

15th Annual Report

2012 - 13

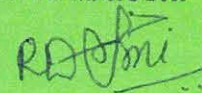


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For GLOBAL VECTRA HELICORP LTD.



Company Secretary

BOARD OF DIRECTORS

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

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

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 Fifteenth ANNUAL GENERAL MEETING of the Global Vectra Helicorp Limited will be held on the Friday, 27th day of September, 2013 at 1.30 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, 2013 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 Maj. Gen. (Retd.) Gurdial Singh Hundal, who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and to fix their Remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT M/s. BSR & Co., Chartered Accountants (Registration No. 101248W) be and is hereby appointed as Auditor of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors.”

SPECIAL BUSINESS:

4. 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 one year commencing from 1st October, 2013 up to and inclusive of 30th September, 2014 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.”

5. 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, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred to as the “Act”), 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. Eduard Van Dam, as a Chief Executive Officer of the Company for a period of two year commencing from 12th November, 2012 up to and inclusive of 11th November, 2014 on such terms and conditions as agreed to between Mr. Eduard Van Dam 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. Eduard Van Dam”

“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. Eduard Van Dam, a Chief Executive Officer of the Company, the remuneration, perquisites / benefits set out in the aforesaid Agreement be paid or granted to Mr. Eduard Van Dam, as the minimum remuneration, in case of excess payment of remuneration to Mr. Eduard Van Dam, 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. Eduard Van Dam 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.”

By Order of the Board of Directors

RAAKESH D.SONI
Company Secretary

Place: - Mumbai

Date: - 14th August, 2013

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 – 400 054 (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) Members holding shares in electronic form are requested to intimate any change in their address and / or bank mandates to their Depository Participants with whom they are maintaining their demat accounts immediately. Members holding shares in physical form are requested to advice any change of address and or bank mandate immediately to M/s. Link Intime India Private Limited / Investor Service Department of the Company.

(e) The Ministry of Corporate Affairs has taken a “Green Initiative in Corporate Governance” by issuing circulars allowing paperless compliances by Company through electronic mode. Further in line with recent circular issued by the Securities and Exchange Board of India (SEBI) and consequent changes in listing agreement, Companies can send Annual Report in electronic mode to Members who have registered their e-mail addresses for the purpose. Members who have not registered the same by submitting duly filled-in “E- Communication Registration Form” which is available on our website www.globalhelicorp.com to M/s. Link Intime

India Private Limited / Investor Service Department of the Company. The Members holding shares in electronic form are requested to register their e-mail address with their Depository Participants only. The Members of the Company who have registered their e-mail address, are entitled to receive such communication in physical form upon request.

(f) The Register of Members and Share Transfer Books of Company will remain closed from 26th day, September, 2013 to 27th day, September, 2013 (both days inclusive) in connection with the Annual General Meeting.

(g) 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:- 14th August, 2013

Registered Office

A-54, Kailash Colony

New Delhi – 110 048

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

ITEM NO. 4

Except Lt. Gen. (Retd.) SJS Saighal, no other Directors of the Company are concerned or interested in the Resolution at Item No. 4 of the Notice.

The Board of Directors, upon the recommendations of the Remuneration Committee, at their meeting held on 14th August, 2013, 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 one year commencing from 1st October, 2013 up to and inclusive of 30th September, 2014. The remuneration and perquisites payable to Chairman is in accordance within the limits specified in Section II of Part II of Schedule - XIII of 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. Company will provide Car to Chairman.
4. 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.
5. 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 and by the Board of Director in their meeting held on 14th August, 2013.

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. 4 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 of the Companies Act, 1956 and the Board commends the passing of the Ordinary Resolution.

ITEM NO. 5

Except Mr. Eduard Van Dam, Chief Executive Officer of the Company, 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 9th November, 2012, has in accordance with the provisions of Articles of the Articles of Association of the Company and subject to the approval of the members in the General Meeting, appointed Mr. Eduard Van Dam as Chief Executive Officer for a period of two years commencing from 12th November, 2012 up to and inclusive of 11th November, 2014. The remuneration and perquisites payable to Chief Executive Officer is in accordance within the limits specified in Section II of Part II of Schedule - XIII of the Companies Act, 1956. The important terms of the appointment are as under :-

Remuneration:

- I. Basic Salary GBP 39,600/- per annum
 GBP 3,300/- per month (Equivalent
 Approximately INR) Rs. 2,87,098/- per
 month (Net of Tax)
 Gross Salary – Rs. 434,740/-

II. Perquisites:

1. Value of accommodation – Rs. 1,80,000/-
2. Company will provide Car to Chief Executive Officer (CEO)
3. Driver shall be provided by the Company for the official use of the Chief Executive Officer of the Company.
4. The Company shall pay bills of Mobile Phone of Mr. Eduard Van Dam.
5. The Chief Executive Officer of the Company 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 by Board of Directors in their meeting held on 9th November, 2012.

