

Antrix Corporation Limited

Annual Report
2011-2012



ANTRIX CORPORATION LIMITED



BOARD OF DIRECTORS

Dr. V.S. Hegde
Shri S. Srinivasan (from 6.6.2012)
Dr. R.R. Navalgund (upto 31.3.2012)
Dr. T.K. Alex (upto 30.6.2012)
Shri P.S. Veeraraghavan
Dr. V.K. Dadhwal (from 6.6.2012)
Shri Ratan Tata
Shri Jamshyd Godrej
Shri P. Ravindra Reddy (upto 11.6.2012)

MANAGEMENT TEAM:

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

Shri S. Parameswaran
Smt. Geetha Varadan
Shri S. Parameswaran
Smt. T.S. Shoba
Shri R.L.N. Murthy (upto 18.1.2012)
Shri P.M. Balamanika Velu (from 30.1.2012)
Shri G. Alagesan

STATUTORY AUDITORS

M/s. Gnanoba & Bhat
Chartered Accountants
1st Floor, Annamalai Arcade
No.45, 1st Cross, Wilson Garden
Hosur Main Road
Bangalore 560 027

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

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DIRECTORS' REPORT

Your Directors are pleased to present the Twentieth 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, 2012.

PERFORMANCE HIGHLIGHTS

During the year under review, the Company has been able to improve its performance despite severe competition and pressures. The performance during the year has shown an increasing trend over the previous year. The Company's income during the year was ₹1180.60 Crores signifying an increase of 6% as compared to last year. The profit after tax at ₹170.98 Crores during the year was higher by 23% over the previous year. 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. Most of the activities of the Company pertain to contributing towards connectivity and information for enriching the life of a common man. Your company is confident of sustaining its performance in the future years also.

EXPORTS

On-orbit support was extended to customers namely EUTELSAT for operation of W2M and Avanti Space for HYLAS spacecrafts.

IRS RELATED ACTIVITIES

Your company has been actively marketing satellite data products and downlink services of IRS constellation meeting earth observation data requirement for international clientele.

Currently your company is offering satellite data sales and services from Cartosat-2, Cartosat-1 and Oceansat-2 satellites. Data from Resourcesat-2 satellite is in demand for continuity of services to the already established customers of Resourcesat-1 satellite. The market has been effectively developed for Resourcesat-2 data products and services and there are many customers in the pipeline. The recently launched microwave imaging satellite, Risat-1, has also much potential to offer to various customers.

Your company is also actively promoting geospatial services and has successfully taken-up two Web GIS projects, which are being implemented.

The IRS constellation has been accepted globally as a reliable source of earth observation data, with assured continuity being its main forte. The diverse range of data products has also contributed to its popularity. Requests for setting up new international ground stations have also been forthcoming.

LAUNCH SERVICES

Antrix successfully put into orbit in April 2011, through ISRO's PSLV - C16 Mission, XSAT satellite from Singapore University as co-passenger payload. Similarly, in October 2011, through ISRO's PSLV - C18 Mission, Vesselsat satellite from Canada was successfully put into orbit. In addition, Antrix has also built an impressive backlog of launch orders, for the ensuing year.

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. Ka band earth station at MCF, Hassan was used to support the mission operations of HNS Jupiter (Echostar XVII) satellite at 107.1 degree west. HNS Jupiter is a Ka band multi spot beam satellite, owned by Hughes Network System for providing high speed satellite services in the USA.

The ground stations were also used to provide Telemetry, Tracking and Command (TTC) support for the KSAT and CNES missions. Your company looks forward to providing TTC and other associated services for international operators and space agencies using the technical expertise and the infrastructure available at MCF and ISTRAC.

SATELLITE SYSTEMS

The Company has been marketing two types of satellite platforms, whose heritage is well established. These

are 1.2K and 1.3K 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 for additional opportunities.

TELECOM TRANSPONDER SERVICES

The Satellite transponder market has been in the forefront of growth in economy and commerce. During the year, your Company has been effectively utilising the INSAT fleet of satellites with its multitude of transponders in C and Ku bands, to cater to a wide variety of services including those for VSAT connectivity, Video broadcasting, Direct-to-Home (DTH), Digital Television etc. Despite the increased inflation and general slowdown, the demand for television and broadcast connectivity has continued to grow, fuelling the demand in space segment capacity. The growth of satellite TV channels by major broadcasters is expected to drive demand for C band video neighbourhoods in the region.

Further, Digitalization of television, be it DTH or expected launch of Headend-in-the-sky (HITS) platforms coupled with emerging services such as HDTV and 3D are expected to boost the demand for capacity to new levels. The emergence of HITS platforms to serve the cable operators across the country will contribute significantly to the total demand from C-band video services. The planned launches of GSAT 10 and GSAT 14 with C and Ku band transponders, during 2012, will provide enhanced capacity and is expected to provide an impetus to the dynamic space services market.

EXCHANGE OF VISITS

Exchange of visits is one significant activity, which helps in furthering mutual business interests. Several visits have taken place during the year involving leading players in the space industry. Your company has endeavored to strengthening its association with the various agencies and transform them into business opportunities.

FINANCIAL RESULTS

FINANCIAL RESULTS	For the year ended 31.03.12 (₹ in Lakhs)	For the year ended 31.03.11 (₹ in Lakhs)
Total Income	118060.84	111358.35
Total Expenditure	93148.07	89686.16
Profit before Depreciation and Tax	24912.77	21672.19
Extraordinary income	14.23	14.23
Less: Depreciation	(9.69)	(12.24)
Less: Provision for Doubtful Debts	(420.81)	(272.09)
Less: Provision for Taxation	(7,610.00)	(6,916.00)
Add: Deferred Tax	118.56	72.34
Short/Excess provision for Income Tax in earlier years	107.54	(671.63)
Current year surplus	17,098.37	13,886.80
Add: previous year surplus	40.01	38.59
Profit available for appropriation	17,138.38	13,925.39
Transfer to General Reserves	13160.00	10646.00
Proposed Dividend	3420.00	2778.00
Corporate Dividend Tax	554.81	461.39
Surplus in P&L A/C carried to Balance Sheet	3.57	40.00
Total of appropriation	17,138.38	13,925.39

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 3420% on the paid-up equity share capital of Rs.100 lakhs (previous year 2778%). This represents 20% of the post-tax profits for the year ended 31st March, 2012.

FUTURE OUTLOOK

Despite the slowdown in economic growth world over, the Indian economy is expected to grow to more than 7.5% in the year 2013 and this is greatly encouraging. Your Company is equipping itself to cash in on the available opportunities and turn them into profitable ventures. The company is looking at a few opportunities that it would be able to develop further and turn into successful business models. Provision of Satellite communication services is one major segment that has a growth potential globally. The company has plans for exploring opportunities in the field of Value Added Geospatial Services in India. The Company is pursuing vigorously for providing launch services for dedicated as well as piggy back mode launch missions for foreign customers. Your company is confident of meeting these challenges and turning them into successful projects for the company.

DIRECTORS

Shri V.V. Bhat, ceased to be Director with effect from December 9, 2011. Shri S. Srinivasan, Additional Secretary, Department of Space was appointed as Director with effect from June 6, 2012. Dr.V.K. Dadhwal, Director, National Remote Sensing Centre, was appointed as Director with effect from June 6, 2012. Dr. S.K. Shiva Kumar, Director, ISAC has been appointed

as a Director with effect from August 24, 2012. Dr. R.R. Naval Gund, ceased to be a Director consequent upon superannuation with effect from April 1, 2012. Shri P. Ravindra Reddy, ceased to be director with effect from June 11, 2012. Dr. T.K. Alex ceased to be Director consequent upon superannuation, with effect from July 1, 2012. Your Directors place on record their appreciation of the valuable services rendered by Shri V.V. Bhat, Dr. R.R. Naval Gund, Shri P. Ravindra Reddy and Dr. T.K. Alex 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 31.3.2012, 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, 2012 on a "Going Concern" basis.

