



R. NAGPAL ASSOCIATES
CHARTERED ACCOUNTANTS

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**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
HIMALYAPUTRA AVIATION LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of HIMALYAPUTRA AVIATION LIMITED which comprises the Balance Sheet as at 31st March, 2014 and also the Statement of Profit and Loss and the Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting standards referred to in sub Section (3C) of Section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with standards on auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the financial statements. The procedure selected depend on the auditor's judgement including the assessment of the risk of material misstatements of the financial statements, whether due to fraud and error. In making those risk assessment, the auditor consider internal control relevant to the companies preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements 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 31st March, 2014,
- ii) in the case of the Statement of Profit & Loss, of the Loss of the Company for the year ended 31st March, 2014,
- iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended 31st March, 2014.

1. As required by the Companies (Auditor's Report) Order 2003, as amended by the Companies (Auditor's Report) (Amendment) Order 2004 (together the 'Order') issued by the Central Government of India, in terms of Section 227(4-A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

2. As required by Section 227(3) of the act, 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 purpose of our audit;
- (b) In our opinion, proper books of account have been kept by the Company as required by law so far as appears from our examination of those books;
- (c) The Balance Sheet and Statement of Profit & Loss referred to in this report, are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet and Statement of Profit & Loss referred to in this report, comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act, read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
- (e) On the basis of written representations received from the directors, as on 31st March, 2014, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

For R. NAGPAL ASSOCIATES
Chartered Accountants
Firm Registration No.002626N



(CA R.NAGPAL)
Partner
M.No. 81594

Place : Noida
Dated : 22nd May 2014

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 1 of our report of even date on the accounts for the year ended 31st March 2014 of HIMALYAPUTRA AVIATION LIMITED:

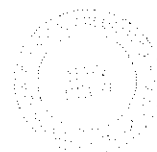
- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) A substantial portion of the Fixed Assets have been physically verified by the management during the year and to the best of our knowledge and information given to us, no material discrepancies have been noticed on such physical verification.

(c) No Fixed assets have been disposed off during the year.
- (ii) As the Company has no inventory, Clause (ii) of Para 4 of the Order is not applicable.
- (iii) The Company has not granted/taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- (iv) In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control system.
- (v) Based on the audit procedures applied by us and according to the information and explanations given to us we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act, have been entered into the register required to be maintained under that Section. The transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposit from the public during the year.
- (vii) We are of the opinion that during the year under observation, the Company had an internal audit system commensurate with its size & nature of its business wherein it was observed that all transactions are carried out under the personal supervision of senior officials/directors of the Company.
- (viii) As cost accounting records have not been prescribed for the Company u/s 209(1)(d) of the Companies Act 1956, Clause (viii) of Para 4 of the Order is not applicable.



- (ix) (a) As per records produced before us and according to the information and explanations given to us the Company is generally regular in depositing undisputed statutory dues applicable to it like, Income-tax etc with the appropriate authorities, and there were no arrears of such dues at the year-end which have remained outstanding for a period of more than six months from the date they became payable.
- (b) As per records produced before us and according to the information and explanations given to us there are no dues of Income-tax, Sales-tax, Customs duty, Wealth tax, Service Tax, Excise Duty or Cess which have not been deposited on account of any dispute.
- (x) The Company has incurred cash loss during the year, but as the Company has been registered for a period of less than Five years, Clause (x) of Para 4 of the Order is not applicable.
- (xi) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institution.
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion the Company is not a chit fund or a nidhi/mutual benefit fund/society. Hence, Clause (xiii) of Para 4 of the Order is not applicable.
- (xiv) In our opinion the Company is not dealing in or trading in shares, debentures or other investments. Accordingly, Clause (xiv) of Para 4 of the Order is not applicable.
- (xv) The Company has not given any guarantee for loans taken by others from banks or financial institutions; hence Clause (xv) of Para 4 of the Order is not applicable.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were applied by the Company during the year for the purposes for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we find that funds amounting to Rs. 27.73 Crores raised on short term basis have been used for long term purposes.
- (xviii) During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.