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. Eduard Van Dam as Chief Executive Officer of the Company at Item No. 5 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 off 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 31.03.12 and 31.03.11) | <table><tr><td></td><td>As on</td><td>31.3.12</td><td>31.3.11</td></tr><tr><td>a.</td><td>Profit before Financial costs, Depreciation and Tax to Service Income</td><td>15.34%</td><td>5.59%</td></tr><tr><td>b.</td><td>Current Ratio</td><td>0.43</td><td>0.81</td></tr><tr><td>c.</td><td>Debt Equity Ratio</td><td>4.61</td><td>3.19</td></tr></table> | | As on | 31.3.12 | 31.3.11 | a. | Profit before Financial costs, Depreciation and Tax to Service Income | 15.34% | 5.59% | b. | Current Ratio | 0.43 | 0.81 | c. | Debt Equity Ratio | 4.61 | 3.19 |
| | As on | 31.3.12 | 31.3.11 | | | | | | | | | | | | | | | |
| a. | Profit before Financial costs, Depreciation and Tax to Service Income | 15.34% | 5.59% | | | | | | | | | | | | | | | |
| b. | Current Ratio | 0.43 | 0.81 | | | | | | | | | | | | | | | |
| c. | Debt Equity Ratio | 4.61 | 3.19 | | | | | | | | | | | | | | | |
| 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: | Degree of Candidate Doctorate (Drs) in Economy and specialized in transportation, with numerous professional courses and training. |
| 2. | Past remuneration: | Last Year Rs. 59,39,263/- |
| 3. | Recognition or awards: | Mr. Eduard Van Dam has extensive background in the aviation business. He carries with him more than three decades of international experience in aviation industry. |
| 4. | Job profile and his suitability: | As Chief Executive Officer of the Company, he is responsible for the overall management of the company including the preparation of plans, budgets and delivering the planned performance in terms of operations and financial result. He has a rich, varied and international background in the field of aviation 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. Eduard Van Dam, Netherland Citizen 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 rimprovement: | 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 economy is in recession, company is expected to increase its margin by 10 to 15 %.in next year. |

By Order of the Board of Directors

RAAKESH D.SONI
Company Secretary

Place:- Mumbai
Date:- 14th August, 2013
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:

Maj. Gen. (Retd.) Gurdial Singh Hundal

Major General (Retd.) G. S. Hundal has served in the Regiment of Artillery/ Army Aviation Corps. He had trained at the National Defense Academy. He holds a graduation degree in Arts. He has undertaken professional specialized courses in (a) Basic Flying and Helicopter Conversion, (b) All Purpose Flying Instructors Course and (c) Interviewing Officers Course.

The General brings with him rich experience in Aviation. He is a qualified Flying Instructor with thousands of hours of Instructional flying in the most difficult terrains in India. He was Head of Army Aviation as Additional Director General. He also held the prestigious post of CMD of Pawan Hans.

He continues to be actively involved in the Aviation matters as a member of Rotary Wing Society of India. For his outstanding contribution in the Aviation field, Major General (Retd.) G. S. Hundal was awarded Ati Vashisht Seva Medal (AVSM) & Bar by the president of India.

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

1. Audit Committee
2. Remuneration Committee

He is not a Director and member of Committees 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 Fifteenth Annual Report of the Company and audited accounts of the Company for the year ended 31st March, 2013.

