

ANNUAL REPORT 2013-14



BOARD OF DIRECTORS

Dr. V.S. Hegde
Dr. V.K. Dadhwal
Shri A. Vijay Anand
Shri P.J. Mathew
Shri V. Koteswara Rao
Shri John P. Zachariah (upto 30.6.2014)
Shri E. Vasantha
Shri S. Parameswaran (upto 11.7.2014)
Shri Arun Balakrishnan
Shri Y.S. Mayya
Prof. Devang V. Kakkar
Prof. J. Ramachandran (upto 01.06.2014)

MANAGEMENT TEAM

Chairman-cum-Managing Director
Executive Director & Director, (BDCS)
Director, Special Projects
Director (Technology & Services)
Director (Launch Services & Missions)
Director (Remote Sensing Data & Services)
Director (Corporate Social Responsibility)
Sr. Head Accounts & IFA

Dr. V.S. Hegde
Shri S. Parameswaran (upto 11.07.2014)
Smt. Geetha Varadan
Smt. T.S. Shoba
Shri D. Radhakrishnan
Shri V. Raghu Venkataraman (from 19.02.2014)
Dr. B.K. Ranganath (from 05.08.2014)
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 Twenty Second 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, 2014.

PERFORMANCE HIGHLIGHTS

During the year, your Company's performance has been good despite several challenges and constraints. The Company's income during the year was ₹ 1608.72 Crores signifying an increase of about 24% as compared to last year. The profit after tax was ₹ 200.50 Crores during the year. As the commercial arm/corporate front of Indian Space Research Organisation (ISRO), your Company has been engaged in bringing space technology for the welfare of people and has been making significant contributions towards economic well-being and development of our nation. The focused activities of the Company pertain to contributing towards connectivity and information for enriching the life of human beings. Your Company is confident of sustaining its performance in the future years also.

IRS RELATED ACTIVITIES

Your Company has been actively marketing satellite data products and downlink services of Indian Remote Sensing (IRS) constellation contributing to meeting earth observation data requirement of international customers.

Your Company has added Radar Imaging Satellite (RISAT-1) data reception services to the earlier spectrum of services using Resourcesat-1&2, Cartosat-1&2 and Oceansat-2 constellation. An agreement has been reached with M/s. Kongsberg Satellite Services AS (KSAT) for setting up of ground station to directly receive RISAT-1 data and market the data products to international customers. The activities leading to factory acceptance of systems and shipment are in progress.

Your Company has upgraded the ground station of M/s. GAF AG (earlier known as M/s. Euromap GmbH) in Neustrelitz, Germany for receiving Resourcesat-2 data and commenced downlinking of data.

The demand for data from IRS constellation is continuing and requests for setting up new international ground stations are also being addressed. In addition, proposals

for direct reception of Very High Resolution Data from foreign satellite constellation are being carefully studied.

LAUNCH SERVICES

Your Company has been marketing ISRO's proven vehicle, PSLV to the international market. Significant among them are the signing of contracts for DMC International Imaging (DMCii), U.K., wholly owned subsidiary of Surrey Satellite Technology Ltd (SSTL), U.K. for launching three DMC-3 Earth Observation Satellites, along with 2 micro and 3 nano satellites from Singapore universities. SPOT-7 satellite weighing 714 kg and 5 piggy back satellites successfully launched as a dedicated mission in the Polar Satellite Launch Vehicle (PSLV-C23) on June 30, 2014.

Newer demands for launch services are addressed well. As on date, there are signed agreements for launching 19 international customer satellites using PSLV.

SATELLITE MISSION SUPPORT SERVICES

Your Company has continued to serve prestigious global customers for Telemetry, Tracking and Command (TTC) and other associated services.

As part of the agreement entered into with CNES, France, your Company supported the LEOP telemetry operation of the Proba-V satellite from Lucknow ground station of ISTRAC. Proba-V mission objectives involve providing an overview of global vegetation growth. In addition, the ground stations of ISTRAC were used to provide Telemetry, Tracking and Command (TTC) support for KSAT mission.

As part of the agreement entered into with INTELSAT for providing Transfer Orbit Support Services (TOSS), your Company is gearing up for supporting a number of international missions using the Ka and Ku band earth stations at MCF, Hassan.

Your Company looks forward to providing TTC and other associated services for international operators and space agencies using the technical expertise at MCF and ISTRAC.

TELECOM TRANSPONDER SERVICES

The demand for Satellite transponder capacity continues to drive growth of downstream services for a variety of applications, including voice, video streaming, data,

machine to machine (M2M) and Government/strategic applications. During the year, your Company has continued to contribute towards expanding business in this segment. The revenue from this segment has increased by 9% over the previous year. The major driving factors behind this increase are steady growth of DTH market, VSAT operations and surge in strategic use of satellite capacity.