- (xix) As the Company has not issued any debentures, Clause (xix) of Para 4 of the Order is not applicable.
- (xx) As the Company has not raised any money by way of public issues, Clause (xx) of Para 4 of the Order is not applicable.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For R. NAGPAL ASSOCIATES
Chartered Accountants
Firm Registration No.002626N



(CA R.NAGPAL)
Partner
M.No. 81594

Place : Noida
Dated : 22nd May 2014

HIMALYAPUTRA AVIATION LIMITED

BALANCE SHEET AS AT 31.03.2014

HIMALYAPUTRA AVIATION LIMITED

BALANCE SHEET AS AT 31ST MARCH 2014

Amount In ₹

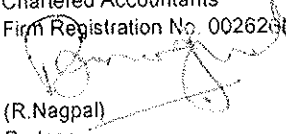
PARTICULARS	Note No.	Figure as at the end of Current reporting Period 31.3.2014		Figure as at the end of Previous reporting Period 31.3.2013	
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	3		25,00,00,000		25,00,00,000
(b) Reserves and Surplus	4		(30,56,77,648)		(10,39,07,750)
(2) Share application money pending allotment			-		-
(3) Non Current Liabilities					
(a) Long-term borrowings	5	14,28,91,992		19,76,46,097	
(b) Deferred tax liabilities (Net)		-		-	
(c) Other Long-term liabilities					
(d) Long-term provisions	6	12,29,312	14,41,21,304	5,90,539	19,82,36,636
(4) Current Liabilities					
(a) Short-term borrowings					
(b) Trade payables	7	23,90,22,208		16,90,243	
(c) Other current liabilities	8	5,66,93,243		5,76,73,441	
(d) Short-term provisions	9	1,56,947	29,58,72,398	63,254	5,94,26,938
TOTAL			38,43,16,054		40,37,55,824
II. ASSETS					
(1) Non-current assets					
(a) Fixed assets	10				
(i) Tangible assets		35,86,14,798		38,07,19,313	
(ii) Intangible assets		-		-	
(iii) Capital work-in-progress		-		-	
(iv) Intangible assets under development		-	35,86,14,798	-	38,07,19,313
(b) Non-current investments			-		-
(c) Deferred tax assets (net)			-		-
(d) Long-term loans and advances	11		72,00,000		34,00,000
(e) Other non-current assets			-		-
(2) Current assets					
(a) Current investments			-		-
(b) Inventories			-		-
(c) Trade receivables	12	36,99,245		98,22,108	
(d) Cash and Bank Balances	13	13,26,640		47,09,795	
(e) Short-term loans and advances	14	1,31,49,231		46,25,776	
(f) Other current assets	15	3,26,140	1,85,01,256	4,78,832	1,96,36,511
TOTAL			38,43,16,054		40,37,55,824

Summary of Significant Accounting Policies

2.1


The Note Nos. 1 to 33 are Integral part of the Financial Statements



As per our report of even date

For R.NAGPAL ASSOCIATES
Chartered Accountants
Firm Registration No. 002623N

(R. Nagpal)
Partner
M.No. 081594



For and on behalf of the Board of Directors of
Himalyaputra Aviation Ltd.


(G.P. Gaur)
Whole Time Director


(S.D. Nairwal)
Director

(Ankur Sharma)
Company Secretary

Place: Noida
Date : 22-05-2014

HIMALYAPUTRA AVIATION LIMITED

STATEMENT OF PROFIT AND LOSS for the Year ended 31st March 2014

Amount In ₹

Particulars	Note No.	Figure for the Current reporting Period 31.3.2014		Figure for the Previous reporting Period 31.03.2013	
I. Revenue from operations	16	8,45,95,914		3,76,11,669	
II. Other Income	17	-		1,46,338	
III. Total Revenue (I+II)			8,45,95,914		3,77,58,007
IV. Expenses :					
Operating expenses	18	16,19,30,683		1,54,71,331	
Employee benefits expense	19	5,61,41,751		6,88,13,091	
Finance costs	20	3,56,96,987		3,14,12,907	
Depreciation and amortization expense	21	2,21,04,515		1,39,23,488	
Other Expenses	22	1,03,93,135		1,13,37,327	
Total expenses			28,62,67,071		14,09,58,145
V. Profit before exceptional and extraordinary items and tax (III -IV)			(20,16,71,157)		(10,32,00,137)
VI. Exceptional items			-		-
VII. Profit before extraordinary items and tax (V -VI)			(20,16,71,157)		(10,32,00,137)
VIII. Extraordinary items			-		-
IX. Profit before tax (VII-VIII)			(20,16,71,157)		(10,32,00,137)
Tax Expense :					
(i) Current tax			-		-
(ii) Previous Year			98,741		-
(iii) Deferred tax			-		-
XI. Profit/(loss) from continuing operations (IX-X)			(20,17,69,898)		(10,32,00,137)
XII. Profit/(loss) from discontinuing operations			-		-
XIII. Tax expense of discontinuing operations			-		-
XIV. Profit/(loss) from discontinuing operations (after tax) (XII-XIII)			-		-
XV. Profit/(loss) for the period (XI + XIV)			(20,17,69,898)		(10,32,00,137)
XVI. Earnings per equity share :	31				
(i) Basic			(20.18)		(12.58)
(ii) Diluted			(20.18)		(12.58)

