

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH, 2009

Rs. In Lakhs

Sr. No.	Particulars	Year Ended on 3/31/2009	Year Ended on 3/31/2008
1	Income from Operations	23,335.45	17,953.65
2	Other Operating Income	32.89	11.03
	Total Income	23,368.34	17,964.68
3	Total Expenditure		
	(a) Staff Cost	5,930.17	4,187.19
	(b) Helicopter Spares Consumption and Maintenance	3,643.23	2,725.66
	(c) Direct Operating Expenses	5,989.38	4,474.02
	(d) Depreciation	2,948.95	2,343.51
	(e) Impairment loss on assets	1,759.05	-
	(f) Other Expenses	3,956.66	2,044.59
	(g) Revaluation loss on helicopters	268.91	-
	(h) Transitional Provision -AS11	22.34	-
	Total Expenditure	24,518.69	15,774.97
4	(Loss) / Profit from operations before other income and interest	(1,150.35)	2,189.71
5	Other Income	372.45	1,057.40
6	(Loss) / Profit before interest	(777.90)	3,247.11
7	Interest	5,604.89	3,676.63
8	(Loss) from ordinary activities before tax	(6,382.79)	(429.52)
9	Provision for tax		
	Current Tax	-	-
	Earlier years Tax	-	8.38
	Mat Credit of earlier year reversed	211.74	-
	Deferred Tax charge / (credit)	(1,026.25)	28.91
	Fringe Benefit Tax	53.46	48.70
10	Net (Loss)/ Profit from ordinary activities after tax for the period	(5,621.74)	(515.51)
11	Paid-up Equity Share Capital (Face Value Rs. 10/-)	1,400.00	1,400.00
12	Reserve excluding revaluation reserve	(1,209.48)	5,851.32
	Reserves including revaluation reserve	7,980.35	-
13	Basic and diluted earning per share (in Rs.)	(40.16)	(3.68)
14	Public Shareholdings		
	Number of Shares	3,500,000	3,500,000
	Percentage of shares	25%	25%
15	Promoters and promoter group shareholding		
a)	Pledged /Encumbered		
	- Number of shares	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-
b)	Non-encumbered		
	- Number of shares	10,500,000	10,500,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%
	- Percentage of shares (as a % of the total share capital of the company)	75%	75%

Notes:

- The above results have been reviewed and recommended for adoption by the Audit Committee to the Board of Directors and have been approved by the Board at its meeting held on 22 June, 2009.
- During the period October 2006 - June 2007, a customer has retained Rs.2013.98 Lakhs (As at 31 March, 2008 Rs.1,781.96 Lakhs) as liquidated damages pertaining to delay in implementing Aviation Standard 4. This matter has been discussed with the customer as it impacts the overall industry. Meanwhile, the Director General of Civil Aviation ("DGCA") has also expressed its views directly to the customer. No provision has been made for the liquidated damages as at 31 March, 2009 as the management believes that the same will be waived by the customer. The Auditors' report has been modified in this respect.
- Earlier in the year, the Company had taken a decision to early adopt Accounting Standard (AS) 30 - Financial Instruments, Recognition and Measurement and had accounted for mark-to-market gain of Rs 525.74 Lakhs on derivative contracts for the nine months ended 31 December 2008. Subsequent to the introduction of paragraph 46 of AS 11 vide GSR notification no. 225 E dated 31 March 2009 issued by the Ministry of Company Affairs, the Company has decided to reverse its earlier decision to early adopt AS 30. Accordingly, the mark-to-market gain recognised by the Company for the period ended 31 December 2008 has been reversed and the results for the year ended 31 March 2009 do not contain any adjustments in respect of AS 30.
- The remuneration paid/payable to two whole time directors and one chief executive officer has exceeded the limits prescribed under the Companies Act, 1956 by Rs 70.95 Lakhs (Previous Year Rs 18.69 Lakhs to a director). The Company is yet to receive Central Government approval in respect of the same. The Auditors' report has been modified in this respect.
- During the year ended 31 March 2009, the Office of the Commissioner of Customs (Preventive) has seized four helicopters for alleged non compliance of the duty waivers given to non-scheduled operators (passenger). The Company has received a Show Cause Cum Demand Notice (SCN) citing an amount of Rs 2,379.24 Lakhs towards custom duty under Section 28 of the Customs Act, 1962 and applicable interest and penalty thereon. Pursuant to the receipt of the said SCN, the Commissioner of Customs (Preventive) has confirmed a demand of Rs 2,621.95 Lakhs towards differential duty of customs and penalty there on for 2 helicopters. The Management believes that the Company is in compliance with the relevant customs and other regulatory guidelines in this respect and the matter is being contested by the Company with the appropriate authorities. The Auditors' report has been modified in this respect.

