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12th Annual Report 2009-2010



www.globalhelicorp.com

BOARD OF DIRECTORS

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

Mr. Ravinder Kumar Rishi
(Non-Executive Director)

Mr. P. Raj Kumar Menon
(Whole-time Director)

Mr. R.S.S.L.N. Bhaskarudu
(Independent Director)

Dr. Gautam Sen
(Independent Director)

Maj.Gen.(Retd.) Gurdial Singh Hundal
(Independent Director)

Dr. Chandrathil Gouri Krishnadas Nair
(Independent Director)

COMPANY SECRETARY

Mr. Raakesh D. Soni

AUDITORS

B S R & Co.
Chartered Accountants

BANKERS

The Royal Bank of Scotland N.V.

Axis Bank Limited

Standard Chartered Bank

HDFC Bank Limited

REGISTERED OFFICE

A-54, Kailash Colony,
New Delhi – 110 048
Tel. No.:-91-11-2923 5035
Fax No.:-91-11-2923 5033

CORPORATE OFFICE

Hanger No. C-He / Hf,
Airports Authority of India,
Civil Aerodrome, Juhu,
Mumbai – 400 054
Tel. No.:-91-22-6140 9200
Fax No.:-91-22-6140 9253

REGISTRAR & TRANSFER AGENTS

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W), Mumbai – 400 078
Tel No.:-91-22-2596 3838

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NOTICE

The Twelve ANNUAL GENERAL MEETING of the Global Vectra Helicorp Limited will be held on the Thursday, 16th day of September, 2010 at 2.30 p. m. at ISKON Temple, Complex Hare Krishna Hill, Sant Nagar Main Road, East of Kailash, New Delhi – 110 065, India, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2010 and the Balance Sheet as at that date together with the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Ravinder Kumar Rishi, who retires by rotation and is eligible for re-appointment.
3. To appoint a Director in place of Mr. P. Rajkumar Menon, who retires by rotation and is eligible for re-appointment.
4. To appoint Auditors & fix their Remuneration.

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass, with or without modifications, the following resolution as a Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 198, 269, 302, 309, 310 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being enforce) and subject to approval of members in General Meeting and subject to such approvals, if any, as may be necessary, consent of the Board be and hereby accorded to the appointment of Lt. Gen. (Retd.) SJS Saighal as a Chairman of the Company for a period of three years commencing from 1st October, 2009 up to and inclusive of 30th September, 2012 on such terms and conditions as agreed to between Lt. Gen. (Retd.) SJS Saighal and the Company as set out in the contract of employment attached, be and is hereby approved, with the liberty to the Board of Directors or the Remuneration Committee to alter and vary the terms and conditions and the remuneration in such manner as the Board of Directors may deem fit and as is acceptable to Lt. Gen. (Retd.) SJS Saighal”

“RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year of the Company during the term of office of Lt. Gen. (Retd.) SJS Saighal, a Chairman of the Company, the remuneration, perquisites / benefits set out in the aforesaid Agreement be paid or granted to Lt. Gen. (Retd.) SJS Saighal as the minimum remuneration, in case of excess payment of remuneration to Lt. Gen. (Retd.) SJS Saighal be waived, notwithstanding the fact that such remuneration is in excess of the statutory ceiling specified in this regard as in force and amended from time to time and necessary approval of the Central Government will be obtained as may be required, to make up the shortfalls if any, without any further reference to / approval of the General Meeting .”

“RESOLVED FURTHER THAT Lt. Gen. (Retd.) SJS Saighal also be entitled for the reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/amenities and other

privileges, as any from time to time be available to other Senior Executives of the company.”

- “RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable, and to settle any question, or doubt that may be arise in relation thereto and the Board shall have absolute powers to decide breakup of the remuneration within the maximum permissible limit and in order to give effect to the forgoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.”
6. To consider and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 198, 269, 302, 309, 310 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being enforce) and subject to approval of members in General Meeting and subject to such approvals, if any, as may be necessary, consent of the Board be and is hereby accorded to the appointment of Mr. P.Rajkumar Menon as a Whole-time Director of the Company for a period of three years commencing from 1st September, 2009 up to and inclusive of 31st August, 2012 on such terms and conditions as agreed to between Mr. P.Rajkumar Menon and the Company as set out in the contract of employment attached, be and is hereby approved, with the liberty to the Board of Directors or the Remuneration Committee to alter and vary the terms and conditions and the remuneration in such manner as the Board of Directors may deem fit and as is acceptable to Mr. P. Rajkumar Menon.”

“RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year of the Company during the term of office of Mr. P.Rajkumar Menon, a Whole-time Director of the Company, the remuneration, perquisites / benefits set out in the aforesaid Agreement be paid or granted to Mr. P.Rajkumar Menon, as the minimum remuneration, in case of excess payment of remuneration to Mr. P.Rajkumar Menon, be waived, notwithstanding the fact that such remuneration is in excess of the statutory ceiling specified in this regard as in force and amended from time to time and necessary approval of the Central Government will be obtained as may be required, to make up the shortfalls if any, without any further reference to / approval of the General Meeting .”

“RESOLVED FURTHER THAT Mr. P.Rajkumar Menon also be entitled for the reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/amenities and other privileges, as any from time to time be available to other Senior Executives of the company.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary,

expedient or desirable, and to settle any question, or doubt that may be arise in relation thereto and the Board shall have absolute powers to decide breakup of the remuneration within the maximum permissible limit and in order to give effect to the forgoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.”

7. To consider and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution: “**RESOLVED THAT** in partial modification of the Resolution passed at the 10th Annual General Meeting held on 25th September, 2008 and at the 11th Annual General Meeting held on 29th September, 2009 and in accordance with the provision of the sections 198, 269, 309, 310 and read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactments thereof, for the time being in force) in the event of loss or inadequacy of profits in any financial year of the Company during the term of office of Mr. P. Raj Kumar Menon as a Whole-time Director of the Company, the remuneration, perquisites / benefits set out in the Agreement dated 1st September 2007 be paid or granted to Mr. P. Raj Kumar Menon as the minimum remuneration and in case of payment of excess remuneration to Mr. P. Raj Kumar Menon be waived, the details of which is as under:-
- | | |
|---|---------------|
| For the period 01-09-2007 to 31-03-2008 | Rs. 18,69,463 |
| For the period 01-04-2008 to 31-03-2009 | Rs. 21,07,986 |
| For the period 01-04-2009 to 31-08-2009 | Rs. 10,64,082 |

notwithstanding the fact that such remuneration is in excess of the statutory ceiling specified in this regard as in force and amended from time to time and necessary approval of the Central Government will be obtained as may be required, to make up the shortfalls if any, without any further reference to / approval of the General Meeting.”

8. To consider and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution: “**RESOLVED THAT** in partial modification of the Resolution passed at the 10th Annual General Meeting held on 25th September, 2008 and at the 11th Annual General Meeting held on 29th September, 2009 and in accordance with the provision of the sections 198, 269, 309, 310 and read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactments thereof, for the time being in force) in the event of loss or inadequacy of profits in any financial year of the Company during the term of office of Captain Dharendra Kumar Chand as a Whole-time Director of the Company, the remuneration, perquisites / benefits set out in the Agreement dated 30th January 2008 be paid or granted to Captain Dharendra Kumar Chand as the minimum remuneration and in case of payment of excess remuneration to Captain Dharendra Kumar Chand be waived, the details of which is as under:-
- | | |
|---|---------------|
| For the period 30-01-2008 to 31-03-2008 | Rs. 10,11,154 |
| For the period 01-04-2008 to 31-08-2008 | Rs. 11,30,712 |
| For the period 01-09-2008 to 31-03-2009 | Rs. 9,77,274 |
| For the period 01-04-2009 to 29-01-2010 | Rs. 20,40,730 |

notwithstanding the fact that such remuneration is in excess of the statutory ceiling specified in this regard as in force and amended from time to time and necessary approval of the Central Government will be obtained as may be required, to make up the shortfalls if any, without any further reference to / approval of the General Meeting.”

By Order of the Board of Directors

RAAKESH D.SONI
Company Secretary

Place:- Mumbai
Date:- 27th May, 2010
Registered Office
A-54, Kailash Colony
New Delhi – 110 048

NOTES:

- (a) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.THE PROXIES TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- (b) The Explanatory Statement pursuant to section 173 of the Companies Act, 1956, is given below and forms part of the Notice.
- (c) M/s. Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078, is the Registrar and Share Transfer Agent for physical shares of the Company. Intime is also the depository interface of the Company with the both NSDL and CDSL.

However, keeping in view the convenience of shareholders, documents relating to shares will continue to be received by the Company at Corporate Office of the Company at Hanger No. C-He / Hf, Airports Authority of India, Civil Aerodrome, Juhu, Mumbai – 400054 (Maharashtra), Tel No. 91-22-6140 9200, Registered Office at A-54, Kailash Colony, New Delhi – 110 048, Tel No. 91-11-2923 5035 ; e-mail address: raakesh@gvhl.net.

- (d) The Register of Members and Share Transfer Books of Company will remain closed from 15th day, September, 2010 to 16th day, September, 2010 (both days inclusive) in connection with the Annual General Meeting.
- (e) Members / proxies should bring the attendance slips duly filled in and signed for attending the meeting.

By Order of the Board of Directors

RAAKESH D.SONI
Company Secretary

Place:- Mumbai
Date:- 27th May, 2010
Registered Office
A-54, Kailash Colony
New Delhi – 110 048

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956.

ITEM NO. 5

Except Lt. Gen. (Retd.) SJS Saighal, no other Directors of the Company are concerned or interested in the Resolution at Item No. 5 of the Notice.

The Board of Directors, upon the recommendations of the Remuneration Committee, at their meeting held on 27th January, 2010, has in accordance with the provisions of Article 143 of the Articles of Association of the Company and subject to the approval of the members in the General Meeting, re-appointed Lt. Gen. (Retd.) SJS Saighal as Chairman of the Company for a period of three years commencing from 1st October, 2009 up to and inclusive of 30th September, 2012. The remuneration and perquisites payable to Chairman is in accordance within the limits specified in Section II of Part II of Schedule - XIII to the Companies Act, 1956. The important terms of the appointment are as under:-

Remuneration:

I Basic Salary Rs.70,000/- per month

II. Perquisites:

1. House Rent Allowance Rs.52,500/- per month
2. Other Allowance Rs.52,500/- per month
3. Driver shall be provided by the Company for the official use of the Chairman and Company shall pay Driver Salary of Rs. 8,600/- per month and Petrol Allowances as per actual uses per month.
4. The Company shall pay bills of Mobile Phone of Lt. Gen. (Retd.) SJS Saighal.

The Chairman shall be entitled to avail leave in accordance with the Company's rules applicable from time to time

The remuneration has been approved by a resolution passed by the Remuneration Committee in its meeting held on 27th January, 2010.

In accordance with the provisions of Part III of Schedule XIII of the Companies Act, the Resolution regarding ratification of the appointment and remuneration of Lt. Gen. (Retd.) SJS Saighal as Chairman of the Company at Item No. 5 is placed before the members with a recommendation for acceptance.

The terms of appointment and remuneration are to be approved by the Members in General Meeting in terms of Schedule XIII to the Companies Act, 1956 and the Board commends the passing of the Ordinary Resolution.

ITEM NO. 6

Except Mr. P. Rajkumar Menon, Whole-time Director of the Company, no other Directors of the Company are concerned or interested in the Resolution at Item No. 6 of the Notice.

The Board of Directors, upon the recommendations of the Remuneration Committee, at their meeting held on 27th January, 2010, has in accordance with the provisions of Article 143 of the Articles of Association of the Company and subject to the approval of the members in the General Meeting, appointed Mr. P. Rajkumar Menon, Whole-time Director of the Company for a period of three years commencing from 1st September, 2009 up to and inclusive of 31st August, 2012. The remuneration and perquisites payable to Whole-time Director is in accordance within the limits specified in Section II of Part II of Schedule - XIII to the Companies Act, 1956. The important terms of the appointment are as under :-

Remuneration:

- I. Basic Salary Rs. 1,90,800/- per month

II. Perquisites:

1. House Rent Allowance Rs. 1,43,100/- per month
 2. Other Allowance Rs. 1,43,100/- per month
 3. Driver shall be provided by the Company for the official use of the Chairman and Company shall pay Driver Salary of Rs. 7,250/- per month and Petrol Allowances as per actual uses per month.
 4. The Company shall pay bills of Mobile Phone of Mr. P.Rajkumar Menon.

The Whole-time Director shall be entitled to avail leave in accordance with the Company's rules applicable from time to time

The remuneration has been approved by a resolution passed by the Remuneration Committee and Board Meeting in their meeting held on 27th January, 2010.

In accordance with the provisions of Part III of Schedule XIII of the Companies Act, the Resolution regarding ratification of the appointment and remuneration of Mr. P. Rajkumar Menon, Whole-time Director of the Company at Item No. 6 is placed before the members with a recommendation for acceptance.

In terms of paragraph of para 1 (B) of Section II in Part II of Schedule XIII, the General Information as required, is given as under:

Statement of particulars regarding managerial remuneration to be provided in accordance with clause 1B of Part II of Schedule XIII of the Companies Act 1956, to shareholders along with the notice calling the General Meeting are as under :

Sr.No.	Particulars	Information																
I. GENERAL INFORMATION																		
1.	Nature of industry :	Offshore Transportation Services																
2.	Date or expected date of commencement of commercial production:	The Company was incorporated on 13 th April, 1998, as Azal India Private Limited and the name was changed to Global Helicorp Private Limited on 23 rd May, 2003, subsequently changed to Global Vectra Helicorp Private Limited on 26 th August, 2004 and subsequently to Global Vectra Helicorp Limited on 10 th October, 2005.																
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:	Not Applicable																
4.	Financial performance based on given indicators: (Based on Audited Balance Sheet & Profit & Loss Account for the year ended 31.03.09 and 31.03.08)	<table border="1"> <thead> <tr> <th></th> <th>As on</th> <th>31.3.09</th> <th>31.3.08</th> </tr> </thead> <tbody> <tr> <td>a.</td> <td>Profit before Financial costs, Depreciation and Tax to Service Income</td> <td>9.30%</td> <td>31.14%</td> </tr> <tr> <td>b.</td> <td>Current Ratio</td> <td>1.05</td> <td>0.84</td> </tr> <tr> <td>c.</td> <td>Debt Equity Ratio</td> <td>5.13</td> <td>3.84</td> </tr> </tbody> </table>		As on	31.3.09	31.3.08	a.	Profit before Financial costs, Depreciation and Tax to Service Income	9.30%	31.14%	b.	Current Ratio	1.05	0.84	c.	Debt Equity Ratio	5.13	3.84
	As on	31.3.09	31.3.08															
a.	Profit before Financial costs, Depreciation and Tax to Service Income	9.30%	31.14%															
b.	Current Ratio	1.05	0.84															
c.	Debt Equity Ratio	5.13	3.84															
5.	Export performance and net foreign exchange collaborations:	NIL																
6.	Foreign investments or collaborators, if any:	NIL																
II. INFORMATION ABOUT THE APPOINTEE																		
1.	Background details:	Working with company since January 1999 and before that with State Civil Aviation Department, Govt. of U.P. as Senior Engineer.																
2.	Past remuneration:	Last Year – Rs. 69,07,986/- .																
3.	Recognition or awards:	Mr. P. Raj Kumar Menon has extensive background in the aeronautical sector. He carries with him more than 26 years of experience in aeronautical sector.																
4.	Job profile and his suitability:	As Whole-time Director, he has been delegated day to day activity of business and engineering activity to promote the second line of management. He has a rich and varied background in the field of aeronautical industry.																
5.	Remuneration proposed:	As mentioned above																

- | | |
|--|---|
| 6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin): | The proposed remuneration of Mr. P. Raj Kumar Menon is in line with the contemporary trend in the corporate sector for managerial remuneration. The Basic Salary, allowances and perquisites represent the various components of remuneration as part of the overall package. |
| 7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: | No pecuniary interest other than by way of remuneration |
- III. OTHER INFORMATION**
- | | |
|---|--|
| 1. Reasons of inadequate profits: | Due to increase in fuel, spares and other operating costs. |
| 2. Steps taken or proposed to be taken for improvement: | Steps are being taken to reduce fixed cost. Also the Company is making efforts to increase revenue by effective utilization of fleet and improve margin on contract. |
| 3. Expected increase in productivity and profits in measurable terms: | At present though world economy is in recession, company is expected to increase its margin by 10 to 15 % in next year. |

ITEM 7

The members of the Company had approved the payment of remuneration to Mr. P. Raj Kumar Menon at the 10th Annual General Meeting held on 25th September, 2008 and waiver of excess remuneration paid to Mr. P. Raj Kumar Menon, Whole-time Director of the Company, at the 11th Annual General Meeting held on 29th September, 2009 due to loss / inadequacy of the profit. The remuneration paid was excess of limits specified in Sections 198, 269, 309, 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactments thereof, for the time being in force). As the tenure was not completed last year, the Ministry of Corporate affairs want latest member resolution alongwith amount of excess remuneration paid. The approval of the members is now sought for waiver of the excess remuneration paid to Mr. P. Raj Kumar Menon, as mentioned in item no. 7 subject to approval of the Central Government.