The indigenous in-orbit capacity has been increased with the launch of GSAT 14 (6 Ext. C band + 6 Ku band transponders) during January 2014. The successful deployment of GSAT 14 at 74 d E has also paved the way for indigenous launch (by GSLV) for future geostationary satellites. INSAT 3E spacecraft is nearing its operational end of life. As a contingency measure, most of the users on INSAT 3E satellite have been allocated capacity on alternate INSAT/GSAT satellites. Hence, the Company's revenue remains unaffected.

During the year, the Company has extended all agreements on INSAT/GSAT satellites fleet till March 31, 2015. Further, the company has effectively utilized the database of transponder capacity to meet the registered demand from Indian users, for C and Ku satellite bandwidth.

With growing appetite for TV channels, driven by emerging applications like HDTV, HITS, ITV, IPTV etc. capturing the market, your Company foresees a steady growth in this business segment.

EXCHANGE OF VISITS

Exchange of visits to and from several space agencies across the globe has taken place during the year. These visits have helped in strengthening the existing tie-ups and also in opening up new avenues for mutual benefit. Your Company is hopeful of increasing the business opportunities in the years to come.

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

FINANCIAL RESULTS

Financial Results	For the year ended 31.03.14 (₹ in Lakhs)	For the year ended 31.03.13 (₹ in Lakhs)
Total Income	1,60,872.22	1,29,528.21
Total Expenditure	1,31,104.36	1,04,015.74
Profit before Depreciation and Tax	29,767.86	25,512.47
Extra Ordinary Items	3.62	
Less: Depreciation and amortisation expenses	(134.23)	(117.84)
Less: Provision for Taxation	(9801.12)	(7725.05)
Add: Deferred Tax	213.75	37.41
Short/Excess provision for Income Tax in earlier years	-	-
Current year surplus	20,049.88	17,706.99
Add: Previous year surplus	6.59	3.57
Profit available for appropriation	20,056.47	17,710.56
Transfer to General Reserves	15,000.00	13,560.00
Transfer to Corporate Social Responsibility and Sustainable activities reserves	325.00	-
Proposed Dividend	4010.00	3542.00
Corporate Dividend Tax	681.50	601.97
Surplus in P&L A/C carried to Balance Sheet	39.97	6.59
Total of appropriation	20,056.47	17,710.56

of India, Your Directors are pleased to recommend a dividend of 4010% on the paid-up equity share capital of ₹ 100 Lakhs (previous year 3542%). This represents 20% of the post-tax profits for the year ended 31st March, 2014.

FUTURE OUTLOOK

The economy has stabilized in the recent times and it is expected to improve in the coming year. A growth rate of 6% is projected for the coming year.

In the back drop of this positive outlook, your Company has also been exploring avenues for growth. Your Company is keen on expanding the business portfolio and is looking at various options available for diversification and expansion. It is hoped that these measures will crystalize and lead the Company in the growth path and yield results in the future.

DIRECTORS

Prof. J. Ramachandran ceased to be a Director with effect from June 01, 2014 consequent upon his resignation. Shri John P. Zachariah ceased to be a Director with effect from June 30, 2014 consequent upon superannuation. Shri S. Parameswaran, ceased to be Executive Director consequent upon repatriation to parent organization and subsequent appointment as Director, Master Control Facility, Hassan. The Board places on record its appreciation for the valuable services rendered by Prof. J. Ramachandran, Shri John P. Zachariah and Shri S. Parameswaran as Directors.

AWARDS/ RECOGNITION

During the year under review, the Company was conferred the "TECH Award" by the Tech Museum, San Francisco, USA in recognition of the Company's innovative use of technology benefitting humanity through SUJALA Watershed Programme.

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 31.3.2014, 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, 2014 on a "Going Concern" basis.

CORPORATE GOVERNANCE

Your Company has constituted a Board Level Corporate Governance Committee that would oversee the effective implementation of Corporate Governance practices in the Company. Your Company has been regular in following applicable corporate governance practices as prescribed by the Government of India and other statutory authorities.

The Department of Public Enterprises in their rating of PSUs has graded your Company as "Very Good" for the previous year.

CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY DEVELOPMENT (CSR&SD)

During the year under review your Company made a contribution for ₹ 50 Lakhs to the Chief Minister's Relief Fund, Uttarakhand towards providing relief for the people affected by cloud burst and floods in the state of Uttarakhand.