FINANCIAL PERFORMANCE

(₹ in Lacs)

| Particulars | Year ended 31 st March, 2013 | Year ended 31 st March, 2012 |
|--|--|--|
| Service Income | 24799.11 | 27534.29 |
| Other Operating Income | 198.38 | 345.29 |
| Income from operations | 24997.49 | 27879.58 |
| Other Income | 516.85 | 509.38 |
| Total Income | 25514.34 | 28388.96 |
| Profit before interest, depreciation, amortisation of expenses and Tax | 3799.97 | 4225.07 |
| Less : Interest | 2769.25 | 4050.36 |
| Less : Depreciation (Net) | 3038.45 | 2590.55 |
| (Loss) for the year before exceptional item and Tax | -2007.73 | -2415.84 |
| Exceptional Item | 2693.04 | 0 |
| Profit/(Loss) for the year after exceptional item and before Tax | 685.31 | -2415.84 |
| Less : Provision for taxation | 0.00 | 0.00 |
| Profit / (Loss) after tax | 685.31 | -2415.84 |

OPERATION REVIEW:

During the year under review, your Company achieved Service Income of ₹ 24799.11 Lacs as compared to ₹ 27534.29 Lacs of previous Financial Year, a reduction of 9.93%. Total Income of the Financial Year 2012-13 (including Operational and other Income) also reduced to ₹ 25514.34 Lacs from ₹ 28388.96 Lacs, a decrease of 10.13 % over the last Financial Year.

The EBIDTA was ₹ 3799.97 Lacs for current year (15.32% of the Service Income) as against of ₹ 4225.07 Lacs in the previous year, (15.34% of the Service Income).

After considering Interest, Depreciation and Foreign Exchange (Loss) / Gain and Extra-ordinary Item, the Company has Profit Before Tax of ₹ 685.31 Lacs for the current year as against Loss of ₹ 2415.84 Lacs in the previous year. The net Profit after tax was ₹ 685.31 Lacs for the current year as against Loss of ₹ 2415.84 Lacs.

The reason of loss of revenue and consequential loss for the quarter ended 30th June, 2012, and its effect on annual result is explained below:-

The Director General of Civil Aviation (DGCA) vide its order dated 7th May 2012, suspended the Company's Non-Scheduled Operator's Permit (NSOP).

The Company filed a Writ Petition with the single-judge bench of the Delhi High Court against the order of DGCA. Delhi High Court vide its judgment dated 11th June 2012, granted an interim relief to the Company and stayed the operation of the above mentioned order. Consequently, DGCA vide its order dated 20th June 2012, stayed its Order of 7th May 2012, accordingly, the Company resumed its operations of flying aircrafts. The Company's Operations remained suspended from 8th May 2012, to 20th June 2012, which has severely affected the company's operation for the year ended 31st March, 2013. For the quarter ended 30th June, 2012, Company has made loss due to above amounting to ₹ 3883.80 Lacs.

On 19th September 2012, the DGCA has filed an appeal which is pending before the divisional bench of the Delhi High Court seeking the interim order passed by the single-judge bench to be set aside. Currently, the Company's Non-Scheduled Operator's Permit (NSOP) has been renewed and is subject to the outcome of the above court matter.

The Management believes that the Company is in compliance with relevant DGCA and other applicable Regulations and continues as a going concern.

DIVIDEND:

In order to conserve resources for future growth and expansion projects of the Company, the Board of Directors has not recommended any dividend for the Financial Year 2012-2013.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956, Maj. Gen. (Retd.) Gurdial Singh Hundal retires by rotation in the forthcoming Annual General Meeting and being eligible offer himself for re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, the Board hereby certifies and confirms 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 judgments 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 as 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, retires as auditors of the Company and has 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 ₹ 1,631,039,755/- (previous year ₹ 1,562,072,187/-) in foreign exchange during the year. The foreign exchange outgoes amount to ₹ 891,312,527/- (previous year ₹ 968,289,387/-)

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. (6) of the Auditors' Report and schedule 35 to the financial statements. In this regard, Board informs that Company has already filed a application with Central Government for approval and the waiver of the excess remuneration to Whole-time Directors of the Company.

Reference is drawn to Clause no.(7) of the Auditors' Report and schedule 34 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 ₹ 2621.95 Lakhs. No provision has been made by the Company for the same nor the interest due thereon as at 31st March, 2013. 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.(8) of the Auditors' Report and schedule 38 to the financial statements, certain customers have disputed taxes levied by the Company aggregating ₹904.25 Lakhs (previous year: ₹ 904.25 lakhs). 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.

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. Raj Kumar Menon
Whole-Time Director

Date:- 28th May, 2013

Place:- Mumbai

MANAGEMENT DISCUSSION & ANALYSIS REPORT**OVERVIEW**

Global Vectra Helicorp Limited is the largest private sector helicopter operator in India. It is an **ISO 9001-2000, 14001-2004 & OHSAS 18001-1999** certified company.