The Board of Directors recommend the resolution for the approval of the members. Except Mr. P. Raj Kumar Menon, Whole-time Director of the Company, no other Directors of the Company are concerned or interested in the Resolution at Item No. 7 of the Notice.

ITEM 8

The members of the Company had approved the payment of remuneration to Captain Dharendra Kumar Chand at the 10th Annual General Meeting held on 25th September, 2008 and waiver of excess remuneration paid to Captain Dharendra Kumar Chand, Whole-time Director of the Company, at the 11th Annual General Meeting held on 29th September, 2009 due to loss / inadequacy of the profit. The remuneration paid was excess of limits specified in Sections 198, 269, 309, 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactments thereof, for the time being in force). As the tenure was not completed last year, the Ministry of Corporate affairs want latest member resolution alongwith amount of excess remuneration paid. The approval of the members is now sought for waiver of the excess remuneration paid to Captain Dharendra Kumar Chand, as mentioned in item no. 8 subject to approval of the Central Government.

The Board of Directors recommends the resolution for the approval of the members. Except Captain Dharendra Kumar Chand, Whole-time Director of the Company, no other Directors of the Company are concerned or interested in the Resolution at Item No. 8 of the Notice.

By Order of the Board of Directors

RAAKESH D.SONI
Company Secretary

Place:- Mumbai
Date:- 27th May, 2010
Registered Office
A-54, Kailash Colony
New Delhi – 110 048

Brief Resume and other information in respect of Directors seeking re-appointment at the Annual General Meeting:

Mr Ravinder Kumar Rishi, aged 55 years, an U.K. citizen, is the Director and Promoter of the Vectra Group. He graduated from Indian Institute of Technology (IIT), Delhi in 1977 and began trading thereafter. Drawing on his extensive background in engineering and Eastern Europe, he bought Tatra Trucks to India and successfully established and developed the off-highway market for trucks where Tatra Trucks are now the market leaders. He established the Vectra Group which acquired a stake in Tatra a.s. and 50% of Tatra a.s. operations in Slovakia (Tanax a.s.). He has established a Joint Venture with Terex Corp, to set up a 36 acre manufacturing facility in Greater Noida, which has been in operation since 2004, manufacturing the Backhoe Loaders and Skid Steers. He has also set up a Joint Venture with the Bin Jabr Group in the U.A.E. for the manufacture of luxury Buses for the Middle East region.

Mr. Rishi acquired Global Vectra Helicorp Limited in 2004 and leveraging on his corporate management experience and his heavy engineering background, he turned the company from a 4 helicopter operator to a 27 helicopter operator with long term contracts.

Mr. Rishi has set up the Vectra Group of companies which encompass a diverse portfolio of products across the Heavy engineering, transportation & material handling, aviation and automotive sectors with 18 companies and 8 manufacturing facilities spread over 6 countries.

He is member of the following committees of the Board of Directors of the Company:-

1. Audit Committee – Member
2. Remuneration Committee - Member

He is a Director of the following other Companies:

Directorship

1. MFR Electronics Components Private Limited
2. Venus Udyog (India) Limited
3. Kamaz Vectra Motors Limited
4. Vectra Investments Private Limited
5. Vectra Advanced Engineering Private Limited
6. India Exposition Mart Limited
7. Indo Copters Private Limited

Member of the Committee of the Board

He is not a member of Committees of the Board of any other Company

He is holding 10 shares of the Company.

Nature of expertise in specific functional area – Aviation and Engineering Industry

P. Rajkumar Menon has a Diploma in Aircraft Maintenance Engineering from HIET, Madras, India. (Approved by DGCA) and an Aircraft Maintenance Engineering license No. 3183, Issued by the DGCA (Director General of Civil Aviation) Govt. of India.

He has had more than 26 years of experience in the aeronautical sector. From 1988 to 1999 he joined the State Civil Aviation Department, Government of Uttar Pradesh as an Assistant Engineer, and was promoted to the post of Senior Engineer in 1993. He joined the Company in January 1999 as an engineer and was promoted to the post of Deputy Chief Engineer and thereafter Chief Engineer. He is presently the Director Engineering in the Company.

P. Rajkumar Menon has obtained special approvals issued by the DGCA to cover component overhaul of Bell 412 and to cover weight and certification of weight schedule of the Bell 412 helicopter.

He is not a member of the Committee of the Board of the Directors of the Company.

He is not a Director and member of the Committee of the Board of any other Company.

He does not hold any shares of the Company.

Nature of expertise in specific functional area – Aviation Industry

DIRECTORS' REPORT

The Directors take pleasure in presenting the Twelve Annual Report of the Company and audited accounts of the Company for the year ended 31st March, 2010.

FINANCIAL PERFORMANCE

Particulars	Year ended 31 st March, 2010	Year ended 31 st March, 2009
		(Rupees' in Lacs)
Service Income	24473.49	23335.45
Other Operating Income	108.42	152.46
Other Income	1588.91	252.88
Gross Income from operations	26170.82	23740.79
Profit before interest, depreciation, amortisation of expenses, exceptional items and Tax	7016.50	4199.01
Less : Interest	3847.03	5604.89
Less : Revaluation loss on Helicopters	0.00	268.91
Less : Impairment loss on Helicopters	0.00	1759.04
Less : Depreciation (Net)	3666.63	2948.95
(Loss) for the year before extraordinary items and before Tax	-497.16	-6382.78
Add :- Extraordinary Item – Liabilities written back	1169.43	0.00
Profit/(Loss) for the year after extraordinary items and before Tax	672.27	-6382.78
Less : Provision for taxation	-77.03	-761.04
Profit /(Loss) after tax	749.30	-5621.74
Balance of Profit/(Loss) for earlier years	-5621.74	1439.06
Add:-Effect of changes in exchange rates Accounting Standard 11	0.00	-1439.06
Balance carried forward to Balance Sheet	-4872.44	-5621.74

OPERATION REVIEW:

During the year under review, your Company achieved Service Income of Rs. 24473.49 Lacs as compared to 23335.45 Lacs of previous Financial Year, a growth of 4.87 %. Total Income of the Financial Year 2009-10 (including Operational and other Income) also increased to Rs. 26170.82 Lacs from Rs. 23740.79 Lacs, an increase of 10.24 % over last Financial Year.

After considering Interest, Depreciation, Foreign Exchange (Loss) / Gain and Extra-ordinary items, the Company has Profit Before Tax of Rs. 672.27 Lacs for the current year as against Loss of Rs. 6382.78 Lacs in the previous year. After making provision for tax, the net Profit was Rs. 749.30 for the current year as against Loss of Rs. 5621.74.

DIVIDEND:

In order to conserve resources for future growth and expansion projects of the Company, the directors have not recommended any dividend for the Financial Year 2009-2010.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956, Mr. Ravinder Kumar Rishi and Mr. P. Raj Kumar Menon by rotation in the forthcoming Annual General Meeting. Both of them, being eligible offer themselves for re-appointment.

Captain Dharendra Kumar Chand resigned as Director of the Company w.e.f. 30th January, 2010.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, the Board hereby certifies and confirm that:

- 1) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 2) the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affair of your Company at the end of the financial year and of the profit of your Company for the year under review;
- 3) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- 4) the directors have prepared the annual accounts on a going concern basis.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report, as required under the Listing Agreements with the Stock Exchanges, is enclosed at Annexure-A.

PARTICULARS OF EMPLOYEES

Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 forms part of this Report. As per provisions of Section 219 (1)(b)(iv) of the Companies Act, 1956, the Report and Accounts, excluding the statement of particulars of the employee under Section 217(2A) of the Companies Act, 1956. Any shareholder interested in obtaining a copy of the statement may write to the Company Secretary at the Registered Office of the Company.

AUDITORS

M/s. B S R & Co., Chartered Accountants, retire as auditors of the Company and have given their consent for re-appointment. The Shareholders will be required to elect auditors for the current year and fix their remuneration.

As required under the provisions of Section 224 of the Companies Act, 1956, the Company has obtained a written certificate from the above auditors proposed to be re-appointed to the effect that their re-appointment, if made, would be in conformity with the limits specified in the said Section.

The observations of the Auditors in their report read with the relevant to accounts are self explanatory and further explanation has been given under Remarks of the Auditors.

FIXED DEPOSITS

Your Company has not accepted any deposits from the public under section 58A of the Companies Act, 1956.

INSURANCE

The Helicopters fleet and insurable interest of your Company like Building, Hanger, plant and Machinery, Furniture and Fixture, Stocks, Computers, Vehicles etc., are properly insured.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

In view of the nature of activities which are being carried out by the Company, Rules 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, concerning conservation of energy and technology absorption respectively are not applicable to the Company.

FOREIGN EXCHANGE EARNING AND OUTGO

The Company earned Rs. 1,373,328,412/- (previous year Rs. 1,432,544,927/-) in foreign exchange during the year. The foreign exchange outgoes amount to Rs. 789,945,674/- (previous year Rs. 817,271,686/-)

CORPORATE GOVERNANCE

Your Company has complied with the provisions of Clause 49 of the Listing Agreement. A Certificate from the Practising Company Secretary regarding compliance of Corporate Governance as stipulated in Clause 49 of the Listing Agreement forms a part of this Annual Report.

REMARKS OF THE AUDITORS

Reference is drawn to Clause no.(e) of the Auditors' Report and schedule 31 of the financial statements, Company has received an order from the Office of the Commissioner of Customs (Preventive) confirming the demand for differential duty of customs alongwith penalty aggregating Rs 262,195,030. No provision has been made by the Company for the same nor the interest due thereon as at 31st March, 2010. 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.

Reference is drawn to Clause no.(f) of the Auditors' Report and schedule 32 to the financial statements. In this regard, Board informs that Company has already filed a application with Central Government for the waiver of the excess remuneration to Whole-time Directors and Chief Executive Officer of the Company and permission of the Central Government is awaited.

Reference is drawn to Clause no.(g) of the Auditors' Report and schedule 33 to the financial statements, certain customers have disputed taxes levied by the Company aggregating Rs. 84,503,378. Consequently management have not paid the said taxes to the authorities. No provision has been made by the Company in respect of the outstanding. The Management believes that they have strong case to collect the outstanding amount.

Reference is drawn to Clause no.(h) of the Auditors' Report and schedule 30 to the financial statements. In this regards Board informs that pursuant to the completion of conciliation proceeding with the customer during the year ended 31st March, 2010 an amount aggregating Rs. 157,248,803 has been written off/adjusted.

ACKNOWLEDGEMENTS

Your Directors thank the Company's clients, vendors, investors and bankers for their continued support during the year. Your Directors place on record their appreciation of the contribution made by employees at all levels. Your Company's consistent growth was made possible by their hard work, solidarity and support. Your directors also thank the Governments of Andhra Pradesh, Arunachal Pradesh, Delhi, Gujarat, Maharashtra, Nagaland, Orissa, and Pondicherry for the patronage extended to your Company in mobilising various forward bases. Your Directors look forward to their continued support in the future.

For and on behalf of the Board

**Lt. Gen. (Retd.) SJS Saigal
Chairman**

**Mr. P. Rajkumar Menon
Whole-Time Director**

Place: Mumbai

Date: 27th May, 2010

MANAGEMENT DISCUSSION & ANALYSIS REPORT

OVERVIEW

Global Vectra Helicorp Limited (GVHL) is the country's largest private offshore and onshore air-logistics helicopter company serving, as its main activity, the Oil and Gas (O&G) Exploration and Production (E&P) sector in India. Through its onshore activities under the name of "Birdie", it supplies helicopter services to other sectors than Oil and Gas such as Geotechnical Surveys, Tourism and Corporate Charters and underslung operations.

The company's total fleet size, as on 31st March 2010 stands at 27 helicopters consisting of 20 Bell 412, 01 EC 155, 02 EC 135, 03 AS 350 B2/B3 and 01 AB – 139 Helicopter.

GVHL has a total staff of 272 including 82 pilots and 102 engineering staff. For its customers in the Oil and Gas sector GVHL transport crew and cargo for their exploration and production activities utilizing a young fleet of helicopters operated by trained pilots and maintained by highly qualified maintenance personnel.

Our major maintenance base for the offshore fleet is Mumbai where all maintenance work is carried out including 3000 hours check on its Bell 412 fleet of aircraft in a 6000 sqm state-of-the-art hangar.

The Eurocopter fleet for the onshore activities, under the name of Birdie, is maintained by a dedicated maintenance organisation in Greater Noida on a contractual basis. We pride ourselves in having premium clients such as Geotech, Fugro, Govt. of Arunachal Pradesh in the onshore activities and major oil and gas companies in India such as ONGC, Reliance Industries, British Gas and Transocean.

Our onshore activities take place in principle throughout the Indian subcontinent with operating nuclei in Greater Noida/ New Delhi and Bangalore whereas our offshore division, with main base at Juhu airport in Mumbai, services the oil and gas industry as well in Porbander, Diu, Trivandrum, Pondicherry, Vijayawada, Chennai, Rajahmundry, Vizag, Bhubaneswar, Itanagar and Nagaland.

GVHL is totally committed to maintaining the highest possible standards in everything we do, with an emphasis on our operations, maintenance and safety. GVHL is the only operator in India having introduced a full and formal Safety Management System (SMS) as per international recommendations and requirements of the Global Oil/Gas Industry and International Civil Aviation Organisation.

As part of our continuing effort to further enhance our management systems we have implemented an ERP (Enterprise Resource Planning) System from IFS AB, a Swedish company and one of the world's leading providers of business software. Through this system we have integrated the management data of Flight Operations, Maintenance Repair and Overhaul (MRO) processes, Quality Control, Logistics, Inventory Management, Human Resources/Payroll and Finance.

MISSION STATEMENT

To become one of the world's leading and preferred helicopter services providers. We strive to deliver superior returns to our shareholders by tirelessly pursuing new growth opportunities while continuously improving our profitability.

Above all, we are committed to the safety of human life whether with our customers, our own company or the society we work in. In recognition of this commitment, we strive to deliver high quality, cost effective and safe helicopter services in the markets we serve. We are dedicated to creating a workplace that respects and values people from diverse backgrounds and enable all employees to do their work to the best of their capabilities.

The Oil and Gas Industry to-day

The oil and gas industry has been instrumental in fuelling the rapid growth of the Indian economy. The petroleum and natural gas sector which includes transportation, refining and marketing of petroleum products and gas constitutes over 15 per cent of the GDP.

Petroleum exports have also emerged as the single largest foreign exchange earner, accounting for 17.24 per cent of the total exports in 2007-08. Growth continued in 2008-09 with the export of petroleum products touching US\$ 23.63 billion during April-December 2008, whereas a total of 70 per cent of the Oil requirement in the country is imported.