During the year, the Company constituted a Board Level Committee for undertaking CSR & SD activities. A sum of ₹ 3.25 Crores has been earmarked for CSR activities during the current year.

AUDITORS

The Comptroller and Auditor General of India vide letter No.CA.5/COY/Central Govt., Antrix (1)/21 dated July 29, 2013 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, 2014. Their report dated 23.06.2014 is enclosed. The comments of the Comptroller and Auditor General of India under Section 619 (4) of the Companies Act, 1956 vide letter No.241-PDCA/HS/

MAB-IV/Annual/A/cs/antrix/14-15/341 dated 13.8.2014 is enclosed. The Comptroller and Auditor General of India vide letter No. CA.V/COY/CENTRAL GOVERNMENT, ANTRIX(1)/115 dated 30.7.2014 has appointed M/s. B.V. Rao & Co., Chartered Accountants, Bangalore as the Statutory Auditors of the Company for the financial year 2014-15.

SECRETARIAL COMPLIANCE CERTIFICATE

The Secretarial Compliance Certificate pursuant to the provisions of Section 383 (A) 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 two. The total strength of employees in Group A (Technical), Group A (Administrative) and Group C (Administrative) were 1,2 and 3 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 accordance with the policy guidelines of the Government of India, the Company has been implementing use of the official language at all levels.

During the year, the OLIC (Official Language Implementation Committee) met to chalk out the policy for the year. The competent authorities inspected the progress with regard to Hindi implementation in the Company. The Company participated in two workshops and training sessions which enabled the employees to acquire the necessary skills and thereby helped in promoting usage of the official language.

FOREIGN EXCHANGE EARNINGS AND OUTGO (ACTUALS) FOR THE YEAR ENDED 31ST MARCH 2014 ARE AS FOLLOWS:

Foreign Exchange Earnings	Amount in Lakhs (₹)	Amount FE	
a) On a/c of Exports	748.31	USD	12,55,122.45
b) On a/c of other services	1,561.66	USD	25,64,125.13
c) On account of Technical consultancy	15,160.69	USD	17,58,523.20
		Euro	1,75,97,993.00
Total	17,470.66		
Foreign Exchange Outgo	Amount in Lakhs (₹)	Amount in FE	
a) On a/c of Travel	24.53	USD	16,206.00
		Euro	17,565.00
b) On a/c of cost of imports	257.05	USD	4,36,652.30
c) On a/c of cost of Technical Consultancy	51,553.77	USD	8,49,12,106.88
d) On a/c of cost of other services	948.17	USD	15,14,415.76
		Euro	1,972.71
Total	52,783.52		

ACKNOWLEDGEMENT

Your Directors acknowledge 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 the 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 the

Company's successful performance during the year under review.

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

Sd/-

(V.S. Hegde)