AWARDS AND RECOGNITION

During the year under review, your company received the following Awards/Recognition:

1. Samman Patra from Ministry of Finance, Department of Revenue for outstanding revenue performance in the Bangalore Central

Excise Zone for the year 2010-11 for voluntary compliance of Service Tax related matters.

2. Silver Trophy for Top Exporter as Merchant Exporter in recognition for outstanding contribution to engineering exports during the year 2010-11 by EEPIC India, Southern Region.

CORPORATE GOVERNANCE

Your company places great emphasis on implementing corporate governance practices in accordance with the guidelines issued by the Government of India. It is firmly believed 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) (613) dated 10th September, 2011 appointed M/s. Gnanoba and Bhat, Chartered Accountants, Bangalore as Statutory Auditors to conduct audit of the annual accounts of the Company for the year ended 31st March, 2012. Their report dated 15/09/2012 is enclosed. The comments of the Comptroller and Auditor General of India under Section 619(4) of the Companies Act 1956 for the year ended 31st March 2012 vide letter reference No. 64-PDCS/HS/MAB-IV/A/CS/Antrix/12-13/1473 dated 17/09/2012 is enclosed. The Comptroller and Auditor General of India vide letter No. CA.V/COY/CENTRAL GOVT. ANTRIX (1)(102) dated July 30, 2012 has appointed M/s. Gnanoba & Bhat, Chartered Accountants, Bangalore as the Statutory Auditors of the Company for the financial year 2012-13.

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 and physically challenged was one. The total strength of employees in Group A (Technical), Group A (Administrative) and Group C (Administrative) were 3, 6 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.

Your Company which was operating from the Headquarters building of ISRO, has now moved into a new corporate office building which is part of the green initiative of the Company.

IMPLEMENTATION OF OFFICIAL LANGUAGE

In accordance with the policy guidelines of the Government of India, your company has been implementing use of the official language at all levels.

During the year, your Company participated in workshops and training sessions to enable the employees to acquire the necessary skills and thereby promote usage of the official language.

**FOREIGN EXCHANGE EARNINGS AND OUTGO (ACTUALS) FOR THE YEAR ENDED 31ST MARCH 2012
ARE AS FOLLOWS:**

Foreign Exchange Earnings	Amount in Lakhs (₹)	Amount FE
a) On a/c of Exports	140.71	USD 39,427.50 Euro 189,525.77
b) On a/c of Technical Consultancy	1,850.65	USD 4,031,655.71
c) On a/c of other services	1,144.18	USD 21,60,135.08 Euro 4,39,291.38
Total	3,135.54	
Foreign Exchange Outgo	Amount in Lakhs (₹)	Amount FE
a) On a/c of Travel	35.19	USD 73,266.15 Euro 3680.00
b) On a/c of cost of imports	136.38	USD 174,877.60 Euro 3,233.94
c) On a/c of cost of Technical Consultancy	34,389.66	USD 6,31,46,146.29 Euro 78,33,734.45
d) On a/c of cost of other services	4.96	USD 7,920.00 EURO 1,354.57
Total	34,566.19	

ACKNOWLEDGEMENT

Your Directors place on record their appreciation of 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 with gratitude the whole-hearted support and contribution of the officers and staff members of the Department of

Space, various ISRO Centres and your Company which have greatly contributed towards successful operations of the Company during the year under review.

**For and on behalf of the
Board of Directors**

Place: Bangalore
Date: 20.09.2012

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

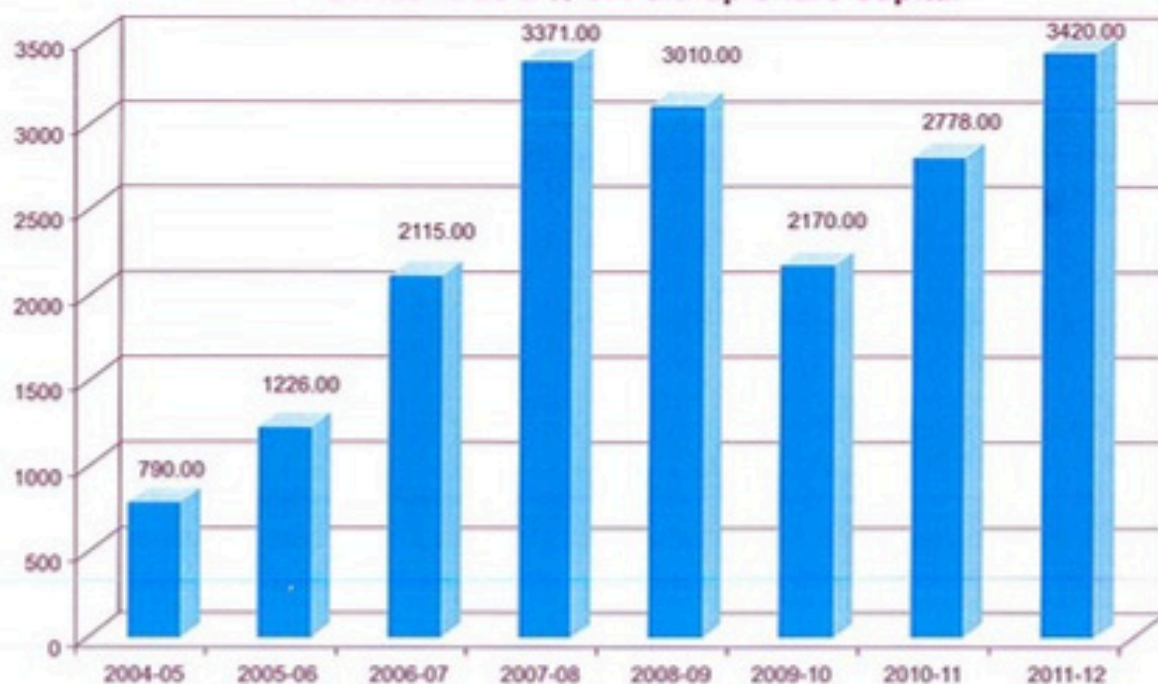
**ADDENDUM TO DIRECTORS' REPORT RELEVANT TO
FINANCIAL YEAR ENDED 31ST MARCH 2012**

Comment of the Statutory Auditors	Management Reply
<p>Subsequent to the completion of our audit and signing of the audit report on 30.08.2012, C&AG audit team have pointed out, omission to disclose contingent liability to the extent of USD 1.60 billion (INR 7,004.80 crores) relating to the claim made by M/s Devas Multimedia Limited before International Chamber of Commerce, Paris (ICC) subsequent to annulment of contract as per the policy decision of the Central Government acting in its sovereign capacity. We concur with the views of C&AG.</p>	<p>On the observation of the Statutory Auditor on the extent of contingent liability, the Company had not agreed for arbitration under ICC; as in the opinion of the Company, the proceedings initiated by M/s Devas before ICC are not in accordance with the agreement. The Company had, hence invoked arbitration proceedings as provided under the agreement and had moved the Hon'ble Supreme Court of India seeking directions to M/s Devas. The matter is sub-judice.</p> <p>Since the possibility of an outflow is remote, the said claim was not disclosed as contingent liability in the Accounts.</p>