Summary of Significant Accounting Policies

2.1

The Note Nos. 1 to 33 are Intergral part of the Financial Statements

As per our report of even date

For R.NAGPAL ASSOCIATES
Chartered Accountants
Registration No. 002026N

(R.Nagpal)
Partner
M.No. 081594



Place: Noida
Date : 22-05-2014

For and on behalf of Board of Directors of
Himalyaputra Aviation Ltd.

(G.P.Gaur)
Whole Time Director

(S.D.Nairwal)
Director

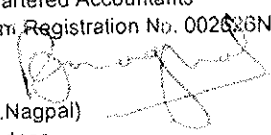
(Ankur Sharma)
Company Secretary

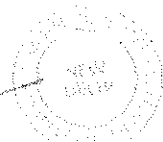
HIMALYAPUTRA AVIATION LIMITED

Cash Flow Statement for the year ended 31st March, 2014

Amount in ₹

	Particulars	Figures as at the end of current reporting period, March 31, 2014	Figures as at the end of previous reporting period, March 31, 2013
A.	Cash flow from operating activities		
	Profit before taxation	(20,17,69,898)	(10,32,00,137)
	<u>Add Back</u>		
	Depreciation and Amotization expenses	2,21,04,515	1,39,23,488
	Add: Finance costs	3,56,96,987	5,78,01,502
	<u>Deduct:</u>		
	Interest Income (Interest on bank depoits)	-	(1,46,338)
	Operating profit before working capital changes	<u>(14,39,68,396)</u>	<u>(5,80,10,080)</u>
	<u>Add:</u>		
	(Increase)/Decrease in Trade Recivables	61,22,864	(98,22,108)
	(Increase)/Decrease In Long Term/Short Term Loans and Advances and others Current Asses	<u>(78,85,734)</u>	<u>(50,30,519)</u>
	<u>Deduct:</u>		
	Increase/(Decrease) in Current Liabilities & Other Long Term Liabilities excluding Current Maturities of Long Term Debts	23,20,66,737	1,66,54,309
	Increase (Decrease) In Short Term and Long Term Provisions	7,32,466	6,53,793
	Cash generated from Operations	<u>23,27,99,203</u>	<u>1,73,08,102</u>
	<u>Adjustments for:</u>		
	Income tax paid (net of refund)	<u>8,70,67,937</u>	<u>(5,55,54,606)</u>
	Net cash Inflow from operating activities----'A'	8,70,67,937	(5,55,54,606)
B.	Cash flow from Investing activities		
	<u>Outflow</u>		
	Investment in Fixed Assets/Advance paid	-	(34,34,86,548)
	<u>Inflow</u>		
	Interest Income	-	1,51,886
	Net cash used in Investing activities----'B'	-	(34,33,34,662)
C.	Cash flow from Financing activities		
	<u>Inflow</u>		
	Proceeds from issue of Equity Shares	-	4,50,00,000
	Proceeds from Issue of Preference Shares	-	15,00,00,000
	Increase in Long Term Borrowings & Current Maturities of Long Term debt-Net	-	25,00,00,000
	<u>Outflow</u>		
	Interest & financial charges paid	(3,56,96,987)	(3,14,12,907)
	Share issue Expenses	(5,47,54,105)	(9,04,51,092)
	Repayment of Loan	-	(1,29,45,333)
	Net cash in financing activities----'C'	(9,04,51,092)	40,06,41,760
	Net increase/(Decrease) In Cash or Bank Balances (A+B+C)	(33,83,155)	17,52,493
	Cash & Bank Balances at the commencement of the year (Opening balance)	47,09,795	29,57,302
	Cash & Bank Balances at the end of the year (closing balance)	13,26,640	47,09,795


For R.NAGPAL ASSOCIATES
Chartered Accountants
Firm Registration No. 002636N

(R. Nagpal)
Partner
M.No. 081594



For and on behalf of the Board of Directors of
Himalyaputra Avlation Ltd.


