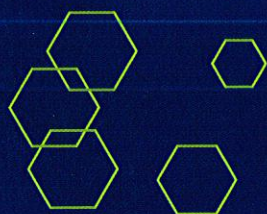
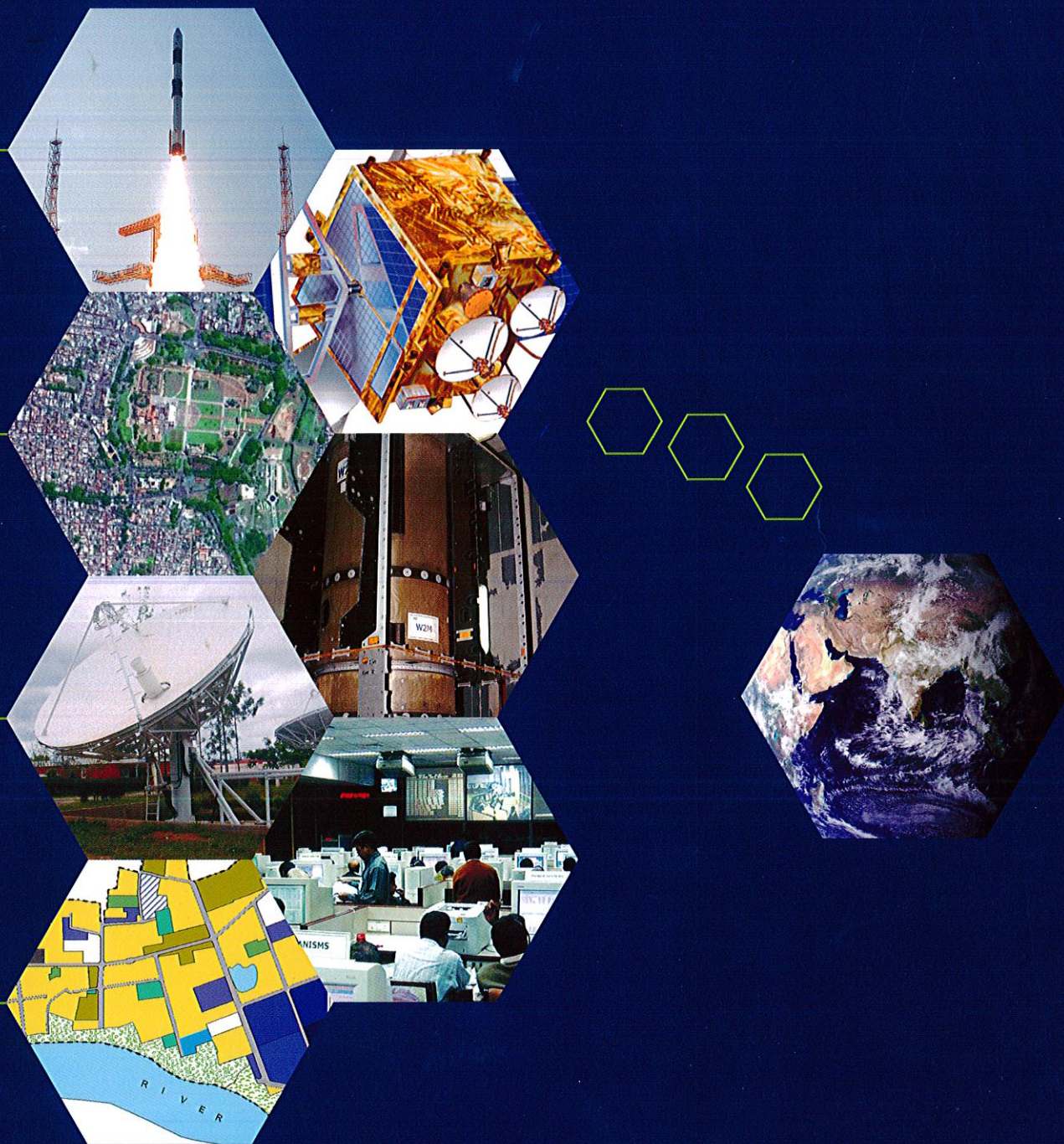


ANNUAL REPORT
2010-2011



BOARD OF DIRECTORS

Dr. K. Radhakrishnan (upto July 7, 2011)
Dr. V.S. Hegde (from July 7, 2011)
Shri V.V. Bhat I.A.S
Shri G. Balachandhran I.A.S (upto 11.1.2011)
Dr. R.R. Naval Gund
Dr. T.K. Alex
Dr. V. Jayaraman (upto 30.4.2011)
Shri P.S. Veeraraghavan
Shri Ratan Tata
Shri Jamshyd Godrej
Shri P. Ravindra Reddy
Shri K.R. Sridhara Murthi (upto 30.9.2010)

MANAGEMENT TEAM:

Executive Director
Director (Special Projects)
Director ((Business Development)
Director (Technology & Services)
Dy. Director(Business Development)
Head, Accounts & IFA

Shri S. Parameswaran
Smt. Geetha Varadan
Shri S. Parameswaran
Smt. T.S. Shoba
Shri R.L.N. Murthy
Shri G. Alagesan

STATUTORY AUDITORS

M/s. Abarna & Ananthan
Chartered Accountants
No. 643, 1st Main, 7th Block
2nd Phase, BSK 3rd Stage
Bangalore 560 085

BANKERS

Canara Bank
RMV Extn., Branch
Bangalore 560 080

State Bank of India
Dollar Colony Branch
Bangalore 560 054

REGISTERED OFFICE

'Antariksh Bhavan'
Near New BEL Road
Bangalore 560 231



DIRECTORS' REPORT

Your Directors have pleasure in presenting the Nineteenth Annual Report together with the Audited statement of Accounts, Auditors' Report and comments of the Comptroller and Auditor General of India for the year ended 31st March, 2011.

PERFORMANCE HIGHLIGHTS

The performance during the year has been satisfactory considering global recovery / process in financial markets. The Company achieved a turnover of ₹. 1114.20 Crores, which shows an increase of 26% over the previous year. The profit during the year was ₹. 138.87 Crores. As the commercial arm/corporate front of Indian Space Research Organisation (ISRO), your company has been vigorously engaged in harnessing space technology for the welfare of mankind and has been making significant contributions towards economic well being and development of the nation. The core activities of the Company pertain to contributing towards space based connectivity, information exchange for enhancing the living standard of the common man. Your company is confident of bettering its performance in the coming years.

EXPORTS

The project Hylas, a satellite being built under Antrix-Astrium alliance for a UK customer, Avanti Communications, progressed very well. The satellite has been successfully launched in November, 2010. After completing the specified in orbit tests, it has been handed over to the customer in March, 2011. It is a major milestone of accomplishment for the company.

On-orbit support was extended to another customer namely EUTELSAT for operations of W2M.

IRS RELATED ACTIVITIES

Your company has been marketing data from the IRS series of satellites meeting diverse application needs across the globe. Acceptance of IRS products and services by the international customers is growing over the years and this year also marked good results.

Currently, your company is marketing the data and related services from Resourcesat-1, Cartosat-1, Cartosat-2. Oceansat-2, the continuation mission of Oceansat-1 has been added to the constellation of IRS. Your company is in discussions with several international users, mostly government, academic and research institutions for these services. Your company is looking forward to maintain the continuity of services to customers from new satellite Resourcesat-2 slated for launch in the next quarter. This has already created wide interest among the existing as well as new customers in new geographies.

One important development has been the foray into Value Added Products and Services (VAPS). Your company has successfully completed a project for mineral reserve estimate and new opportunities in WebGIS and related services are being pursued.

LAUNCH SERVICES

Antrix has pursued with the prospective customers for launch of their payloads using PSLV as auxiliary payloads and has built an impressive backlog of launch orders for the coming years.

SATELLITE MISSION SUPPORT SERVICES

Your company has continued to serve prestigious global customers for telemetry, telecommand, tracking, ranging and other associated services.

As part of the Agreement entered into with INTELSAT for providing Transfer Orbit Support Services (TOSS) and other on orbit services, your Company is geared up to support a number of international missions. The ground station at ISTRAC was also used to provide the Telemetry, Tracking and Command support of the Hinode satellite (JAXA mission).

Your company was also successful in establishing and completing the acceptance testing of state of the art Ka band earth station, the first of its kind in this part of the globe, at MCF, Hassan. Further, this earth station was used to support the mission operations of Viasat-1 satellite at 115 degree west. Viasat-1 is a Ka spot beam satellite, owned by Space Systems Loral, for providing satellite broadband services in the US.



SATELLITE SYSTEMS

The Company has been marketing two types of satellite platforms, whose heritage is well established. These are I 2K and I 3K communication satellite platform developed by ISRO for INSAT / GEOSAT programs. Following an effective implementation of two satellites for export in alliance with Astrium, the Company is currently looking into additional opportunities under the framework of this alliance.

TELECOM TRANSPONDER SERVICES

There continues to be a growing demand for transponder capacity in the C and Ku band of spectrum. Satellite bandwidth continues to service the video, data market for TV broadcasting, VSAT connectivity, digital satellite news gathering services, etc. While DTH services continue to make inroads into the market, emerging services such as HDTV, 3D TV etc. are largely contributing towards increased demand for satellite bandwidth. To cater to this requirement from various services, particularly, DTH and VSAT segment, your Company has leased capacity from various international operators. Enhanced capacity in the

INSAT space segment is also available through the planned and scheduled launches of GSAT-8 and GSAT-12, during the year, providing additional space segment in Ku and Ext C band. All of this have certainly provided a fillip to the vibrant space services market.

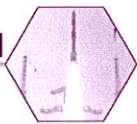
Your Company, based on the directive received from the Government, has annulled the Agreement dated 28th January 2005 for the lease of space segment capacity on ISRO/ Antrix S-Band spacecraft by Devas Multimedia Pvt. Ltd., on 25th February, 2011. Your Company has also taken necessary legal action in this regard.

EXCHANGE OF VISITS

As in the past, exchange of visits has taken place during the year under review. Your Company continues to lay emphasis on promoting exchange of visits for furthering mutual business interests. Visits have taken place during the year involving leading space agencies and other business organizations. Your company firmly believes that this will help in strengthening the association and throw open more business opportunities.