In November 2008, the Cabinet Committee on Economic Affairs awarded 44 oil and gas exploration blocks under the seventh round of auction of the New Exploration Licensing Policy (NELP-VII). With NELP VIII, the overall number of blocks brought under exploration exceeded 200.

The allocation brought in investments worth US\$ 1.5 billion. The eighth round of auction which ended on October 12, 2009 attracted over US\$1.34 billion in minimum investment.

Production

Refinery production in terms of crude throughput increased to 160.77 MT in 2008-09 as compared to 156.10 MT in 2007-08.

The production of natural gas went up to 32.84 billion cubic meters tones (BCM) in 2008-09, from 32.40 BCM in 2007-08.

The projected production of crude oil during the 11th Five-Year Plan (2007-2012) is 206.76 MMT, while that of natural gas is 255.27 BCM.

Cumulative production of crude oil between April-December 2009, was 25,152 MT, while cumulative production of refinery production during the same period was 119,283 MT. Natural gas production during the same period was 33,846 million cubic meters.

State-run Indian Oil Corporation Ltd will raise the capacity of its Haldia refinery by 25 per cent to 7.5 million tonnes by end February 2010. It will also expand its 12 million tonnes a year Panipat refinery to 15 million tonnes by August, 2010 and at the same time the Oilfield service companies have struggled as the global economic slowdown cut into demand for oil and gas.

Consumption

India's domestic demand for oil and gas is on the rise. As per the Ministry of Petroleum, demand for oil and gas is likely to increase from 186.54 million tonnes of oil equivalent (mmtoe) in 2009-10 to 233.58 mmtoe in 2011-12.

India's domestic oil product sales in November 2009 grew 3.7 per cent from a year ago, driven by higher demand for

auto fuels, according to government data. Oil product sales were 11.32 million tonnes in November, as per official data.

Investments and Acquisitions

It is expected that the public sector oil companies will spend US\$ 11.33 billion in 2010 on expanding supplies and building new transportation networks for oil and gas.

IOC is setting up a coker plant in West Bengal at an investment of US\$ 596.53 million.

ONGC will invest US\$ 696 million for increasing facilities at its oilfields in Assam and Western Offshore to boost output. Moreover, it will spend US\$ 5.62 billion on capital expenditure in the next financial year.

Government Initiatives

The government has been taking many progressive measures to create a conducive policy and regulatory framework for attracting investments.

- Allowing 100 per cent foreign direct investment (FDI) in private refineries through automatic route and 26 per cent in government-owned refineries.
- Implementation of the NELP in 1997.
- Abolition of the administered pricing policy.
- 100 per cent FDI is also allowed in petroleum products, exploration, gas pipelines and marketing/retail through the automatic route.

Road Ahead

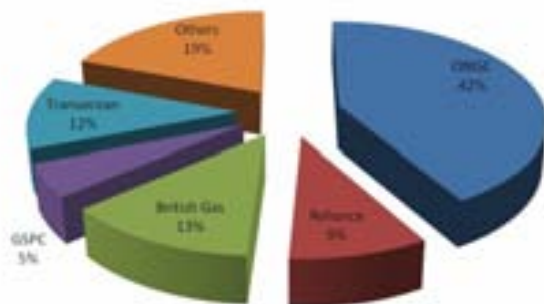
According to a recent CII-KPMG report India's energy sector will provide investment avenues worth US\$ 120 billion-US\$ 150 billion over the next five years.

According to the Investment Commission of India, the total opportunity in the oil and gas sector is expected to reach US\$ 35 billion to US\$ 40 billion by 2012.

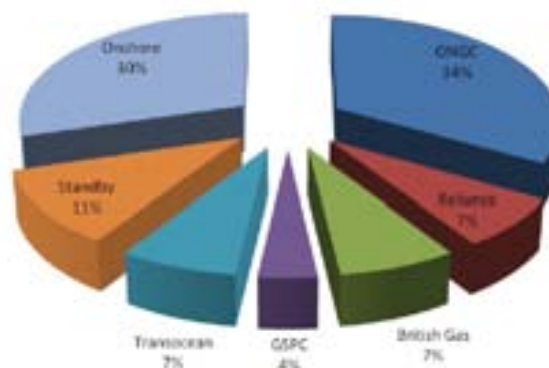
Onshore Activities

Our onshore activities are carried out on PAN India basis under the name of BIRDIE. The Company is operating in Greater Noida, New Delhi, Mumbai, Rajahmundry and Bangalore. Our onshore activities include corporate services, business promotion, political rallies, tourism, pilgrimage, geophysical survey, power-line cleaning and emergency services. The Company is using single or double engine Helicopters for the same.

GVHL - Client wise Revenue Contribution (2009 – 2010)



Fleet Deployment as on 31st March 2010 (27 Helicopters)



FINANCIAL PERFORMANCE

During the year under review, your Company achieved Service Income of Rs. 24473.49 Lacs as compared to 23335.45 Lacs of previous Financial Year, a growth of 4.87 %. Total Income of the Financial Year 2009-10 (including Operational and other Income) also increased to Rs. 26170.82 Lacs from Rs. 23740.79 Lacs, an increase of 10.24 % over last Financial Year.

After considering Interest, Depreciation, Foreign Exchange (Loss) / Gain and Extra-ordinary items, the Company has Profit Before Tax of Rs. 672.27 Lacs for the current year as against Loss of Rs. 6382.78 Lacs in the previous year. After making provision for tax, the net Profit was Rs. 749.30 for the current year as against Loss of Rs. 5621.74.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has a proper and adequate system of internal control to ensure that all activities are monitored and controlled against and unauthorized use or disposition of the assets and those transactions are authorised, recorded and reported correctly.

The Company ensure adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines. The Audit Committee of the Board of Directors appraised the adequacy of internal controls.

HUMAN RESOURCES

The Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business. Various HR initiatives are taken to align the HR Policies to the requirement of the business.

As on March 31, 2010 the Company has a total workforce of 272 employees.

CAUTIONARY STATEMENT

Statement in this Report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, figures and expectation may constitute "forward looking statement" within the meaning of applicable laws and regulations. Actual results might differ materially from those expressed or implied.

The company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company possesses an ethical mindset about the values of good corporate governance. As it involves support from many diversified categories of people and agencies the following attributes are significant for good corporate governance:

- Transparency - in policies and action
- Independence - to develop and maintain a healthy work culture
- Accountability – for performance
- Responsibility – for society and its core values
- Growth – for stakeholders

The Company makes an honest endeavour to uphold these attributes in all aspects of its operations.

The objective of the Company is not just to meet the statutory requirements of the Code of Corporate Governance as prescribed under Clause 49 of the Listing Agreement, but to develop such systems and follow such practices and procedures to satisfy the spirit of the law.

II. BOARD OF DIRECTORS

The Board of Directors consists of the Chairman, One - Whole-time Director, One Non-Executive Director and Four Independent Directors.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships held by them in other companies are given below:

Name of Director	Category	No. of Board Meeting attended	Last AGM Attended	No. of other Directorship and Committee Membership / Chairmanship		
				Other Directorship	Committee Memberships	Committee Chairmanship
Lt. Gen. (Retd.) SJS Saighal	C	5	Yes	None	None	None
Mr. P.Rajkumar Menon	WTD	6	No	None	None	None
Mr. Ravinder Kumar Rishi	NED	2	No	7	None	None
Mr. R.S.S.L.N. Bhaskarudu	ID	6	Yes	7	4	3
Dr. Chandrathil Gouri Krishnadas Nair	ID	2	No	9	3	None
Dr. Gautam Sen	ID	5	Yes	None	None	None
Maj. Gen. (Retd.) Gurdial Singh Hundal	ID	4	Yes	None	None	None
Captain Dharendra Kumar Chand*	WTD	6	No	None	None	None

C: Chairman, WTD: Whole-time Director, NED: Non-executive Director, ID: Independent Director

Six Board Meetings were held during the year 2009-10 and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held were as follows:-

24th April, 2009 22nd June, 2009 30th July, 2009 29th October, 2009 31st Dec, 2009 27th January, 2010

*Resigned as Director w.e.f. 30-1-2010

The event with regards to Constitution of Board of Directors after 31st March, 2009 includes resignation of Captain Dharendra Kumar Chand as whole-time Directors of the Company with effect from 30th January 2010.

III. AUDIT COMMITTEE

The Committee discharges such duties and functions generally indicated in Clause 49 of the Listing Agreement with the Stock Exchanges and such other functions as may be specifically delegated to the Committee by the Board from time to time. The constitution of the Audit Committee also meets with the requirements under Section 292A of the Companies Act, 1956.

Composition, Name of Members and Chairperson

Mr. R.S.S.L.N. Bhaskarudu (Chairman), Mr. Ravinder Kumar Rishi, Dr. Gautam Sen and Maj. Gen. (Retd.) Gurdial Singh Hundal.

During the year the Audit Committee met five times and all the members were present in all the meeting except Mr.

Ravinder Kumar Rishi who was not able attend the Audit Committee meeting held on 30th July, 2009, 29th October, 2009 and 27th January, 2010, Maj. Gen. (Retd.) Gurdial Singh Hundal, who was not able to attend the Audit Committee meeting held on 30th July, 2009 and Dr. Gautam Sen who was not able attend the Audit Committee meeting held on 29th October, 2009.

The Chairman, Chief Executive Officer and Chief financial Officer of the Company was invited to attend and participate at meeting of the Committee.

The Company Secretary acts as the Secretary of the Committee.

IV. REMUNERATION COMMITTEE

The Remuneration Committee comprised of three members. The Committee has authorised to determine the remuneration package for Executive Directors as well as the remuneration payable to the non-executive Directors from year to year and to distribute the same amongst all or some of the Directors in such proportion or manner as the Committee may decide.

Meetings and attendance during the year

The Remuneration Committee comprises of 3 Directors:

Dr. Gautam Sen (Chairman), Mr. Ravinder Kumar Rishi and Maj. Gen. (Retd.) Gurdial Singh Hundal.

The committee met on 27th January, 2010 to approve the remuneration of Lt. Gen. (Retd.) SJS Saighal and Mr. P. Rajkumar Menon. All members were present except Mr. Ravinder Kumar Rishi in the meeting. . The committee confirmed that the remuneration is in accordance with the provisions of Part III of the Schedule XIII of The Companies Act, 1956 and recommended the same to the board.

Remuneration Policy

The Remuneration Policy of the Company for the managerial personnel is primarily based on the following criteria:-

1. Performance of the Company
2. Track record, potential and performance of individual managers and
3. External competitive environment.

Details of remuneration paid to Directors/CEO's for the year 2009-2010

(Rupees)

Name of Director(s)	Category	Salary	Ex-gratia	Perquisites	Sitting Fees	Remuneration
Lt. Gen. (Retd.)SJS Saighal	Executive Director	2,100,000	34,986	107,869	0	0
Mr. P. Rajkumar Menon	Executive Director	6,603,100	95,362	42,549	0	0
Captain Dharendra Kumar Chand	Executive Director	59,35,546	90,182	16,286	0	0
Mr. R.S.S.L.N. Bhaskarudu	Independent Director	0	0	0	200,000	31,250
Dr. Chandrathil Gouri Krishnadas Nair	Independent Director	0	0	0	50,000	31,250
Maj.Gen.(Retd.) Gurdial Singh Hundal	Independent Director	0	0	0	100,000	31,250
Dr. Gautam Sen	Independent Director	0	0	0	120,000	0
Mr. Eduard Van Dam	Chief Executive Officer	3,939,882	63,135	1,356,653	0	0

V. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

This Committee comprising two Directors viz. Dr. Chandrathil Gouri Krishnadas Nair (Chairman), and Lt. Gen. (Retd.) SJS Saighal. The Committee met four times during the year. The Committee approves and monitors transfer, transmissions, and consolidations etc. of shares issued by the Company. The Committee also monitors redressal of complaints from shareholders.

The event with regards to Constitution of Shareholders'/ Investors' Grievance Committee after 31st March, 2009 includes resignation of Mr. R.S.S.L.N Bhaskarudu as Member of Shareholders' / Investors' Grievance Committee with effect from 27th January 2010.

The Company received 2 Shareholders correspondence / Complaints during the financial year ended 31st March, 2010 which was replied to the satisfaction of the concerned shareholders.

Mr. Rakesh Soni, Company Secretary is the Compliance Officer of the Company.

VI. GENERAL BODY MEETINGS

Particulars of Annual General Meeting held during the last three years:

General Meeting	Day, Date and Time	Venue	Special Resolutions passed thereat
Annual General Meeting	Tuesday, 29 th September, 2009 at 2.30 P.M.	ISKON Temple, Complex Hare Krishna Hill, Sant Nagar Main Road, East of Kailash, New Delhi – 110 065	5
Annual General Meeting	Thursday, 25 th September, 2008 at 2.30 P.M.	ISKON Temple, Complex Hare Krishna Hill, Sant Nagar Main Road, East of Kailash, New Delhi – 110 065	4
Annual General Meeting	Wednesday, 25 th July, 2007 at 4.00 P.M.	Regency Hall, Lower Lobby Level, Inter Continental The Grand New Delhi, Barakhamba Avenue, Connaught Place, New Delhi – 110 001	1

During the Financial year 2009-2010, the Company has not passed any Resolution through postal ballot.

VII. CODE OF CONDUCT

The Code of Conduct for the Directors and Employees of the Company is posted on the Website of the Company.

Declaration as required under Clause 49 of the Listing Agreement

All Directors and Senior Management personnel of the Company have affirmed compliance with the provisions of the Global Vectra Helicorp Limited Code of Conduct for the financial year ended March 31, 2010.

Lt. Gen.(Retd.) SJS Saighal
Chairman

Mumbai
27th May, 2010

VIII. CEO/CFO CERTIFICATE

Certificate from CEO and CFO for the financial year ended March 31, 2010 has been provided elsewhere in the Annual Report.

IX. DISCLOSURES**a) Related Party Transactions**

The Company has not entered into any transaction of material nature with the promoters, the directors, management, their relatives etc. that may have any conflict with the interests of the Company.

b) Compliances by the Company

During the last three years, no strictures or penalties have been imposed on the Company by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets.

c) Proceeds from public issues

During the year the Company has not come with Public Issue.

d) The Company has complied with all the mandatory requirements and has adopted non-mandatory requirements as per details given below:**1. The Board**

The Company maintains the office of the Chairman at its Registered Office at A-54, Kailash Colony, New Delhi – 110 048, and also reimburses the expenses incurred in performance of his duties.

There is no fixed tenure for Independent Directors.

2. Remuneration Committee

The Company has constituted Remuneration Committee as detailed in IV to the report. The Committee discharges such duties and functions generally indicated in Clause 49 of the Listing Agreement with the Stock Exchanges.

3. Shareholders' Right

The quarterly financial results are published in the news papers as mentioned under the heading "Means of Communication" at Sr. No. X herein below and also displayed on the website of the Company. The results are not separately circulated to the shareholders.

4. Audit qualification

There are audit qualifications in the Company's financial statements for the year under reference and the same has been explained by the Board in Directors' Report.

5. Training of Board Members

No specific training programme was arranged for Board Members. However, at the Board / Committee meetings detailed presentation are made by Professional, Senior Executives of the Company on the business related matters, risk assessment, strategy, effect of the regulatory changes, etc.

6. Mechanism for evaluation of non-executive Board Members

The Company has not adopted any mechanism for evaluating individual performance of Non-Executive Directors.

7. Whistle Blower Policy

The Company has laid down a Code of Conduct for all its employees across the organisation. The Code of Conduct of the Company lays down that the employees shall promptly report any concern or breach and suggests not to hesitate in reporting a violation or raising a policy concern to the Code Compliance Cell or concerned superior. The Code provides that the Company shall support and protect employees for doing so. The Code has been rolled out across the Organisation. Further during the year 2009-2010, no employee was denied access to the Audit Committee of the Company.

