

Review report**To the Board of Directors of
Global Vectra Helicorp Limited**

We have reviewed the accompanying statement of un-audited financial results of Global Vectra Helicorp Limited ('the Company') for the quarter ended 31 December 2011 and year to date results for the period 1 April 2011 to 31 December 2011, attached herewith, being submitted by the Company pursuant to the requirement of clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors at the meeting held on 7 February 2012. Our responsibility is to issue a report on these un-audited financial results based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, *except for the effect of the matters included in the paragraphs (a), (b) and (c) below on the loss after tax for the quarter and for the nine month period ended 31 December 2011*, nothing has come to our attention that causes us to believe that the accompanying statement of un-audited financial results prepared in accordance with the accounting standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement:

- (a) *As more fully explained in note no. 3 to the Company's statement of un-audited financial results, managerial remuneration paid/payable to One Whole Time Director of the Company has exceeded the limits prescribed under Section 198 of the Act by Rs 15.95 lakhs for the nine months period ended 31 December 2011 and Rs 122.42 lakhs for period prior to 1 April 2011. The Company has applied for post-facto approval and is yet to receive the same from the Central Government.*



Review Reports' (Continued)

Global Vectra Helicorp Limited

- (b) *As more fully explained in note no. 4 to the Company's statement of un-audited financial results, 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 2,621.95 lakhs. No provision has been made by the Company for the same nor the interest due thereon as at 31 December 2011, as 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 816.58 lakhs (31 December 2010: Rs 883.97 lakhs), depreciation would have been higher by Rs 278.45 lakhs (31 December 2010: Rs 214.25 lakhs) and the loss after tax and accumulated losses for the quarter and for the period ended 31 December 2011 would have been higher by Rs 1,823.88 lakhs (31 December 2010: Rs 1,759.68 lakhs)*
- (c) *As more fully explained in note no. 7 to the Company's statement of un-audited financial results, certain customers have disputed taxes levied by the Company aggregating Rs 939.49 lakhs (31 December 2010: Rs 939.49 lakhs). No provision has been made by the Company in respect of such outstandings as required by the accounting policies of the Company. However, as detailed in note no. 7 management believes that they have a strong case to collect the outstanding amount. Had the Company made the provision, the loss after tax for the quarter and for the period ended 31 December 2011 would have been higher by Rs 939.49 lakhs.*

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



Vijay Mathur
Partner
Membership No: 046476

Mumbai
7 February 2012

GLOBAL VECTRA HELICORP LIMITED

Corporate Office : Hanger No. C-He/Hf, Airport Authority of India, Civil Aerodrome, Juhu, Mumbai - 400 054
 Regd. Office : A - 54, Kailash Colony, New Delhi - 110 045

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31 DECEMBER 2011

Rs. in Lakhs

Sr. No.	Particulars	Quarter ended			Nine months ended		Year
		31 December 2011	30 September 2011	31 December 2010	31 December 2011	31 December 2010	Ended on
		31 March 2011					
							(Audited)
1	Income from operations	7,280.49	6,014.41	5,725.51	20,074.00	16,532.29	22,862.81
2	Other operating income	74.74	57.72	57.32	227.93	105.24	294.70
	Total income	7,355.23	6,072.13	5,782.83	20,301.93	16,637.53	23,157.51
3	Total expenditure						
	(a) Staff Cost	1,588.53	1,424.29	1,193.06	4,395.60	3,646.61	5,059.16
	(b) Helicopter Spares Consumption and Maintenance	1,204.60	915.10	926.79	3,216.66	2,733.95	3,938.62
	(c) Direct Operating Expenses	2,778.36	2,807.70	2,218.13	7,927.95	6,594.18	8,782.30
	(d) Depreciation	652.74	640.22	700.94	1,911.10	2,113.01	2,750.11
	(e) Other Expenses	565.04	561.37	581.92	1,628.43	1,891.17	2,608.80
	(f) Loss on foreclosure of finance leases	-	-	-	-	1,091.01	1,091.01
	(f) Bad debts written off	-	-	-	-	-	63.27
	(g) Exchange loss (net)	460.84	410.75	303.91	970.79	302.90	654.35
	Total Expenditure	7,250.11	6,759.44	5,924.75	20,050.54	18,172.81	24,947.62
4	(Loss) / Profit from operations before other income, exchange gain (net) and interest	105.12	(687.31)	(141.92)	251.40	(1,535.28)	(1,790.11)
5	Other Income	231.74	194.41	126.11	391.54	154.51	317.99
6	Exchange gain (net)	-	-	-	-	-	-
7	(Loss) / Profit before interest	336.86	(492.89)	(15.81)	642.93	(1,380.77)	(1,472.12)
8	Interest	1,187.72	1,157.44	937.57	2,972.02	2,325.48	2,965.00
9	(Loss) after interest before tax	(850.86)	(1,650.33)	(953.38)	(2,329.09)	(3,706.25)	(4,437.12)
10	Provision for tax						
	Current tax	-	-	-	-	0.63	0.63
	Deferred tax (credit)	-	-	-	-	-	-
11	(Loss) after tax for the period	(850.86)	(1,650.33)	(953.38)	(2,329.09)	(3,706.88)	(4,437.75)
12	Paid-up Equity Share Capital Face Value Rs. 10/-	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00
13	Reserves excluding revaluation reserve	-	-	-	-	-	(4,292.50)
	Reserves including revaluation reserve	-	-	-	-	-	(31.69)
14	Basic and diluted earning per share (in Rs.)	(6.08)	(11.79)	(6.81)	(16.64)	(26.48)	(31.70)
15	Public Shareholdings						
	Number of Shares	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
	Percentage of shares	25%	25%	25%	25%	25%	25%
16	Promoters and promoter group shareholding						
a)	Pledged /Encumbered						
	- Number of shares	-	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
b)	Non-encumbered						
	- Number of shares	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the company)	75%	75%	75%	75%	75%	75%