FINANCIAL RESULTS

	As at 31 st March, 2011 (₹ in Lakhs)	As at 31 st March, 2010 (₹ in Lakhs)
Total Income	1,11,419.70	88,392.16
Total Expenditure	89,683.03	69,714.62
Profit before Depreciation and Tax	21,736.67	18,677.54
Extra-ordinary Income	14.23	0.00
Less: Depreciation	(12.24)	(12.58)
Less: Provision for Doubtful Debts	(272.09)	(1,962.81)
Less: Prior Period Adjustment (Net)	(64.48)	(1,905.81)
Less: Provision for Taxation	(6,916.00)	(4,690.00)
Add: Deferred Tax	72.34	663.90
Short/Excess provision for Income	(663.35)	69.00
Tax in earlier years		
Excess provision for Fringe Benefit Tax	(8.28)	0.75
Profit available for appropriation	13,886.80	10,839.99
Transfer to General Reserves	10,646.00	8,300.00
Proposed Dividend	2,778.00	2,170.00
Corporate Dividend Tax	461.39	368.79
Surplus in P&L A/C carried to Balance Sheet	1.41	1.20
	13,886.80	10,839.99



DIVIDEND

In accordance with the instructions issued by the Government of India vide Office Memorandum No.F/1(16)-EII (A) dated 17/9/96, No.F.19(1)-E-II (A)/98 dated 20/8/98 and No.F3 (2)-B (S)/2001 dated 13/6/2001 and DO No.3(67)-B(S)/2002 dated 09/09/2002 of the Ministry of Finance (Department of Economic Affairs), DO No. 3(2) B/S/2003 dated 17/06/2004 of the Department of Expenditure, Ministry of Finance, Government of India and D.O. letter No.3(3)-B (S)/2005 dated May 19, 2005 of Secretary, Department of Economic Affairs, Ministry of Finance, Government of India, your Directors are pleased to recommend a dividend of 2778% on the paid-up equity share capital of Rs.100 lakhs (previous year 2170%). This represents 20% of the post-tax profits for the year ended 31st March, 2011.

FUTURE OUTLOOK

The global space industry has opened up with new opportunities in various sectors. It is expected that this will spur the demand for products and services. The company is looking at these new opportunities that it would be able to develop further and turn into successful business models. Development of a commercial model of telemedicine, value added services in the area of remote sensing and telecommunication hold a lot of promise. Provision of Satellite communication services is another major segment that has a growth potential globally. The company has plans for exploring opportunities in the field of navigation receivers. All these are challenging opportunities and your company is confident of meeting these challenges and turning them into successful ventures for the company.

DIRECTORS

Shri K.R. Sridhara Murthi, ceased to be Managing Director consequent upon superannuation with effect from 30th September, 2010. Shri G. Balachandhran ceased to be a Director consequent upon his transfer

with effect from 11th January, 2011. Dr. V. Jayaraman, ceased to be director consequent upon superannuation with effect from 30th April, 2011. Dr. K. Radhakrishnan, Director, resigned with effect from July 07, 2011. The Government of India, Department of Space has appointed Dr. V.S. Hegde as Chairman cum Managing Director with effect from July 07, 2011. Dr. R.R. Navalgund, Director, Space Application Centre, was appointed as Director of the Company with effect from 1st October, 2010. Your Directors place on record their appreciation of the valuable services rendered by Dr. K. Radhakrishnan, Shri K.R. Sridhara Murthi, Shri G. Balachandhran and Dr. V. Jayaraman as Directors of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- i. That in the preparation of the annual accounts for the financial year ended 31.3.2011, the applicable accounting standards have been followed along with proper explanation relating to material departure;
- ii. That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- iii. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. That the Directors have prepared the annual accounts for the financial year ended 31st March, 2011 on a "Going Concern" basis.



CORPORATE GOVERNANCE

Your company proposes to implement corporate governance practices in accordance with the guidelines issued by the Government of India. A policy has been drawn up in this regard. Your company believes that this will help in bringing about greater transparency, better governance and fulfilling the needs of all stakeholders.

AUDITORS

The Comptroller and Auditor General of India vide letter No.CA.V/COY/Central Govt. Antrix (1) (132) dated 15th July, 2010 appointed M/s. Abarna & Ananthan, Chartered Accountants, Bangalore as Statutory Auditors to conduct audit of the annual accounts of the Company for the year ended 31st March, 2011. Their report dated December 17, 2011 is enclosed. The comments of the Comptroller & Auditor General of India under section 619(4) of the Companies Act, 1956 for the year ended 31st March 2011 vide letter No. Inspection-II/Antrix A/Cs (10-11)/2011-12/194 dated 28th December, 2011 is enclosed. The Comptroller and Auditor General of India vide letter No. CA.V/COY/CENTRAL GOVT. ANTRIX (1)613 dated 10th September, 2011 has appointed M/s. Gnanoba & Bhat, Chartered Accountants, Bangalore as the Statutory Auditors of the Company for the financial year 2011-12.

SECRETARIAL COMPLIANCE CERTIFICATE

The Secretarial Compliance Certificate pursuant to the provisions of Section 383A of the Companies Act, 1956, with regard to compliance with the provisions of the Companies Act, 1956, signed by Shri V. Padmanabhan, Company Secretary in Practice, is annexed hereto and forms an integral part of this Report.

FIXED DEPOSITS

Your Company has not invited or accepted any deposits from the public during the year under review.

PARTICULARS OF EMPLOYEES

No employee was in receipt, either during the year or part thereof, of remuneration above the limits specified in Section 217 (2A) of the Companies Act, 1956 as amended from time to time.

RESERVATION

During the year under review, the status of representation of persons belonging to scheduled castes, scheduled tribes, other backward classes was NIL and physically challenged was one. The total strength of employees in Group A (Technical), Group A (Administrative) and Group C (Administrative) were 3, 5 and 2 respectively.

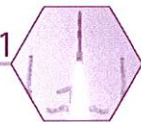
CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information required to be furnished under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, relating to Conservation of Energy and Technology Absorption is NIL, as the Company has not directly consumed any energy or imported any foreign technology.

IMPLEMENTATION OF OFFICIAL LANGUAGE

In line with the policy of the Government of India, your company has actively pursued efforts towards use of the official language at all levels.

During the year, workshops and training sessions were conducted, to enable the employees to acquire working knowledge, besides organising of competitions that helped to sharpen the language skills among employees.



FOREIGN EXCHANGE EARNINGS AND OUTGO (ACTUALS) FOR THE YEAR ENDED 31ST MARCH 2011 ARE AS FOLLOWS:

Foreign Exchange Earnings	Amount in Lakhs (₹)	Amount in FE
a) On a/c of Exports	2,761.41	EURO 37,452.50 USD 61,52,580.12
b) On a/c of Technical Consultancy	2,639.77	USD 58,48,702.92
c) On a/c of other services	2,676.46	EURO 40,49,059.01 USD 59,96,488.74
Total	8,077.64	
Foreign Exchange Outgo	Amount in Lakhs (₹)	Amount in FE
a) On a/c of Travel	72.12	EURO 61,453.95 USD 74,073.00
b) On a/c of cost of imports	668.55	EURO 2,29,692.44 USD 11,50,002.24
c) On a/c of cost of Technical Consultancy	18,370.15	USD 3,78,11,414.51
d) On a/c of cost of other services	138.18	USD 2,97,141.92
Total	19,249.00	

ACKNOWLEDGEMENT

Your Directors acknowledge with thanks the support received from the customers and other users of its products and services and look forward to their continued support in the coming years. Your Directors also acknowledge the co-operation and support received from other Government Departments and agencies, bankers and industries.

Your Directors also acknowledge and place on record their appreciation for the whole-hearted support and

contribution of the officers and staff members of the Department of Space, various ISRO Centres and your Company towards successful operations of your Company during the year under review.

For and on behalf of the Board of Directors

Sd/-

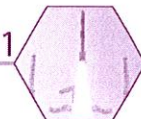
Place: Bangalore

(Dr. V.S. Hegde)

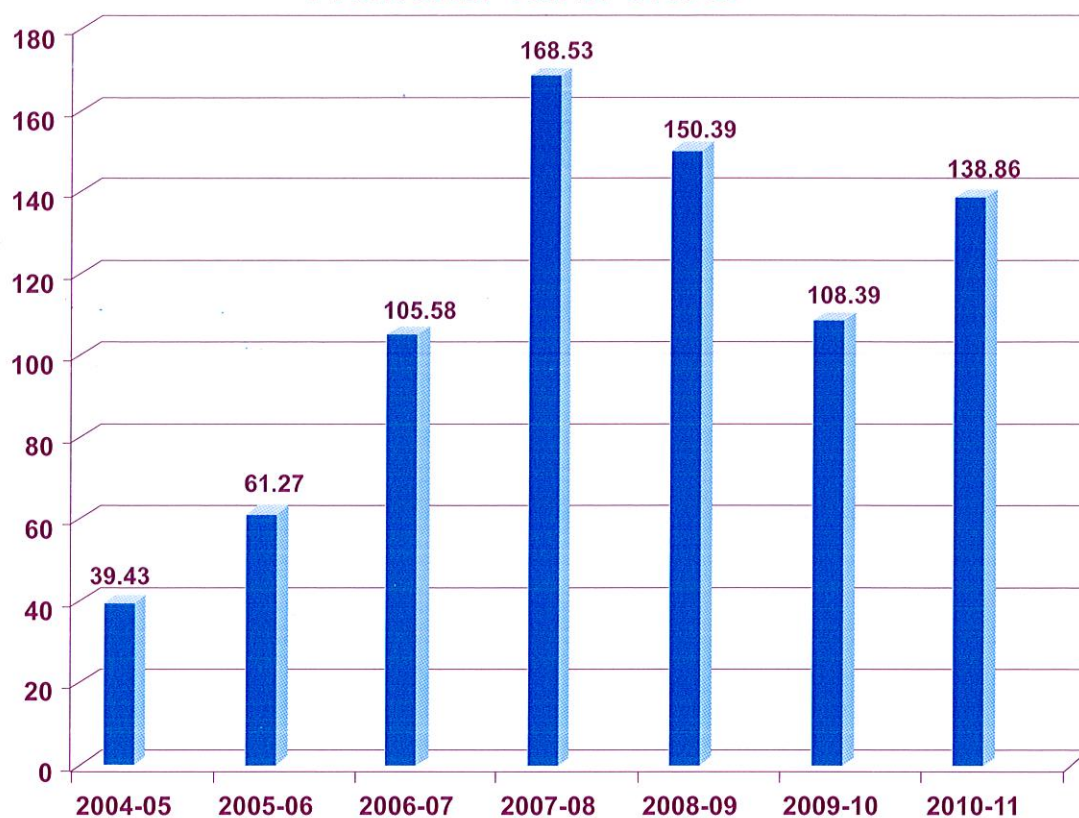
Date: 28.12.2011 Chairman-cum-Managing Director