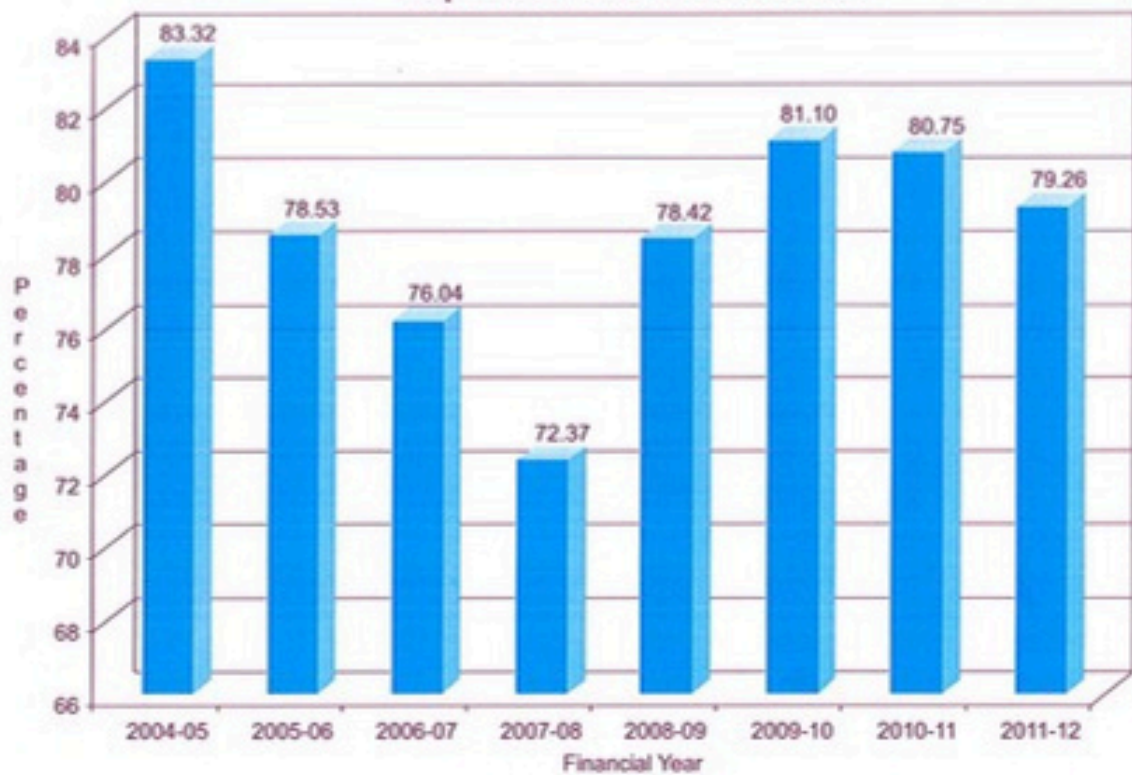
Profit after Tax in Crores



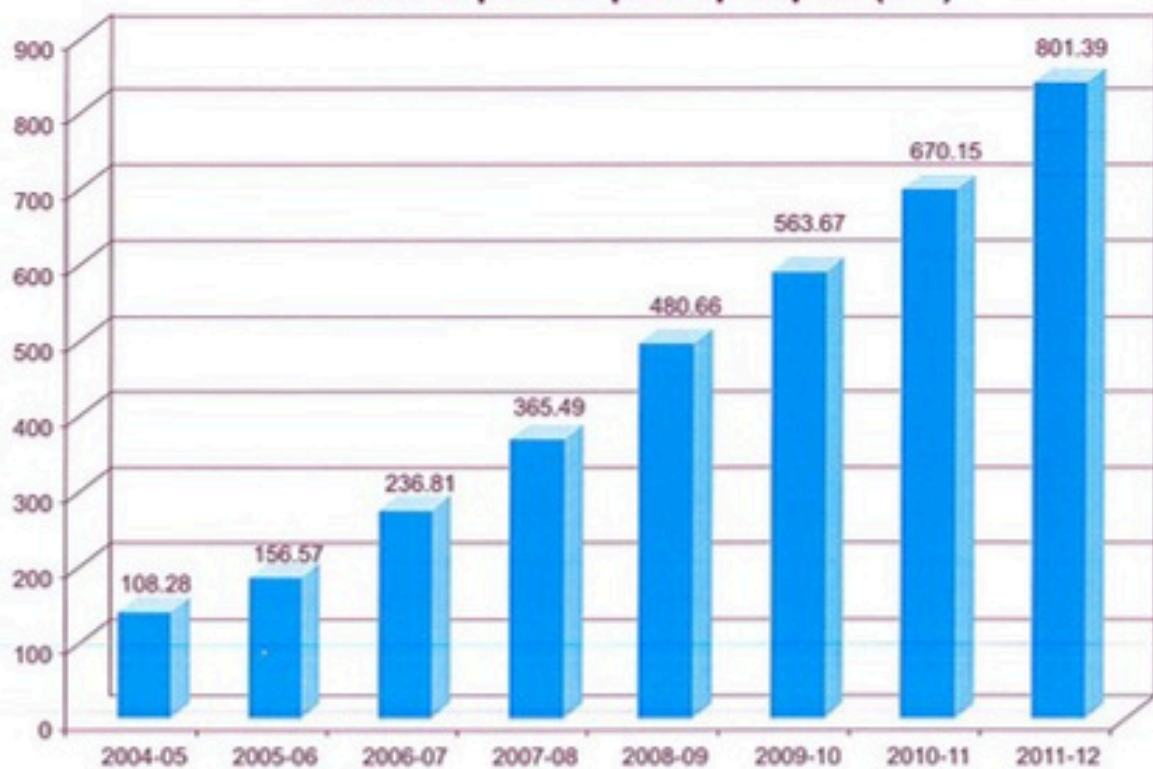
Dividend as a % of Paid-up Share Capital



Expenditure as % of Revenue



Networth per ₹ of paid-up Capital (in ₹)



COMPLIANCE CERTIFICATE

Company No : U85110KA1992PTC013570
Authorised Capital : ₹5 Crores
Paid-up Capital : ₹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, 2012. 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 two times on December 17, 2011 and March 24, 2012 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 31.3.2011 was held on December 29, 2011, 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 appointed full time Chairman cum Managing Director 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: 30th August, 2012

Place: Bangalore

Sd/-

V. PADMANABHAN

C.P. No: 6283

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, 2012

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 Dr. V. Jayaraman as Director	24.05.11	B12697702	Yes
2	Form 32	303	Appointment of Dr. V.S. Hegde as Chairman cum Managing Director and resignation of Dr. K. Radhakrishnan as Director	04.08.11	B17603283	Yes
3	Form 23AC	220	Annual Accounts for the year ended 31st March, 2011	31.12.11	P84305341	Yes
4	Form 66	383A	Compliance Certificate for the year ended 31st March, 2011	29.12.11	P84081793	Yes
5	Form 20B	159	Annual Return for the year ended 31st March, 2011	31.12.11	P84305077	Yes
6	Form 32	303	Resignation of Shri V. V. Bhat as Director	29.12.11	B28442119	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 as at 31st March 2012, and also the Profit and Loss Statement and the Cash Flow statement for the year ended on that date annexed hereto. 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 conducted our audit in accordance with accounting standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from financial mis-statements. 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 financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as modified in 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 paragraph 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report 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 accounts as required by law have been kept by the Company, so far as appears from our examination of those books;
 - iii. The Balance Sheet, Profit and Loss Statement, and Cash Flow statement dealt with in the report are in agreement with the books of accounts.
 - iv. In our opinion, the Balance Sheet, Profit and Loss Statement, 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 representation received from the directors, as on 31st March 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31.03.2012 from being appointed as directors in terms of clause (g) of sub-section of section 274 of the Companies Act, 1956.
5. **Subsequent to the completion of our audit and signing of the audit report on 30.08.2012, C&AG audit team have pointed out, omission to disclose contingent liability to the extent of USD 1.60 billion (INR 7004.80 crores) relating to the claim made by M/s Devas Multimedia Limited before International Chamber of Commerce, Paris (ICC) subsequent to annulment of contract as per the policy decision of the Central Government acting in its sovereign capacity. We concur with the views of C&AG.**
6. **Your attention is invited to:**
- i. **Note No.8 and 9 - Regarding disputed KVAT and CST amounting to INR 373.21 crores.**

ii. *Note No.10 – Regarding disputed Service tax amounting to INR 1.06 crores.*

iii. *Note No.18 - Regarding non-availability of balance confirmation of Sundry Debtors, Sundry Creditors, Advances Recoverable and Other Liabilities.*

iv. *Note No.19 - Regarding non-reconciliation between the amount due and the amount paid to Department of Space.*

7. *No provision has been made towards the liability of Liquidated Damages in the form of Delayed Delivery Penalty of US\$ 5 Million (INR 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 and the issue relating to arbitration proceedings is subjudice, and the same is disclosed as contingent liabilities.*

8. In our opinion and to the best of our information and according to the explanations given to us, and subject to our

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

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

The said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state affairs of the Company as at 31st March, 2012.
- b) in the case of the Profit and Loss Statement, of the profit for the year ended on that date.
- c) in the case of the Cash Flow Statement of the cash flows of the company for the year ended on that date.

