

GLOBAL VECTRA HELICORP LIMITED

Corporate Office : Hanger No. C-He/Hf, Airport Authority of India, Civil Aerodrome, Juhu, Mumbai - 400 054
Regd. Office : A - 54, Kailash Colony, New Delhi - 110 048

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31 DECEMBER, 2010

Rs. In Lakhs

Sr. No.	Particulars	Quarter Ended		Nine Months ended		Year Ended on 31 March 2010 (Audited)
		31 December, 2010	31 December, 2009	31 December, 2010	31 December, 2009	
1	Income from operations	5,725.51	5,682.08	16,532.29	18,635.44	24,473.49
2	Other operating income	57.32	38.03	105.24	68.89	108.42
	Total income	5,782.83	5,720.11	16,637.53	18,704.33	24,581.91
3	Total expenditure					
	(a) Staff Cost	1,193.06	1,221.18	3,646.61	4,194.02	5,463.01
	(b) Helicopter Spares Consumption and Maintenance	926.79	1,259.36	2,733.95	2,920.81	3,784.09
	(c) Direct Operating Expenses	2,218.13	1,413.40	6,594.16	4,739.51	5,526.35
	(d) Depreciation	700.94	838.22	2,113.01	2,631.40	3,666.64
	(e) Other Expenses	581.92	561.35	1,691.17	1,860.36	2,627.71
	(f) Loss on foreclosure of finance leases (refer note 11)	-	-	1,091.01	-	-
	(g) Bad debts written off	-	-	-	1,574.59	1,574.59
	(h) Exchange loss (net)	303.91	-	302.90	-	-
	Total Expenditure	5,924.75	5,293.51	18,172.81	17,920.69	22,642.39
4	(Loss) / Profit from operations before other income, exchange gain (net) and interest	(141.92)	426.60	(1,535.28)	783.64	1,939.52
5	Other Income	126.11	15.02	154.51	232.30	246.42
6	Exchange gain (net)	-	499.75	-	474.47	1,163.94
7	(Loss) / Profit before interest	(15.81)	941.37	(1,380.77)	1,490.41	3,349.88
8	Interest	937.57	1,025.11	2,325.48	3,170.68	3,847.04
9	(Loss) After Interest before exceptional items	(953.38)	(83.74)	(3,706.25)	(1,680.27)	(497.16)
10	Exceptional items					
	Liability write back	-	-	-	-	1,169.44
11	(Loss) / Profit after exceptional items	(953.38)	(83.74)	(3,706.25)	(1,680.27)	672.28
12	Provision for tax					
	Current Tax	-	-	0.63	-	-
	Deferred tax (Credit)	-	(605.71)	-	(77.25)	(77.25)
13	(Loss) / Profit from ordinary activities after tax for the period	(953.38)	521.97	(3,706.88)	(1,603.02)	749.54
14	Paid-up Equity Share Capital Face Value Rs. 10/-	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00
15	Reserves excluding revaluation reserve	-	-	-	-	(460.18)
	Reserves including revaluation reserve	-	-	-	-	7,148.21
16	Basic and diluted earning per share (in Rs.)	(6.81)	3.73	(26.48)	(11.45)	5.35
17	Public Shareholdings					
	Number of Shares	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
	Percentage of shares	25%	25%	25%	25%	25%
18	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	10,500,000	10,500,000	10,500,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the company)	75%	75%	75%	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 14 February 2011.
- The remuneration paid/payable to one whole time director has exceeded the limits prescribed under the Companies Act, 1956, by Rs 9.25 lakhs (31 December 2009 : Rs 36.29 lakhs to two whole time directors). The Company is yet to receive Central Government approval in respect of the same. The limited review report has been modified in this respect.
- During the year ended 31 March 2009, the Office of the Commissioner of Customs (Preventive) had 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 appellate tribunal. An amount aggregating Rs 538.26 lakhs has been paid as duty under protest during the quarter ended 31 December 2009. The limited review report has been modified in this respect.
- As per the option available under paragraph 46 of Accounting Standard (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 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 gain (net) (previous period exchange gain), on restatement of long term monetary liabilities at 31 December 2010 aggregating to Rs 221.18 Lakhs (31 December 2009 : Rs 2,503.25 lakhs) (net of tax) for the quarter has been de-capitalised (previous period de-capitalised) by adjusting the historical cost of the specifically identifiable asset. The exchange fluctuation during the quarter is presumed to occur evenly throughout the reporting period.

