Rekhi as a Director of the Company. None of the Directors of the company is interested in the resolution except Mr.V.K.Rekhi who is proposed to be appointed, as Director.

Place : Bangalore

Dated : 19th August, 2005

VISHNU RAM & CO.,

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CHARTERED ACCOUNTANTS

AUDITOR'S REPORT

To •

The members of
KINGFISHER AIRLINES LIMITED.
Bangalore.

1. We have audited the attached Balance Sheet of **KINGFISHER AIRLINES LIMITED**, Bangalore as at 31st March 2005 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 (1 of 1956), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

4. Further to our comments in the annexure referred to above:

- i We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- ii In our opinion, proper books of account as required by law have been kept by the company, so far as appears from our examination of those books.
- iii The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account.
- iv In our opinion, the attached Balance Sheet and the Profit and Loss Account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.

- v On the basis of the written representation received from the Directors of the Company and taken on record by the Board of Directors, we report that none of the Directors of the Company is disqualified as on 31-03-2005 from being appointed as a director in terms of clause (g) of sub-section (1) to section 274 of the Companies Act, 1956.
- vi In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon, give the information required by the Companies Act, 1956 (1 of 1956) in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India:
- (a) In case of the Balance Sheet, of the state of affairs of the Company as at 31-03-2005, and
- (b) In case of the Profit and Loss account of the loss for the year ended on that date.

Place: Bangalore

Date: 19 Aug 2005

For Vishnu Ram & Co.,
Chartered Accountants.

SK
(S. Vishnumurthy)

Proprietor.

Membership No. 22715

CERTIFIED TRUE COPY
For KINGFISHER AIRLINES LIMITED

MAHESH NEEDS FOR
COMPANY SECRETARY

VISHNU RAM & CO.,

CHARTERED ACCOUNTANTS

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Annexure to the Auditor's report (Referred to in our report of even date)

- (a) The company ("Kingfisher Airlines Ltd") has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) The assets have been physically verified by the management during the year and such physical verification is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies have been noticed on such verification.
- (c) During the year, the company has not disposed of any of its fixed assets. Therefore, the provisions of clause 4(i)(c) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (d) There were no stocks of goods. Therefore, the provisions of clause 4(ii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (e) The company has not granted any loans to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clause 4(iii)(a) to 4(iii)(d) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (f) The company has not taken any loans from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clause 4(iii)(e) to 4(iii)(g) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (g) In our opinion and according to the information and explanations given to us there are adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of the audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (h) According to the information and explanations given to us, there are no transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clause 4(v)(a) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (i) In our opinion and according to the information and explanation given to us, there have not been any transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clause 4(v)(b) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

VISHNU RAM & CO.,**5****CHARTERED ACCOUNTANTS**

- (j) The company has not accepted any deposits from the public in contravention of the provisions of sections 58A, 58AA and any other relevant provisions of the Act and the Companies (Acceptance of deposits) Rules, 1975. Therefore, the provisions of clause 4(vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (k) The company does not have an internal audit system of its own. However, the company is subjected to internal audit by the group internal audit department. In our opinion, the prevalent system is commensurate with the size and nature of its business.
- (l) Provisions with regard to maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 are not applicable to this company.
- (m) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income tax and other material statutory dues applicable to it.
- (n) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31-3-2005 for a period of more than six months from the date they became payable.
- (o) According to the information and explanations given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute.
- (p) The company has been registered for a period of less than five years. Therefore, the provisions of clause 4(x) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (q) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks or financial institution. The company has not issued any debentures.
- (r) The company has not granted any loans on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of clause 4(xii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (s) The company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.