X. MEANS OF COMMUNICAION

Quarterly results are normally published in Financial Express (in English) and Jan Satta (in Hindi) and also display on the website of the Company. The audited results for the year are published in the above newspapers.

Management Discussion and Analysis Report forms part of the Director's Report.

XI. GENERAL SHAREHOLDER INFORMATION**a. 12th Annual General Meeting**

Date	: -	16 th September, 2010
Time	: -	2.30 p.m.
Venue	: -	ISKON Temple, Complex Hare Krishna Hill, Sant Nagar Main Road, East of Kailash, New Delhi – 110 065.

No Special Resolution is proposed to be passed by Postal Ballot at the aforesaid Annual General Meeting.

b. Financial Calendar

Adoption of Quarterly Results is proposed in the 5th / 6th week of the quarter ending

June 30, 2010	August, 2010
September 30, 2010	November, 2010
December 31, 2010	February, 2011
March, 2011	May, 2011

c. Date of Book Closure : 15th September, 2010 to 16th September, 2010**d. Listing on Stock Exchanges**

The Equity Shares of the Company are listed on The National Stock Exchange of India Limited and Bombay Stock Exchange Limited at Mumbai.

The Company confirms that it has paid annual listing fees due to the Stock Exchanges for the year 2010-2011.

e. Stock code

1. The National Stock Exchange of India Ltd. GLOBALVECT
2. Bombay Stock Exchange Limited 532773

f. Market Price Data

Share prices of the Company for the Financial Year from April'2009 to March, 2010

Month	NSE		BSE	
	High(Rs.)	Low(Rs.)	High(Rs.)	Low(Rs.)
April, 2009	34.35	24.00	33.90	24.50
May, 2009	46.05	27.55	46.00	27.90
June, 2009	51.95	36.65	51.80	36.30
July, 2009	42.00	33.20	40.80	32.55
August, 2009	59.40	42.70	58.40	41.75
September, 2009	65.55	51.50	64.35	51.70
October, 2009	57.05	45.30	58.03	46.10
November, 2009	47.80	40.00	47.90	39.50
December, 2009	47.00	40.20	47.15	41.85
January, 2010	54.85	42.00	54.70	41.75
February, 2010	49.00	41.50	48.00	41.30
March, 2010	63.80	42.50	63.80	42.30

- g. Registrar and Transfer Agents :** Link Intime India Private Limited
C-13 Pannalal Silk Mills Compound
LBS Marg, Bhandup (W)
Mumbai 400 078

h. Share Transfer system

Shares lodged for transfer at the Registrars' address are normally processed within 21 days from the date of lodgment, and requests for dematerialization of shares are processed and the confirmation is given to the depositories within 21 days from the date of lodgment, if the documents are clear in all respects.

The Executive Director & the Secretary who is also the Compliance Officer verifies the transfer Register sent by the Registrars. The Share Transfer and Investors' Grievance Committee approves the transfer of shares and debentures, Correspondence such as change of address, mandates, etc. are processed by the Registrars within 21 days. Investors' grievances, if any, are resolved by the Compliance Officer, failing which, they would be referred to the Investors' Grievance Committee.

i. Distribution of Shareholding as on March 31st 2010

	Category	No. of shares Held	Percentage of shareholding
A.	Promoter's holding		
1.	Promoters		
	- Indian Individual	50	00.00
	- Indian Bodies Corporate	6719950	48.00
	- Foreign Bodies Corporate	3780000	27.00
2.	Persons acting in Concert	0	0.00
	Sub-Total (A)	10500000	75.00
B.	Non-Promoters Holding		
3.	Institutions Investors		
	a. Mutual Fund and UTI	216000	1.54
	b. Banks, Financial Institutions, Insurance Companies (Central / State Govt. Institutions / Non-government Institutions)	0	0.00
	c. FIIs	0	0.00
	Sub-Total (B) (1)	216000	1.54
4.	Non-institutions Investors		
	a. Private Corporate Bodies	630832	4.50
	b. Indian Public	2393854	17.10
	c. NRIs / OCBs	108510	0.78
	d. Any other (Clearing Member)	150804	1.08
	Sub-Total(B)(2)	3284000	23.46
	Sub-Total (B) (1) + (B) (2)	3500000	25.00
	GRAND TOTAL	14000000	100.00

Shareholding of Nominal Values Rupees	Shareholders		Amount	
	Number	% of Total	Rupees	% of Total
1 - 5000	10538	92.8949	11959420	8.5424
5001 - 10000	441	3.8875	3472140	2.4801
10001 - 20000	209	1.8424	3035600	2.1683
20001 - 30000	70	0.6171	1747490	1.2482
30001 - 40000	22	0.1939	772870	0.5520
40001 - 50000	11	0.0970	530180	0.3787
50001 - 100000	28	0.2468	1886440	1.3475
1000001 – Above	25	0.2204	116595860	83.2828
TOTAL	11344	100.0000	140000000	100.0000

j. Dematerialisation of shares

The shares of the Company are available for dematerialization and Agreements have been signed with National Securities Depository Ltd. (NSDL) & Central Depository Services (India) Ltd. (CDSL). 92.04 % of the Company's shares are held in dematerialized mode. Trading in dematerialized form is compulsory for all investors. The Company (through its Registrars and Share Transfer Agents) provides the facility of simultaneous transfer and dematerialization of shares and has confirmed the same to NSDL and CDSL.

k. International Securities Identification Number

INE792H01019 (with NSDL and CDSL)

l. Address of Correspondence

- | | |
|---|---|
| <p>1. To the Company – Corporate Office
Global Vectra Helicorp Limited
Hanger No. C – He / Hf,
Airports Authority of India, Civil Aerodrome,
Juhu, Mumbai – 400 054
Telephone No. – 91-22-61409200 / 201
Fax No. - 91-22-61409253
E-mail – raakesh@gvhl.net
Business Hours – 10.00 A.M to 6.00 P.M.</p> | <p>2. To Registrar and Share Transfer Agent
Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound
LBS Marg, Bhandup (West)
Mumbai – 400 078
Telephone No.- 91-22- 2594 6970 / 78
Fax No. – 91-22-2594 6969
E-mail –rnt.helpdesk@linkintime.co.in
Business Hours -10.00 A.M. to 5.00 P.M.</p> |
|---|---|

For and on behalf of the Board

Lt. Gen. (Retd.) SJS Saighal
Chairman

Mr. P. Rajkumar Menon
Whole-Time Director

Place: Mumbai

Date: 27th May, 2010

CERTIFICATION BY CEO/CFO

The Board of Directors,
Global Vectra Helicorp Limited
A-54, Kailash Colony,
New Delhi – 110 048

RE: - CERTIFICATION BY CEO / CFO FOR THE FINANCIAL YEAR 2009-2010

We have reviewed financial statements, read with the cash flow statement of Global Vectra Helicorp Limited for the year ended 31st March, 2010 and that to the best of our knowledge and belief, we certify that:

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
- (ii) these statements present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) there are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the company's code of conduct.
- (c) we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) we have indicated wherever applicable to the Auditors and the Audit committee:
 - (i) significant changes in internal control over financial reporting, if any, during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) there were no instances of fraud of which we are aware, that involve the Management or other employee who have a significant role in the Company's internal control system.

Eduard Van Dam
Chief Executive Officer

Ashvin Bhatt
Chief Financial Officer

Place:- Mumbai
Date:- 27th May, 2010

CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of
GLOBAL VECTRA HELICORP LIMITED
A-54, Kailash Colony,
New Delhi – 110 048

We have examined the compliance of the conditions of Corporate Governance by **GLOBAL VECTRA HELICORP LIMITED** ('the Company') for the year ended on March 31, 2010 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We state that as per the records maintained by the Registrars and Share Transfer Agents of the Company and presented to the Shareholders/Investor Grievance Committee, no investor grievances are pending for a period exceeding one month against the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For and on behalf of

Martinho Ferrao & Associates
Company Secretaries

Martinho Ferrao
Proprietor
Membership No. 11011

COP No. 5676

Mumbai

Dated: - May 27, 2010

Auditors' Report

To the Members of

Global Vectra Helicorp Limited

We have audited the attached balance sheet of Global Vectra Helicorp Limited ('the Company') as at 31 March 2010 and the related profit and loss account and the cash flow statement 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.

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 of 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.

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

Further to our comments in the Annexure referred to above, we report that:

- a) 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;
- b) 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;
- c) the balance sheet, the profit and loss account and the cash flow statement dealt with by this report are in agreement with the books of account;
- d) in our opinion, *except as stated in paragraph (f) below*, the balance sheet, the profit and loss account and the cash flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act;
- e) on the basis of written representations received from directors of the Company as at 31 March 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31 March 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
- f) *as more fully explained in schedule 31 to the financial statements, the Company has received an order from the Office of the Commissioner of Customs (Preventive) confirming the demand for differential duty of customs along with penalty aggregating Rs 262,195,030. No provision has been made by the Company for the same nor the interest due thereon as at 31 March 2010, as the management believes that the demand will be set aside by a higher appellate authority. Had the Company made a provision for the demand as required by Accounting Standard 29 – Provisions, Contingent Liabilities and Contingent Assets, the revaluation reserve would have been lower by Rs 107,652,087, depreciation and accumulated depreciation would have been higher by Rs 16,886,601 and the profit after tax for the year would be converted to a loss after tax of Rs 104,202,170;*
- g) *as more fully explained in schedule 32 to the financial statements, managerial remuneration paid/payable to two Whole Time Directors and a Chief Executive Officer has exceeded the limits prescribed under Section 198 of the Act by Rs 4,542,698 (previous year: Rs 7,095,524) for the year ended 31 March 2010. The Company has applied for approval and is yet to receive the same from the Central Government;*
- h) *as more fully explained in schedule 38 to the financial statements, certain customers have disputed taxes levied by the Company aggregating Rs 84,503,378. Consequently management have not paid the said taxes to the authorities. No provision has been made by the Company in respect of such outstanding, as required by the accounting policies of the Company. However, as detailed in schedule 38, management believes that they have a strong case to collect the outstanding amount. Had the Company made the provision, the debtors would be lower by Rs 84,503,378 and the profit after tax for the year would be converted to a loss after tax of Rs 9,573,659;*
- i) *as more fully explained in schedule 30 to the financial statements, the financial statements for the year ended 31 March 2009 were qualified in respect of liquidated damages retained by a customer aggregating Rs 201,398,111 as at 31 March 2009 in accordance with the terms of agreement with the Company. Pursuant to the completion of conciliation proceedings with the customer during the year ended 31 March 2010, an amount aggregating Rs 157,248,803 has been written off/adjusted in these financial statements; and*
- j) In our opinion, and to the best of our information and according to the explanations given to us, *subject to adjustments, if any, which may arise from the matters referred to in (f), (g) and (h) above and subject to the adjustment to the corresponding figures for the year ended 31 March 2009 in respect of the matter stated in paragraph (i) above*, the said accounts give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2010;
 - ii) in the case of the profit and loss account, of the profit of the Company for the year ended on that date; and
 - iii) in the case of the cash flow statement, of the cash flows of the Company for the year ended on that date.

For B S R & Co.

Chartered Accountants

Firm's Registration No: 101248W

Akeel Master

Partner

Membership No: 046768

Place : Mumbai

Dated : - 27 May 2010

Annexure to the Auditors' Report – 31 March 2010

(Referred to in our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, the Company has physically verified certain fixed assets during the year and we are informed that no material discrepancies were noticed on such verification.
- (c) The Company has disposed two helicopters during the year on account of termination of finance lease obligations with the lessor. In our opinion and according to the information and explanations given to us, the aforesaid disposal has not affected the going concern assumption
- (ii) (a) The inventory of consumables, spares and shop supplies, including stocks lying with third parties, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year- end, written confirmations have been obtained.
- (b) The procedures for the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and these have been dealt with in the books of accounts.
- (iii) (a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 ('the Act'). Accordingly, paragraphs 4(iii)(b), (c) and (d) of the Order are not applicable to the Company.
- (b) The Company has taken unsecured loans from a company covered in the register maintained under Section 301 of the Act. The maximum amount outstanding during the year was Rs Rs 26,618,286 and the year-end balance of such loans was nil.
- (c) In our opinion, the rate of interest and other terms and conditions on which the loans have been taken from the aforesaid company covered in the register maintained under Section 301 of the Act are not, prima facie prejudicial to the interest of the Company.
- (d) Loans taken from the company covered in the register maintained under Section 301 of the Act do not have stipulations with regard to the repayment of principal and interest amounts. Accordingly, we are unable to comment on the regularity of repayment of principal and interest. As at the date of the balance sheet the principal and interest from the company covered in the register maintained under Section 301 of the Act was repaid.
- (iv) In our opinion and according to the information and explanations given to us, and having regard to the explanation that purchases of certain items of spares are for the Company's specialised requirements for which suitable alternative sources are not available to obtain comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of spares and fixed assets and with regard to the sale of services. We have not observed any major weakness in the internal control system during the course of the audit.
- (v) (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements referred to in (a) above and exceeding the value of Rs 5 lakh, with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time, except for purchases of certain items of spares and for obtaining information technology services, which are of specialised nature that are required by the Company and for which suitable alternative sources are not available to obtain comparable quotations. However, on the basis of information and explanations provided, the same appear reasonable.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Act for any of the services rendered by the Company.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues of Provident Fund, Employee State Insurance, Profession Tax, Wealth Tax, Cess, Custom Duty and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of the records of the Company, *amounts deducted/accrued in the books of account in respect of undisputed statutory dues of Income Tax and*

Service Tax have not been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Excise Duty, Investor Education and Protection Fund, Sales Tax and Wealth Tax.

There were no dues on account of Cess under Section 441A of the Act since the date from which the aforesaid section comes into force has not yet been notified by the Central Government.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Profession Tax, Wealth Tax, Cess, Custom Duty, Income Tax Service Tax and other material statutory dues were in arrears as at 31 March 2009 for a period of more than six months from the date they became payable. The following undisputed dues of Service Tax have not been deposited by the Company and were in arrears as at 31 March 2010 for a period of more than six months from the date they became payable:

Name of the statute	Nature of dues	Amount (Rs)	Period to which the amount relates	Due date
Finance Act 1994	Service tax	99,034,142	May 2008 onwards	Various

- (b) According to the information and explanations given to us, there are no dues of Income Tax, Wealth Tax and Cess which have not been deposited with the appropriate authorities on account of any dispute. The following dues of Custom Duty have not been deposited by the Company on account of disputes:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Customs Act, 1962	Customs duty	212,195,030	2007-2008	Commissioner (Appeals)
	Penalty	50,000,000	2007-2008	Commissioner (Appeals)
Finance Act 1994	Service tax	197,365,503	2008-2009	Commissioner (Service tax)
Finance Act 1994	Service tax	205,228,110	2009-2010	-

- (x) The accumulated losses of the Company are more than fifty percent of its networth at the end of the financial year. The Company has not incurred cash losses in the current financial year but has incurred cash losses in the immediately preceding financial year. The accumulated losses and networth have been arrived at after considering the effect of the qualifications stated in paragraphs (f), (g) and (h) of the Auditors' Report.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers or to any financial institutions. The Company did not have any outstanding debentures during the year.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society.
- (xiv) According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we are of the opinion that *short term working capital amounting to Rs 976,455,465 (previous year: Rs 766,408,233) has partly financed the additions to fixed assets during the year and the accumulated losses.*
- (xviii) The Company has not made any preferential allotment of shares to companies/firms/parties covered in the register maintained under Section 301 of the Act.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money by way of public issue during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For B S R & Co.
Chartered Accountants
Firm's Registration No: 101248W

Akeel Master
Partner
Membership No: 046768

Place : Mumbai
Dated: - 27 May 2010

Balance Sheet as at 31 March 2010

Amount in Rupees

Particulars	Schedule	31 March 2010	31 March 2009
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	2	140,000,000	140,000,000
Reserves and surplus	3	1,202,065,092	1,360,209,250
		<u>1,342,065,092</u>	<u>1,500,209,250</u>
Loan funds			
Secured loans	4	4,061,426,893	4,667,354,130
Unsecured loans	5	263,220,936	143,040,433
Deferred tax liabilities (net)	6	-	7,725,445
		<u>5,666,712,921</u>	<u>6,318,329,258</u>
APPLICATION OF FUNDS			
Fixed assets			
Gross block	7	6,548,872,623	6,692,905,640
Less : Accumulated depreciation, amortisation and impairment losses		(1,270,968,434)	(998,563,198)
Net block		<u>5,277,904,189</u>	<u>5,694,342,442</u>
Capital work in progress (includes capital advances)		3,844,868	7,201,221
		<u>5,281,749,057</u>	<u>5,701,543,663</u>
Investments			
Current assets, loans and advances	8	-	490,637
Inventories	9	122,540,614	97,376,015
Sundry debtors	10	520,605,652	664,153,395
Cash and bank balances	11	16,708,735	9,232,491
Loans and advances	12	540,938,053	453,695,420
		<u>1,200,793,054</u>	<u>1,224,457,321</u>
Current liabilities and provisions			
Current liabilities	13	1,281,947,685	1,142,053,127
Provisions	14	21,126,021	28,283,473
		<u>1,303,073,706</u>	<u>1,170,336,600</u>
Net current (liabilities) / assets		<u>(102,280,652)</u>	<u>54,120,721</u>
Profit and loss account		<u>487,244,516</u>	<u>562,174,237</u>
		<u>5,666,712,921</u>	<u>6,318,329,258</u>
Significant accounting policies	1		
Schedules to the financial statements	2 - 39		

As per our report of even date attached

For B S R & Co.