For **GNANOBA & BHAT**
CHARTERED ACCOUNTANTS
FIRM REGN No. 000939S

Place : BANGALORE
Date : 15-09-2012

Sd/-
(K.R GNANOBA)
PARTNER
MM.No.23137

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 3 of our report of even date.

- i. a) The Company is in the process of updating the fixed assets register to show full particulars including quantitative details and situation of fixed assets.
b) According to the information and explanations given to us the fixed assets have been physically verified by the Committee constituted by the management during the year. No material discrepancies were noticed on such verification.
c) The Company has not disposed Substantial part of its fixed assets during the year and hence the clause is not applicable.
- ii. The Company does not have any inventory Hence Clause (ii) (a) (b) & (c) are not applicable.
- iii. The Company has neither granted nor taken any secured/unsecured loan to or from Companies, firm and the other parties listed in the register maintained u/s 301 of the Companies Act, 1956. Therefore commenting on the matters under this clause does not arise.
- iv. In our opinion and according to the information and explanations given to us, there exists a system of internal control procedure commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets and with regard to sale of goods.
- v. According to the information given to us, no transactions, which require entry in the register, maintained u/s 301 have taken place. Therefore, the provisions of Clause (v) (b) are not applicable to the Company.
- vi. The Company has not accepted any deposit from the public.
- vii. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii. The Central Government has not prescribed the maintenance of cost records u/s 209(1) (d) of the Companies Act, 1956.
- ix. a) According to the information and explanations given to us, the provisions of Provident Fund Act and the Employees State Insurance Act, are inapplicable to the Company for the year under audit.
b) According to the information and explanations given to us, there are no dues of Income-tax, Service Tax, Cess, which have not been deposited on account of any dispute. However, the demand raised by the Karnataka Commercial Tax Department with respect to K-VAT and CST amounting to INR 373.21 Crores for the period from 01.04.2005 to 31.03.2010 is under dispute and the matter is pending in the Hon'ble Supreme Court. The demand raised by Large Tax Payers Unit for Service tax to the tune of INR 1.06 Crores including penalty is appealed before Customs, Excise and Service Tax Appellant Tribunal (CESTAT), Bangalore as detailed in other notes forming part of accounts Note No.10.
- x. The Company does not have accumulated losses as on 31.03.2012 and the Company has not incurred cash losses during the Financial Year covered by our audit and in the immediately preceding Financial Year.
- xi. The Company has no dues to financial institutions or banks.

- 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 or a mutual benefit fund/ society. Therefore, the provisions of clause (xiii) are not applicable to the Company.
- xiv. The Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause (xiv) are not applicable to the Company.
- xv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xvi. According to the information and explanations given to us the company has not availed any term loan.
- xvii. According to the information and explanations given to us, the Company has not raised any short-term funds during

the year and used for long-term investment or vice versa.

- xviii. The Company has not made any preferential allotment of shares during the year.
- xix. The Company has not issued any debentures.
- xx. The Company has not raised any money by public issues during the year.
- xxi. According to the information and explanations given to us in the course of our audit, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For **GNANOBA & BHAT**
CHARTERED ACCOUNTANTS
 FIRM REGN No. 000939S

Place : BANGALORE
 Date : 15-09-2012

Sd/-
(K.R GNANOBA)
 PARTNER
 MM.No.23137

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	Note No	Figures are in ₹	
		For the year ended 31.03.2012	For the year ended 31.03.2011
I. Revenue from operations	1	1050,78,48,570	1035,16,43,009
II. Other income	2	129,82,35,288	78,41,92,112
III. Total Revenue		1180,60,83,858	1113,58,35,121
IV. Expenses:			
(i) Cost of Revenue from operation	3	926,43,57,657	891,48,16,704
(ii) Employees benefits expenses	4	1,82,74,287	1,68,74,221
(iii) Depreciation		9,69,045	12,23,759
(iv) Other expenses	5	7,42,56,500	6,41,33,876
Total expenses		935,78,57,489	899,70,48,560
V. Profit before extraordinary items and tax		244,82,26,369	213,87,86,561
VI. Extrordinary items	6		14,23,223
VII. Profit before tax		244,82,26,369	214,02,09,784
VIII. Tax expenses:	7		
(i) Current tax		75,02,45,012	75,87,62,879
(ii) Deferred tax		1,18,56,020	72,33,635
IX. Profit for the period from continuing operations		170,98,37,377	138,86,80,540
X. Earnings per Equity Share:			
Amount used as numerator in calculating earnings per Equity Share is ₹		170,98,37,377	138,86,80,540
Number of equity shares used as the denominator in calculating earnings per equity share is		1,00,000	1,00,000
Nominal value of Equity Share is ₹		100	100
Basic and Diluted Earnings per Equity Share is ₹		17,098	13,887
Accounting Policies	P		
Other Notes forming part of Accounts	Q		
Notes No. 1 to 7, P and Q form an integral part of this Profit and Loss Statement			

As per our report attached

For Gnanoba & Bhat
Chartered Accountants
Firm Reg No.000939S

For and on behalf of the Board

Sd/-
(K R Gnanoba)
Partner
M N.23137

Sd/-
(P S Veeraraghavan)
Director

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

Place : Bangalore
Date : 30.08.2012

Place : Bangalore
Date : 30.08.2012

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2012

Note No	Particulars	Unit	Figures are in ₹, except otherwise stated	
			As at 31.03.2012	As at 31.03.2011
A	SHARE CAPITAL:			
	Equity Shares:			
(a)	Authorised:			
(i)	Number of Shares	Nos.	5,00,000	5,00,000
(ii)	Amount of Shares		5,00,00,000	5,00,00,000
(b)	Issued, subscribed and fully paid up for cash:			
(i)	Number of Shares	Nos.	1,00,000	1,00,000
(ii)	Amount of Shares		1,00,00,000	1,00,00,000
(c)	Par value per share		100/-	100/-
(d)	(i) Number of shares outstanding at the beginning of the reporting period		1,00,000	1,00,000
	(ii) Number of shares outstanding at the end of the reporting period		1,00,000	1,00,000
(e)	Rights, preference and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital		Equity Shares: Subject to the Articles of Association of the Company, all the rights (including voting right of one vote per Equity Share held), all preferences and restrictions (including restriction on transfer of Equity Shares) are vested with the Board of Directors. Dividend proposed by the Board is subject to declaration at Annual General Meeting. A minimum of 20% of post tax profit shall be distributed to Government of India as Dividend and the repayment of capital is as per the provision of the Companies Act, 1956	Equity Shares: Subject to the Articles of Association of the Company, all the rights (including voting right of one vote per Equity Share held), all preferences and restrictions (including restriction on transfer of Equity Shares) are vested with the Board of Directors. Dividend proposed by the Board is subject to declaration at Annual General Meeting. A minimum of 20% of post tax profit shall be distributed to Government of India as Dividend and the repayment of capital is as per the provision of the Companies Act, 1956
(f)	Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held.		100% of entire 1,00,000 number of paid up Equity Shares of ₹100/- each are held by the Government of India through the President of India and its Nominee	100% of entire 1,00,000 number of paid up Equity Shares of ₹100/- each are held by the Government of India through the President of India and its Nominee

