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Underslung  
Operations



Aerial Photography



Oil and Gas

Safe ■ Secure ■ Reliable

## 12th Annual Report 2009-2010



[www.globalhelicorp.com](http://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, 16<sup>th</sup> 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 31<sup>st</sup> 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 Saigal as a Chairman of the Company for a period of three years commencing from 1<sup>st</sup> October, 2009 up to and inclusive of 30<sup>th</sup> September, 2012 on such terms and conditions as agreed to between Lt. Gen. (Retd.) SJS Saigal 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 Saigal”

**“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 Saigal, a Chairman of the Company, the remuneration, perquisites / benefits set out in the aforesaid Agreement be paid or granted to Lt. Gen. (Retd.) SJS Saigal as the minimum remuneration, in case of excess payment of remuneration to Lt. Gen. (Retd.) SJS Saigal 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 Saigal 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 1<sup>st</sup> September, 2009 up to and inclusive of 31<sup>st</sup> 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 10<sup>th</sup> Annual General Meeting held on 25<sup>th</sup> September, 2008 and at the 11<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> 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 1<sup>st</sup> 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 10<sup>th</sup> Annual General Meeting held on 25<sup>th</sup> September, 2008 and at the 11<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> 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 30<sup>th</sup> 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:- 27<sup>th</sup> 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 15<sup>th</sup> day, September, 2010 to 16<sup>th</sup> 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:- 27<sup>th</sup> 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 27<sup>th</sup> 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 1<sup>st</sup> October, 2009 up to and inclusive of 30<sup>th</sup> 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 27<sup>th</sup> 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 27<sup>th</sup> 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 1<sup>st</sup> September, 2009 up to and inclusive of 31<sup>st</sup> 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 27<sup>th</sup> 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 <sup>th</sup> April, 1998, as Azal India Private Limited and the name was changed to Global Helicorp Private Limited on 23 <sup>rd</sup> May, 2003, subsequently changed to Global Vectra Helicorp Private Limited on 26 <sup>th</sup> August, 2004 and subsequently to Global Vectra Helicorp Limited on 10 <sup>th</sup> 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><tr><td></td><td>As on</td><td>31.3.09</td><td>31.3.08</td></tr><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></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 10<sup>th</sup> Annual General Meeting held on 25<sup>th</sup> September, 2008 and waiver of excess remuneration paid to Mr. P. Raj Kumar Menon, Whole-time Director of the Company, at the 11<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> 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 10<sup>th</sup> Annual General Meeting held on 25<sup>th</sup> September, 2008 and waiver of excess remuneration paid to Captain Dharendra Kumar Chand, Whole-time Director of the Company, at the 11<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> 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:- 27<sup>th</sup> 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 31<sup>st</sup> March, 2010.

### FINANCIAL PERFORMANCE

Particulars	Year ended 31 <sup>st</sup> March, 2010	Year ended 31 <sup>st</sup> 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. 30<sup>th</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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 Saighal**  
**Chairman**

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

**Place: Mumbai**

**Date: 27<sup>th</sup> May, 2010**