Chartered Accountants

Firms Registration Number 101248W

Akeel Master

Partner

Membership No. 046768

For and on behalf of the board**Lt. Gen.(Retd.) SJS Saighal**

(Chairman)

P. Rajkumar Menon

(Executive Director)

Ashvin Bhatt

(Chief Financial Officer)

Raakesh D. Soni

(Company Secretary)

Place : Mumbai

Date : 27 May 2010

Place : Mumbai

Date : 27 May 2010

Profit and Loss Account for the year ended 31 March 2010

Amount in Rupees

Particulars	Schedule	31 March 2010	31 March 2009
INCOME			
Service income (net)		2,447,349,018	2,333,545,143
Other operating income	15	10,841,571	15,246,178
Other income	16	158,891,498	25,288,275
		<u>2,617,082,087</u>	<u>2,374,079,596</u>
EXPENDITURE			
Service costs	17	931,043,997	963,261,237
Personnel costs	18	546,301,251	593,016,661
General and administrative expenses	19	438,085,313	397,900,390
Financial costs	20	384,703,912	560,489,032
Revaluation loss on helicopters	7	-	26,891,368
Impairment loss on helicopters		-	175,904,573
Depreciation and amortisation	6	366,663,908	294,895,074
		<u>2,666,798,381</u>	<u>3,012,358,335</u>
(Loss) for the year before exceptional items and taxation		(49,716,294)	(638,278,739)
Liabilities written back	34	116,943,670	-
		<u>67,227,376</u>	<u>(638,278,739)</u>
Profit/(Loss) for the year after exceptional items and before taxation		67,227,376	(638,278,739)
Less: Provision for tax			
Current tax		23,100	-
Minimum alternate tax credit reversed		-	21,174,206
Deferred tax credit		(7,725,445)	(102,624,813)
Fringe benefits tax		-	5,346,105
		<u>74,929,721</u>	<u>(562,174,237)</u>
Profit/ (Loss) for the year after taxation		74,929,721	(562,174,237)
Accumulated balance brought forward		(562,174,237)	143,906,123
Effect of transitional provisions on implementation of			
- Accounting Standard 11 - The effect of changes in exchange rates		-	(143,906,123)
		<u>(487,244,516)</u>	<u>(562,174,237)</u>
Amount available for appropriation		(487,244,516)	(562,174,237)
Balance carried to balance sheet		(487,244,516)	(562,174,237)
Basic and diluted earnings per share			
(face value per share Rs 10 each)	29	5.35	(40.16)
Significant accounting policies	1		
Schedules to the financial statements	2 - 39		

The schedules referred to above form an integral part of the profit and loss account.

As per our report of even date attached

For B S R & Co.

Chartered Accountants

Firms Registration Number 101248W

Akeel Master

Partner

Membership No. 046768

For and on behalf of the board

Lt. Gen.(Retd.) SJS Saighal

(Chairman)

P. Rajkumar Menon

(Executive Director)

Ashvin Bhatt

(Chief Financial Officer)

Raakesh D. Soni

(Company Secretary)

Place : Mumbai

Date : 27 May 2010

Place : Mumbai

Date : 27 May 2010

Cash Flow statement for the year ended 31 March 2010

Amount in Rupees

PARTICULARS	Schedule	31 March 2010	31 March 2009
CASH FLOW FROM OPERATING ACTIVITIES			
Profit/ (loss) before taxation		67,227,376	(638,278,739)
Adjustments:			
Depreciation and amortisation		366,663,908	294,895,074
Revaluation loss on helicopters		-	26,891,368
Impairment loss on helicopters		-	175,904,573
Interest income		(7,342,035)	(5,671,506)
Sundry balances written back		(117,248,313)	(4,032,141)
Provision for bad debts written back		(17,300,000)	-
Finance lease cost		204,742,590	360,487,799
Interest expenses		149,374,290	200,001,233
Provision for gratuity		927,220	2,117,600
Provision for leave encashment		(3,020,255)	6,692,721
Provision for doubtful debts and advances		5,552,504	49,070,595
Loss on sale of fixed assets		4,439,351	-
Diminution in value of investments		-	9,363
Bad debts written off		157,458,932	
Unrealised exchange (gain)/loss (net)		(30,662,978)	74,506,005
		713,585,214	1,180,872,684
Operating cash flow before working capital changes		780,812,590	542,593,945
(Increase) in sundry debtors		(8,550,484)	(294,256,993)
(Increase) in inventories		(25,164,599)	(3,025,230)
(Increase) / decrease in other current assets		(75,582,764)	363,183,308
Increase in creditors in sundry creditors		89,979,434	39,781,496
Increase / (decrease) in other current liabilities		96,571,103	(471,698,023)
Cash generated from / (used in) operations		77,252,690	(366,015,442)
Taxes paid		(22,048,925)	(27,167,831)

Cash Flow statement for the year ended 31 March 2010 (contd...)

Amount in Rupees

PARTICULARS	Schedule	31 March 2010	31 March 2009
Net cash generated from operating activities	(A)	836,016,355	149,410,672
Cash flows from investing activities			
Purchase of fixed assets		(477,015,781)	(1,155,893,275)
Proceeds from sale of fixed assets		270,000	-
Proceeds from sale of investments		6,027,091	
Interest received (net of tax deducted at source)		8,786,666	7,777,655
Net cash (used in) investing activities	(B)	(461,932,024)	(1,148,115,620)
Cash flows from financing activities			
(Decrease) / increase in overdraft facility		(40,015,732)	(16,145,318)
Proceeds from short - term borrowings		-	4,000,000
Proceeds from long - term borrowings		296,229,058	1,411,425,027
Repayment of short - term borrowings		(4,000,000)	-
Repayment of long - term borrowings		(249,035,874)	(190,674,088)
Principal repayment under finance lease		(183,567,516)	(93,596,469)
Payment of finance lease cost		(157,065,924)	(40,142,581)
Payment of interest		(153,079,733)	(148,513,476)
Borrowings from group companies (net)		130,201,360	74,699,961
Repayments of vehicle loan		(737,270)	(917,658)
Net cash (used in) / generated from financing activities		(361,071,631)	1,000,135,398
Net increase in cash and cash equivalents		13,012,700	1,430,450
Cash & cash equivalents at beginning of the year	11	2,861,721	1,431,271
Cash & cash equivalents at end of the year (refer note)	11	15,874,419	2,861,721

Note

Cash and cash equivalents includes cash in hand, current accounts with banks and exchange earners foreign currency accounts aggregating Rs 1,553,975, Rs 918,425 and Rs 13,402,019 (Previous year: Rs 507,387, Rs 488,901 and Rs 1,865,433) respectively

As per our report of even date attached

For B S R & Co.

Chartered Accountants

Firms Registration Number 101248W

Akeel Master

Partner

Membership No. 046768

For and on behalf of the board**Lt. Gen.(Retd.) SJS Saighal**

(Chairman)

P. Rajkumar Menon

(Executive Director)

Ashvin Bhatt

(Chief Financial Officer)

Raakesh D. Soni

(Company Secretary)

Place : Mumbai

Date : 27 May 2010

Place : Mumbai

Date : 27 May 2010

Schedules to the financial statements for the year ended 31 March 2010

(Currency : Indian Rupees)

Background

Global Vectra Helicorp Limited ('the Company') was incorporated in 1998 as a private limited company and was subsequently listed on the stock exchange on 27 October 2006. The Company is listed on the Bombay Stock Exchange Limited and the National Stock Exchange Limited. The Company is mainly engaged in helicopter charter services for offshore transportation, servicing the oil and gas exploration and production sector in India.

1 Significant accounting policies

1.1 Basis of preparation of financial statements

These financial statements are prepared and presented under the historical cost convention, except certain fixed assets which are revalued at fair value in the previous year, on the accrual basis of accounting, and in accordance with the relevant provisions of the Companies Act, 1956 ('the Act') and the accounting principles generally accepted in India and comply with the Accounting Standards (AS) prescribed by the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards ('NACAS') and relevant pronouncements of the Institute of Chartered Accountants of India ('ICAI') to the extent applicable. The financial statements are presented in Indian rupees.

1.2 Going concern

The Company's net worth (excluding revaluation reserve) stands partially eroded as at 31 March 2010. However, the financial statements have been prepared on a going-concern basis based on a letter of support from its major shareholders stating that they 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.

Accordingly, these financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or to amounts and classification of liabilities that may be necessary if the entity is unable to continue as a going concern.

1.3 Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and estimates and assumptions used in the accompanying financial statements are based upon management evaluation of the relevant facts and circumstances as of the date of the financial statement. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

1.4 Fixed assets and depreciation / amortisation

Fixed assets are stated at cost of acquisition or revalued amounts, as the case may be, less accumulated depreciation/ amortisation and impairment losses, if any. Cost comprises of purchase price and any other attributable costs such as freight, duties and taxes (to the extent not recoverable from tax authorities), borrowing costs and expenses incidental to acquisition, installation of the asset up to the time the assets are ready for their intended use.

Depreciation on fixed assets except leasehold improvements is provided on straight line basis at the rates prescribed under Schedule XIV of the Act which is management's opinion, reflects the estimated useful economic lives of fixed assets. Leasehold improvements in the nature of hangar and administrative building are amortised over the primary lease period.

Major component parts of a helicopter which require replacement at regular intervals are identified and depreciated separately over their respective estimated remaining useful life. Accordingly, rotor heads are segregated from the helicopters are depreciated over 5,000 hours, being their estimated useful life.

Assets individually costing up to Rs 5,000 are depreciated fully in the year of their purchase.

Where depreciable assets are revalued, the additional depreciation on accretion to assets on revaluation is provided over the remaining useful life of the asset. The additional depreciation on the revalued amount is transferred from the revaluation reserve to the profit and loss account.

Advance paid/ expenditure incurred on acquisition/ construction of fixed assets which are not ready for their intended use at each balance sheet date are disclosed under capital work in progress.

1.5 Impairment of assets:

Where there is an indication of impairment of the Company's assets, the Company estimates the recoverable amount of the asset or a group of assets. The recoverable amount of the asset (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. In assessing value in use, the estimated future cash flows are discounted to the present values based on an appropriate discount factor. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and

the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

1.6 **Investments:**

Long term investments are carried at cost less any other-than-temporary diminution in value, determined separately for each investment. Current investments are carried at the lower of cost or fair value. The comparison of cost and fair value is done separately in respect of each category of investment. Profit or loss on sale of investments is determined on the basis of weighted carrying amount of investment disposed.

1.7 **Maintenance expenditure**

Helicopter maintenance checks including overhaul and repairs and maintenance that are required to be performed at regular intervals as enforced by the Director General of Civil Aviation (DGCA) and in accordance with the maintenance programme laid down by the manufacturers are debited to the profit and loss account as and when incurred.

1.8 **Inventories**

Inventories comprising of consumables, spare and shop supplies, are valued at lower of cost and net realizable value. Cost is determined on the basis of specific identification method. Cost of inventory comprises of all cost of purchase and other incidental cost incurred in bringing the inventories to their present location and condition.

1.9 **Revenue recognition**

Service income, including income from operation and maintenance contracts and reimbursement of expenses is recognized as and when services are rendered in accordance with the terms of the specific contracts, net of all contractual deductions. Revenue is recognised net of all taxes and levies.

Interest income is recognised on time proportion basis.

1.10 **Employee benefits**

(a) **Short term employee benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and short term compensated absences, etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service.

(b) **Post employment benefits**

Defined contribution plans:

The Company makes specified monthly contributions towards employee provident fund and employees' state insurance corporation ('ESIC'). The Company's contribution paid / payable under the scheme is recognised as an expense in the profit and loss account during the period in which the employee renders the related service.

Defined benefit plan:

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation at the balance sheet date using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

Actuarial gains and losses are recognized immediately in the profit and loss account.

(c) **Long term employment benefits:**

The Company's net obligation in respect of long-term employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method and is discounted to its present value and the fair value of any related assets is deducted. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

1.11 **Foreign currency transactions**

Foreign exchange transactions are recorded at the spot rates on the date of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the profit and loss account of the year, except for exchange fluctuations arising on settlement of long term foreign currency monetary assets or liabilities.

Exchange differences arising on settlement of long term foreign currency monetary assets or liabilities are adjusted to the cost of the specifically identifiable assets 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.

Restatement at reporting date

a) **Short term foreign currency monetary assets and liabilities**

Short term foreign currency monetary assets and liabilities denominated in foreign currency are translated at the

year end at the closing exchange rate and the resultant exchange differences are recognized in the profit and loss account.

A monetary asset or liability denominated in foreign currency is designated as a short term monetary asset or liability if the original term at the time of origination of the asset or liability is less than 12 months.

b) Long term monetary assets and liabilities

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 foreign currency 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. All long term monetary assets or liabilities denominated in foreign currency are specifically identifiable with depreciable assets and hence no accumulation of exchange differences is made in the foreign currency monetary item translation difference account.

A monetary asset or liability denominated in foreign currency is designed as a long term monetary asset or liability if the original term at the time of origination of the asset or liability is more than 12 months.

1.12 Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are treated as direct cost and are considered as part of cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred. Exchange fluctuations to the extent covered under paragraph 4 (e) of AS 16 – 'Borrowing cost' are classified as borrowing cost and disclosed accordingly.

1.13 Taxation

Income tax comprises of current tax and deferred tax.

Current taxes

Current tax provision is made annually based on the tax liability computed in accordance with provisions of the Income tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowance and exemptions.

Deferred taxes

Deferred tax liability or asset is recognized for timing differences between the profits/losses offered for income taxes and profits/losses as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that they will be realized in future; however, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reassessed for the appreciation of their respective carrying values as at each balance sheet date.

1.14 Leases

Lease rentals in respect of assets acquired under operating lease are charged off to the profit and loss account on a straight line basis with reference to the lease term and other contractual consideration as incurred. Lease under which the Company assumes substantially all the risks and rewards of ownership are classified as finance lease. Such assets acquired on or after 1 April 2001 are capitalized at fair value of the assets or present value of the minimum lease payments at the inception of the lease, whichever is lower. A corresponding amount is recorded as a lease liability. The principal amount in the lease rentals paid is adjusted against the lease liability and the balance charged to the profit and loss account as finance cost.

1.15 Earnings per share ('EPS')

Basic EPS are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year except where the result would be anti dilutive.

1.16 Provisions and contingencies

The Company creates a provision where there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Contingent assets are not recognized in the financial statements.