(G.P. Gaur)
Whole Time Director


(S.D. Nailwal)
Director


(Ankur Sharma)
Company Secretary

Place: Noida
Date : 22-05-2014

Notes to the financial statements for the year ended March 31, 2014

Note 1. Corporate Information

Himalyaputra Aviation Limited (HAL) was incorporated on July 23, 2011 as a wholly owned subsidiary of Jaiprakash Associates Limited to carry on the business of Civil aviation, scheduled or non scheduled private passenger and/or private cargo operations.

Note 2. Basis of Preparation of Financial Statements

The financial statements are based on the historical cost convention in accordance with Generally Accepted Accounting Principles (GAAP), comprising of mandatory Accounting Standard notified in Section 211 (3C) and other provisions of the Companies Act, 1956 read together with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.

2.1 Summary of significant accounting policies

(a) Revenue Recognition:

Expenditure and Income are accounted for on accrual basis. Income is Net of Service Tax.

(b) Preliminary Expenditure

Preliminary Expenses are written off in the year in which it is incurred.

(c) Taxes on Income

Current Tax is determined as per the provisions of the Income Tax Act, 1961 in respect of Taxable Income for the year. Deferred Tax Assets and Deferred Tax Liabilities are computed by applying tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet Date.

(d) Fixed Assets

Fixed assets are stated at cost of acquisition less accumulated depreciation/amortization and impairment losses (if any) Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

(e) Depreciation

Depreciation on fixed assets is provided on a straight line basis at the rates prescribed under schedule XIV to the Companies Act, 1956 which are estimated to be the useful life of fixed assets by the Management.

(f) Provisions, Contingent Liabilities and Contingent Assets(AS-29)

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements

(g) Earnings Per Share

Basic earning Per Equity Share is computed by dividing the net profit or loss after tax by the weighted average number of Equity Shares outstanding during the period.

(h) Impairment of Assets

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price

(i) Intangible Assets

Intangible assets are stated at cost of acquisition less accumulated amortisation on straight line basis from the date the assets are put for commercial use.

(j) Employee Benefit

Employee Benefits are provided in the books as per AS -15 (revised) in the following manner :

- [i] Provident Fund and Pension contribution - as a percentage of salary/wages is a Defined Contribution Scheme.
- [ii] Gratuity and Leave Encashment is a defined benefit obligation. The liability is provided for on the basis of actuarial valuation made at the end of each financial year. The actuarial valuation is made on Projected Unit Credit method.



HIMALYAPUTRA AVIATION LIMITED

Notes to the financial statements for the year ended March 31, 2014

Note 3. SHARE CAPITAL

	Figure as at the end of Current reporting Period 31.3.2014		Figure as at the end of Previous Reporting Period 31.3.2013	
	No of shares	Amount in ₹	No of shares	Amount in ₹
Authorised shares				
Equity shares of Rs. 10 each	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
Preference Shares of Rs 100 each	15,00,000	15,00,00,000	15,00,000	15,00,00,000
	1,15,00,000	25,00,00,000	1,15,00,000	25,00,00,000
Issued , Subscribed and Fully Paid-up Shares				
Equity shares of Rs. 10 each	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
12% Non Cumulative Redeemable Preference Shares of Rs. 100 each	15,00,000	15,00,00,000	15,00,000	15,00,00,000
	1,15,00,000	25,00,00,000	1,15,00,000	25,00,00,000

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares

	No of shares	Amount in ₹	No of shares	Amount in ₹
At the beginning of the period	1,00,00,000	10,00,00,000	20,00,000	2,00,00,000
Issued during the period	-	-	80,00,000	8,00,00,000
Outstanding at the end of the period	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000

Preference Shares

	No of shares	Amount in ₹	No of shares	Amount in ₹
At the beginning of the period	15,00,000	15,00,00,000	-	-
Issued during the period	-	-	15,00,000	15,00,00,000
Outstanding at the end of the period	15,00,000	15,00,00,000	15,00,000	15,00,00,000

(b) Terms/ rights attached to equity shares

Equity The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share and to receive dividend.

Preference Shares The Company has issued 12% Non Cumulative Redeemable Preference Shares of Rs 100/- each fully paid up for a period of 10 years extendable upto 20 years, redeemable at any time at the option of the company and among other conditions, interalia that the preference share holders shall have priority over equity share holders in the payment of dividend and repayment of capital in case of liquidation of the company.