**ADDENDUM TO DIRECTORS' REPORT RELEVANT TO
FINANCIAL YEAR ENDED 31ST MARCH 2011**

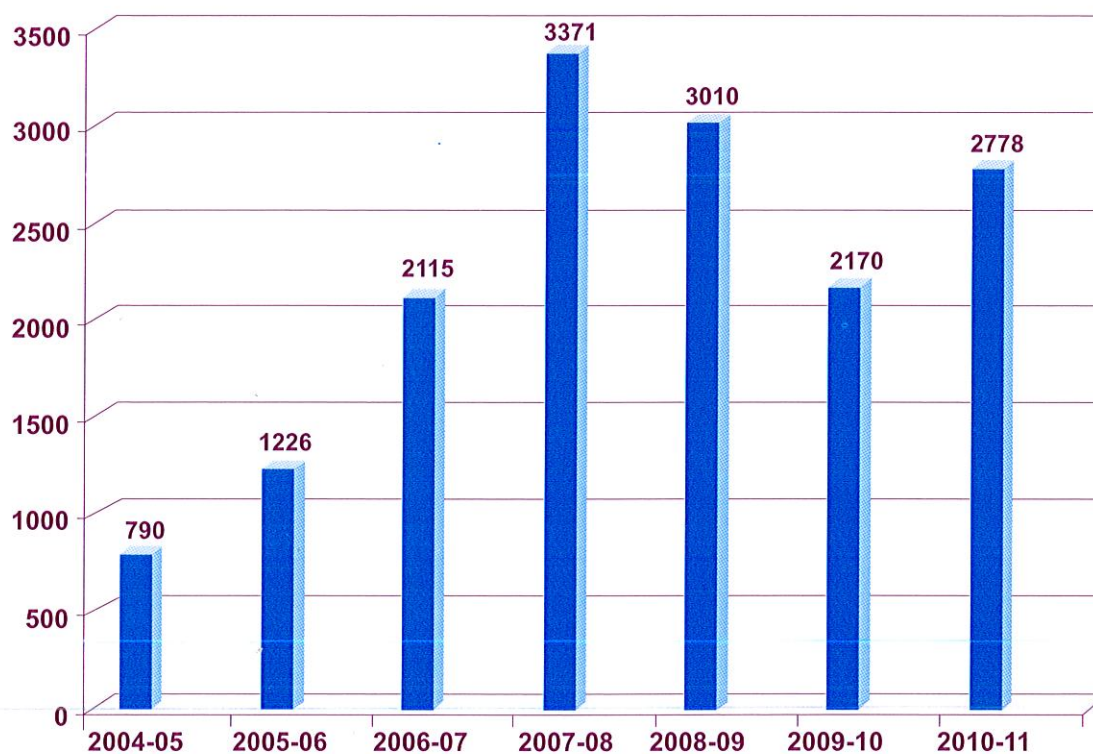
Comment of the Statutory Auditors	Management Reply
<p>(i) No provision has been made towards the liability of Liquidated Damages in the form of Delayed Delivery Penalty of US\$ 5 Million (₹ 21.89 crores) as on the date of Balance Sheet for its failure to deliver the leased capacity from a fully operational satellite within the stipulated date as per the terms of the contract entered into with M/s Devas Multimedia Limited. In the opinion of the management, no provision need be made currently as the issue relating to arbitration proceeding is subjudice.</p> <p>(ii) No provision has been made for the liability on account of material breach in terms of the contract. In the absence of substantial evidence in the form of legal opinion validating the stand of the Company, we are unable to express our opinion on the financial impact and its effect on the accounts of the Company.</p>	<p>(i) & (ii) The Company terminated the agreement with M/s. Devas Multimedia Limited (Devas) with immediate effect vide letter dated 25th February, 2011, intimating the policy decision of the Central Government not to provide orbital slot in S-band to the Company for commercial activities including those which are the subject matter of the existing agreements. Devas filed an arbitration petition on 29th June, 2011 before the International Court of Arbitration, Paris under the International Chamber of Commerce (ICC), seeking restoration of the agreement. The Company had not agreed for arbitration under ICC and conveyed it to ICC vide letter dated 11th July, 2011 and also reiterated it in all its subsequent correspondence with ICC. The Company had invoked arbitration proceedings as provided under the Agreement and issued a notice for Arbitration to Devas on 30th July, 2011 and also filed a petition in Hon'ble Supreme Court of India seeking directions to Devas to appoint Arbitrators in accordance with the agreement. The Company had also filed arbitration application and suit before the Additional City Civil Judge, Bangalore. Since the Agreement is terminated for reasons of Force Majeure, the Company is of the view that there is no liability towards Liquidated damages or material breach of contract. However, arbitration award, if any, would be given suitable treatment in the Accounts of the year of acceptance of the award.</p>

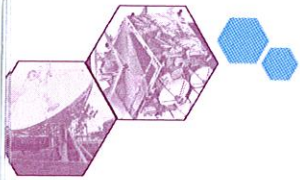


Profit after Tax in Crores

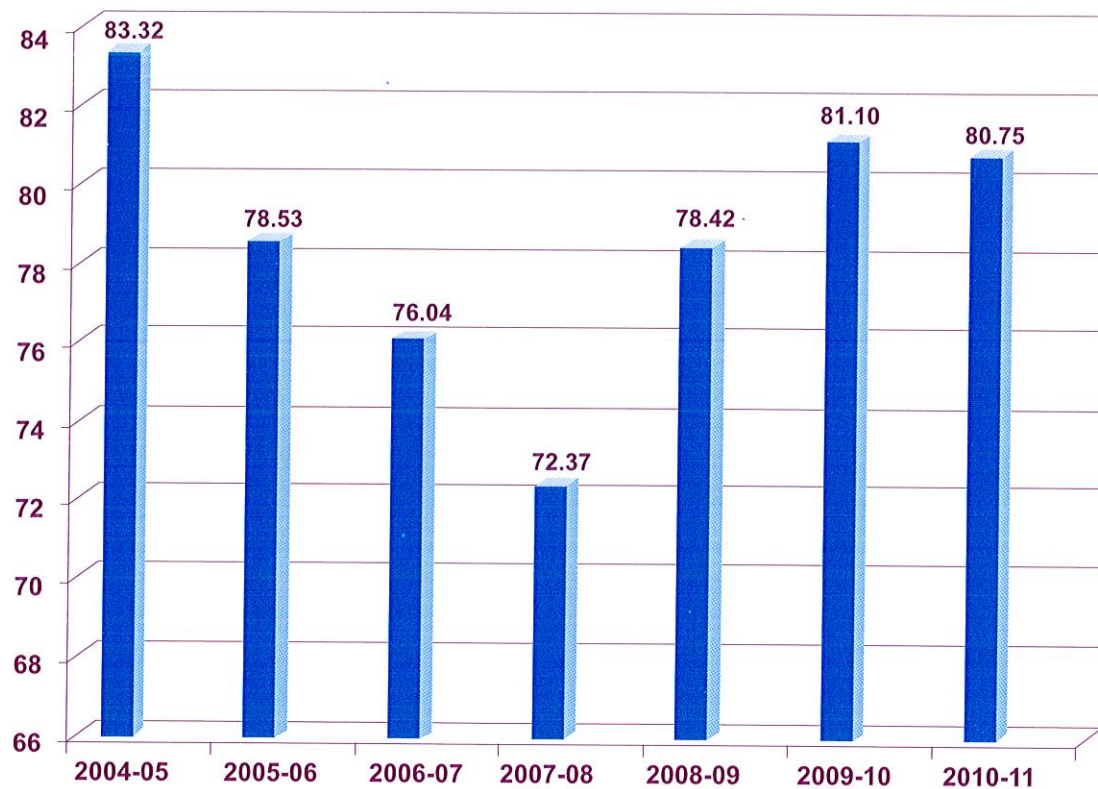


Dividend as a % of Paid-up Share Capital

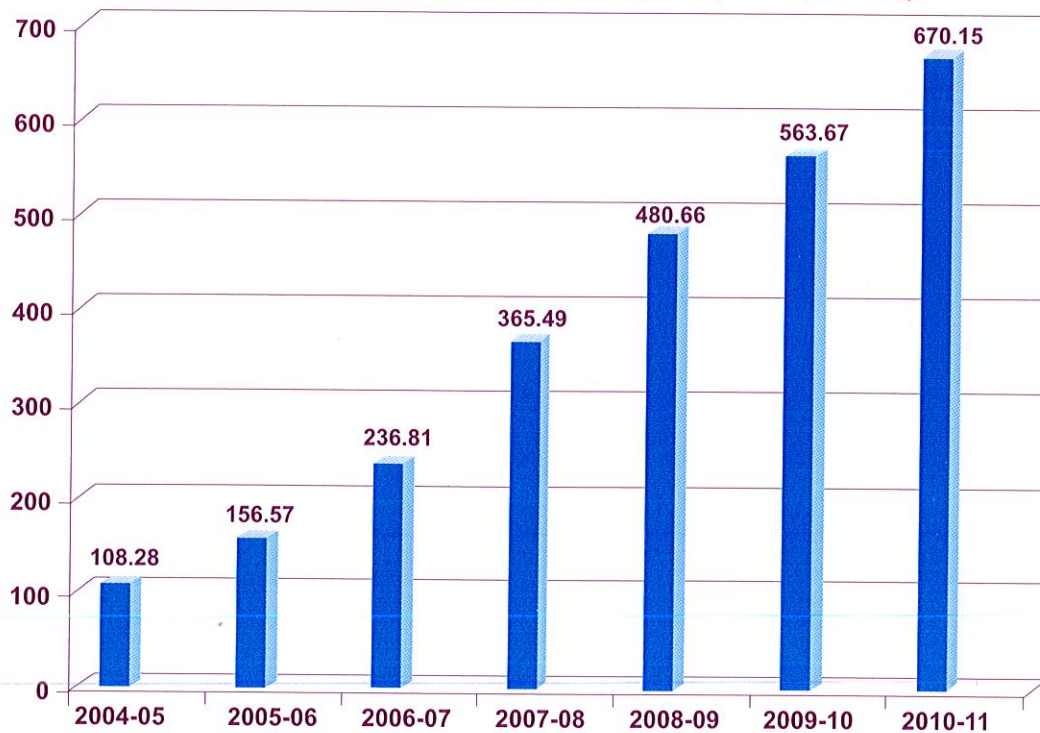




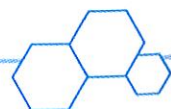
Expenditure as % of Revenue



Networth per Rupee of paid-up Capital (in Rs.)



ANTRIX CORPORATION LIMITED





COMPLIANCE CERTIFICATE

Company No: U85110KA1992PTC013570
 Authorised Capital: Rs.5 Crores
 Paid-up Capital : Rs.1 Crore

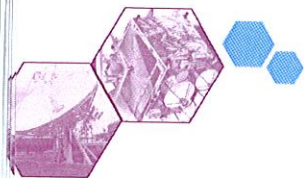
To
 The Members
 Antrix Corporation Limited
 Antariksh Bhavan
 Near New BEL Road
 Bangalore – 560231.

I have examined the registers, records, books and papers of Antrix Corporation Ltd., required to be maintained under the Companies Act, 1956, and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2011. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate with the Registrar of Companies within the time prescribed under the Act and the Rules made thereunder.
3. The Company is a Government Company, wholly owned by the Government of India. It has the minimum prescribed paid-up capital and its maximum number of members during the said financial year was two and the Company during the year under scrutiny:
 - i) has not invited public to subscribe for its shares or debentures; and
 - ii) has not invited or accepted any deposits.
4. The Board of Directors duly met four times on July 28, 2010, September 23, 2010, December 28, 2010 and March 30, 2011 in respect of which meetings, proper notices were given and the

proceedings, including the circular resolutions passed, were properly recorded and signed in the minutes book maintained for the purpose.