Our fleet comprises 21 helicopters at present (and expanding at a rapid pace). A breakup of the same is as follows:-

| Type of Helicopter | Number |
|--------------------|--------|
| BELL 412 | 14 |
| AW 139 | 3 |
| AS 350 B3 | 3 |
| EC 135 P2+ | 1 |

The fleet deployed both offshore and onshore. With a modern and technologically advanced fleet of helicopters, Global Vectra Helicorp Limited provides a range of essential and innovative services to strategic sectors for various purposes:

- **Oil and Gas**
- **Geophysical Survey**
- **Corporate and VVIP flights**
- **Aerial Photography**
- **Tourism**
- **Emergency services**
- **Underslung operations**

Its spotless track record also makes it preferred fliers for the top rung of the country for corporate, religious and leisure travel. It has world class maintenance facilities and highly skilled and experienced pilots to ensure safe, secure and uninterrupted services to the nation.

The offshore division is dedicated to providing Air logistics services to the Oil & Gas industry majors like **Oil and Natural Gas Corporation (ONGC), Cairn India, British Gas Exploration and Production India Limited (BGEPI), Reliance Industries Limited (RIL), Transocean (TSF), British Petroleum, Gujarat State Petroleum Corporation (GSPC), Baker Hughes** and many more, under long term contracts with an outstanding market share in the offshore helicopter market in India.

Dolphin Geophysical Pte Ltd., Polarcus, Fugro, CGG VERITAS, Results Marine & Western Geco have been our major Seismic partners for whom we have flown satisfactorily on the East and West Coast of India in the recent past and are hopeful for the same in the near future as well.

GVHL provides services to its clients under long-term contracts. These contracts range from one to five years with renewal options. Companies involved in offshore E&P activities have to use helicopter services extensively for Crew Change, Cargo and Medevac and recently we have started operating under Production contract with ONGC.

GVHL has a total staff of 286 personnel including 76 pilots and 118 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.

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 Rajahmundry, Vizag, Bhubaneswar, Porbandar, S. Yanam, Gadimoga, Itanagar, Dimapur, Port Blair

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.

Introduction

The Indian oil and gas sector is one of the six core industries in India and has very significant forward linkages with the entire economy. India has been growing at a decent rate annually and is committed to accelerate the growth momentum in the years to come. This would translate into India's energy needs growing many times in the years to come. Hence, there is an emphasized need for wider and more intensive exploration for new finds, more efficient and effective recovery, a more rational and optimally balanced global price regime - as against the rather wide upward fluctuations of recent times, and a spirit of equitable common benefit in global energy cooperation.

A country's economic growth is closely correlated to the energy demand. Consequently, the demand for oil and gas, which is one of the main sources of meeting energy requirements, is expected to increase further. The value of the Indian oil and gas sector is forecasted to grow from US\$ 117,562.9 million in 2012 (estimated) to US\$ 139,814.7 million by 2015. The Indian government is looking forward to promoting a plan for the sustainable development of the oil and gas sector, and investments in research and development (R&D) activities in alternative fuels segment so as to prevent the depletion of the country's natural reserves.

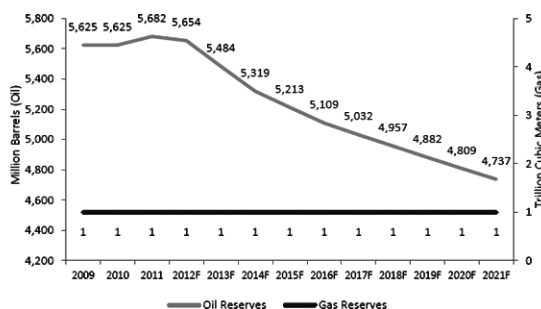
India is working towards self-reliance in O&G segment and has immense potential to achieve the same, as about 80 per cent of the country's sedimentary area is yet to be explored. Recent large-scale oil and gas discoveries in the Krishna Godavari and Rajasthan basins have further consolidated India's confidence to achieve the targets.

The country's exploration and production sector is majorly dominated by public sector corporations wherein Oil and Natural Gas Corporation (ONGC) accounts for the highest market share.