During the nine month ended 31 December 2010, applicability of Paragraph 4(e) of Accounting Standard 16 'Borrowing Cost' has resulted in reclassification of exchange differences on restatement of foreign currency monetary liabilities aggregating to Rs 253.07 Lakhs (31 December 2009 : Rs 109.35 lakhs) as finance cost. Consequently the finance cost is higher and loss on exchange fluctuation is lower by the same amount.

- During the year ended 31 March 2009, the Company had, 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 had been adjusted (added) to the historical cost of the asset and a corresponding amount has been credited to Revaluation Reserve. For the period ended 31 December 2010 and the quarter than ended, additional depreciation of the accretion to the historical cost of the asset on account of the revaluation aggregating Rs 301.17 Lakhs (Previous period ended Rs 501.15 Lakhs) and Rs 100.39 Lakhs (Previous corresponding Quarter period ended Rs 167.05 Lakhs) respectively has been passed through the profit and loss account with an equivalent withdrawal from the revaluation reserve to the profit and loss account. The additional depreciation has been computed

These results have been passed through the profit and loss account and an equivalent adjustment from the retained reserves to the profit and loss account. The accounting representation has been completed on the basis of the remaining useful life of the assets.

- 6 During the period October 2006 - June 2007, a customer had retained Rs 1,952.50 lakhs as liquidated damages pertaining to delay in implementing Aviation Standard 4. Pursuant to completion of the conciliation proceedings under the Indian Arbitration & Conciliation Act, 1996 by the customer and the Company, an amount aggregating Rs 380 Lakhs has been accepted as payable to the Company. Accordingly, an amount aggregating Rs 1,572.50 lakhs has been written off during the year ended 31 March 2010 as bad and no longer receivable.
- 7 The unaudited financial results have been prepared on a going-concern basis based on a letter of support from its major shareholders obtained as at 31 March 2010 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.

The Company entered into an agreement on 18 December 2009 with one of the group companies for conversion of outstanding lease rentals due on 30 September 2009 amounting to USD 13.725 million (equivalent of Rs 6,593.49 Lakhs at the exchange rate prevailing as on 30 September 2009) into non-convertible cumulative redeemable preference shares. The agreement has been approved by the shareholders at the extraordinary general meeting (EGM) held on 1 February 2010. The Company has obtained the statutory approvals necessary and in exercise of the powers conferred vide resolutions passed in the EGM, the Company during the current quarter has issued 6,593,490 5.46% non - convertible cumulative preference shares of face value of Rs. 100 each.
- 8 During the period May 2008 to 31 December 2010 certain customers of the company have retained an amount aggregating Rs 933.64 (31 December 2009: Rs 721.72) lakhs in respect of taxes levied by the Company. The Company is currently in discussion with these customers for recovering the retained amount and management believes that they have a strong case to collect the outstanding amount. The limited review report has been modified in this respect.
- 9 The Company is mainly engaged in air logistic business in India. There are no separate reportable segments as per Accounting Standard (AS) 17.
- 10 Number of investors complaints outstanding at the beginning of the quarter was "NIL", received during the quarter was "1", disposed off during the quarter was "1" and lying unresolved at the end of quarter was "NIL".
- 11 The Company has entered into an agreement with a lessor modifying existing lease agreements. Pursuant to these modifications, the original classification of the leases have undergone a change (with effect from 1 April 2010) and the impact of the same has been recorded in the books of account. Accordingly, liabilities and assets representing finance leases from the particular lessor are derecognised and the the difference aggregating Rs 1,091.01 lakhs arising on the derecognition has been passed through the profit and loss account in the nine months period ended 31 December 2010.
- 12 The figures have been re-grouped, wherever considered necessary.

For Global Vectra Helicorp Limited

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

Place:- Mumbai
Date:- 14 February, 2011