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Notes:

- 1 The above results have been reviewed and recommended for adoption by the Audit Committee to the Board of Directors and have been approved by the Board at its meeting held on 7 February 2012.
- 2 The Company is mainly engaged in air logistic business in India. There are no separate reportable segments as per Accounting Standard (AS) 17.
- 3 The remuneration paid/payable to one whole time director is in excess of the limits prescribed under Section 198 of the Companies Act, 1956, by Rs 15.95 lakhs for the nine month period ended 31 December 2011 and Rs 122.42 lakhs for period prior to 1 April 2011. The Company has made an application seeking post-facto approval and is yet to receive the same from the Central Government. The Limited Review Report has been modified in this respect.
- 4 During the year ended 31 March 2009, the Office of the Commissioner of Customs (Preventive) had seized three helicopters for alleged non compliance of the duty waivers given to non-scheduled operators (passenger). The Company has received a Show Cause Cum Demand Notice (SCN) citing an amount of Rs 2,379.24 lakhs towards custom duty under Section 28 of the Customs Act, 1962 and applicable interest and penalty thereon. Pursuant to the receipt of the said SCN, the Commissioner of Customs (Preventive) has confirmed a demand of Rs 2,621.95 lakhs towards differential duty of customs and penalty there on for 2 helicopters. Management believes that the Company is in compliance with the relevant customs and other regulatory guidelines in this respect and the matter is being contested by the Company with the appellate tribunal. An amount aggregating Rs 538.26 lakhs has been paid as duty under protest during the quarter ended 31 December 2009. The Limited Review Report has been modified in this respect.
- 5 During the year ended 31 March 2009, the Company had, in order to reflect the current reinstatement cost/market value of its assets, revalued the leased helicopters and owned helicopters. The revaluation for the helicopters has been carried out by international helicopters/aircraft valuers considering the total time of air frame (TTAF) (Cumulative time in Service). Accordingly, the resultant accretion to the value of the helicopters aggregating Rs 9,245.38 lakhs had been adjusted (added) to the historical cost of the asset and a corresponding amount has been credited to Revaluation Reserve. For the nine month period ended 31 December 2011 and the quarter then ended, additional depreciation of the accretion to the historical cost of the asset on account of the revaluation aggregating Rs 263.85 lakhs (period ended December 2010 Rs 301.17 lakhs) and Rs 87.95 lakhs (quarter ended December 2010 Rs 100.39 lakhs) respectively has been passed through the profit and loss account with an equivalent withdrawal from the revaluation reserve to the profit and loss account.
- 6 The Company entered into an agreement on 18 December 2009 with one of the group companies for conversion of outstanding lease rentals due on 30 September 2009 amounting to USD 13.725 million (equivalent of Rs 6,593.49 lakhs at the exchange rate prevailing as on 30 September 2009) into non-convertible cumulative redeemable preference shares. The agreement has been approved by the shareholders at the extraordinary general meeting (EGM) held on 1 February 2010. The Company has obtained the statutory approvals necessary and in exercise of the powers conferred vide resolutions passed in the EGM, the Company during the previous year has issued 6,593,490 5.46% non - convertible cumulative preference shares of face value of Rs. 100 each. Pursuant to issue of preference share, the net worth of the company stands at Rs 3,700.99 lakhs as at 31 March 2011.
- 7 In previous period certain customers of the company have retained an amount aggregating Rs 939.49 lakhs (31 December 2010 Rs 933.49 lakhs) in respect of taxes levied by the Company. The Company is currently in discussion with these customers for recovering the retained amount and management believes that they have a strong case to collect the outstanding amount. The Limited Review Report has been modified in this respect.
- 8 Number of investors complaints outstanding at the beginning of the quarter was "NIL", received during the quarter was "NIL", disposed off during the quarter was "NIL" and lying unresolved at the end of the quarter was "NIL".
- 9 The figures have been re-grouped, wherever considered necessary.

For Global Vectra Helicorp Limited



Lt. Gen. (Retd.) SJS Saigal
Chairman



Place:- Mumbai
Date:- 7 February 2012