5. The Company was not required to close its register of members or debenture during the financial year.
6. The Annual General Meeting for the financial year ended on 31.3.2010 was held on September 23, 2010, after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for that purpose.
7. No Extra-Ordinary General Meeting was held during the financial year.
8. The Company being a Government Company, Section 295 of the Act is not applicable, vide Government Notification No. GSR 581 (E) dated 16.7.1985.
9. The Company has not entered into any contracts falling within the provisions of Section 297 of the Act in respect of contracts specified in that Section.
10. The Company was not required to make any entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or the Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company:
 - i) has transferred securities during the financial year in accordance with the provisions of the Act.
 - ii) has deposited the amount of dividend declared including interim dividend in a separate bank account opened for the purpose and deposited the dividend amount within five days from the date of declaration of such dividend.



- iii) paid dividends to all the members within a period of thirty days from the date of declaration.
 - iv) was not required to transfer any amounts in unpaid dividend, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to the Investor Education and Protection Fund, as no such amounts are lying with the Company.
 - v) duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and the appointments of directors, additional directors, alternate directors and directors to fill casual vacancies have been duly made.
 15. The Company has not appointed any Managing Director/Whole-time Director/Manager during the financial year.
 16. The Company has not appointed any sole-selling agents during the financial year.
 17. The Company has obtained the approval of the Central Government pursuant to Section 211(4) of the Companies Act, 1956 for modification of the requirement of Part II, Schedule VI of the Act with regard to publication of additional data.
 18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the Rules made thereunder.
 19. The Company has not issued any shares/debentures/other securities during the financial year.
 20. The Company has not bought back any shares during the financial year.
 21. There was no redemption of preference shares or debentures during the financial year.
 22. There were no transactions necessitating the Company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
 23. The Company has not invited/accepted any deposits including any unsecured loans falling within the provisions of Section 58A of the Act during the financial year.
 24. The amount borrowed by the Company during the financial year is within the borrowing limits of the Company.
 25. The Company has not made any loans and investments or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
 26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's Registered Office from one State to another during the year under scrutiny.
 27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
 28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
 29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
 30. The Company has not altered its Articles of Association during the financial year.
 31. There was no prosecution initiated against or show cause notices received by the Company and no fines and penalties or any other punishment imposed on the Company during the financial year.
 32. The Company has not received any security deposit from its employees during the year.
 33. The Company has not constituted any Trust for its employees and hence the question of deposit of employer's and employees' contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Act does not arise.

Date: 12th December 2011

Sd/-

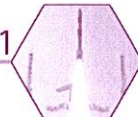
Place: Bangalore

V. PADMANABHAN

C.P. No: 6283

ANTRIX CORPORATION LIMITED





ANNEXURE A

Statutory Registers

1. Register of Members u/s 150
2. Board Meeting Minutes Book u/s 193
3. General Meeting Minutes Book u/s 193
4. Register of Directors u/s 303
5. Register of Investments u/s 372A
6. Register of Contracts u/s 301

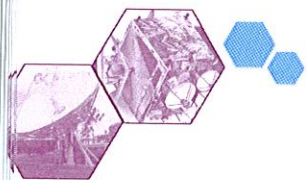
Other Registers

1. Directors Attendance Register
2. Register of Transfers

ANNEXURE B

Forms and Returns as filed by the Company with Registrar of Companies, Karnataka during the financial year ended 31st March, 2011

Sl. No.	Document filed	Under Section	Purpose and date of the event	Date of filing	Receipt No.	Whether filed within time
1.	Form 32	303	Resignation of Shri K.R. Sridhara Murthi and appointment of Dr. R.R. Naval Gund as Director	28.10.2010	A96758636	Yes
2.	Form 23AC	220	Annual Accounts for the year ended 31st March, 2010	23.10.2010	P55370308	Yes
3.	Form 66	383A	Compliance Certificate for the year ended 31st March, 2010	23.10.2010	P55018402	Yes
4.	Form 20B	159	Annual Return as on 23rd September, 2010	20.11.2010	P59898940	Yes
5.	Form 32	303	Resignation of Mr. G. Balachandhran as Director	19.01.2011	B03270105	Yes



AUDITORS' REPORT

To
The Members
M/s. Antrix Corporation Limited
Bangalore

1. We have audited the attached Balance Sheet of M/s. Antrix Corporation Limited, Bangalore as at 31st March 2011, and the Profit and Loss Account for the year ended on that date annexed thereto and the Cash Flow statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with accounting standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from financial mis-statement. An audit includes examining, on test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 and amended by the Companies (Auditor's report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we state that:
 - i. we have obtained all the information and explanations, which to the best of our

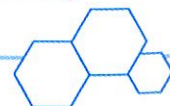
knowledge and belief, were necessary for the purpose of our audit.

- ii. in our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of such books.
- iii. the Balance Sheet, Profit and Loss Account, and Cash Flow Statement, dealt with by this report are in agreement with the books of accounts.
- iv. in our opinion, the Balance Sheet, Profit and Loss Account, and Cash Flow Statement dealt with by this report comply with the Accounting Standards, referred to in sub section (3C) of Section 211 of the Companies Act, 1956.
- v. on the basis of the written representations received from the directors of the Company, as on 31st March 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31.03.2011 from being appointed as directors in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

5. Your attention is invited to:

- i. **Note no.3 – Regarding disputed KVAT, CST and Service tax, an amount of ₹374.13 crores.**
 - ii. **Note no.15 - Regarding non availability of balance confirmation of Sundry Debtors, Sundry Creditors, Advances Recoverable and Other Liabilities.**
 - iii. **Note no.17 - Regarding non reconciliation between the amount due and the amount paid to Department of Space.**
6. i. **No provision has been made towards the liability of Liquidated Damages in the form of Delayed Delivery Penalty of US\$ 5 Million (₹ 21.89 crores) as on the date of Balance Sheet for its failure to deliver the leased capacity from a fully**

ANTRIX CORPORATION LIMITED





operational satellite within the stipulated date as per the terms of the contract entered into with M/s Devas Multimedia Limited. In the opinion of the management, no provision need be made currently as the issue relating to arbitration proceedings is subjudice.

- ii. No provision has been made for the liability on account of material breach in terms of the contract. In the absence of substantial evidence in the form of legal opinion validating the stand of the Company, we are unable to express our opinion on the financial impact and its effect on the accounts of the Company.**

7. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and subject to our

- i. observations stated in the Annexure referred to in paragraph 3 above ;**

- ii. comments in paragraphs 5 and 6 above, the effect of which on the profit, reserves, assets and liabilities is not ascertainable.**

give a true and fair view in conformity with the accounting principles generally accepted in India.

- a) in so far as it relates to the Balance Sheet, of the state affairs of the Company as at 31st March, 2011;
- b) in so far as it relates to the Profit and Loss Account, of the profit of the Company for the year ended on that date ; and
- c) in so far as it relates to the Cash Flow Statement, of the cash flows for the year ended on that date.

**For ABARNA AND ANANTHAN
CHARTERED ACCOUNTANTS
Registration No.000003S**

Sd/-

Place: Thiruvananthapuram (S.RAMANUJAM)
Date: 17-12-2011

Partner

Membership No. 010943



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF ANTRIX CORPORATION LIMITED, BANGALORE FOR THE YEAR ENDED 31st MARCH, 2011

The preparation of financial statements of Antrix Corporation Limited, Bangalore for the year ended 31st March, 2011 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 619 (2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 17th December, 2011.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 619 (3) (b) of the Companies Act, 1956 of the financial statements of Antrix Corporation Limited, Bangalore for the year ended 31st March, 2011. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge, which would give rise to any comment upon or supplement to Statutory Auditor's report under section 619(4) of the Companies Act, 1956.

**For and on the behalf of the
Comptroller & Auditor General of India**

Sd/-

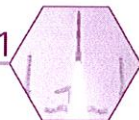
(C.H.Kharshiing, IA&AS)

**Pr. Director of Commercial Audit &
Ex-officio Member, Audit Board, Bangalore**

Bangalore

Dated: 28.12.2011

DETAILS OF ACCOUNTS

**BALANCE SHEET AS AT 31st MARCH, 2011**

	Sch No.	As at 31 st March, 2011 (₹)	As at 31 st March, 2010 (₹)
SOURCES OF FUNDS:			
SHAREHOLDERS' FUNDS:			
Capital	1	1,00,00,000	1,00,00,000
Reserves and surplus	2	6,69,15,00,612	5,62,67,59,179
Total		6,70,15,00,612	5,63,67,59,179
APPLICATIONS OF FUNDS:			
FIXED ASSETS:			
	3		
Gross Block		1,53,08,909	1,47,28,787
Less: Depreciation		1,13,69,994	1,01,46,235
Net Block		39,38,915	45,82,552
Capital Work in Progress		6,49,99,315	3,49,19,572
INVESTMENTS	4	2,00,05,19,012	2,29,38,59,047
DEFERRED TAX ASSETS		9,03,08,931	8,30,75,296
CURRENT ASSETS, LOANS AND ADVANCES			
Sundry Debtors	5	3,07,90,41,923	1,62,86,92,872
Cash and Bank Balances	6	9,67,65,47,646	8,79,22,10,831
Loans and Advances	7	6,95,95,40,647	5,44,84,12,224
LESS: CURRENT LIABILITIES AND PROVISIONS			
Liabilities	8	14,84,83,68,219	12,34,30,18,062
Provisions	9	32,50,27,558	30,59,75,153
NET CURRENT ASSETS		4,54,17,34,439	3,22,03,22,712
Total		6,70,15,00,612	5,63,67,59,179
Accounting Policies	17		
Notes on Accounts	18		
Schedules 1 to 9, 17 and 18 form an integral part of this Balance Sheet			