1.17 Derivatives

In compliance with the announcement dated 29th March, 2008 by ICAI regarding Accounting for Derivatives, the loss arising out of marking each class of derivative contracts to market price is recognised in the Profit and Loss Account. Income, if any, arising out of marking each class of derivative contracts to market price is not recognised in the Profit and Loss Account

Schedules to the Financial Statements as at 31 March 2010

Particulars	Amount in Rupees	
	31 March 2010	31 March 2009
2 Share Capital		
Authorised		
25,000,000 (previous year : 25,000,000) equity shares of Rs 10 each	250,000,000	250,000,000
70,00,000 (previous year : NIL) - 11% Non convertible cumulative redeemable preference shares of Rs 100 each	700,000,000	-
Issued, subscribed and paid up		
14,000,000 (previous year : 14,000,000) equity shares of Rs 10 each, fully paid up	140,000,000	140,000,000
	140,000,000	140,000,000
Of the above :		
- 3,200,000 (previous year : 3,200,000) equity shares of Rs 10 each were allotted as fully paid up bonus shares by utilisation of reserves and surplus of Rs 32,000,000 (previous year : Rs 32,000,000).		
- 2,800,000 (previous year : 2,800,000) equity shares of Rs 10 each were allotted as fully paid up pursuant to the initial public offer.		
- 6,719,950 (previous year: 6,719,950) equity shares of Rs 10 each, fully paid up, are held by Vectra Investments Private Limited and 3,780,000 (previous year : 3,780,000) equity shares of Rs. 10 each, fully paid up, are held by Azal Azerbaijan Aviation Limited, promoter companies		
3 Reserves and surplus		
Securities premium account	441,226,336	441,226,336
Revaluation reserve		
At the commencement of the year	918,982,914	-
Revaluation of helicopters during the year	-	924,551,110
Depreciation for the year on account of revaluation of helicopters	(66,818,352)	(5,568,196)
Accelerated depreciation on assets (refer note 2 and 3 to schedule 7)	(91,325,806)	
	760,838,756	918,982,914
Profit and loss account		
At the commencement of the year	-	143,906,123
Effect of transitional provisions on		
- availing the option to capitalise exchange fluctuation as provided under para 46 of AS 11 - The effect of changes in foreign exchange rates	-	(143,906,123)
	1,202,065,092	1,360,209,250

Schedules to the Financial Statements as at 31 March 2010

Particulars	Amount in Rupees	
	31 March 2010	31 March 2009
4 Secured loans		
Loans and advances from banks		
Term loan (refer note 1)	-	18,750,000
(Term loan is repayable over a period of four years commencing from October 2005. Amount repayable within one year NIL (previous year Rs : 18,750,000))		
External commercial borrowings ('ECB') (refer note 1)	420,561,471	591,397,323
(ECB of JPY 557,750,000 (previous year : JPY 557,750,000) is repayable in sixteen quarterly installments commencing at the end of fifteen months from 28 May 2007 and ECB of JPY 894,404,000 (previous year: JPY 894,404,000) is repayable in twenty seven quarterly installments commencing from 19 March 2009. Amount repayable within one year Rs 116,819,702 (previous year : Rs 118,756,879))		
Cash credit and overdraft facilities (refer note 1) (Repayable on demand)	236,093,342	276,109,074
Vehicle finance loans (refer note 2)	259,483	996,753
(Amount repayable within one year Rs. 259,483 (previous year: Rs. 714,072))		
Loans and advances from financial institutions		
Export Development Canada (refer note 3)	604,244,604	759,962,175
(ECB of USD 15,298,300 (previous year: USD 15,298,300) is repayable in forty quarterly installments commencing from 16 January 2009). Amount repayable within one year Rs 69,064,200 (previous year : Rs 77,944,839)		
Other loans and advances		
SREI Infrastructure Finance Limited (refer note 4)	304,249,806	349,220,744
(repayable in five years for 70% of principal amount and bullet repayment of balance 30% at the end of five years. Amount repayable within one year Rs 54,435,232 (previous year :Rs.54,830,300))		
Interest accrued and due on the above	10,115,340	1,691,055
Loan cum letter of credit (refer note 5)	296,229,058	-
(Loan from SREI Infrastructure Finance Limited repayable in 48 monthly installments. Amount repayable within one year Rs.67,885,826/- (previous year : NIL))		
Interest accrued and due on loan cum letter of credit	1,881,077	-
Finance lease obligations (refer schedule 28)	1,824,928,292	2,276,773,422
Interest accrued and due on finance lease obligations	362,864,420	392,453,584
	4,061,426,893	4,667,354,130

Notes :

- 1) Secured by a pari-passu charge of the following:
 - a) Exclusive charge over three (previous year : three) bell helicopters and one (previous year : one) eurocopter helicopter.
 - b) Specific assignment of book debts relating to four (previous year : four) helicopters being charged.
 - c) Security margin equivalent to a fixed deposit of Rs 6,250,000 (previous year: Rs 6,250,000).
 - d) Hypothecation of stock / inventory and book debts.
- 2) Secured by hypothecation of vehicle acquired under the loan.
- 3) Secured by exclusive charge over two (previous year : two) helicopters.
- 4) Secured by specific assignment of book debts and exclusive charge over two (previous year : two) helicopters.
- 5) Exclusive charge over two (previous year: nil) eurocopter helicopters.

Schedules to the Financial Statements as at 31 March 2010

Particulars	Amount in Rupees	
	31 March 2010	31 March 2009
5 Unsecured loans		
From banks		
Short term loan from a bank (refer note 1)	25,000,000	29,000,000
Other loans		
Loan from other companies		
- repayable within one year Rs. 207,716 (previous year : Rs 4,214,185) (refer note 2)	207,716	4,214,185
- Interest accrued and due on above	-	2,014,388
Loan from group companies		
- repayable within one year Rs 238,013,220 (previous year : Rs 107,811,858) (Refer Note 3)	238,013,220	107,811,860
	263,220,936	143,040,433
Note :		
1) The short term loan from a bank is backed by a personal guarantee of a non-executive promoter director of the Company.		
2) The Loan from a company is backed by stand by letter of credit issued by Vectra Limited.		
3) The Company had incurred various expenses pertaining to spare parts purchase and helicopter maintenance, some of which were paid by the group companies directly to the third parties. The said amounts have been converted into loans and will be governed by Reserve Bank of India Circular No. RBI/2004/154/AP(Direct Services) Circular No. 87 dated 17/04/2004.		
6 Deferred tax liabilities (net)		
Deferred tax liabilities		
Arising on account of timing difference in:		
- Lease rentals on assets acquired on finance lease	169,368,637	190,346,937
- Depreciation	279,838,381	219,022,198
	449,207,018	409,369,135
Deferred tax assets (refer note 1)		
Arising on account of timing differences in:		
- Unabsorbed depreciation	392,087,717	287,490,725
- Carry forward business loss	31,212,896	2,036,879
- Provision for doubtful debts and advances	14,762,207	35,024,863
- Provision for impairment losses and downward revaluation of assets	-	68,930,340
- Others (disallowances under section 43B of the Income Tax Act, 1961)	11,144,198	8,160,883
	449,207,018	401,643,690
Net deferred tax liabilities	-	7,725,445

Note

- 1) Due to carry forward losses and consequent absence of virtual certainty of realisation of other assets, deferred tax asset is recognised to the extent of the deferred tax liability since the same is considered to be virtually certain of realisation.

Schedules to the Financial Statements as at 31 March 2010

Schedule 7 : Fixed Assets

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION AMORTISATION AND IMPAIRMENT LOSSES				NET BLOCK	
	As 1 April 2009	Additions during the year	Deductions during the year	As at 31 March 2010	As at 1 April 2009	For the year Impairment loss	Disposals during the year	As at 31 March 2010	As at 31 March 2010	As at 31 March 2009
Building - temporary	7,954,063	-	-	7,954,063	-	-	-	7,954,063	-	-
Hangar and administrative buildings	79,911,279	5,899,891	-	85,811,170	906,552	7,623,459	-	8,530,011	77,281,159	79,004,727
Plant and machinery	16,375,203	7,521,101	-	23,896,304	1,436,474	994,789	-	2,431,263	21,465,041	14,938,729
Furniture and fixtures	27,436,546	381,851	-	27,818,397	3,380,569	1,684,277	-	5,064,846	22,753,551	24,055,977
Helicopters - Owned	2,934,001,208	414,452,925	144,001,999	3,204,452,134	285,435,028	160,733,172	-	446,168,200	2,758,283,934	2,648,566,180
Helicopters - Leased assets	3,614,921,792	47,944,286	479,760,622	3,183,105,456	695,413,671	351,839,741	252,202,099	795,051,313	2,388,054,143	2,919,508,121
Computers	6,631,736	4,172,080	-	10,803,816	2,492,402	1,425,182	-	3,917,584	6,886,232	4,139,334
Vehicles	5,673,813	-	642,530	5,031,283	1,544,439	507,446	200,731	1,851,154	3,180,129	4,129,374
	6,692,905,640	480,372,134	624,405,151	6,548,872,623	998,563,198	524,808,066	252,402,830	1,270,968,434	5,277,904,189	5,694,342,442
(Previous year figures)	4,050,288,854	1,744,957,045	-	6,692,905,640	522,195,355	300,463,270	-	998,563,198	5,694,342,442	-
Capital work in progress, including capital advances									3,844,868	7,201,221
(refer note 2 below)										

Notes:

- 1) Helicopters leased assets includes helicopters obtained under a finance lease and does not include helicopters obtained under operating lease.
- 2) Helicopter leased assets includes one helicopter (WDV as at 31 March 2010 aggregates Rs. 89,955,166) earmarked by management for return to the lessor pursuant to managements intent to do so and advanced negotiations with the lessor for foreclosure of the said lease. Accordingly management has revalued the estimated useful life of the said asset and charged accelerated depreciation aggregating Rs. 104,541,945 to the profit and loss account as accelerated depreciation and reversed the revaluation reserve arising out of upward revaluation in the previous years aggregating Rs. 72,762,368/-.
- 3) Helicopter leased assets include one helicopter (WDV as at 31 March 2010 aggregates Rs 79,202,939) for which the company has entered into an agreement to sell subject to all conditions and titles being transferred to the company. Accordingly management has reassessed the estimated useful life of the said asset and charged accelerated depreciation aggregating Rs 32,527,585 to the profit and loss account and reversed revaluation reserve arising out of upward revaluation in the previous years aggregating Rs.25,710,281.
- 4) Deductions during the year include:
 - a) Adjustment to the historical cost of helicopters (owned and leased) financed by long term foreign currency monetary liabilities aggregating to Rs 343,445,115/- (previous year 272,831,393) is recorded under deletions during the year (previous year: recorded under additions). This adjustment is made pursuant to the option available under paragraph 46 of AS11 Effects of changes in foreign exchange rates inserted vide notification no. GSR(E) 225 dated 31st March 2009 (Refer Schedule 1.10 and Schedule 2 to the financial statements)
 - b) During the year ended 31 March 2009, pursuant to the Company's decision to revalue helicopters (owned and leased) an amount aggregating Rs 924,551,109 (previous year : Nil) has been added on revaluation and Rs 26,891,368 (previous year: Nil) has been reduced on revaluation during the year. The revalued amount substituted for the historical cost as on 31 March 2009 aggregated Rs 5,279,439,000.
 - 5) Depreciation charge has been disclosed as under:

	31 March 2010	31 March 2009
Depreciation charge for the year	524,808,066	300,463,270
Amount withdrawn from revaluation reserve	158,144,158	5,568,196
As per the profit and loss account	<u>366,663,908</u>	<u>294,895,074</u>

Schedules to the Financial Statements as at 31 March 2010

Particulars	Amount in Rupees	
	31 March 2010	31 March 2009
8 Investments		
Current Investments , at cost or fairvalue whichever is lower		
In Mutual Funds (quoted)		
Nil Units (previous year : 22,746.5679) Units of Kotak Mutual Funds- Balance Fund	-	490,637
	-	490,637
Book Value of quoted investments	-	500,000
Market Value of quoted investments	-	490,637
Nil (previous year : Nil) Units purchased during the year	-	-
22,772.19 (previous year : Nil) Units sold during the year	-	-
9 Inventories (at cost)		
Consumables, spares and shop supplies	122,540,614	97,376,015
	122,540,614	97,376,015
10 Sundry debtors		
<i>Unsecured</i>		
Debts outstanding for a period exceeding six months		
- Considered good	168,982,974	283,212,087
- Considered doubtful	43,431,030	96,432,249
	212,414,004	379,644,336
Other debts		
- Considered good	351,622,678	380,941,308
- Considered doubtful	-	-
	351,622,678	380,941,308
Less: Provision for doubtful debts	43,431,030	96,432,249
	520,605,652	664,153,395
Included in debtors are debts due from companies under the same management		
Vectra Limited, UK	47,861,588	29,046,873
Indicopters Private Limited (formerly known as Vectra Aviation Pvt. Ltd.)	35,955	35,955
Maximum amount outstanding at any time during the year		
Vectra Limited, UK	47,861,588	29,046,873
Indicopters Private Limited (formerly known as Vectra Aviation Pvt. Ltd.)	35,955	35,955
11 Cash and bank balances		
Cash in hand	1,553,975	507,387
Balance with scheduled banks		
- in currents accounts	918,425	488,901
- in exchange earners' foreign currency account	13,402,019	1,865,433
- in deposit accounts	834,316	6,370,770
	16,708,735	9,232,491

Amounts with scheduled banks in deposit accounts have been pledged with banks as security for credit facilities obtained

Schedules to the Financial Statements as at 31 March 2010

Amount in Rupees

Particulars	31 March 2010	31 March 2009
12 Current assets, loans and advances		
Loans and advances		
<i>Unsecured</i>		
Advances recoverable in cash or in kind or for value to be received		
Other than suppliers		
- Considered good	132,597,273	88,081,622
- Considered doubtful	2,789,978	-
	<u>135,387,251</u>	<u>88,081,622</u>
Advances to Suppliers		
- Considered good	47,554,279	39,361,149
- Considered doubtful	6,612,363	6,612,363
	<u>54,166,642</u>	<u>45,973,512</u>
	189,553,893	134,055,134
Less: Provision for doubtful advances	<u>9,402,341</u>	<u>6,612,363</u>
	180,151,552	127,442,771
<i>Unsecured, considered good</i>		
Tax deducted at source		
(net of provision for tax of Rs. 21,174,204 (previous year: Rs. 32,510,033))	132,386,651	115,425,236
Interest receivable	-	1,444,631
Prepaid expenses	63,141,048	57,485,164
Sundry deposits	98,608,582	85,247,398
Inter corporate deposit	66,650,220	66,650,220
	<u>540,938,053</u>	<u>728,418,051</u>
Included in		
a) Amounts recoverable in cash or kind for value to be received include amounts recoverable from companies under the same management as defined under Section 370 (1B) of the Act		
Vectra Limited,UK	58,504,153	58,367,057
Vectra Limited- Hongkong	8,036,236	9,150,837
Maximum amount outstanding at any time during the year		
Vectra Limited,UK	58,504,153	58,367,057
Vectra Limited- Hongkong	9,150,837	433,974,275
b) Sundry deposits include security deposits placed for helicopters with companies under the same management as defined under section 370 (1B) of the Act:		
Vectra Limited,UK	46,042,800	51,969,000
Maximum amount outstanding at any time during the year		
Vectra Limited,UK	51,969,000	53,101,200