B RESERVES AND SURPLUS:		
(a) General Reserve:		
Amount outstanding at the beginning of the reporting period	668,75,00,000	562,29,00,000
Add: Transfer out of current year profit	131,60,00,000	106,46,00,000
Amount outstanding at the end of the reporting period	800,35,00,000	668,75,00,000
(b) Surplus:		
Amount outstanding at the beginning of the reporting period	40,00,612	38,59,179
Add: Current year profit	170,98,37,377	138,86,80,540
	171,38,37,989	139,25,39,719
Less:		
Transfer to General Reserve	131,60,00,000	106,46,00,000
Proposed Dividend	34,20,00,000	27,78,00,000
Tax on distributed profit	5,54,80,950	4,61,39,107
Amount outstanding at the end of the reporting period	3,57,039	40,00,612
TOTAL	800,38,57,039	669,15,00,612
C OTHER LONG TERM LIABILITIES:		
(a) Trade Payables	72,67,70,140	41,79,62,391
(b) Others	1107,45,38,223	966,60,26,378
	1180,13,08,364	1008,39,88,769
D LONG TERM PROVISIONS:		
(a) Provision for employee benefits		
(i) Provision for Gratuity	6,19,841	5,17,065
(ii) Provision for Leave Encashment	10,76,396	5,71,386
	16,96,237	10,88,451
E OTHER CURRENT LIABILITIES:		
(a) Income received in advance	135,79,02,886	121,43,77,394
(b) Advances from customers	57,79,10,404	136,61,96,622
(c) Statutory Liabilities	8,72,92,038	16,41,41,707
(d) Creditors for Expenses	41,46,168	3,46,26,857
(e) Creditors for Project Expenses	25,92,16,488	13,27,61,571
(f) Creditors for Other Liabilities	27,43,983	19,35,41,667
	228,92,11,967	310,56,45,818
F SHORT TERM PROVISIONS:		
(a) Provision for Leave Encashment	1,22,245	
(b) Provision for Proposed Dividend	34,20,00,000	27,78,00,000
(c) Provision for Tax on Distributed Profit	5,54,80,950	4,61,39,107
	39,76,03,195	32,39,39,107
G TANGIBLE ASSETS:		
(i) (a) Furniture and fixtures	15,50,256	12,06,039
(b) Computer	5,25,849	7,01,867
(c) Office Equipment	15,05,979	17,13,789
	35,82,084	36,21,695
(ii) Reconciliation of the gross and net carrying amounts of each class of assets at the beginning and end of the reporting period showing additions, disposals, acquisitions through business combinations and other adjustments and the related depreciation and impairment losses/reversals	Vide Annexure to this Note	Vide Annexure to this Note

H INTANGIBLE ASSETS:		
(i) (a) Computer software	1,90,332	3,17,220
(ii) Reconciliation of the gross and net carrying amounts of each class of assets at the beginning and end of the reporting period showing additions, disposals, acquisitions through business combinations and other adjustments and the related depreciation and impairment losses/reversals	Vide Annexure to this Note	Vide Annexure to this Note
I NON-CURRENT INVESTMENTS:		
Investments in Mutual Funds;		
(At cost - Non-Trade - Unquoted)		
SBI MF SDFS -15 months - 6 Growth		25,00,00,000
(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
Aggregate amount of Unquoted, Non-trade Non current Investment in MF		25,00,00,000
J LONG TERM LOANS AND ADVANCES:		
(Unsecured-Considered good)		
(a) Capital Advance	3,44,97,462	
(b) Security Deposits	50,15,28,875	50,02,04,875
(c) Advances to employees	19,500	25,500
(d) Accrued interest on Advances to employees	6,320	5,758
(e) Advances for Project Expenses	539,63,81,318	438,72,57,537
(f) Taxes Refund Due	69,89,06,476	94,31,66,267
(g) Taxes paid under protest	9,12,47,312	9,12,47,312
(h) Advances to trade creditors	1,06,49,100	92,88,300
(i) Dues from customers	21,976	21,976
	673,32,58,339	593,12,17,525
K CURRENT INVESTMENTS:		
Investments in Mutual Funds;		
(At cost - Non-Trade - Unquoted)		
LIC Nomura MF FMP Series 52 -367 days Growth	15,01,75,430	
(Invested in 1,50,17,543 Units @ ₹10/- each which is also NAV as at year end)		
Canara Robeco MF InDiGo Growth Fund	25,00,00,000	
(Invested in 2,06,34,553.7980 units at ₹12.1156 each; NAV as at year end @ 12.1825 is ₹25,13,80,451.64),		
SBI MF SDFS -15 months - 6 Growth	25,00,00,000	
(Invested in 2,50,00,000 units @ ₹10 each, NAV as on year end is ₹25,36,27,500/- @ ₹10.1451 each)		
SBI MF Debt Fund Series 367 Days - 7 - Growth	25,00,00,000	
(Invested in 2,50,00,000 units @ ₹10/- each; NAV as at year end @ ₹10.3791 is ₹25,94,77,500)		
SBI MF-SBI Debt Fund Series 19 -367 days-FMF Growth	20,00,00,000	
(Invested in 2,00,00,000 units @ ₹10/- each which is also NAV at year end)		
SBI MF SDFS - 370 days - 4 Growth		25,00,00,000
(Invested in 2,50,00,000 units @ ₹10 each, NAV as on year end is ₹26,34,15,000/- @ ₹10.5366 each)		
UTI MF Fixed Term Income Fund-Series XI-VII-366 D	20,02,11,149	
(Invested in 2,00,21,114.914 Units @ ₹10/- each; NAV as at year end @ ₹10.0288 is ₹20,07,87,757.25)		
UTI MF Fixed Maturity Plan - Yearly FMP series(YFMP 1/11)		25,00,00,000
(Invested in 2,50,00,000 units @ ₹10 each, NAV as on year end is ₹25,51,30,000/- @ ₹10.2052 each)		
UTI MF Fixed Term Income Fund series VII-III		25,00,00,000
(Invested in 2,50,00,000 units @ ₹10 each, NAV as on year end is ₹26,52,32,500/- @ ₹10.6093 each)		

Canara Robeco MF - Treasury Advantage Super Institutional (Invested in 40318654.58 Units @ ₹12.4071 each)		50,02,37,579
Canara Robeco MFLiqu Super Instt Dly Div Reinv Fund (Invested in 219347.4530 units @ ₹1005.50 each which is also NAV at year end)	22,05,53,864	
Canara Robeco MFInterv Srs 2 Qly Plan 2-Inst Div Fund (Invested in 1,49,95,201.536 units @ ₹10.0032 each; NAV as at year end @ ₹10.0309 is ₹15,04,15,367.09)	15,00,00,000	
Canara Robeco MF Try Adv Supr Instt Dly Div Reinv Fund (Invested in 1,47,754.9850 units @ ₹1240.71 each which is also NAV at year end)	18,33,21,087	
LIC Nomura MF Liquid Fund Dividend Plan (Invested in 2,729.339 units @ ₹10.9801 each which is also NAV at year end)	29,968	
UTI MF Short Term Income Fund Instit-Inc Opt-Re-Inv (Invested in 4,86,65,841.302 units @ average ₹10.58777 each; NAV as at year end @ ₹10.5653 is ₹51,41,69,213.11)	51,52,62,745	
UTI MF Floating Rate Fund - short term plan (Invested in 4,99,896.163 units @ ₹1000.7707 each)		50,02,81,433
	236,95,54,244	175,05,19,012
Aggregate amount of Unquoted, Non-trade Current Investment in MF	236,95,54,244	175,05,19,012
L TRADE RECEIVABLES: (Unsecured)		
(a) Trade Receivables outstanding for a period exceeding six months from the date they are due for payment		
(i) Considered good	89,59,25,478	92,45,95,111
(ii) Considered doubtful	31,26,29,413	27,05,48,095
(b) Other debts (Considered good)	335,58,26,060	215,44,46,812
	456,43,80,951	334,95,90,018
Less: Provision for Doubtful Debts	31,26,29,413	27,05,48,095
	425,17,51,538	307,90,41,923
M CASH AND CASH EQUIVALENTS:		
(a) Balances with banks	226,88,73,071	69,73,80,055
(b) Cash on hand	12,892	14,454
(c) Bank deposits with more than 12 months maturity	762,14,65,102	897,91,53,137
	989,03,51,065	967,65,47,646
N SHORT TERM LOANS AND ADVANCES: (Unsecured-Considered Good)		
(a) Advances for Expenses	8,55,001	57,15,496
(b) Advances for Project Expenses	56,67,775	82,42,255
(c) Advances to Trade Creditors	52,10,32,102	56,26,78,664
(d) Taxes Refund Due		4,62,472
	52,75,54,878	57,70,98,887
O OTHER CURRENT ASSETS (Unsecured-Considered Good)		
(a) Accrued Interest on Deposits with banks	68,79,34,574	34,04,25,476
(b) Input Service Tax	8,34,18,155	11,07,98,758
	77,13,52,729	45,12,24,234