As per our report attached hereto

For Abarna & Ananthan
Chartered Accountants
 Registration No.000003S

For and on behalf of the Board

Sd/-
(S.Ramanujam)
Partner
 Membership No.010943

Sd/-
(Dr.V.S.Hegde)
Chairman-cum-Managing Director

Sd/-
(Dr.T.K.Alex)
Director

Place: Thiruvananthapuram
 Date: 17.12.2011

Place: Thiruvananthapuram
 Date: 17.12.2011



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2011

	Sch No.	As at 31 st March, 2011 (₹)	As at 31 st March, 2010 (₹)
INCOME			
Export		1,02,20,32,852	3,64,22,463
Foreign (Other) Receipts	10	89,05,68,934	72,86,36,483
Inland Sales		69,68,21,137	34,33,91,000
Inland (Other) Receipts	11	7,74,22,20,086	6,87,92,85,436
		<u>10,35,16,43,009</u>	<u>7,98,77,35,382</u>
Other Income	12	79,03,26,816	85,14,80,287
Total		<u>11,14,19,69,825</u>	<u>8,83,92,15,669</u>
EXPENDITURE			
Cost of Export		67,88,10,712	2,90,79,614
Cost of Foreign (Other) Receipts	13	60,13,16,079	48,24,91,672
Cost of Inland Sales		64,62,47,439	32,83,80,111
Cost of Inland (Other) Receipts	14	6,98,84,42,474	6,07,68,95,002
		<u>8,91,48,16,704</u>	<u>6,91,68,46,399</u>
Administrative Expenses	15	5,34,85,645	5,46,14,748
Depreciation	3	12,23,759	12,58,433
Provision for Doubtful debts	16	2,72,08,918	19,62,81,387
Total		<u>8,99,67,35,026</u>	<u>7,16,90,00,967</u>
Profit Before Extra-Ordinary item		2,14,52,34,799	1,67,02,14,702
Extra-Ordinary Income		14,23,223	0
Profit Before Tax and Prior Period Adjustments		2,14,66,58,022	1,67,02,14,702
Prior period income		6,07,37,722	16,52,75,602
Prior period Expenses		6,71,85,960	35,58,57,410
Profit Before Tax		2,14,02,09,784	1,47,96,32,894
Tax Expenses:			
- Current Tax		69,16,00,000	46,90,00,000
- Short / Excess provision for IT in earlier years		6,63,35,372	69,00,027
- Short/Excess provision for FBT in earlier years		8,27,507	75,875
- Deferred Tax originating during the year (Savings)		91,23,044	6,63,86,846
- Deferred Tax reversing during the year (Expenses/Savings)		18,89,409	3,486
Profit After Tax		1,38,86,80,540	1,08,39,99,129
Transfer to General Reserve		1,06,46,00,000	83,00,00,000
Proposed Dividend		27,78,00,000	21,70,00,000
Tax on Distributed Profit		4,61,39,107	3,68,79,150
Surplus carried to Balance sheet		<u>1,41,433</u>	<u>1,19,979</u>
Accounting Policies	17		
Notes on Accounts	18		
Amount used as numerator in calculating basic earnings per share is ₹		1,38,86,80,540	108,39,99,129
Number of equity shares used as the denominator in calculating basic earnings per share is		1,00,000	1,00,000
Nominal value of Equity Share is ₹.100/- each and the Basic Earnings per Share is ₹		13,886.81	10,839.99
Schedules 3, 10 to 18 form an integral part of this Profit and Loss Account			

As per our report attached hereto

For Abarna & Ananthan
Chartered Accountants
Registration No.000003S

For and on behalf of the Board

Sd/-
(S.Ramanujam)
Partner
Membership No.010943

Sd/-
(Dr.V.S.Hegde)
Chairman-cum-Managing Director

Sd/-
(Dr.T.K.Alex)
Director

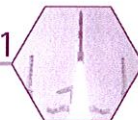
Place: Thiruvananthapuram

Date: 17.12.2011

Place: Thiruvananthapuram

Date: 17.12.2011

ANTRIX CORPORATION LIMITED



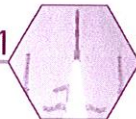
SCHEDULES TO BALANCE SHEET AS AT 31st MARCH, 2011

	As at 31 st March, 2011 (₹)	As at 31 st March, 2010 (₹)
SCHEDULE 1: CAPITAL		
Authorised 5,00,000 Equity shares of ₹ 100/- each	5,00,00,000	5,00,00,000
Issued, Subscribed and Paid up 1,00,000 Equity shares of ₹ 100/- each	1,00,00,000	1,00,00,000
SCHEDULE 2 : RESERVES AND SURPLUS		
General Reserves:		
Per last Balance Sheet	5,62,29,00,000	4,79,29,00,000
Add: Transfer from Profit and Loss Account	1,06,46,00,000	83,00,00,000
	6,68,75,00,000	5,62,29,00,000
Surplus:		
Per last Balance sheet	38,59,179	37,39,200
Transfer from Profit and loss Account	1,41,433	1,19,979
	40,00,612	38,59,179
	6,69,15,00,612	5,62,67,59,179
SCHEDULE 4 : INVESTMENTS:		
<i>In Mutual Funds:</i>		
<i>Non-Trade-At Cost-Quoted</i>		
<i>Long term Investments:</i>		
SBI MF SDFS -15 months - 6 Growth (Invested in 2,50,00,000 units @ ₹.10 each, NAV as on year end is ₹.25,36,27,500/- @ ₹.10.1451 each)	25,00,00,000	0
SBI MF SDFS - 370 days - 4 Growth (Invested in 2,50,00,000 units @ ₹.10 each, NAV as on year end is ₹.26,34,15,000/- @ ₹.10.5366 each)	25,00,00,000	0
UTI MF Fixed Maturity Plan - Yearly FMP series(YFMP 1/11) (Invested in 2,50,00,000 units @ ₹.10 each, NAV as on year end is ₹.25,51,30,000/- @ ₹.10.2052 each)	25,00,00,000	0
UTI MF Fixed Maturity Plan - Yearly FMP series(YFMP 11/09) (Previous Year - Invested in 50000000 units @ ₹.10.00 each - NAV ₹.508325000/- @ ₹.10.1665)	0	50,00,00,000
UTI MF Fixed Term Income Fund series VII-III (Invested in 2,50,00,000 units @ ₹.10 each, NAV as on year end is ₹.26,52,32,500/- @ ₹.10.6093 each)	25,00,00,000	0
UTI MF Fixed Maturity Plan -Yearly Series (YFMP 09/09) (Previous Year - Invested in 50000000 units @ ₹.10.00 each - NAV ₹.518710000/- @ ₹.10.3742)	0	50,00,00,000
Sub Total (A)	1,00,00,00,000	1,00,00,00,000
<i>Current Investments</i>		
Canara Robeco MF - Treasury Advantage Super Institutional (Invested in 40318654.58 Units @ ₹.12.4071 each)	50,02,37,579	0
Canara Robeco MF - Treasury Advantage Super Institutional (Previous Year - Invested in 41236543.9545 Units @ ₹.12.4071 each)	0	51,16,25,925
UTI MF Floating Rate Fund - short term plan (Invested in 4,99,896.163 units @ ₹.1000.7707 each)	50,02,81,433	0
LIC Mutual Fund Liquid Plus (Previous Year - Invested in 29870521.561 units @ ₹.10.00 each)	0	29,87,05,215
UTI MF Short term Liquid Plan (Previous Year - Invested in 24848918.575 units @ ₹.10.0608 each)	0	25,00,00,000
UTI MF Treasury Advantage Fund Instt (Previous Year - Invested in 233477.919 units @ ₹.1000.2141 each)	0	23,35,27,907
Sub Total (B)	1,00,05,19,012	1,29,38,59,047
Grand Total (A+B)	2,00,05,19,012	2,29,38,59,047

SCHEDULE 3: FIXED ASSETS

(Figures in ₹)

Sl No.	Particulars	GROSS BLOCK (COST)				DEPRECIATION (UNDER WDV METHOD)				NET BLOCK (WDV)	
		As at 31.03.10	Additions	Sale/ Transfers	As at 31.03.11	Upto 31.03.10	For the year	Deduction	Upto 31.03.11	As at 31.03.11	As at 31.03.10
1	Office Equipments	34,30,205	86,725		35,16,930	15,24,094	2,79,047		18,03,141	17,13,789	19,06,111
2	Furniture and Fittings	59,84,369	69,416		60,53,785	45,93,687	2,54,059		48,47,746	12,06,039	13,90,682
3	Computers	43,49,990	3,26,069		46,76,059	34,82,950	4,91,242		39,74,192	7,01,867	8,67,040
4	Computer Software	9,64,223	97,912		10,62,135	5,45,504	1,99,411		7,44,915	3,17,220	4,18,719
	Total	1,47,28,787	5,80,122		1,53,08,909	1,01,46,235	12,23,759		1,13,69,994	39,38,915	45,82,552
	<i>Previous Years' Figures</i>	1,37,57,344	9,71,443		1,47,28,787	88,87,802	12,58,433		1,01,46,235	45,82,552	48,69,542



SCHEDULE TO BALANCE SHEET AS AT 31st MARCH, 2011

	As at 31 st March, 2011 (₹)	As at 31 st March, 2010 (₹)
<u>SCHEDULE 5: SUNDRY DEBTORS</u>		
(Unsecured)		
Debts outstanding for a period exceeding six months;		
- Considered good	92,45,95,111	1,17,49,30,624
- Considered doubtful	27,05,48,095	24,33,39,177
Other debts (Considered good)	2,15,44,46,812	45,37,62,248
	3,34,95,90,018	1,87,20,32,049
Provision for Doubtful Debts	27,05,48,095	24,33,39,177
	3,07,90,41,923	1,62,86,92,872
<u>SCHEDULE 6: CASH AND BANK BALANCES</u>		
Cash balance on hand	14,454	10,109
Bank balance with Scheduled banks:		
In Current accounts	41,73,80,055	23,50,51,251
In Deposit accounts	9,25,91,53,137	8,55,71,49,471
	9,67,65,47,646	8,79,22,10,831
<u>SCHEDULE 7: LOANS AND ADVANCES</u>		
(Unsecured - Considered good)		
Advances recoverable in cash or in kind or for value to be received	6,61,91,15,170	5,15,84,98,394
Accrued interest on deposits with banks	34,04,25,477	28,99,13,830
	6,95,95,40,647	5,44,84,12,224
<u>SCHEDULE 8: LIABILITIES</u>		
Current liabilities		
Sundry Creditors	2,07,66,96,022	77,71,72,511
(Dues to SSI undertakings, Micro Enterprises and Small Enterprises - Nil)		
Other Liabilities	12,77,16,72,197	11,56,58,45,551
	14,84,83,68,219	12,34,30,18,062
<u>SCHEDULE 9: PROVISIONS</u>		
for Income Tax	0	0
for Proposed Dividend	27,78,00,000	21,70,00,000
for Tax on Distributed Profit FY 2008-09	0	5,11,54,950
for Tax on Distributed Profit	4,61,39,107	3,68,79,150
for Gratuity	5,17,065	4,72,818
for Leave Encashment	5,71,386	4,68,235
	32,50,27,558	30,59,75,153