Schedules to the Financial Statements as at 31 March 2010

Particulars	Amount in Rupees	
	31 March 2010	31 March 2009
13 Current liabilities		
Sundry creditors (refer note 1)	602,988,559	638,005,652
Advances from customers	80,609,254	96,036,065
Interest accrued but not due	3,370,007	14,651,521
Securities deposits	77,334,222	61,278,217
Other current liabilities	499,763,095	332,054,672
Share application money payable	27,000	27,000
Derivative Liabilities /(Assets)	17,855,548	-
	<u>1,281,947,685</u>	<u>1,142,053,127</u>
Note		
1) On the basis of the information and records available with the management, there are no outstanding dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.		
14 Provisions		
Fringe benefit tax (net of advance tax of Rs. Nil (previous year: Rs. 4,870,000.	281,688	5,346,105
Gratuity (refer schedule 24)	14,584,556	13,657,336
Long term compensated absences (refer schedule 24)	2,271,055	4,352,542
Short term compensated absences	3,988,722	4,927,490
	<u>21,126,021</u>	<u>28,283,473</u>
15 Other operating income		
Maintenance, repairs and overhaul	9,756,986	7,321,530
Reimbursement of expenses	1,084,585	7,924,648
	<u>10,841,571</u>	<u>15,246,178</u>
16 Other income		
Interest income		
- banks (tax deducted at source Rs 6,915 (previous year: Rs 337))	73,590	4,435
- others (tax deducted at source Rs 749,270 (previous year: Rs 959,279))	7,268,445	5,667,071
Forfeiture of deposit received for sale of helicopters	-	16,413,001
Provision for bad debts written back	17,300,000	-
Exchange gain	134,249,463	-
Miscellaneous income	-	3,203,768
	<u>158,891,498</u>	<u>25,288,275</u>

Schedules to the Financial Statements as at 31 March 2010

Particulars	Amount in Rupees	
	31 March 2010	31 March 2009
17 Service costs		
Helicopter spares consumption and maintenance	112,361,835	118,729,989
Maintenance, repairs and overhaul charges	266,046,810	224,166,054
Aviation fuel for helicopters	178,522,223	257,012,228
Lease rentals (operating leases - helicopters)	221,283,124	214,742,254
Insurance charges	91,805,850	82,996,727
Parking, landing and passenger service fees	31,298,336	21,705,824
Other service costs	29,725,819	43,908,161
	931,043,997	963,261,237
18 Personnel costs		
Salaries, wages and bonus (including contractual employees' costs)	522,243,062	563,284,843
Contribution to provident and other funds	5,384,232	11,736,149
Staff welfare expenses	18,673,957	17,995,669
	546,301,251	593,016,661
19 General and administrative expenses		
Traveling and conveyance	99,678,508	85,836,229
Legal and professional fees	19,422,961	32,096,845
Auditors' remuneration (refer schedule 22 (b))	2,741,542	3,051,190
Directors sitting fees	470,000	170,000
Training expenses	31,435,631	9,228,420
Lease rent	13,720,354	18,107,416
Communication expenses	6,160,630	4,873,969
Car rentals	9,927,113	7,389,256
Telephone expenses	3,166,983	5,023,085
Repairs and maintenance		
- buildings	-	2,034,327
- plant and machinery	203,556	212,023
- others	6,798,461	6,944,884
Electricity expenses	8,706,984	8,111,127
Printing and stationery	3,718,066	2,991,323
Advertisement	898,116	216,150
Rates and taxes	17,848,733	1,382,178
Other Expenses	5,006,809	3,284,867
Provision for doubtful debts and advances	5,552,504	49,070,595
Bad debts written off (refer schedule 30)	157,458,932	-
Loss on sale of fixed assets	4,439,351	-
Mark to market loss on derivative contracts	17,855,548	
Exchange loss	-	156,371,653
Miscellaneous expenses	22,874,531	1,504,853
	438,085,313	397,900,390

Note

- 1) Exchange loss includes an amount aggregating Rs Nil (previous year : 2,234,123) on account of transitional provisions under paragraph 46 of AS 11.

Schedules to the Financial Statements as at 31 March 2010

Amount in Rupees

Particulars	31 March 2010	31 March 2009
20 Finance cost		
Interest		
- term loan	53,859,775	49,992,959
- external commercial borrowings	30,441,821	65,672,460
- cash credit and overdraft facility	27,893,264	35,819,058
- others	37,179,430	34,077,379
Finance lease cost	204,742,590	360,487,799
Bank charges and commission	15,162,283	10,545,248
Facility advisory fees	15,424,749	3,894,129
	<u>384,703,912</u>	<u>560,489,032</u>
21 Commitments and contingent liabilities		
(a) Commitments		
Estimated amount of contracts remaining to be executed on capital account net of advances	-	540,204,150
On account of contractual commitments with lessors	-	16,367,392
		<u>556,571,542</u>
(b) Contingent liabilities		
Claims against the Company not acknowledged as debts		
Employee related	1,552,354	1,157,924
Demands in respect of which appeals are in the process of being filed		
- Customs duty related (refer note 1)	262,195,030	262,195,030
	<u>263,747,384</u>	<u>263,352,954</u>
Note		
1 Includes duty paid under protest aggregating Rs 53,826,044 (previous year: Nil)		
22 Supplementary statutory information		
(a) Particulars of managerial remuneration		
Salaries	18,578,528	20,181,478
Ex-gratia	283,667	710,698
Perquisites	1,523,357	2,709,810
Directors' sitting fees	470,000	170,000
Remuneration to Directors' (non executive)	93,750	375,000
	<u>20,949,302</u>	<u>24,146,986</u>

Managerial remuneration excludes provisions for/ contribution to gratuity and leave encashment, which are based on actuarial valuation determined for all employees, including Directors, as a whole.

During the year, the remuneration paid/payable to two Whole Time Directors and one chief executive officer has exceeded the limits prescribed under the Act by Rs 4,542,698 (previous year: Rs 7,095,524). The Company has applied to the Central Government for approval of the excess remuneration.

Computation of net profit in accordance with Section 349 of the Act has not been given, as commission by way of percentage of profits is not payable for the year to the directors.

(b) Auditors remuneration (inclusive of service tax)

Audit fees	1,599,350	1,599,350
Other services	905,047	1,103,000
Out of pocket expenses	237,145	348,840
	2,741,542	3,051,190

(c) Expenditure, earnings in foreign currency**(i) Expenditure in foreign currency (on accrual basis)**

- Lease rentals	194,617,530	160,538,629
- Helicopter spares consumption overhaul and maintenance	230,745,033	215,722,131
- Training expenses	30,530,017	8,174,688
- Interest – finance lease	197,710,044	267,807,590
- Interest	31,005,316	34,136,643
- Expat salaries	90,214,246	111,818,343
- Legal and professional fees	4,089,793	4,858,963
- Insurance charges	10,541,787	7,382,990
- Travelling and conveyance	457,642	182,535
- Miscellaneous expenses	11,868	17,068
- Bank charges	22,488	188,343
- Technical and engineering services	-	6,443,763

(ii) Earnings in foreign currency (on accrual basis)

- Forefiture of deposit received for sale of helicopters	-	16,413,001
- Revenue	1,373,328,412	1,416,131,926

(d) Details of imported and indigenous spare parts and components consumed

	31 March 2010		31 March 2009	
	Value	% of total consumption	Value	% of total consumption
Imported	102,249,270	91	110,418,890	93
Indigenous	10,112,565	9	8,311,099	7
	<u>112,361,835</u>	<u>100</u>	<u>118,729,989</u>	<u>100</u>

(e) Value of imports on CIF basis (excluding leased assets)

	31 March 2010	31 March 2009
Spare parts and components	95,602,631	101,748,590
Capital spares	53,071,314	34,198,692
Capital goods (helicopters)	409,325,897	1,322,239,819
	<u>557,999,842</u>	<u>1,458,187,101</u>

23 Segment reporting

The Company is engaged in providing helicopter services in India, which is considered as one business segment. The segment reporting based on geographical risk factor which may be present in different countries is also not applicable, as the Company provides helicopter services only in the domestic market. Hence, there are no separate reportable segments, as required by the Accounting Standard 17 on "Segment Reporting" as prescribed by the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards.

24 Disclosure pursuant to Accounting Standard – 15 'Employee Benefits'

i Contribution to provident fund and ESIC

Amount of Rs 2,922,189 (previous year: Rs 2,437,268) is recognized as an expense and included in "Personnel cost".

ii Defined benefit plan and long term employment benefit

a General description

Gratuity (Defined benefit plan)

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of services gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service.

Leave wages (Long term employment benefit)

Eligible employees can carry forward leave with a maximum accumulation of thirty (30) days. All leave balances in excess of thirty (30) days at the end of the calendar year are compulsorily encashed on the basis of basic salary last drawn. Leave wages are also payable to all eligible employees at the rate of daily basic salary on accumulated leave at the time of death / resignation / retirement or on attaining superannuation age.

Sick leave (Long term employment benefit)

The sick leave is not encashable and can be accumulated till 90 days for employees other than pilots, whose leave balance will lapse at the end of the year.

(b) Amounts for the current period are as follows

	Gratuity			Leave encashment (inclusive of sick leave)		
	31 March 2010	31 March 2009	31 March 2008	31 March 2010	31 March 2009	31 March 2008
i Change in the present value of the defined benefit obligation:						
Defined benefit obligation at the beginning of year	15,325,241	13,076,976	7,979,189	4,352,542	2,587,311	396,126
Interest cost	1,187,706	1,046,158	638,335	322,914	185,130	24,898
Current service cost	3,902,454	4,397,419	3,101,232	659,453	972,526	1,705,979
Benefit paid	(1,169,451)	-	(350,000)	(467,566)	(488,560)	(1,388,483)
Actuarial (gain)/loss on obligation	(2,851,716)	(3,195,312)	1,708,220	(2,596,288)	1,096,135	1,848,791
Defined benefit obligation at the end of year	16,394,233	15,325,241	13,076,976	2,271,055	4,352,542	2,587,311

ii Change in fair value of plan assets:

Fair value of plan assets at the beginning of year	1,667,905	1,537,240	1,416,811	-	-	-
Expected return on plan assets	129,263	122,979	113,345	-	-	-
Contribution by employer	-	-	350,000	467,566	488,560	1,388,483
Benefit paid	-	-	(350,000)	(467,566)	(488,560)	(1,388,483)
Actuarial gain on plan assets	12,509	7,686	7,084	-	-	-
Fair value of plan assets at the end of year	1,809,677	1,667,905	1,537,240	-	-	-

iii Actual return on plan assets

Expected return on plan assets	129,263	122,979	113,345	-	-	-
Actuarial gain on plan assets	12,509	7,686	7,084	-	-	-
Actual return on plan assets	141,772	130,665	120,429	-	-	-

iv Amount recognised in balance sheet

Liability at the end of year	16,394,233	15,325,241	13,076,976	2,271,055	4,352,542	2,587,311
Fair value of plan assets at the end of the year	(1,809,677)	(1,667,905)	(1,537,240)	-	-	-
Difference	14,584,556	13,657,336	11,539,736	2,271,055	4,352,542	2,587,311
Amount recognised in the balance sheet	14,584,556	13,657,336	11,539,736	2,271,055	4,352,542	2,587,311

v Expense recognised in profit and loss account

Current service cost	3,902,454	4,397,419	3,101,232	659,453	972,526	1,705,979
Interest cost on benefit obligation	1,187,706	1,046,158	638,335	322,914	185,130	24,898
Expected return on plan assets	(129,263)	(122,979)	(113,345)	-	-	-
Net actuarial (gain)/ loss in the year	(2,864,226)	(3,202,998)	1,701,136	(2,596,288)	1,096,135	1,848,791
Expenses recognized in profit and loss account	2,096,671	2,117,600	5,327,358	(1,613,921)	2,253,791	3,579,668

vi Balance sheet reconciliation

Opening net liability	13,657,336	11,539,736	6,562,378	4,352,542	2,587,311	396,126
Expenses as above	2,096,671	2,117,600	5,327,358	(1,613,921)	2,253,791	3,579,668
Employer's contribution	(1,169,451)	-	(350,000)	(467,566)	(488,560)	(1,388,483)
Benefit paid	-	-	-	-	-	-
Amount recognized in balance sheet	14,584,556	13,657,336	11,539,736	2,271,055	4,352,542	2,587,311

vii Actuarial assumptions

Experience adjustments						
Planned liabilities (gain)/loss	(2,851,716)	445,744	-	(2,702,699)	(1,608,258)	-
Planned assets gain/(loss)	12,509	-	-	-	-	-
Discount rate	7.75%	7.75%	8.00%	7.75%	7.75%	8.00%
Rate of return on plan assets	7.75%	7.75%	8.00%	7.75%	7.75%	8.00%
Salary escalation	5.00%	5.00%	7.50%	5.00%	5.00%	7.50%

Estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The Company's gratuity fund is managed by Life Insurance Corporation of India. The plan assets under the fund are deposited under approved securities.

25 Related parties

As per Accounting Standard 18 on "Related Party Disclosure" prescribed by the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards, the disclosure of transactions with the related parties as defined in Accounting Standard are given below:

(a) Related parties where control exists

Vectra Investment Private Limited	Parent Company up to 19 October 2006 and a Promoter Company holding 48 %.
Azal Azerbaijan Aviation Limited	Promoter Company.
Ravinder Kumar Rishi	Individual having control at any time during the year.

(b) Other related parties with whom transactions have taken place during the year.

<i>Enterprises in which promoter has significant influence</i>	
Vectra Limited	UK
Vectra Limited	Hongkong
Vectra Advanced Engineering Private Limited	India
Indicopters Private Limited (Earlier known as Vectra Aviation Pvt. Ltd.)	India
Vectra I.T. Solutions Private Limited	India
Global Vectra Helicorp Ireland Limited	Ireland
Vectra Glosec Private Limited	India

(c) Key managerial personnel ('KMP')

Lt. Gen. (Retd.) S J S Saighal	Chairman
Eduard Van Dam	Chief Executive Officer (with effect from 12 November 2008)
P. Rajkumar Menon	Whole-time director
Capt. D.K. Chand	Whole-time director (upto 30 January 2010)
Mr. R.S.S.L.N. Bhaskurudu	Non-executive director
Dr. C.G.K. Nair	Non-executive director
Maj. Gen. (Retd.) Gurdial Singh Hundal	Non-executive director

Nature of the transaction	31 March 2010			31 March 2009		
	Parties where control exists	Enterprises in which the Promoter exercising significant influence	KMP	Parties where control exists	Enterprises in which the Promoter exercising significant influence	KMP
Charter flying income						
Vectra Limited, UK	-	24,086,633	-	-	23,516,992	-
Vectra Limited, Hongkong	-	-	-	-	526,138	-
Helicopter insurance recovery						
Vectra Limited, UK	-	7,088,377	-	-	10,960,043	-
Services obtained						
Indoctors Pvt. Ltd. (Earlier known as Vectra Aviation Pvt. Ltd.)	-	41,777,360	-	-	15,037,717	-
Vectra I.T. Solutions Private Limited	-	4,943,652	-	-	5,022,032	-
Purchase of goods						
Indoctors Private Limited (Earlier known as Vectra Aviation Pvt. Ltd.)	-	12,505,576	-	-	8,712,692	-
Purchase of capital goods						
Indoctors Private Limited (Earlier known as Vectra Aviation Pvt. Ltd.)	-	507,516	-	-	2,675,867	-
Vectra Glosec Private Limited	-	426,613	-	-	3,350,984	-
Operating lease for helicopter						
Vectra Limited, Hongkong	-	6,027,300	-	-	-	-
Azal Azerbaijan Aviation Limited	12,769,133	-	-	-	-	-
Global Vectra Helicorp Ireland Limited	-	-	-	-	13,303,200	-
Initial direct cost (operating lease) paid						
Azal Azerbaijan Aviation Limited	12,387,851	-	-	-	-	-
Interest on finance lease						
Vectra Limited, UK	-	98,930,495	-	-	129,276,136	-
Interest expense on borrowings						
Vectra Limited, UK	-	740,979	-	-	6,500,964	-
Azal Azerbaijan Aviation Limited	35,655	-	-	86,849	-	-
Vectra Limited, Hongkong	-	1,649,373	-	-	-	-
Vectra Investment Private Limited	-	-	-	2,544,978	-	-
Reimbursement of expenses						
Vectra Investment Pvt. Ltd.	266,010	-	-	-	-	-
Indoctors Private Limited (Earlier known as Vectra Aviation Pvt. Ltd.)	-	1,363,029	-	-	-	-
Vectra Limited, UK	-	-	-	-	14,329	-
Vectra Limited, Hongkong	-	-	-	-	1,575,512	-
Loans received (net of repayment)						
Vectra Limited, UK	-	39,825,442	-	-	-	-
Vectra Limited, Hongkong	-	166,252,375	-	-	-	-