Chairman-cum-Managing Director

Place: Bangalore

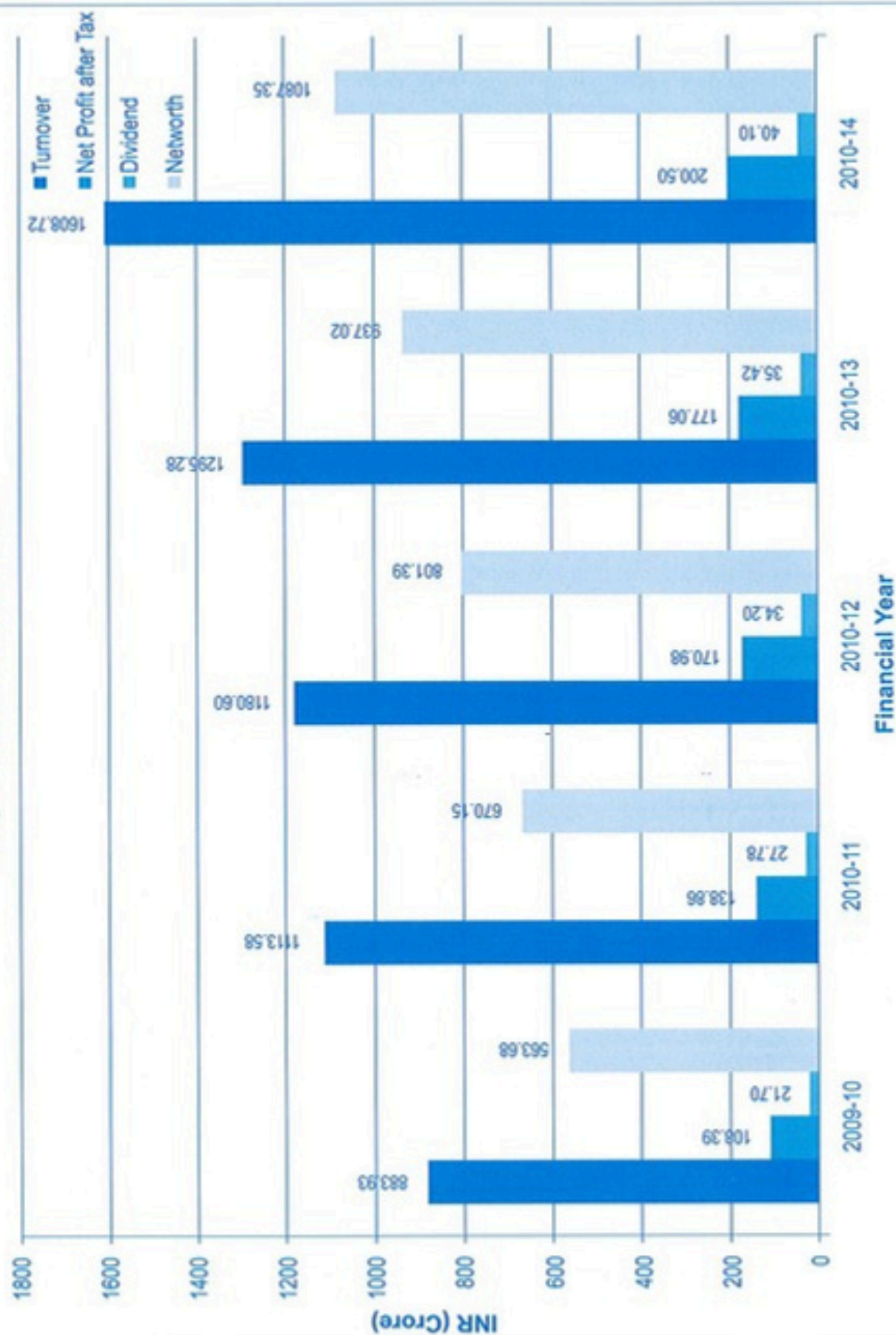
Date: 22.08.2014

ADDENDUM TO DIRECTORS' REPORT RELEVANT TO FINANCIAL YEAR ENDED 31ST MARCH 2014

Comment of the Statutory Auditors	Management Reply
<p>1. Non-disclosure of Contingent Liability in Notes to Accounts amounting to USD 1.60 Billion (INR 7004.80 Crores) relating to the claim made by M/s Devas Multimedia Limited before the International Chamber of Commerce, Paris (ICC) subsequent to the annulment of contract as per the policy decision of the Central Government acting in its sovereign capacity.</p> <p>2. 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 Ms. Devas Multimedia Limited. In the opinion of the management, no provision need to be made currently and the issue relating to arbitration proceedings is sub-judice and the same is disclosed as contingent liabilities.</p>	<p>The Company had moved the Hon'ble Supreme Court of India seeking directions to M/s Devas Multimedia Pvt Ltd to appoint Arbitrators in accordance with the agreement. The Company had also filed arbitration application and Civil suit before the Additional City Civil Judge, Bangalore praying for injunction on the ICC proceedings initiated by Devas.</p> <p>Although the arbitration petition filed by the Company was dismissed, the Supreme Court of India, in their order dated May 10, 2013 stated that this shall not prevent the Company from taking recourse to other provisions of the Indian Arbitration and Conciliation Act, 1996 for appropriate relief. The review petition filed subsequently was also dismissed.</p> <p>Antrix has completed its arguments in the arbitration petition at the Court of Additional City Civil Judge, Bangalore (u/s. 9 of the Arbitration and Conciliation Act, 1996). The matter as of date stands posted for hearing on October 18, 2014.</p> <p>In the ICC Proceedings, Devas had initially sought either specific performance of the agreement or damages in lieu thereof. Subsequently, Devas have modified their claim restricting to damages without insisting for specific performance of the agreement at ICC. The damages sought is USD 1.60 Billion (₹ 7004.80 Crores). Liquidated damage of ₹ 21.89 Crores (USD 5 million), under the agreement has already been disclosed as Contingent Liability in Other Notes Forming part of Accounts.</p> <p>Antrix is disputing the jurisdiction of ICC in the ICC proceedings. Under the agreement, there is a limitation of liability on Antrix, on termination, which is limited to refund of Upfront Capacity Reservation Fees. For these reasons, the possibility of the outflow is remote. Hence, the claim was not disclosed as Contingent Liability in the Accounts.</p> <p>On final settlement of the arbitration award, suitable accounting treatment will be made in the Accounts of the year of acceptance of the award, if any.</p>