(c) Shares held by holding / ultimate holding company and / or their subsidiaries / associates

	No of shares	% holding	No of shares	% holding
Equity shares held by Jaiprakash Associates Limited	1,00,00,000	100	1,00,00,000	100
Preference shares held by Jaiprakash Associates Limited	15,00,000	100	15,00,000	100

(d) Equity Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held

Name of Shareholder	Figure as at the end of Current reporting Period 31.3.2014		Figure as at the end of Previous Reporting Period 31.3.2013	
	No. of equity shares held	% of holding	No. of equity shares held	% of holding
Jaiprakash Associates Limited	1,00,00,000	100.00	1,00,00,000	100.00

(e) Other Clauses of share capital are not applicable to the company



HIMALYAPUTRA AVIATION LIMITED

Notes to the financial statements for the year ended March 31, 2014

	Figure as at the end of Current reporting Period 31.3.2014	Figure as at the end of Previous reporting Period 31.3.2013
Amount in ₹		
Note 4. - RESERVES AND SURPLUS		
" Surplus "		
Opening Balance	(10,39,07,750)	(7,07,613)
Add: Profit/(Loss) during the period	(20,17,69,898)	(10,32,00,137)
	<u>(30,56,77,648)</u>	<u>(10,39,07,750)</u>
Note 5 - LONG-TERM BORROWINGS		
Secured Loans		
Term Loans		
-from Non Banking Financial Company	19,37,64,792	23,70,54,667
Less: Current maturities of Long term debt	<u>(5,08,72,800)</u>	<u>(3,94,08,570)</u>
	<u>14,28,91,992</u>	<u>19,76,46,097</u>
Total Long term Borrowings	<u>14,28,91,992</u>	<u>19,76,46,097</u>
Security		
(a) Loan from SREI is secured by way of Hypothecation of Aircraft & Helicopter taken by the company on lease from Jaiprakash Associates Ltd.		
(b) By way of Comfort letter from Jaiprakash Associates Limited the holding company in respect of timely repayment.		
(c) Collateral security of Purchased aircraft.		
(d) Personal guarantee of Sh Manoj Gaur (Executive Chairman of Jaiprakash Associates Limited.)		
Repayment		
In 60 Monthly instalments commencing after 6 months moratorium i.e. 01.01.2013		
Note 6 - LONG-TERM PROVISIONS		
Provision for Employees Benefit		
-Provision For Gratuity	5,86,606	2,70,464
-Provision For Leave Encashment	6,42,706	3,20,075
	<u>12,29,312</u>	<u>5,90,539</u>
Note 7. - TRADE PAYABLES		
Trade Payables- Related Party	23,31,27,845	-
Trade Payables- Others (Refer Note no -24)	58,94,363	16,90,243
	<u>23,90,22,208</u>	<u>16,90,243</u>
Note 8. - OTHER CURRENT LIABILITIES		
(i) Current Maturities of Long term Debt		
Secured Loans		
Term Loans		
-from Non Banking Financial Company	5,08,72,800	3,94,08,570
(ii) Expenses Payable	32,10,375	1,26,61,939
(iii) Due to Staff	7,22,348	31,03,359
(iv) Other Current Liabilities		
TDS Payable	17,19,255	22,85,999
Provident Fund Payable	1,68,465	2,13,574
	<u>5,66,93,243</u>	<u>5,76,73,441</u>
Note 9. - SHORT TERM PROVISIONS		
Provision for Employees Benefit		
-Provision For Gratuity	7,142	4,294
-Provision For Leave Encashment	1,49,805	58,960
	<u>1,56,947</u>	<u>63,254</u>

HIMALYAPUTRA AVIATION LIMITED

Amount in ₹

Note 10. - TANGIBLE ASSETS

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	AS ON 31/03/2013	ADDITIONS DURING THE YEAR	DELETIONS / SALES ADJUSTMENT	AS ON 31/03/2014	AS ON 31/03/2013	FOR THE YEAR	ON DELETION / SALES / ADJUSTMENT	AS ON 31/03/2014	AS ON 31/03/2014	AS ON 31/03/2013
Tangible Assets										
AIRCRAFT & HELICOPTER	39,46,00,224	-	-	39,46,00,224	1,39,19,779	2,20,97,613	-	3,60,17,392	35,85,82,832	38,06,80,445
COMPLTER EQUIPMENT	42,577	-	-	42,577	3,709	6,902	-	10,611	31,966	38,868
TOTAL	39,46,42,801	-	-	39,46,42,801	1,39,23,488	2,21,04,515	-	3,60,28,003	35,86,14,798	38,07,19,313
Previous Year	-	39,46,42,801	-	39,46,42,801	-	1,39,23,488	-	1,39,23,488	38,07,19,313	-