**SCHEDULES TO PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31st MARCH, 2011**

	As at 31 st March, 2011 (₹)	As at 31 st March, 2010 (₹)
<u>SCHEDULE 10: FOREIGN (OTHER) RECEIPTS:</u>		
Access Fee and Royalty Receipts	29,82,81,081	25,98,18,271
Host Facility Receipts	18,51,27,430	22,08,45,426
Space Segment Charges Receipts	26,56,52,661	23,49,62,140
Consultancy Service Receipts	14,15,07,762	70,53,643
Testing & Maintenance Service Receipts		59,57,003
	<u>89,05,68,934</u>	<u>72,86,36,483</u>
<u>SCHEDULE 11: INLAND (OTHER) RECEIPTS:</u>		
Access Fee and Royalty Receipts		8,28,000
Space Segment Charges Receipts	7,36,46,21,165	6,83,64,10,200
Consultancy Service Receipts	37,75,98,921	4,20,47,236
	<u>7,74,22,20,086</u>	<u>6,87,92,85,436</u>
<u>SCHEDULE 12: OTHER INCOME</u>		
Interest receipts: (Gross TDS ₹.5,04,41,063; - P Yr. ₹.7,53,79,412/-)		
- on Deposits with Banks	62,03,34,036	63,02,71,112
- on Advances and Debtors	1,94,56,933	4,03,470
Dividend receipt on Mutual Fund Investment	2,18,92,292	6,22,22,726
Capital Gain on Mutual Fund Investment	8,80,49,588	5,18,29,508
Liability no longer required written back	0	3,225
Provision for DD No longer Required W/B	0	12,50,347
Miscellaneous Income	4,05,93,967	10,54,99,899
	<u>79,03,26,816</u>	<u>85,14,80,287</u>
<u>SCHEDULE 13: COST OF FOREIGN (OTHER) RECEIPTS:</u>		
Cost of Access Fee and Royalty	18,76,48,134	12,04,90,556
Cost Host Facility	12,31,69,550	16,00,26,649
Cost of Space Segment Charges	22,78,30,311	19,43,34,034
Cost of Consultancy Service	6,26,68,084	40,68,813
Cost of Testing & Maintenance Service Receipts	0	35,71,620
	<u>60,13,16,079</u>	<u>48,24,91,672</u>
<u>SCHEDULE 14: COST OF INLAND (OTHER) RECEIPTS:</u>		
Cost of Access Fee and Royalty		3,31,200
Cost of Space Segment Charges	6,63,46,97,690	6,03,74,90,027
Cost of Consultancy Service	35,37,44,784	3,90,73,775
	<u>6,98,84,42,474</u>	<u>6,07,68,95,002</u>



**SCHEDULES TO PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31st MARCH, 2011**

	As at 31st March, 2011 (₹)	As at 31st March, 2010 (₹)
<u>SCHEDULE 15: ADMINISTRATIVE EXPENSES</u>		
Salaries and Bonus	51,79,133	46,25,751
Staff Welfare	6,05,364	7,74,616
Leave Travel concession	6,03,509	2,75,875
Leave Encashment Paid	26,796	0
Leave Encashment Provision	1,03,151	58,020
Gratuity provision	44,247	2,07,862
Lease Rent Charges	10,000	10,000
Personnel Training expenses	23,300	2,42,024
Establishment expenses	1,02,88,721	70,44,268
Seminar, Conference and Meeting Expenses	3,48,330	18,34,850
Publicity and Advertisement	11,07,000	9,88,500
Exhibition and Trade Fair	54,93,225	39,05,588
Interest Payment	45,36,370	38,98,281
Travelling Expenses	36,85,210	30,85,954
Printing and Stationery	12,00,124	5,54,937
Professional and Consultants' Fees	37,29,335	1,11,66,464
Rates and Taxes	84,162	2,12,339
Conveyance and Taxi Hire charges	21,87,416	15,93,019
Directors' Sitting fees	0	10,000
Auditors' remuneration:		
- for Audit	1,40,000	1,30,000
- for Service Tax	14,420	20,000
- for Out of pocket expenses	0	35,680
Bank Guarantee and LC Charges	6,14,423	14,88,716
Communication Expenses	20,36,608	17,08,046
Repairs and Maintenance - Others	14,28,437	10,76,050
Bank Charges	3,28,045	6,18,298
Hospitality / Customer Treating expenses	6,52,960	9,89,370
Miscellaneous Expenses	90,15,359	80,60,240
	<u>5,34,85,645</u>	<u>5,46,14,748</u>
<u>SCHEDULE 16: PROVISION FOR DOUBTFUL DEBTS:</u>		
Provision of doubtful debts w/b	2,72,08,918	19,62,81,387
	<u>2,72,08,918</u>	<u>19,62,81,387</u>

SCHEDULES 17: ACCOUNTING POLICIES

1) Income:

(i) General:

The Company follows fundamental accounting assumption, namely, going concern, consistency and accrual method of accounting, except otherwise stated in the Accounting Policy.

(ii) Sales:

Revenue is recognized at the time of deliverables are delivered to the customer or to their assigned/contracted project. However, if delivery is delayed at the customer's request and the customer takes title and accept bills, revenue is recognized notwithstanding that physical delivery has not been completed so long as there is every expectation that delivery will be made and the deliverables are on hand, identified and ready for delivery and if the delivery is subject to conditions like installation/inspection, then the revenue is not normally recognized until the customer accepts delivery and the installation/inspection are completed.

(iii) Services:

a) Launch, Installation, commissioning and testing and Civil Works:

Revenue is recognized by reference to the stage of completion of activity as specified in the contract where corresponding cost to complete the said stage of activity has been accounted for.

b) Access Fees, Space Segment Charges, Telemetry Tracking and Command, In-Orbit Testing, etc.:

Revenue is recognized at once on rendering or periodically depending upon nature of the service contracted either one time service or recurring service.

(iv) Consultancy:

Revenue is recognized at once on rendering or periodically depending upon nature of the consultancy contracted.

(v) Composite Contract:

Revenue is recognized for each item of Composite contract as per policy mentioned against items (ii) to (iv) above.

(vi) Other Income:

(a) Interest:

Interest income is recognized on accrual basis. However, interest income from debtors is recognized on a time proportion basis as per the contract, only on realization.

(b) Royalty:

Royalty is accounted on cash basis.

(c) Dividends on Investments:

When the Company's right to receive payments is established.

(d) Foreign Exchange Fluctuation:

The variances in Foreign Exchange are netted in the respective value of Export and Foreign (Other) Receipts.

2) Expenditure:

Cost of Export, Foreign (Other) Receipts, Inland Sales and Inland (Other) Receipts payable to ISRO are accounted as mutually agreed and approved by and between ISRO and the Company.

3) Fixed Assets:

Fixed Assets are accounted on historical cost basis.

4) Depreciation:

Depreciation on Fixed Assets is provided under Written Down Value method at the rates prescribed under Schedule XIV to the Companies Act, 1956.



5) Currency Translation – AS-11:

Transactions in foreign currency are accounted at the applicable exchange rate prevailing on the date of transaction. Foreign exchange fluctuation is recognized in the Profit and Loss account at the time the amount is received or paid. Monetary Assets and Liabilities relating to the foreign currency transactions remaining unsettled at the yearend are translated at year end at applicable exchange rates or at which they are settled subsequently and the variances are recognized in the Profit and Loss Account.

6) Net Profit or Loss for the period, Prior Period Items and changes in Accounting policies - AS - 5:

All items of income and expenses which are recognized in a period are included in the determination of net profit or loss for the period unless an Accounting Standard requires or permits otherwise. Prior period items are recognized as income or expenses which arise in the current period as a result of errors or omissions in the preparation of financial statements of one or more prior period.

7) Impairment of Assets – AS-28:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

8) Provision, 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 Notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

9) Provision for Doubtful Debts and Advances:

Provision for doubtful debts is generally made for debts outstanding for more than three years except for debts due from Central/State Governments, Central/State Government Departments and Central/State Public Sector Undertakings for which provision is made on case to case basis.

10) Investments:

Investments held for more than one year are classified as "Long Term Investments" and all other investments are classified as "Current Investments". The carrying amount for current investments is the lower of cost and fair value. Long-term Investments are usually carried at cost. However, when there is a decline, other than temporary, in the value of a long term investment, the carrying amount is reduced to recognize the decline. On disposal of an investment, the difference (Gain or Loss) between the carrying amount and the disposal proceeds, net of expenses, is recognized in the profit and loss account.

As per our report attached hereto

For and on behalf of the Board

For Abarna & Ananthan
Chartered Accountants
Registration No.000003S

Sd/-
(S.Ramanujam)
Partner

Membership No.010943

Sd/-
(Dr.V.S.Hegde)
Chairman-cum-Managing Director

Sd/-
(Dr.T.K.Alex)
Director

Place: Thiruvananthapuram
Date: 17.12.2011

Place: Thiruvananthapuram
Date: 17.12.2011



SCHEDULES 18: NOTES ON ACCOUNTS

1. The Central Government through the Ministry of Corporate Affairs vide order No.46/119/2011-CL-III dated 04.07.2011 has granted exemption to the Company under Section 211(4) of the Companies Act 1956, from disclosure of information and details under paras 3(i), 3(ii), 3(iii), 3(x) (a), 3(xv), 4C and 4D of Part II of Schedule VI to the Companies Act, 1956, as amended vide Notification No. GSR 494(E) dated 30th October 1973, in the Annual Accounts for the financial year ended 31st March 2011.
2. The details of the Foreign Exchange Fluctuation and the Year end Currency translation in respect of Assets and Liabilities and their corresponding net debits / credits in the Profit and Loss account are:-

Assets and Liabilities	Foreign Exchange Fluctuation (₹)	Dr/ Cr	Year end Currency Translation (₹)	Dr/ Cr	Profit and Loss Account
(a) Sundry Debtors – Export	8,94,271	Dr	3,68,658	Cr	Debited / Credited to Export Value
	(96,96,847)	Dr	(2,94,713)	Dr	(Debited to Export Value)
(b) Sundry Debtors – Foreign Receipts	8,89,204	Cr	9,33,899	Cr	Credited to Foreign (Others) Receipts Value
	(1,73,78,491)	Dr	(3,29,88,066)	Dr	(Debited to Foreign (Others) Receipts Value)
(c) Sundry Debtors – Local	–		–		–
	(1,37,02,925)	Cr	–	Cr	Credited to Space Segment Charges
(d) Bank Deposits and Current Accounts, Advance Recoverable, Other Liabilities and Sundry Creditors	3,59,74,274	Cr	69,94,692	Dr	Credited / Debited to Misc Income/ Expenditure
	(34,09,921)	Cr	(7,07,56,318)	Cr	(Credited to Misc Income)
Total	3,59,69,207	Cr	56,92,135	Dr	
	(99,62,492)	Dr	(3,74,73,539)	Cr	

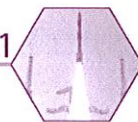
Previous year's figures are shown in bracket

Dr – Debit ; Cr-Credit

3. Bank Balances include a Deposit with Canara Bank for a sum of ₹26,520 (Previous year ₹24,381) in favour of "Assistant Commissioner of Commercial Taxes, Dist- "V" Circle, Bangalore A/c Antrix Corporation Limited" as security.
4. The details of Contingent Liabilities are as under:

	Opening Balance as on 01.04.2010	(Cancellation)/ Demand during the year	Closing Balance as on 31.03.2011 (₹)
a) Bank Guarantee	7,15,73,452	(6,86,70,652)	29,02,800
b) Disputed demands of K-VAT & CST (Including penalty and interest)	2,05,95,55,859	1,67,11,98,273	3,73,07,54,132
c) Disputed demand of Service tax and penalty (Excluding Interest)	1,06,00,934	-	1,06,00,934
Total	₹ 2,14,17,30,245	₹1,60,25,27,621	₹3,74,42,57,866

ANTRIX CORPORATION LIMITED



5. a) The Details of Bank Guarantees are as under:-						
Name of the Beneficiary & BG Issuing Bank	Opening Balance as on 01.04.2010		Addition / (Cancellation) during the year		Closing Balance as on 31.03.2011	
	Amount in Foreign Currency	Amount (₹)	Amount in Foreign Currency	Amount (₹)	Amount in Foreign Currency	Amount (₹)
Power Finance Corporation (BG issued by Canara Bank)	–	20,00,000	–	–	–	20,00,000
Algerian Space Agency (BG issued by State Bank of India)	Euro 2,75,000	1,68,60,250	(Euro 2,75,000)	(1,68,60,250)	–	–
National Institute of Cartography & Remote Sensing, Algeria (BG issued by State Bank of India)	USD 20,000	9,11,600	-	(8,800)*	USD 20,000	9,02,800*
National Institute of Cartography & Remote Sensing, Algeria (BG issued by State Bank of India)	USD 11,36,498.50	5,18,01,602	(USD 11,36,498.50)	(5,18,01,602)	–	–
Total Bank Guarantee Value		7,15,73,452		(6,86,70,652)		29,02,800

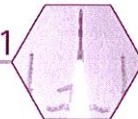
* Value reduction is due to FE variance as on 31.03.2011

Against the above, the Company has pledged a fixed deposit for ₹20,00,000 (Previous Year – ₹1,40,00,000) with Canara Bank and a fixed deposit for ₹5,00,00,000 (Previous Year ₹25,46,25,090) with State Bank of India. At present there is no incident of provision as defined in AS-29 and accordingly disclosure under Paragraph 66 and 67 does not arise.

- b) Against the demand of ₹201.02 crores under KVAT and ₹4.93 crores under CST Act (in aggregate ₹205.95 crores) inclusive of penalty and interest for the period from 01.04.2005 to 31.07.2008, the Company had moved the Honorable High Court of Karnataka against the Order of Commercial Tax Authorities and the Division Bench of the Honorable High Court of Karnataka had passed an Order upholding the demand of the Commercial Tax Department. Aggrieved by this Court Order, the Company had moved the Honorable Supreme Court. The Honorable Supreme Court had passed an Interim Order dated 12.03.2010 directing the Company to deposit a sum of ₹50 crores with Karnataka Commercial Tax Department. The Honorable Supreme Court also directed the Company to implement the impugned order of the Karnataka High Court in future, which was subsequently stayed by their second Interim Order dated 03.05.2010. The Honorable Supreme court had also directed as follows - "let the assessing officer proceed with assessment proceedings. However, no recovery will be made till further orders". The matter is subjudice.
- c) As per the Interim Order dated 3.5.2010 of the Honorable Supreme Court of India, the Assessing Officer assessed the revenue of the Company for the further period from August 2008 to March 2010 and passed an order dated 19.8.2010 levying KVAT of ₹167.12 crore including interest and penalty. The Company has filed a WP No.30308/2010 against the assessment order before the Honorable High Court of Karnataka. The Honorable High Court had admitted the petition and the matter is subjudice.

d) The Commissioner Service Tax, Large Tax Unit, Bangalore has levied a Service Tax demand amounting to ₹53,00,467 under the category of Erection, Commissioning and Installation and a penalty of ₹53,00,467 aggregating to ₹1,06,00,934 on the projects executed by the Company during the period 2003-2005. An appeal against this order was filed before the Customs, Excise and Service Tax Appellant Tribunal (CESTAT), Bangalore on 6.8.2010. The matter came up twice before the Tribunal on 08.10.2010 and 07.01.2011 and was adjourned for want of clearance of the Committee on Disputes (COD). COD met on 27.01.2011 and conveyed their clearance for the Company to file an appeal before the Tribunal vide their letter No.COD/08 2011 dated 07.02.2011. The Tribunal had listed the matter on 11.04.2011 but was not taken up for hearing and the case is listed for hearing on 12.01.2012.

6. The Department of Space vide letter no. B.31012/3/2011-Sec.5 dtd. 23/02/2011 directed the Company to annul the agreement that the Company had entered into with M/s. Devas Multimedia Private Limited (Devas) on 28.01.2005. The Company had terminated the agreement with immediate effect vide letter no. Antx/07-85(02)/2011 dated 25.02.2011, intimating the policy decision of the Central Government, not to provide orbital slot in S-band to the Company for commercial activities. This policy decision of the Central Government, acting in its sovereign capacity, is an event of force majeure occurred on 23/02/2011 which is likely to be indefinite and is beyond the reasonable control of the Company. This force majeure event is covered under Art.11 (b) (v) of the Agreement. Any possibility of resumption of the obligations by the Company under the Agreement stand excluded with this termination. The Company, on termination of the agreement, had refunded the upfront reservation charges of ₹58.37 crores received from Devas. However, Devas had not accepted the refund and had returned the said amount to the Company. Devas had filed an arbitration petition on 29.06.2011 before the International Court of Arbitration, Paris under the International Chamber of Commerce (ICC), seeking restoration of the agreement. The Company had not agreed for arbitration under ICC and conveyed it to ICC vide letter dated 11.07.2011 and also reiterated it in all its subsequent correspondence with ICC. The Company had invoked arbitration proceedings as provided under the Agreement and had issued a notice for Arbitration to Devas on 30.07.2011. The Company had moved the Hon'ble Supreme Court of India seeking directions to Devas to appoint Arbitrators in accordance with the agreement. The Company had also filed arbitration application and suit before the Additional City Civil Judge, Bangalore praying for injunction on the ICC proceedings initiated by Devas. On final settlement of the arbitration award, suitable accounting treatment will be made in the Accounts of the year of acceptance of the award.
7. The cost of export includes ₹10.18 crores towards liquidated damage as envisaged in the contract for delay in delivery of Hylas Satellite.
8. The Company had procured 16150 Gold Coins of 4 grams each valuing ₹7.10 crores during the financial year 2007-08 and given to ISRO/DOS/Antrix employees as permitted by DOS in commemoration of completion of 15th Anniversary of the Company and written off the entire amount as Hospitality expenses in the accounts during that year itself. This being a non-business expenditure as per Income Tax Act, 1961, the Company has added back the said amount to income and accordingly paid Income Tax thereon in that year. During the current year, ISRO had intimated the Company that 250 Gold Coins were not distributed and returned 192 Gold Coins to the Company which had been sold at the prevailing market price amounting to ₹11.82 lakhs to employees of ISRO/DOS/Antrix and the balance 58 Gold Coins are held by ISRO on behalf of the Company which is valued at purchase cost and accounted in the books of account Schedule-8. The sale transaction is disclosed in the Financial Statements as 'Extra-ordinary Income'.



9. As the Company has obtained exemption from the Central Government vide order No.46/119/2011-CL-III dated 04.07.2011 from disclosure of each class of goods with quantities and corresponding values and in view of the sensitivity and secrecy of the products and the area of operation, the information required under Accounting Standard 17 – Segment Reporting, has not been furnished for the current and previous financial years.
10. The provision for Gratuity & Leave Encashment are made on the basis of Actuary valuation as per Accounting Standard (AS) – 15 (Revised) and the following are the disclosures:-

A) Gratuity

TABLE 1 - AMOUNT TO BE RECOGNIZED IN BALANCE SHEET

	Period Ended	
	31 Mar 11	31 Mar 10
	(in ₹)	
Present Value of Unfunded Obligations	5,17,065	4,72,818
<u>Amount in Balance Sheet</u>		
Liability	5,17,065	4,72,818
Assets	—	—
Net Liability	5,17,065	4,72,818

TABLE 2 - EXPENSE TO BE RECOGNIZED IN STATEMENT OF PROFIT & LOSS ACCOUNT

	Period Ended	
	31 Mar 11	31 Mar 10
	(in ₹)	
Current Service Cost	1,06,554	77,736
Interest on Defined Benefit Obligation	47,431	23,693
Net Actuarial Losses / (Gains) Recognized in Year	(1,09,738)	1,06,433
Total, Included in "Employee Benefit Expense"	44,247	2,07,862

TABLE 3 - RECONCILIATION OF BENEFIT OBLIGATION & PLAN ASSETS FOR THE PERIOD

	Period Ended	
	31 Mar 11	31 Mar 10
	(in ₹)	
<u>Changes in Defined Benefit Obligation</u>		
Opening Defined Benefit Obligation	4,72,818	2,64,956
Current Service Cost	1,06,554	77,736
Interest Cost	47,431	23,693
Actuarial Losses / (Gain)	(1,09,738)	1,06,433
Closing Defined Benefit Obligation	5,17,065	4,72,818
Expected Employer's Contribution Next Year	14,506	15,831

TABLE 4 - ASSET INFORMATION – NIL

TABLE 5 - EXPERIENCE ADJUSTMENTS

	Period Ended	
	31 Mar 11	31 Mar 10
	(in ₹)	
Defined Benefit Obligation	5,17,065	4,72,818
Plan Assets	—	—
Surplus (Deficit)	(5,17,065)	(4,72,818)
Exp. Adj. on Plan Liabilities	(1,05,462)	2,14,127

TABLE 6 - SUMMARY OF PRINCIPAL ACTUARIAL ASSUMPTIONS

FINANCIAL ASSUMPTIONS AT THE VALUATION DATE:

	Period Ended	
	31 Mar 11	31 Mar 10
Discount Rate (p.a)	8.35%	8.30%
Salary Escalation Rate (p.a.)	6.00%	6.00%

B) Leave Encashment

Para 132 of AS15(R) does not require any specific disclosures except where expense resulting from compensated absence is of such size, nature or incidence that its disclosure is relevant under Accounting Standard No.5 or Accounting Standard No.18.

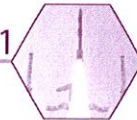
11. The break-up of Net Deferred Tax Assets into major components as required under AS-22 is as under:-

	As on 31-Mar-2011	As on 31-Mar-2010
<u>DEFERRED TAX ASSETS:</u>		
(i) Provision for Doubtful Debts	8,98,76,077	8,27,10,985
(ii) Provision for Gratuity	1,71,769	1,60,711
(iii) Provision for Leave Encashment	1,89,814	1,59,153
(iv) Accumulated Depreciation	71,270	44,447
Total	9,03,08,931	8,30,75,296

12. Dr.K.Radhakrishnan, Chairman and Sri. H.N.Madhusudhana, Executive Director are Key Management Personnel as per Accounting Standard "AS 18 – Related Party Disclosures". There are no transactions with the said related parties during the year.