Vectra Investment Private Limited	-	-	-	14,150,000	-	-
Loans repaid						
Vectra Limited, UK	-	48,927,423	-	-	24,714,000	-
Vectra Investment Private Limited	24,650,000	-	-	-	-	-
Liability written back						
Global Vectra Helicorp Ireland Limited	83,399,772					
Outstanding amount (Due from)						
<i>Security deposit helicopters</i>						
Vectra Limited, UK	-	46,042,800	-	-	51,969,000	-
<i>Sundry debtors</i>						
Vectra Limited, UK	-	47,861,588	-	-	29,046,873	-
Indocopters Private Limited (Earlier known as Vectra Aviation Pvt. Ltd.)	-	35,955	-	-	35,955	-
<i>Advance receivable in cash or kind</i>						
Vectra Limited, UK	-	58,504,153	-	-	58,367,057	-
Vectra Limited, Hongkong	-	8,036,236	-	-	9,150,837	-
Outstanding amount (Due to)						
<i>Interest payable</i>						
Vectra Investment Private Limited	-	-	-	1,968,286	-	-
<i>Loan outstanding</i>						
Vectra Investment Private Limited	-	-	-	24,650,000	-	-
<i>Buyers credit</i>						
Azal Azerbaijan Aviation Limited	3,626,965	-	-	4,044,976	-	-
Vectra Limited, UK	-	66,484,507	-	-	79,116,882	-
Vectra Limited, Hongkong	-	167,901,748	-	-	-	-
<i>Security deposit helicopters</i>						
Vectra Limited, UK	-	46,042,800	-	-	51,969,000	-
<i>Finance lease loan liability</i>						
Vectra Limited, UK	-	994,687,723	-	-	459,093,028	-
<i>Operating lease payable</i>						
Azal Azerbaijan Aviation Limited	10,659,179	-				
Vectra Limited, Hongkong	-	5,450,400	-	-	-	-
Global Vectra Helicorp Ireland Limited	-	-	-	-	13,303,200	-
<i>Sundry creditors</i>						
Vectra Limited, UK	-	127,729,140	-	-	188,685,995	-
Vectra Limited, Hongkong	-	113,328,927	-	-	239,553,783	-
Indocopters Private Limited (Earlier known as Vectra Aviation Pvt. Ltd.)	-	26,143,929	-	-	9,428,141	-
Vectra I.T. Solutions Private Limited	-	-	-	-	2,219,057	-
Azal Azerbaijan Aviation Limited	41,483,629	-	-	46,835,525	-	-

Vectra Glosec Private Limited	-	-	-	-	1,940,399	-
Vectra Investment Private Limited	-	-	-	603,261	-	-
<i>Key managerial personnel</i>						
Ltd. Gen. (Retd.) S J S Saighal	-	-	2,242,855	-	-	2,297,114
P. Rajkumar Menon	-	-	6,741,011	-	-	6,907,986
Capt. D. K. Chand	-	-	6,042,016	-	-	8,395,368
Eduard Van Dam	-	-	5,359,671	-	-	-
Allan Brown	-	-	-	-	-	358,415
Others	-	-	563,750	-	-	6,188,103
Managerial Remuneration Payable						
Ltd. Gen. (Retd.) S J S Saighal	-	-	128,064	-	-	126,612
P. Rajkumar Menon	-	-	506,960	-	-	371,885
Eduard Van Dam	-	-	203,268	-	-	-
Capt. D. K. Chand	-	-	-	-	-	511,560
Others	-	-	-	-	-	211,796
Personal Gurantee on behalf of the Company						
Ravinder Kumar Rishi	29,000,000	-	-	29,000,000	-	-
	-	-	-	-	-	-
Letter of credit on behalf of the company						
	-	-	-	-	-	-
Vectra Limited UK	-	207,716	-	-	4,214,185	-

26 Foreign exchange currency exposure not covered by forward contracts / other derivative contracts as at 31 March 2010:

Details	USD Exposure		EURO Exposure		Great Britain Pound (GBP) Exposure	
	Indian Rupees	US Dollars	Indian Rupees	EURO	Indian Rupees	GBP
Receivables						
31 March 2010	214,413,391	4,749,964	47,890,512	790,794	-	-
31 March 2009	450,264,424	8,837,378	29,440,977	436,292	-	-
Payables						
31 March 2010	3,173,652,710	70,276,992	554,092,556	9,149,481	286,760	4,215
31 March 2009	3,812,002,225	74,818,493	221,778,013	3,286,574	116,282	1,596
Advances						
31 March 2010	65,517,611	1,451,431	1,225,008	20,228	619,956	9,113
31 March 2009	76,309,453	1,497,732	1,364,985	20,228	663,972	9,113

- 27 The Company has used currency swap to hedge its risk associated with foreign currency borrowings. The details of interest cum currency swaps outstanding at the year end are as follows:

	Number of contracts	Buy Amount (JPY)	INR equivalent
31 March 2010	6	868,211,130	421,804,427
31 March 2009	6	1,140,152,926	591,397,323

As at 31 March 2010, the Company has marked to market ('MTM') the above mentioned interest cum currency swaps and has accounted for the MTM loss of Rs 17,855,548 , (Previous year: Nil) During the year ended 31st March 2009 the company has earned a fair value gain of Rs 23,855,106 the same was not recorded in the books on accounts pursuant to notification issued by the ICAI relating to recognition of gain / loss on derivative contracts.

28 Leases

- (A) The Company has taken helicopters on finance lease. As per Accounting Standard 19 as prescribed by the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards, it is recognized as a Finance Lease Transaction. Disclosures as required by Accounting Standard 19 are as set out below:

	31 March 2010	31 March 2009
The future minimum lease payment on account of these leases are as follows:		
Finance lease	1,317,288,644	2,276,773,422

Finance lease is secured by underlying assets.

The total minimum lease liability for assets obtained on finance lease basis is Rs 1,733,343,814/- (previous year: Rs 3,433,818,221), which includes interest of Rs.416,055,170/- (previous year: Rs1,157,044,799). The maturity profile of finance lease is as follows:

Minimum lease payments

Payable within 1 year	395,358,063	1,304,382,377
Payable between 1-5 years	1,013,571,054	1,532,781,572
Payable beyond 5 years	324,414,697	596,654,272

Present value

Payable within 1 year	244,941,041	659,489,195
Payable between 1-5 years	772,679,715	1,086,431,064
Payable beyond 5 years	299,667,888	530,853,163

Some of the lease agreements provide for incremental lease clause on account of any increase in taxes and any other related and consequential charges levied on these transactions. The lease agreement does not impose any restrictions in respect of payment of dividends, additional debt and further leasing.

- (B) The Company has taken certain helicopters and office/residential premises on non-cancellable operating lease. The tenure of such agreements ranges from 11 months to 120 months.

The future minimum lease payment on account of these leases are as follows:

Not later than one year	245,123,450	288,313,000
Later than one year and not later than five years	506,344,490	945,464,400
Later than five years	40,208,625	393,134,450
Total	791,676,565	1,626,911,850

29 Earnings per share

The computation for earnings per share is set out below:

Profit / (loss) after tax as reported	74,929,721	(562,174,237)
Shares:		
Weighted average number of equity shares outstanding during the year	14,000,000	14,000,000
Earnings per share (in rupees) per share of face value of Rs 10 each	5.35	(40.16)

(Currency: Indian rupees)

30 Liquidated damages levied for delay in mobilisation of helicopters

During the period October 2006 to June 2007, a customer has retained Rs 195,248,803 (previous year Rs 201,398,111) 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 38,000,000 has been accepted as payable to the company. Accordingly, an amount aggregating Rs. 157,248,803 has been written off during the year as bad and no longer receivable.

31 Demand notice issued by the Customs authorities

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 237,924,458 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 262,195,030 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 53,826,044 has been paid as duty under protest during the year ended 31 March 2010.

32 Remuneration paid in excess of the limits specified by the Companies Act, 1956

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 4,542,698 (previous year Rs 7,095,524 to two whole time directors and the Chief Executive Officer). The Company is yet to receive Central Government approval in respect of the same.

33 Treatment of exchange fluctuation

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 2010 aggregating to Rs 343,445,115 (previous year Rs 418,971,639) (net of tax) has been de-capitalised (previous year capitalized) by adjusting the historical cost of the specifically identifiable asset. The above adjustment to the historical cost of the specifically identifiable assets has resulted in reduction in depreciation (previous year: additional depreciation) charge aggregating to Rs 2,117,961 (previous year: Rs 4,604,956). The depreciation charge has been computed on the basis of the remaining useful life of the assets as at the date of the above adjustments. 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 151,134,593 (net of tax) has been adjusted to historical cost of the 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 4,994,347, which is reduced from accumulated depreciation as at 31 March 2009. The net adjustment aggregating Rs.146,140,246 has been made by adjusting the opening balance of reserves and surplus at 1 April 2008 by Rs 146,906,123 and the balance aggregating Rs 2,234,123 has been passed through the profit and loss account

34 Liabilities written back

The Company has obtained a waiver from payment of lease rentals for two helicopters based on their request to the respective lessors for the termination of the lease contracts. Accordingly, liabilities due and remaining unpaid as at 31 March 2009 with respect to equated monthly installements for VT AZL obtained from Venus Projects Limited aggregating Rs 112,467,849 and operating lease charges for VT GVC obtained from Global Vectra Helicorp Ireland Limited aggregating Rs 4,475,822 have been reversed in the books of account and passed through the profit and loss account. Subsequently the Company has returned the two helicopters to its respective lessors.

35 Revaluation of assets

During the previous year ended 31 March 2009, the Company has, in order to reflect the current reinstatement cost/market value of its assets, revalued all of its 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 924,551,109 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 66,818,352 (previous year: 5,568,196) has been passed through the profit and loss account with an equivalent withdrawal from the revaluation reserve to the profit and loss account.

Further on account of the revaluation of assets during the previous year ended 31 March 2009, an adjustment (reduction) aggregating Rs 26,819,368 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 and loss account

36 Reclassification of exchange fluctuation as borrowing cost

During the year ended 31 March 2010, applicability of paragraph 4(e) of Accounting Standard 16' Borrowing Cost has resulted in exchange differences on restatement of foreign currency monetary liabilities aggregating Rs 10,935,680 (previous year: Rs. 124,882,132) to be reclassified as finance cost. Consequently the interest on term loan and finance lease cost is higher by Rs 6,588,849 (previous year: Rs 42,711,510) and Rs 4,346,832 (previous year: Rs 82,170,621) respectively and loss on exchange fluctuation is lower by Rs 10,935,680 (previous year: Rs 124,882,132).

37 Transfer Pricing

The Company's international transactions with related parties are at arms length as per the independent accountants report for the year ended 31 March 2009. Management believes that the Company's international transactions with related parties post 31 March 2009 continue to be at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expenses and that of provision of taxation. Management is in the process of obtaining the transfer pricing study/report for the year ended 31 March 2010.

38 Recoverables from customers

During the year ended 31 March 2010, certain customers of the Company have disputed taxes levied for the services rendered aggregating Rs 84,503,378. The Company has initiated proceedings for recoveries of these amounts and is confident of recovery of these sums.

39 Prior year figures

Previous year's figures have been regrouped / rearranged wherever necessary to conform to current year's presentation.

For and on behalf of the board of directors

Lt. Gen. (Retd.) SJS Saighal
Chairman

P. Rajkumar Menon
Whole-time Director

Ashvin Bhatt
Chief Financial Officer

Raakesh D. Soni
Company Secretary

Mumbai
27 May 2010

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS PER AMENDMENT IN SCHEDULE VI TO THE COMPANIES ACT, 1956 [F. NO. 3/24/94-CLV(A)] DATED 15TH MAY, 1995 MINISTRY OF LAW

1. REGISTRATION DETAILS

Registration No. **93225** State Code **55**
 Balance Sheet Date **3 1 0 3 2 0 1 0**
 Date Month Year

2 CAPITAL RAISED DURING THE YEAR (Amount in Rs Thousand)

Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

3 POSITION OF MOBILIZATION AND DEPLOYMENT OF FUNDS (Amount in Rs Thousand)

Total Liabilities	6,969,787	Total Assets	6,969,787
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SOURCES OF FUNDS

Paid up Capital	140,000	Reserves and Surplus	1,202,065
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SHARE APPLICATION MONEY

Secured Loans	4,061,427	Unsecured Loans	263,221
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Deferred Tax Liability (net)	-	Net Current Assets	(102,281)
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APPLICATION OF FUNDS

Net Fixed Assets	5,281,749	Investments	NIL
Misc. Expenditure	NIL	Accumulated Losses	NIL

4 PERFORMANCE OF COMPANY (Amount in Rs Thousand)

Turnover	2,617,082	Total Expenditure	2,666,798
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<input checked="" type="checkbox"/> + <input type="checkbox"/> -	Profit Before Tax	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	Profit After Tax
	67,227		74,930

(Please tick appropriate box + for Profit - for Loss)

Earning per share in Rs (Basic and diluted)	5.35	Dividend	NIL
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5 GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY AS PER MONETARY TERMS

Item Code No. (ITC Code)	<input type="text"/>
Product Description	CHARTER HIRE OF HELICOPTERS
Item Code No. (ITC Code)	<input type="text"/>
Product Description	<input type="text"/>
Item code No. (ITC Code)	<input type="text"/>
Product Description	<input type="text"/>

For and on behalf of the board of directors

Lt. Gen. (Retd.) SJS Saighal
Chairman

P. Rajkumar Menon
Whole-time Director

Ashvin Bhatt
Chief Financial Officer

Raakesh D. Soni
Company Secretary

Mumbai
27 May 2010



Regd. Office: A-54, Kailash Colony, New Delhi – 110 048.
Tel. : 91-11-2923 5035

ATTENDANCE SLIP

To be handed over at the entrance of the meeting hall

Full Name of the member attending. _____

Full Name of the First Joint-holder _____

(To be filled in if first named joint-holder does not attend the meeting)

Name of Proxy _____

(To be filled in if Proxy Form has been duly deposited with the Company)

I hereby record my presence at the TWELVE ANNUAL GENERAL MEETING of the Company at ISKON Temple, Complex Hare Krishna Hill, Sant Nagar Main Road, East of Kailash, New Delhi – 110 065 on Thursday, 16th day of September, 2010 at 2.30 p. m.

DP ID	_____
--------------	-------

No. of Shares	_____
----------------------	-------

Client ID	_____
------------------	-------

Regd. Folio No.	_____
------------------------	-------

Member's / Proxy's Signature _____

(To be signed at the time of handing over this slip)

Tear here

Tear here



Regd. Office : A-54, Kailash Colony, New Delhi – 110 048.
Tel. : 91-11-2923 5035

PROXY FORM

I/We _____ of _____

_____ in the district of _____

_____ being member(s) of the above named Company, hereby appoint _____

of _____ in the district of _____

or failing him _____

of _____ in the district of _____

as my / our proxy to vote for me / us on my / our behalf at the TWELVE ANNUAL GENERAL MEETING of the Company at ISKON Temple, Complex Hare Krishna Hill, Sant Nagar Main Road, East of Kailash, New Delhi – 110 065 on Thursday, 16th day of September, 2010 at 2.30 p. m. and at any adjournment thereof.

Signed this _____ day of _____ 2010.

Regd. Folio No /DP ID & Client ID _____

No. of Shares held : _____

Please affix
Revenue Stamp

Signature

The Companies Act, 1956 lays down that an instrument appointing a proxy shall be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the Meeting.

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cf_mum@crystalforms.com