HIMALYAPUTRA AVIATION LIMITED

Notes to the financial statements for the year ended March 31, 2014

	Figure as at the end of Current reporting Period 31.3.2014	Figure as at the end of Previous reporting Period 31.3.2013
Amount In ₹		
Note 11.- LONG TERM LOANS AND ADVANCES		
<i>(unsecured and Considered good)</i>		
-Security Deposits - Others	72,00,000	34,00,000
	72,00,000	34,00,000
 Note 12. - TRADE RECEIVABLES		
<i>Unsecured, considered good</i>		
Due From related Parties		-
Due for a period exceeding six months	7,86,520	-
Due for a period less than six months	29,12,725	98,22,108
Due From others	-	-
	36,99,245	98,22,108
 Note 13. CASH AND CASH BALANCES		
Cash & Cash equivalent		1,27,298
(i) Cash in Hand	2,03,048	
(ii) Balance with Banks		14,23,093
In Current accounts	11,23,592	31,59,404
(iii) Cheques in Hand	-	-
	13,26,640	47,09,795
 Note 14. SHORT TERM LOANS AND ADVANCES		
<i>Unsecured, considered Good</i>		
Advance recivable in cash or in kind or for value to be recieved	1,67,969	11,51,286
TDS and Advance Tax	74,83,368	31,98,338
Service Tax Credit Receivable	54,97,894	2,76,151
	1,31,49,231	46,25,776
 Note 15. - OTHER CURRENT ASSETS		
Prepaid Expenses	3,26,140	4,78,832
	3,26,140	4,78,832



HIMALYAPUTRA AVIATION LIMITED

Notes to the financial statements for the year ended March 31, 2014

Amount In ₹

Figure as at the end
of Current reporting
Period 31.3.2014

Figure as at the end of
Previous reporting
Period 31.3.2013

Note 16 - REVENUE FROM OPERATIONS

Plane Hire charges	8,45,95,914	1,25,44,169
Pilot Hire charges	-	2,50,67,500
	8,45,95,914	3,76,11,669

Note 17 - OTHER INCOME

Interest Income	-	1,46,338
	-	1,46,338

Note 18 - OPERATING EXPENSES

Fuel Expenses	2,63,79,925	42,67,700
Lease Rentals	9,56,25,000	79,03,226
Landing, Parking & Navigation charges	3,75,75,524	12,25,727
Insurance		
- Aircraft	20,12,126	3,76,589
- Others	3,38,108	3,36,895
Helicopter/Aircraft Maintenance	-	13,61,194
	16,19,30,683	1,54,71,331

Note 19 - EMPLOYEE BENEFIT EXPENSES

Salaries & Other Employee Benefits	5,41,12,612	6,68,10,215
Staff Welfare Exp.	6,62,747	6,11,337
PF, ESI & DLI Exp.	10,47,402	10,03,781
Gratuity	3,18,990	2,74,758
Bonus	-	1,13,000
	5,61,41,751	6,88,13,091

Note 20 - FINANCE COSTS

Bank Charges	25,809	3,708
Interest on term Loan	3,56,42,933	3,14,06,664
Other Interest	20,826	2,535
Interest on Income Tax	7,420	-
	3,56,96,987	3,14,12,907

Note 21 - DEPRECIATION AND AMORTIZATION EXPENSES

Depreciation	2,21,04,515	1,39,23,488
	2,21,04,515	1,39,23,488

Note 22 - OTHER EXPENSES

Travelling & Conveyance Expenses	10,90,137	13,28,270
Legal & Professional Charges	11,80,638	7,24,730
Printing & Stationary	25,530	1,56,055
Miscellaneous Expenses	68,067	10,777
Postage, Telephone & Telex charges	3,16,797	3,88,226
Vehicle Hire charges	24,11,577	33,02,248
Vehicle Running and Maintenance	19,32,591	28,22,751
Dulies & Taxes	10,427	2,33,287
Auditor's Remuneration:		
- Audit Fee	1,00,000	1,00,000
- Tax Audit Fee	25,000	25,000
- Reimbursement of Expenses	-	4,060
Rates & Taxes	5,11,729	11,01,473
Seminar & Training	27,20,641	11,40,450
	1,03,93,135	1,13,37,327

HIMALYAPUTRA AVIATION LIMITED

Notes to the financial statements for the year ended March 31, 2014

Note 23 Contingent Liabilities :
Bank Gurantee - Rs- 30,00,000 (Previous year - NIL)
Margin against the above - NIL

Note 24 Disclosure as required under Nofification No. G.S.R. 719 (E) dated 16th November, 2007 issued by the Ministry of Corporate Affairs .