13. There are no incidents of impairment of assets as per Accounting Standard AS-28 during the financial year.

14. There is no sum due to be paid to any Micro, Small and Medium Enterprises in terms of the provisions of Micro, Small and Medium Enterprises Development Act, 2006.



15. The Company has requested all Sundry debtors for confirmation of balance as on 31st March 2011 and have received response from few customers. The balances under Sundry Creditors, Advances Recoverable and Other Liabilities where applicable are subject to confirmation. However, in the opinion of the management there will not be any material impact on the Profit and Loss Account.
16. Cost of space segment charges includes a sum of ₹9.08 crores paid to foreign satellite providers towards Satellite transponder space segment capacity charges as per contract entered into with them for which corresponding space segment capacity could not be marketed / provided to Indian customers due to operational reasons. Accordingly, the said expenditure could not be profitability utilized.
17. The reconciliation between the amount due and the amount paid to Department of Space is in progress.
18. The due from Bharat Sanchar Nigam Limited, New Delhi for Financial Year 2005-06 - ₹9.16 crores, Financial Year 2006-07 - ₹5.62 crores and Financial Year 2007-08 - ₹0.09 crores, aggregating to ₹14.87 crores is pending recovery since the actual INSAT satellite capacity utilized by BSNL is not reconciled.
19. Capital Work In Progress of ₹6,49,99,315 pertains to building under construction on the land leased to the Company by the Department of Space.
20. Previous year's figures are regrouped / reclassified to conform with the presentation for the current year.

As per our report attached hereto

For and on behalf of the Board

For Abarna & Ananthan

Chartered Accountants

Registration No.000003S

Sd/-

(S.Ramanujam)

Partner

Membership No.010943

Sd/-

(Dr.V.S.Hegde)

Chairman-cum-Managing Director

Sd/-

(Dr.T.K.Alex)

Director

Place: Thiruvananthapuram

Date: 17.12.2011

Place: Thiruvananthapuram

Date: 17.12.2011

BALANCE SHEET ABSTRACT AND COMPANY GENERAL BUSINESS PROFILE

I. Registration Details

(i) Registration No. (CIN) : U85110KA1992PLC013570 (ii) State Code: 08
 (iii) Balance Sheet Date : 31/3/2011

II. Capital Raised During the Year (Amount in ₹ Thousand)

(i) Public Issue	:	Nil	(i) Right Issue	:	Nil
(ii) Bonus Issue	:	Nil	(ii) Private Placement	:	Nil

III. Position of Mobilisation and Deployment of Funds (Amount in ₹ Thousands)

(i) Total Liabilities	:	67,01,501	(ii) Total Assets	:	67,01,501
(iii) Sources of Funds:			(iv) Applications of Funds:		
Paid up Capital	:	10,000	Net Fixed Assets	:	68,938
Reserves and Surplus	:	66,91,501	Investments	:	20,00,519
Secured Loans	:	Nil	Deferred Tax Assets	:	90,309
Unsecured Loans	:	Nil	Net Current Assets	:	45,41,734
			Misc. Expenditure	:	Nil
			Accumulated Losses	:	Nil

IV. Performance of Company (Amount in ₹ Thousand)

(i) Turnover and other Income	:	1,11,41,970	(ii) Total Expenditure	:	97,53,289
(iii) Profit before Tax	:	21,40,210	(iv) Profit after Tax	:	13,88,681
(v) Earning per Share in ₹	:	13,886.81	(vi) Dividend Rate	:	2,778%

V. Generic Names of Three Principal Products/Services of Company (as per monetary terms):

- 1) (i) Item Code No. : 8525 20 99
 (ii) Product/Business Description : Satellite Data Products
- 2) (i) Item Code No. : 8525 20 92
 (ii) Product/Business Description : Data Archival systems
- 3) (i) Item Code No. : 8803 90 00
 (ii) Product/Business Description : Solar Sail

As per our report attached hereto

For and on behalf of the Board

For Abarna & Ananthan
Chartered Accountants
 Registration No.000003S

Sd/-
(S.Ramanujam)
Partner
 Membership No.010943

Sd/-
(Dr.V.S.Hegde)
Chairman-cum-Managing Director

Sd/-
(Dr.T.K.Alex)
Director

Place: Thiruvananthapuram
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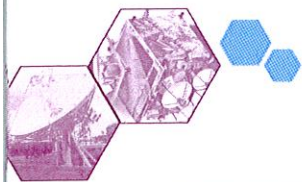
ANTRIX CORPORATION LIMITED



CASH FLOW STATEMENT

Figures in ₹

Particulars	As at 31 st March, 2011		As at 31 st March, 2010	
Cash flow from operating activities:				
Net Profit before taxation		2,14,02,09,784		1,47,96,32,894
Adjustment for:				
Depreciation	12,23,759		12,58,433	
Provision for Gratuity	44,247		2,07,862	
Provision for Leave Encashment	1,03,151		58,020	
Provision for Doubtful Debts	2,72,08,918		19,62,81,387	
Liability no longer required written back	—		(3,225)	
Provision for DD no longer required W/b	—		(12,50,347)	
		2,85,80,075		19,65,52,130
		2,16,87,89,859		1,67,61,85,024
Adjustment for:				
Profit on sale of Fixed assets	(15,350)		—	
Bank Foreign currency Translation Variance	(3,23,42,120)		(88,83,918)	
Interest Receipt from Bank	(62,03,34,036)		(63,02,71,112)	
Capital gain from MF	(8,80,49,588)		(5,18,29,508)	
Dividend Receipts from MF	(2,18,92,292)		(6,22,22,726)	
		(76,26,33,386)		(75,32,07,264)
Operating Profit before working capital changes		1,40,61,56,473		92,29,77,760
Increase in Sundry Creditors	1,29,95,23,511		—	
Decrease in Sundry Creditors	—		(8,70,89,826)	
Increase in other Creditors	1,20,58,26,646		1,79,86,01,775	
Decrease in Sundry Debtors	—		84,11,57,434	
Increase in Sundry Debtors	(1,47,75,57,969)		—	
Increase in Advances	(1,40,64,37,628)		(2,22,79,79,017)	
		(37,86,45,440)		32,46,90,366
Cash generated from operations		1,02,75,11,033		1,24,76,68,126
Income tax /FBT Paid		15,15,43,008		17,68,67,839
Tax Deducted at Source		66,13,99,019		
Net cash from operating activities		21,45,69,006		1,07,08,00,287
Cash flow from investing activities:				



Purchase of Fixed Assets	(3,06,59,865)		(3,58,91,015)	
Proceeds from sale of equipments	15,350		—	
Bank Foreign currency Translation Variance	3,23,42,120		88,83,918	
Interest Receipt from Bank	62,03,34,036		63,02,71,112	
Capital gain from MF	8,80,49,588		5,18,29,508	
Dividend Receipts from MF	2,18,92,292		6,22,22,726	
Increase in Investments	—		(1,00,17,93,778)	
Decrease in Investments	29,33,40,035		—	
Increase in Accrued interest on Bank FD	(5,05,11,647)		—	
Decrease in Accrued interest on Bank FD	—		2,39,46,883	
Net cash from investing activities		97,48,01,909		(26,05,30,646)
Cash flow from financing activities:				
Dividend Paid	(21,70,00,000)		(30,10,00,000)	
Dividend Distribution Tax Paid	(8,80,34,100)		—	
Net cash used in financing activities		(30,50,34,100)		(30,10,00,000)
Net increase in cash and cash Equivalents		88,43,36,815		50,92,69,641
Cash and cash equivalents at the beginning of the year		8,79,22,10,831		8,28,29,41,190
Cash and cash equivalents at the end of the year		9,67,65,47,646		8,79,22,10,831

As per our report attached hereto
For Abarna & Ananthan
Chartered Accountants
Registration No.000003S

For and on behalf of the Board

Sd/-
(S.Ramanujam)
Partner
Membership No.010943

Sd/-
(Dr.V.S.Hegde)
Chairman-cum-Managing Director

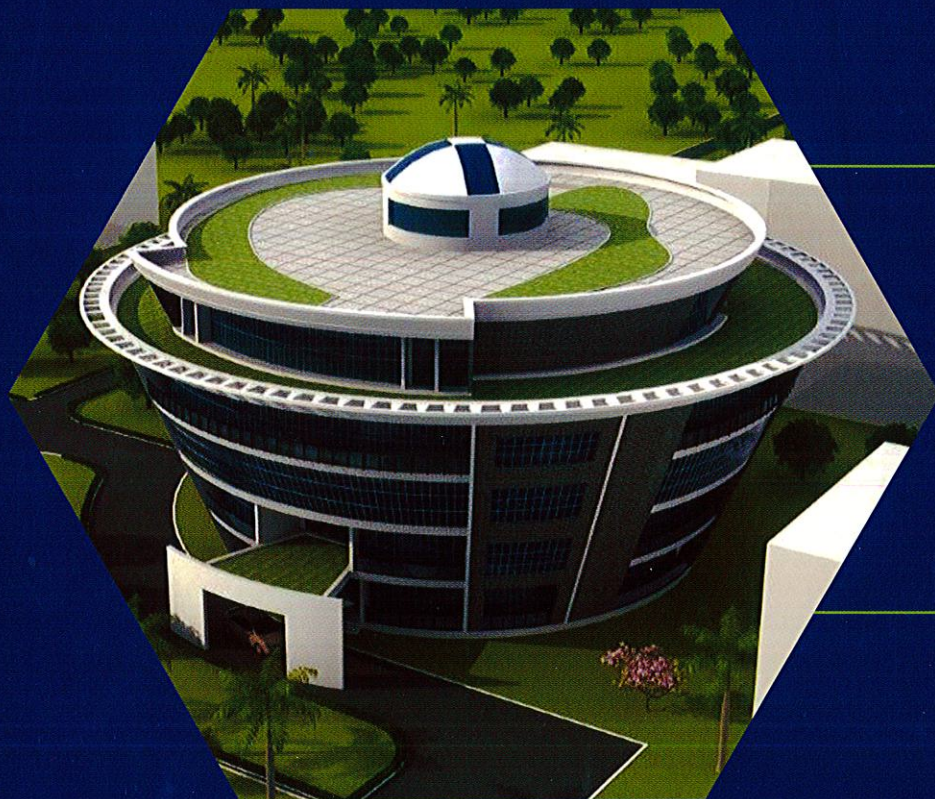
Sd/-
(Dr.T.K.Alex)
Director

Place: Thiruvananthapuram
Date: 17.12.2011

Place: Thiruvananthapuram
Date: 17.12.2011



Artist's View of Antrix New Building



ANTRIX CORPORATION LIMITED
ISRO HQ, Antariksh Bhavan,
New BEL Road, Bangalore - 560 231
Phone: +91 2341 6273/74, Fax: +91 2341 8981
Website: www.antrix.gov.in