(Figures in ₹)

ANNEXURE TO NOTE - G - TANGIBLE ASSETS

Sl No.	Particulars	GROSS BLOCK (COST)			DEPRECIATION (UNDER WDV METHOD)				NET BLOCK (WDV)		
		As at 31.03.11	Additions	Disposal/ Adjustment	As at 31.03.12	Upto 31.03.11	For the year	For Disposal/ Adjustment	Upto 31.03.12	As at 31.03.12	As at 31.03.11
1	Furniture and Fixtures	60,53,785	5,75,254		66,29,039	48,47,746	2,31,037		50,78,783	15,50,256	12,06,039
2	Computers and Peripherals	46,76,059	1,46,101		48,22,160	39,74,192	3,22,119		42,96,311	5,25,849	7,01,867
3	Office Equipments	35,16,930	1,04,547	79,597	35,41,880	18,03,141	2,74,883	42,123	20,35,901	15,05,979	17,13,789
	Total	142,46,774	8,25,902	79,597	149,93,079	106,25,079	8,28,039	42,123	114,10,995	35,82,084	36,21,695
	Previous Years' Figures	137,64,564	4,82,210		142,46,774	96,00,731	10,24,348		106,25,079	36,21,695	41,63,833

Note: There are no acquisitions through business combinations and impairment losses/reversals

ANNEXURE TO NOTE - I - INTANGIBLE ASSETS

Sl No.	Particulars	GROSS BLOCK (COST)				DEPRECIATION (UNDER WDV METHOD)				NET BLOCK (WDV)	
		As at 31.03.11	Additions	Disposal/ Adjustment	As at 31.03.12	Upto 31.03.11	For the year	For Disposal/ Adjustment	Upto 31.03.12	As at 31.03.12	As at 31.03.11
1	Computer Software	10,62,135	14,118		10,76,253	7,44,915	1,41,006		8,85,921	1,90,332	3,17,220
	Total	10,62,135	14,118		10,76,253	7,44,915	1,41,006		8,85,921	1,90,332	3,17,220
	Previous Years' Figures	9,64,223	97,912		10,62,135	5,45,504	1,99,411		7,44,915	3,17,220	4,18,719

Note: There are no acquisitions through business combinations and impairment losses/reversals

**NOTES FORMING PART OF PROFIT AND LOSS STATEMENT FOR THE YEAR
ENDED ON 31ST MARCH, 2012**

Note No	Particulars	Unit	Figures are in ₹, except otherwise stated	
			For the year ended 31.03.2012	For the year ended 31.03.2011
1	Revenue from Operations:			
	(a) Sale of products:			
	(i) Exports		4,05,41,940	102,25,58,465
	Net gain/(loss) on foreign currency transaction and translation relating to Export		21,60,050	-525,613
			<u>4,27,01,990</u>	<u>102,20,32,852</u>
	(ii) Inland Sales		41,06,17,474	69,68,21,137
	(b) Sale of services:			
	(i) Foreign Consultancy Services Receipts		2,63,09,130	14,08,87,143
	Net gain/(loss) on foreign currency transaction and translation relating to FCS		85,07,775	6,20,619
			<u>3,48,16,905</u>	<u>14,15,07,762</u>
	(ii) Inland Consultancy Services Receipts		1,71,90,390	37,75,98,921
	(c) Other operating revenues:			
	(1) Foreign Receipts:			
	(i) Access Fees and Royalty receipts		24,38,21,089	29,54,71,672
	Net gain/(loss) on foreign currency transaction and translation relating to AFR		52,82,739	28,09,410
			<u>24,91,03,828</u>	<u>29,82,81,081</u>
	(ii) Host Facility receipts		82,72,51,529	18,43,51,357
	Net gain/(loss) on foreign currency transaction and translation relating to HF		1,69,48,700	7,76,073
			<u>84,42,00,229</u>	<u>18,51,27,430</u>
	(iii) Space Segment Capacity Charges receipts		16,39,52,730	26,80,35,660
	Net gain/(loss) on foreign currency transaction and translation relating to SSCC		-263,692	-2,382,999
			<u>16,36,89,038</u>	<u>26,56,52,661</u>
	(2) Inland Receipts:			
	(i) Access Fees and Royalty receipts		8,96,474	
	(ii) Space Segment Capacity Charges receipts		874,46,32,242	736,46,21,165
			<u>1050,78,48,570</u>	<u>1035,16,43,009</u>
2	Other Income:			
	(a) Interest Income			
	(i) On Deposits with Banks		98,68,68,968	62,03,34,036
	(ii) On Advances and Debtors dues		7,09,15,079	1,94,56,933

(b) Net gain/loss on sale of investments			
(i) Capital Gain on Mutual Fund Investments		5,77,80,000	8,80,49,588
(c) Dividend receipts on Mutual Fund Investments		9,37,37,805	2,18,92,292
(d) Net gain/(loss) on foreign currency transaction and translation relating to outstanding Liabilities and Assets		5,59,00,269	2,63,88,828
(e) Liability no longer required written back		2,78,91,295	
(f) Prior Period Items		20,85,053	
(g) Miscellaneous Income		30,56,819	80,70,435
		129,82,35,288	78,41,92,112
3	Cost of Revenue from operation		
(a) Cost of Sales			
(i) Cost of Exports		2,41,48,369	67,88,10,712
(ii) Cost of Inland Sales		37,23,88,140	64,62,47,439
(b) Cost of Services			
(i) Cost of Foreign Consultancy Receipts		61,54,293	6,26,68,084
(ii) Cost of Inland Consultancy Receipts		1,26,77,560	35,37,44,784
(c) Cost of Other Revenues			
For Foreign Receipts			
(i) Cost of Access Fees and Royalty receipts		14,46,43,124	18,76,48,134
(ii) Cost of Host Facility receipts		63,41,54,153	12,31,69,550
(ii) Cost of Space Segment Capacity Charges receipts		14,10,20,749	22,78,30,311
For Inland Receipts			
(i) Cost of Access Fees and Royalty receipts		5,37,884	
(ii) Cost of Space Segment Capacity Charges receipts		792,86,33,385	663,46,97,690
		926,43,57,657	891,48,16,704
4	Employees benefits expenses		
Salaries		41,00,573	51,79,133
Contribution to Public Provident Fund		1,80,105	2,14,790
Staff Welfare		5,64,041	3,90,574
Leave Travel concession		5,96,355	6,03,509
Leave Encashment paid		50,115	26,796
Leave Encashment provision		6,27,255	1,03,151
Gratuity Paid		60,951	
Gratuity Provision		1,02,776	44,247
Establishment Expenses		1,19,84,505	1,02,88,721
Personnel Training Expenses		7,611	23,300
		1,82,74,287	1,68,74,221
5	Other Expenses:		
Travelling Expenses		62,56,843	36,85,210
Conveyance and Taxi Hire		15,66,942	21,87,416
Printing and Stationery		6,00,526	12,00,124
Communication Expenses		12,28,600	20,36,608
Legal, Professional and Consultancy fees		1,62,37,917	37,29,335
Rates and Taxes		4,36,406	84,162