		Amount in ₹	
SNo.	Particulars	Figures as at the end of Current Reporting Period, March 31,2014	Figures as at the end of Previous Reporting Period, March 31,2013
a)	The principal amount and interest due thereon remaining unpaid to any supplier		
	-Principal Amount	Nil	Nil
	-Interest Amount	Nil	Nil
b)	The amount of interest paid by the buyer in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of payment made to the supplier beyond the appointed day.	Nil	Nil
c)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act 2006.	Nil	Nil
d)	The amount of interest accrued and remaining unpaid	Nil	Nil
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil

Note 25	Payment To Auditors	1,00,000	1,00,000
	- As Audit Fees	25,000	25,000
	- As Tax Audit Fees		

Note 26 (a) As per computation , there is no taxable income for the Financial year 2013-14

(b) Deferred Tax working is as follows:-

<u>Deferred Tax Asset</u>			
Unabsorbed Depreciation and Business Loss		15,69,23,684	7,70,27,978
Retirement Benefits		4,28,354	2,22,224
	A	15,73,52,038	7,72,50,202
<u>Deferred Tax Liability</u>			
Depreciation effect	B	6,31,09,393	4,19,50,251
Net Deferred Tax Asset/(Liability)	(A-B)	9,42,42,645	3,52,99,951

There is Net deferred Tax Asset of Rs. 9,42,42,645 as on 31-03-2014 which has not been provided due to absence of Revenue reserves



HIMALYAPUTRA AVIATION LIMITED

Notes to the financial statements for the year ended March 31, 2014

Note 28

(a) **Provident Fund - Defined Contribution Plan**

Employees are entitled to Provident Fund benefits. Amount debited to Profit and Loss account including Administrative and Employees Deposit Linked Insurance charges Rs.10,47,402 during the year (Previous Year Rs. 10,03,781).

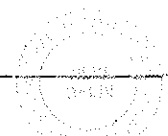
(b) **Gratuity - The liability for Gratuity is provided on the basis of Actuarial Valuation made at the end of each financial year. The Actuarial Valuation is made on Projected Unit Credit method as per AS 15(revised).**

(c) **Leave Encashment - Defined Benefit Plans - Provision has been made as per Actuarial Valuation.**

Details of Gratuity and Leave encashment as per Accounting Standard-AS-15(Revised)