- 6 During the year, the Company has, in order to reflect the current reinstatement cost/market value of its assets, revalued the leased helicopters and owned helicopters. The revaluation for the helicopters has been carried out by international helicopters/aircraft valuers considering the total time of air frame (TTAF) (Cumulative time in Service). Accordingly the resultant accretion to the value of the helicopters aggregating Rs.9,245.38 Lakhs has been adjusted (added) to the historical cost of the asset and a corresponding amount has been credited to Revaluation Reserve. Additional depreciation of the accretion to the historical cost of the asset on account of the revaluation aggregating Rs.55.67 Lakhs has been passed through the profit & loss account with an equivalent withdrawal from the revaluation reserve to the profit and loss account. The additional depreciation has been computed on the basis of the remaining useful life of the assets.

Further on account of the above exercise of revaluation of assets, an adjustment (reduction) aggregating Rs. 268.91 Lakhs has been made to the carrying value of two helicopters. The reduction in the carrying value of the assets has been charged to the Profit & Loss account and corresponding reduction to the historical cost of the two helicopters.

- 7 During the year ended 31 March 2009 applicability of paragraph 4(e) of Accounting Standard 16 'Borrowing Cost' has resulted in exchange differences on restatement of foreign currency monetary liabilities aggregating to Rs. 1248.82 Lakhs to be reclassified as finance cost. Consequently the finance cost is higher and loss on exchange fluctuation is lower by Rs. 1,248.82 Lakhs.

- 8 As per the option available under paragraph 46 of AS 11 'The effect of changes in exchange rates' inserted pursuant to notification GSR 225 (E) issued by the Ministry of Corporate Affairs dated 31 March 2009 in so far as they relate to recognition of losses or gains arising on restatement of long term monetary items, the Company has availed the option of adjusting the exchange differences on restatement of long term monetary assets or liabilities to the historical cost of the depreciable asset where specifically identifiable and depreciating the same over the remaining useful life of the asset.

The company has adjusted the exchange differences arising of such long term foreign currency items (assets and liabilities) to the historical cost of the depreciable assets for all accounting periods commencing on or after 7 December 2006. As a consequence, an amount of exchange differences (loss) on restatement of long term monetary liabilities at 31 March 2009 aggregating to Rs 4,189.71 Lakhs (net of tax) has been capitalized by adjusting the historical cost of the specifically identifiable asset. The above adjustment (increase) to the historical cost of the specifically identifiable assets has resulted in additional depreciation charge aggregating to Rs 46.04 Lakhs. The depreciation charge has been computed on the basis of the remaining useful life of the assets as at 31 March 2009. The exchange fluctuation during the year is presumed to occur evenly throughout the reporting period.

Further in line with the transitional provisions laid down by the notification, exchange fluctuation (gain) on restatement of long term monetary liabilities as at 31 March 2008 aggregating Rs 1,511.34 Lakhs (net of effect of deferred tax) has been adjusted to historical cost of specifically identifiable depreciable asset. The adjustment (reduction) to the historical cost of the asset has resulted in a reduction in the depreciation charge aggregating Rs 49.94 Lakhs, which is reduced from accumulated depreciation as at 31 March 2009. The net adjustment aggregating Rs. 1,461.40 Lakhs has been passed through the opening balance of reserves and surplus subject to the maximum available balance aggregating Rs 1,439.06 Lakhs. The balance amount aggregating Rs 22.34 Lakhs has been charged to the profit and loss account.

- 9 The financial statements have been prepared on a going-concern basis based on a letter of support from its major shareholders stating that it will continue to provide such financial support to the Company as is necessary to maintain the Company as a going concern for the foreseeable future and to meet its debts and liabilities, both present as well as in the future, as and when they fall due for payment in the normal course of business and the business plans reviewed by the management.

- 10 The Company is mainly engaged in offshore air logistic business and other operating business is not significant. There are no separate reportable segments as per Accounting Standard (AS) 17.

- 11 Number of investors complaints outstanding at the beginning of the year was "one", received during the year was "three", disposed off during the year was "four" and lying unresolved at the end of year was "NIL".

- 12 Prior year's figures have been regrouped / rearranged wherever necessary to conform to current year's presentation

For Global Vectra Helicorp Limited

SD
Lt.Gen.(Retd.)SJS Saighal
Chairman

Place:- Mumbai
Date:- 22 June 2009