	Advertisement and Publicity	6,00,505	11,07,000
	Hospitality and Entertainment	3,14,364	6,52,960
	Seminar, Conference and Meeting Expenses	10,28,348	3,48,330
	Exhibition and Trade Fair		54,93,225
	Lease Rent	10,000	10,000
	Interest on Belated Payment of Taxes	6,19,339	45,36,370
	Bank Charges	4,19,164	3,28,045
	Bank Guarantee and LC charges	2,80,731	6,14,423
	Repairs and Maintenance - Others	14,50,068	14,28,437
	Payment to Auditors:		
	As Auditors	1,68,540	1,54,420
	For Reimbursement of Expenses	22,000	
	Membership and Subscription	1,34,505	4,31,837
	Miscellaneous Expenses	8,00,384	24,48,818
	Provision for Doubtful Debts	4,20,81,318	2,72,08,918
	Prior Period Items		64,48,238
		7,42,56,500	6,41,33,876
6	Extraordinary items		
	Extra-Ordinary Income		14,23,223
7	Tax Expenses:		
	(i) Current Tax	76,10,00,000	69,16,00,000
	Excess Provision for IT in earlier years	✓ 1,12,54,910	✓ 6,63,35,372
	Short Provision for FBT in earlier years	✓ 4,99,922	✓ 8,27,507
		75,02,45,012	75,87,62,879
	(i) Deferred Tax		
	Deferred Tax originating during the year (Savings)	1,39,38,317	91,23,044
	Deferred Tax reversing during the year (Expenses)	20,82,297	18,89,409
		1,18,56,020	72,33,635

1) General:

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

2) Income:**(i) 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.

(ii) 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.

(iii) Consultancy:

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

(iv) Composite Contract:

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

(v) Other Income:**(a) Interest:**

Interest income is recognized on accrual basis. However, interest income from Trades Receivables 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 Revenue from Operations.

3) 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.

4) Fixed Assets:

Fixed Assets are accounted on historical cost basis.

5) Depreciation:

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

6) 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 year end 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.

7) 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.

8) 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.

9) 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.

10) 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.

11) Investments:

Investments are classified as "Non-current Investments" and "Current Investments" as per the Revised Schedule VI to the Companies Act, 1956 applicable from the Financial Year 2011-12. The carrying amount for current investments is the lower of cost and fair value determined either on an individual investment basis or by category of investment, but not on an overall (or global) basis. Non-current Investments are usually carried at cost. However, when there is a decline, other than temporary, in the value of a Non-current 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.

Q	OTHER NOTES FORMING PART OF ACCOUNTS		
		As at 31st March 2012	As at 31st March 2011
1	CONTINGENT LIABILITIES AND COMMITMENTS: (to the extent not provided for) (i) Contingent Liability: (a) Claims against the company not acknowledged as debt:- (i) Karnataka Value Added Tax and Central Sales Tax demands disputed at Hon'ble Supreme Court (ii) Service Tax demand disputed at CESTAT, Bangalore (iii) Liquidated damage claimed by a customer (b) Guarantees: (c) Other money for which the Company is contingently liable ii) Commitments: (a) Estimated amount of contracts remaining to be executed on capital account and not provided for; (b) Other commitments 2 (i) The amount of Dividend proposed to be distributed to Equity Shareholders for the period : (ii) Related amount per Share : 3 Opinion of the Board about any of the assets other than fixed assets and non-current investments do not have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated 4 a) Value of imports calculated on C.I.F basis by the Company during the financial year in respect of:- I. Raw Materials ; II. Components and spare parts; III. Capital goods; b) Expenditure in foreign currency during the financial year on account of royalty, know-how, professional and consultation fees, interest, and other matters;	₹373,21,41,357 ₹1,06,00,934 ₹21,89,00,000 No Guarantee has been issued by the Company to result in contingent liability NIL ₹60,15,856 NIL ₹34,20,00,000 ₹3,420 Board is of the opinion that such assets will have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Accounts. Disclosure is exempted vide Order No.46/12/2012-CL-III dated 31.07.2012 issued by Ministry of Corporate Affairs, Govt of India -do-	₹373,21,41,357 ₹1,06,00,934 ₹21,89,00,000 No Guarantee has been issued by the Company to result in contingent liability NIL ₹6,49,99,315 NIL ₹27,78,00,000 ₹2,778 Board is of the opinion that such assets will have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Accounts. Disclosure is exempted vide Order No.46/119/2011-CL-III dated 04.07.2011 issued by Ministry of Corporate Affairs, Govt of India -do-

c) Total value of all Imported raw materials, Spare parts & Components consumed during the financial year and the total value of all indigenous raw materials, spare parts & components similarly consumed and the percentage of each to the total consumption:	-do-	-do-
d) The amount remitted during the year in foreign currencies on account of dividend with a specific mention of the total number of non-resident share holders, the total number shares held by them on which the dividend were due and the year to which the dividends related	NIL	NIL
e) Earnings in foreign exchange classified under the following heads, namely:- I. Export of goods calculated on F.O.B. basis;	Disclosure is exempted vide Order No.46/12/2012-CL-III dated 31.07.2012 issued by Ministry of Corporate Affairs, Govt of India	Disclosure is exempted vide Order No.46/119/2011-CL-III dated 04.07.2011 issued by Ministry of Corporate Affairs, Govt of India
II. Royalty, know-how, professional and consultation fees;	-do-	-do-
III. Interest and dividend;	NIL	NIL
IV. Other income, indicating the nature thereof	NIL	NIL

5. The Details of the Foreign Exchange Fluctuation and the Year End Currency Translation in respect of :

Particulars	Foreign Exchange Fluctuation ₹	Dr/ Cr	Year End Currency Translation ₹	Dr/ Cr.	Profit & Loss Account
Bank Deposits and Current Accounts, Assets and Liabilities	0 (3,59,74,274)	Cr	5,59,00,269 (69,94,692)	Cr Dr	Credited Misc Income (Credited/Debited to Misc Income/ Expenditure)

Previous year's figures are shown in bracket

Dr-Debit; Cr-Credit

- Bank Deposits with more than 12 months maturity includes a Deposit with Canara Bank for a sum of ₹28,848 (Previous year ₹26,520) in favour of "Assistant Commissioner of Commercial Taxes, Dist- "V" Circle, Bangalore A/c Antrix Corporation Limited" as security.
- Against the Bank Guarantees issued by Banks on behalf of the company for a total value of ₹1,61,70,750/- (Previous year ₹29,02,800/-), the Company has pledged a fixed deposit for ₹20,00,000 (Previous Year – ₹20,00,000) with Canara Bank and a fixed deposit for ₹5,00,00,000 (Previous Year ₹5,00,00,000) 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 of the said AS does not arise.
- 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.

9. 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 crores and revised the same vide order dated 30.04.2012 to ₹167.26 crores including interest and penalty. The Company has filed a WP No.30308/2010 against the assessment order before the Hon'ble High Court of Karnataka. The Hon'ble High Court had admitted the petition and the matter is subjudice.
10. 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. Subsequently the case was heard on 12.01.2012 and the verdict is awaited. The matter is subjudice.
11. 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. Anb/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.
12. 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 12	31 Mar 11
	(in ₹)	
Present Value of Unfunded Obligations		
Amount in Balance Sheet	6,19,841	5,17,065
Liability – Current	32,052	14,506
Liability – Non-Current	5,87,789	5,02,559
Assets	-	-
Net Liability	6,19,841	5,17,065

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

	Period Ended	
	31 Mar 12	31 Mar 11
	(in ₹)	
Current Service Cost	97,238	1,06,554
Interest on Defined Benefit Obligation	50,689	47,431
Net Actuarial Losses / (Gain) Recognized in Year	1,80,646	(1,09,738)
Total, Included in "Employee Benefit Expense"	3,28,573	44,247

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

	Period Ended	
	31 Mar 12	31 Mar 11
	(in ₹)	
Changes in Defined Benefit Obligation		
Opening Defined Benefit Obligation	5,17,064	4,72,818
Current Service Cost	97,238	1,06,554
Interest Cost	50,689	47,431
Actuarial Losses / (Gain)	1,80,646	(1,09,738)
Benefits paid	(2,25,797)	-
Closing Defined Benefit Obligation	6,19,841	5,17,065
Expected Employer's Contribution Next Year	32,052	14,506

TABLE 4 - ASSET INFORMATION – NIL**TABLE 5 - EXPERIENCE ADJUSTMENTS**

	Period Ended	
	31 Mar 12	31 Mar 11
	(in ₹)	
Defined Benefit Obligation	6,19,841	5,17,065
Plan Assets	-	-
Surplus (Deficit)	(6,19,841)	(5,17,065)
Exp. Adj. on Plan Liabilities	1,29,370	(1,05,462)

TABLE 6 - SUMMARY OF PRINCIPAL ACTUARIAL ASSUMPTIONS

FINANCIAL ASSUMPTIONS AT THE VALUATION DATE:

	Period Ended	
	31 Mar 12	31 Mar 11
Discount Rate (p.a.)	8.70%	8.35%
Salary Escalation Rate (p.a.)	7.00%	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.