Amount in ₹

Sl.No	Particulars	Gratuity (Non Funded)		Leave Encashment (Non Funded)	
		2014	2013	2014	2013
I	Expenses recognized in the Statement of Profit & Loss for the Year ended March 31.				
	1. Current Service Cost.	3,02,888	2,74,758	4,03,681	3,79,035
	2. Interest Cost	23,354	-	32,218	-
	3. Employee Contribution	-	-	-	-
	4. Actuarial (Gains)/Losses	(7,252)	-	(12,193)	-
	5. Past Service Cost	-	-	-	-
	6. Settlement Cost	-	-	-	-
	7. Expected Return on Plan Assets	-	-	-	-
	8. Total Expenses	3,18,990	2,74,758	4,23,706	3,79,035
II	Net Asset/ (Liability) recognized in the Balance Sheet as at March 31.				
	1. Present Value of Defined Benefit Obligation.	5,93,748	2,74,758	7,92,511	3,79,035
	2. Fair Value of Plan Assets	-	-	-	-
	3. Funded Status - Surplus/(Deficit)	(5,93,748)	(2,74,758)	(7,92,511)	(3,79,035)
	4. Excess of actual over estimated return on Plan Assets	-	-	-	-
	5. Net Asset/(Liability)	(5,93,748)	(2,74,758)	(7,92,511)	(3,79,035)
III	Change in Obligation during the Year ended March 31, 2013.				
	1. Present value of Defined Benefit obligation at the beginning of the year.	2,74,758	-	3,79,035	-
	2. Current Service Cost.	3,02,888	2,74,758	4,03,681	3,79,035
	3. Interest Cost	23,354	-	32,218	-
	4. Settlement Cost	-	-	-	-
	5. Past Service Cost	-	-	-	-
	6. Employee Contributions	-	-	-	-
	7. Actuarial (Gains)/Losses	(7,252)	-	(12,193)	-
	8. Benefit Payments	-	-	(10,230)	-
	9. Present Value of Defined Benefit Obligation at the end of the year.	5,93,748	2,74,758	7,92,511	3,79,035
IV	Change in Assets during the Year ended March 31, 2014.				
	1. Plan Assets at the beginning of the year.	-	-	-	-
	2. Assets acquired on amalgamation in previous year.	-	-	-	-
	3. Settlements	-	-	-	-
	4. Expected return on Plan Assets	-	-	-	-
	5. Contribution by Employer	-	-	-	-
	6. Actual Benefit Paid	-	-	-	-
	7. Actuarial Gains/ (Losses)	-	-	-	-
	8. Plan Assets at the end of the year.	-	-	-	-
	9. Actual Return on Plan Assets	-	-	-	-
V	Estimated amount of contribution in the immediate next year	1,56,951	3,13,101	1,79,315	3,45,279
VI	Major categories of plan assets (as percentage of total plan)				
	1. Funds Managed by Insurer	Nil	Nil	Nil	Nil
VII	Actuarial Assumptions:				
	1. Discount Rate	8.50%	8.50%	8.50%	8.50%
	2. Mortality Table	IALM (2006-08)	IALM (1994-96)	IALM (2006-08)	IALM (1994-96)
	3. Turnover Rate:				
	Up to 30 Years	2	2	2	2
	From 31 to 44 years	5	5	5	5
	Above 44 years	3	3	3	3
	4. Future Salary Increase	6.00%	6.00%	6.00%	6.00%
	Particulars	31.03.2014	31.03.2013		
	Gratuity- Funded:				
	a) Present Value of Defined benefit obligation	5,93,748	2,74,758		
	b) Fair value of Plan Assets	-	-		
	c) Surplus/(Deficit) in the plan	-	-		
	d) Experience gain/(loss) adjustments:				
	On Plan PBO	-	-		
	On Plan Assets	-	-		
	Leave Encashment - Non Funded:				
	a) Present Value of Defined benefit obligation	7,92,511	3,79,035		
	b) Fair value of Plan Assets	-	-		
	c) Surplus/(Deficit) in the plan	-	-		
	d) Experience gain/(loss) adjustments:				
	On Plan PBO	-	-		
	On Plan Assets	-	-		



HIMALYAPUTRA AVIATION LIMITED

Notes to the financial statements for the year ended March 31, 2014

Amount in ₹

Figure as at the end of Current reporting Period 31.3.2014	Figure as at the end of Current reporting Period 31.3.2013
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Note 29. In the opinion of Board of Directors, the "Current Assets, Short Term Loans & Advances have a value on realization in the ordinary course of business , at least equal to the amount at which they started in the Balance Sheet.

Note 30.(a) Expenditure in foreign currency

Aircraft Purchased	-	23,70,75,000
Foreign Travelling	3,81,298	-
Stores Purchase	19,09,926	5,29,448
Training and Other Expenses	25,99,267	4,34,936
(b) Income In Foreign Currency	-	-

Note 31. Earnings Per Share is computed in accordance with Accounting Standard – 20 issued by the Institute of Chartered Accountants of India.

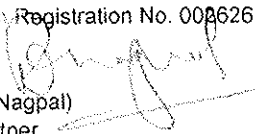
[a] Net Profit/(Loss) for Basic Earnings Per Share as per Profit & Loss Account	(20,17,69,898)	(10,32,00,137)
[b] Weighted No. of Equity Shares	1,00,00,000	82,02,740
[c] Basic Earnings Per Share	(20.18)	(12.58)
[d] Diluted Earning Per Share	(20.18)	(12.58)
[e] Face Value Per Share	10	10

Note 32 Previous year figures have been regrouped/rearranged, wherever necessary to make them comparable with current year's figures

Note 33 All the figures have been rounded off to nearest rupee.


The Note Nos. 1 to 33 are intergral part of the Financial Statements



As per our report of even date

For R.NAGPAL ASSOCIATES
Chartered Accountants
Firm Registration No. 008626N

(R. Nagpal)
Partner
M.No. 081594



For and on behalf of the Board of Directors of
Himalyaputra Aviation Ltd.


(G.P. Gaur)
Whole Time Director


(S.D. Nairwal)
Director

(Ankur Sharma)
Company Secretary

Place: New Delhi
Date : 22-05-2014