1. Key Developments and Current State of the Indian Oil and Gas Sector

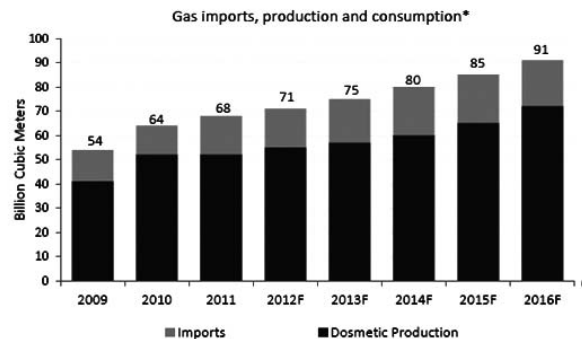
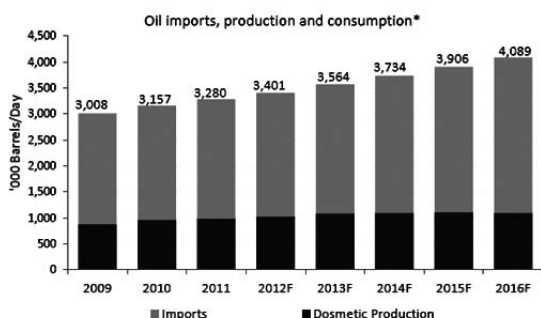
The oil and gas sector in India is a critical component of the country's economy, accounting for 15 per cent of the country's gross domestic product (GDP). Economic growth is directly linked with energy demand, and a conservative estimate of 7 per cent growth is expected to double India's per capita energy consumption from 560 kilograms of oil equivalent (kgoe) in FY10 to 1,124 kilograms of oil equivalent (kgoe) by FY32. As oil and gas is one of the main sources to meet the required demand for energy in India, its demand is forecast to rise further. In 2011, natural gas accounted for 10 per cent of the country's total energy requirements, whereas estimates suggest that this figure will reach 20 per cent by 2025, with oil and gas together accounting for approximately 45 per cent of the total demand. Market reports estimate that this growth is expected to take the size of the Indian gas market to that of the gas market in Japan, the largest consumer of liquefied natural gas (LNG) in Asia, by the end of 2015. As shown in Figure 1.1 and Figure 1.2, despite having significant reserves in India, the increase in demand is expected to be primarily met through imports.

Figure 1.1
India's total Oil and Gas reserves



Source: Business Monitor International: India Oil and Gas Report, 2012

Figure 1.2
India's total Oil and Gas market dynamics

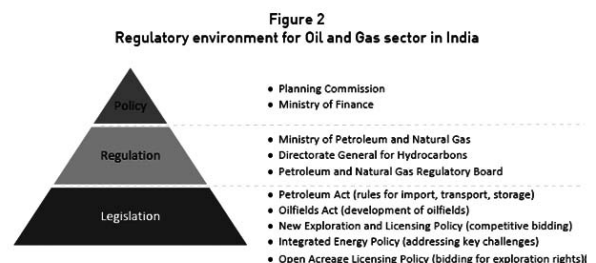


*Total consumption = Imports + Production

Source: Business Monitor International: India Oil and Gas Report, 2012

1.1. Regulatory landscape and competitive scenario

The Indian oil and gas sector is highly regulated and largely state controlled. Figure 2 shows key regulatory authorities in India and the main legislations that govern the sector.



The oil and gas sector is dominated by PSUs and a few large private sector companies.

1.2. Factors affecting the Indian Oil and Gas sector

Some key factors affecting the Indian oil and gas industry are the following:

- Dominated by state controlled enterprises:** The sector is primarily dominated by state controlled enterprises, with only a few foreign players. The primary reason for this could be the country's regulatory framework, where ventures involving foreign players take longer to get the required approvals. Further, the participation of foreign players has been limited during the nine rounds of bidding for exploration rights through the NELP, while the participation of state owned players has been high.
- Subsidies on Oil and Gas products:** Eliminating subsidies on oil and gas products is proving to be a major challenge for the government, due to political pressure. These subsidies have led to large scale under recoveries in the Indian oil and gas sector.
- Environmental issues:** Offshore mining of oil and gas and deep water exploration poses significant threats to the environment in terms of potential threats of water contamination. Further particulate emissions of refineries and production plants could have an adverse impact on the environment as well.
- Requirement of advanced technology for upstream segment:** The industry faces a shortage of skilled labour for the mining of unconventional assets such as