13. The details of Prior Period Items (Credit &Debit) are as under:-

Particulars	For year ended 31-Mar-2012 (₹)	For year ended 31-Mar-2011 (₹)
CREDITED TO PERIOR PERIOD ITEMS:		
a. Cost and expenses accounted in earlier years reversed	88,22,481	
b. Cost of AFR (Net) accounted in earlier years reversed	42,24,000	
c. Salary excess accounted recovered	1,513	
d. Advertisement charges reversed	15,000	
e. FE Fluctuation relating to earlier year	37,583	
f. Cost of Consultancy Receipts (Net) accounted in earlier years reversed	3,25,806	
g. Conveyance Expenses		300
h. Cost of SSC reversed		13,02,958
i. Consultancy Income		27,00,000
j. Excess of Export value reversed		46,306
k. Expenses reversed		2,000
l. Reimbursement of Expenses		3,29,06,000
m. SSC Income		8,75,165
A Total [(a) to (m)]	1,34,26,383	3,78,32,729
Particulars	For year ended 31-Mar-2012 (₹)	For year ended 31-Mar-2011 (₹)
DEBITED TO PRIOR PERIOD INCOME		
i. NOC Charges	81,367	
ii. Penal Interest Income accounted in earlier years reversed	26,97,577	76,17,151
iii. Rates & Taxes	28,61,813	
iv. Travelling Expenses reversed	4,31,527	12,44,261
v. Consultancy Income accounted in earlier years reversed	3,96,429	14,33,029
vi. Space Segment Charges Receipt (Net) accounted in earlier years reversed	31,33,611	49,91,853
vii. Access Fee Receipt (Net) accounted in earlier years reversed	16,05,558	61,23,889
Viii. Export value excess accounted reversed	1,33,448	
ix. Bank charges		3,023
x. Legal & Professional Expenses		10,000
xi. Commission for Export		82,23,380
xii. Cost of Access Fee		6,10,588
xiii. Foreign Exchange Fluctuation		29,81,736
xiv. Reversal of Cost accounted earlier reversed		4,53,843
xv. SSC Reversal		88,34,686
xvi. Reversal of Access Fee		17,53,528
B Total [(i) to (xvi)]	1,13,41,330	4,42,80,967
C Net Credit/ (Debit) [A + B]	20,85,053	(64,48,238)

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

	As on 31-Mar-2012 (₹)	As on 31-Mar-2011 (₹)
DEFERRED TAX ASSETS:		
(i) Provision for Doubtful Debts	10,14,48,245	8,98,76,077
(ii) Provision for Gratuity	2,01,138	1,71,769
(iii) Provision for Leave Encashment	3,88,959	1,89,814
(iv) Accumulated Depreciation	1,26,607	71,270
Total	10,21,64,949	9,03,08,930

15. Dr.V.S.Hegde, Chairman-cum-Managing Director and Shri.S.Parameswaran, 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.
16. There are no incidents of impairment of assets as per Accounting Standard AS-28 during the financial year.
17. 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.
18. The Company has requested confirmation of balance as on 31st March 2012 from majority of customers and has received response from few customers.
19. The reconciliation between the amount due and the amount paid to Department of Space is in progress.
20. Capital Work In Progress of ₹13,81,51,966 pertains to building under construction on the land leased to the Company by the Department of Space.
21. Figures have been rounded off to the nearest rupee and figures for the previous year have been regrouped/ rearranged wherever necessary to conform with the presentation of the current year as per Revised Schedule VI to the Companies Act, 1956.

As per our report attached

For Gnanoba & Bhat
Chartered Accountants
Firm Reg No.000939S

For and on behalf of the Board

Sd/-
(K R Gnanoba)
Partner
M N.23137

Sd/-
(P S Veeraraghavan)
Director

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

Place : Bangalore
Date : 30.08.2012

Place : Bangalore
Date : 30.08.2012

CASH FLOW STATEMENT

Figures are in ₹

PARTICULARS	For the year ended 31.03.2012	For the year ended 31.03.2011
Cash flow from operating activities:		
Net Profit before taxation	2,448,226,369	2,140,209,784
Adjustment for :		
Depreciation	969,045	1,223,759
Provision for Gratuity	102,776	44,247
Provision for Leave Encashment	627,255	103,151
Provision for Doubtful Debts	42,081,318	27,208,918
Liability no longer required written back	(27,891,295)	-
	15,889,099	28,580,075
	2,464,115,468	2,168,789,859
Adjustment for :		
Loss/Profit on sale of Fixed assets	33,760	(15,350)
Foreign currency transaction and translation	(55,900,269)	(32,342,120)
Interest Receipt from Bank	(986,868,968)	(620,334,036)
Capital gain from MF	(57,780,000)	(88,049,588)
Dividend Receipts from MF	(93,737,805)	(21,892,292)
	(1,194,253,282)	(762,633,385)
Operating Profit before working capital changes	1,269,862,186	1,406,156,473
Increase in Trade payables	934,309,441	1,299,523,511
Increase in Liabilities and Provisions	784,032,453	1,205,826,646
Increase in Trade Receivables	(1,172,709,615)	(1,477,557,969)
Increase in Loans, Advances and other current Assets	(736,972,222)	(1,406,437,628)
	(191,339,943)	(378,645,440)
Cash generated from operations	1,078,522,243	1,027,511,034
Income tax Paid	91,853,700	151,543,008
Tax Deducted at Source	852,679,773	661,399,019
Net cash from operating activities	133,988,770	214,569,007
Cash flow from investing activities:		
Purchase of Fixed Assets	(73,955,197)	(30,659,865)
Loss/Profit on sale of Fixed assets	(33,760)	15,350

Foreign currency transaction and translation	55,900,269		32,342,120	
Interest Receipt from Bank	986,868,968		620,334,036	
Capital gain from MF	57,780,000		88,049,588	
Dividend Receipts from MF	93,737,805		21,892,292	
Increase in Investments	(369,035,232)		-	
Decrease in Investments	-		293,340,035	
Increase in Accrued interest on Bank FD	(347,509,098)		(50,511,647)	
Net cash from investing activities		403,753,755		974,801,909
Cash flow from financing activities:				
Dividend Paid	(277,800,000)		(217,000,000)	
Dividend Distribution Tax Paid	(46,139,107)		(88,034,100)	
Net cash used in financing activities		(323,939,107)		(305,034,100)
Net increase in cash and cash Equivalents		213,803,419		884,336,815
Cash and cash equivalents at the beginning of the year		9,676,547,646		8,792,210,831
Cash and cash equivalents at the end of the year		9,890,351,065		9,676,547,646

As per our report attached

For Gnanoba & Bhat
Chartered Accountants
Firm Reg No.000939S

For and on behalf of the Board

Sd/-
(K R Gnanoba)
Partner
M N.23137

Sd/-
(P S Veeraraghavan)
Director

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

Place : Bangalore
Date : 30.08.2012

Place : Bangalore
Date : 30.08.2012



ANTRIX CORPORATION LIMITED

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ANTRIX CORPORATION LIMITED