Comment of the C&AG of India	Management Reply
<p>(A) Balance Sheet</p> <p>1. Reserves & Surplus (Note No. B)</p> <p>(b) Corporate Social Responsibility and Sustainability Activities Reserve ₹ 325 Lakh</p> <p>Other Notes forming part of Accounts – (Note P-para 21)</p> <p>Above allocation of ₹ 325 lakh made by the Company in the accounts for 2013-14 was two percent of average profit after tax for last three years, whereas DPE guidelines applicable for the year 2013-14 stipulate that the reserve shall be two to three percent of the Profit after Tax in the previous year. Therefore, the provision made for the Corporate Social Responsibility and Sustainable Activities Reserve was understated and profit for the year was overstated by ₹ 0.29 Crore.</p> <p>Further, reference is invited to the comment on non-creation of Corporate Social Responsibility and Sustainable Activities Reserve amounting to ₹ 9.96 Crore printed in the annual report of the Company for the year 2012-13. However, the Company has not made provision of ₹ 9.96 Crore for earlier years from 2010-11 to 2012-13 in compliance with the DPE guidelines which resulted in understatement of Corporate Social Responsibility & Sustainable Activities Reserve and overstatement of Reserves and Surplus by ₹ 9.96 Crore. Thus, the Corporate Social Responsibility & Sustainable Activities Reserve was understated by ₹ 10.25 Crore (₹ 9.96 Crore plus ₹ 0.29 Crore).</p>	<p>As per Para 1.4.17 of the DPE Guidelines on Corporate Social Responsibility & Sustainability for CPSEs effective from April 2013, decision regarding the selection of a CSR and Sustainability activity and the site of the location and the budgetary and other resource allocation for its implementation is the sole discretion of the Board of Directors of CPSE.</p> <p>Accordingly, Board, as per the assurance given to CAG in the annual report for 2012-13 and in compliance with the CSR guidelines, constituted Board level CSR Committee with Independent Director as its Chairman and framed the CSR policy of the Company and created the CSR & Sustainability Reserve prospectively at two percent of average profit after tax for last three years as provided under the Companies Act, 2013 duly approved by the Board of Directors.</p>
<p>(A) Statement of Profit and Loss</p> <p>Other Income (Note No. 2)</p> <p>Prior Period Items - ₹ 1820.02 Lakh</p> <p>Para-15 of Accounting Standard-5 provides that nature and amount of prior period items should be separately disclosed in the Statement of Profit and Loss in a manner that their impact on the current profit or loss can be perceived. The Company has shown the prior period items amounting to ₹ 18.20 Crore under the head 'Other Income' in violation of the requirement of Accounting Standard-5.</p>	<p>According to Clause 5(l) of General Instructions for preparation of Statement of Profit and Loss under Revised Schedule VI, the information on Prior Period Items are not required to be disclosed in the Statement of Profit & Loss but same need to be disclosed by way of notes. However, in compliance with Para 19 of Accounting Standard-AS 5 which prescribes that "Prior Period Items" are normally included in the determination of net profit or loss for the current period, the Company has shown the Prior Period Items amounting to ₹ 18.20 Crores under Note No-2(f)-Other Income which forms an integral part of Statement of Profit and Loss.</p> <p>This presentation is consistently being followed by the Company since introduction of Revised Schedule VI with effect from the financial year 2011-2012.</p>

Key Financial Indicators



COMPLIANCE CERTIFICATE

Company No: U85110KA1992GOI013570

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, 2014. 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 June 26, 2013, August 30, 2013, December 19, 2013 and March 10, 2014 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 debentures during the financial year.
6. The Annual General Meeting for the financial year ended on 31.3.2013 was held on September 26, 2013, after giving due notice to the members of the Company and the resolutions passed there at 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. During the year under review, there were no transactions necessitating the Company to make 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 not allotted/transferred any securities during the financial year.
 - ii) has deposited the amount of dividend declared in a separate bank account opened for the purpose 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 account, 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) has 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 Company has not borrowed any amounts during the financial year under review.
 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. The company has received demand show cause notices during the year demanding payment of service tax of ₹ 41.85 Lakhs and penalty of ₹ 1.64 Crores, which the company has contested. There was no prosecution initiated against the Company and no fines and penalties or any other punishment have been 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 provisions of the Employees provident Fund and Miscellaneous Provisions Act, 1952 are not applicable to the Company.

Date: 17 June, 2014
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, 2014

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	Changes among Directors	16.05.13	B75066043	Yes
2.	Form 32	303	Changes among Directors	07.06.13	B76639384	Yes
3.	Form 23 AC	220	Annual Accounts for the year ended 31 st March, 2013	22.10.13	Q15447923	No
4.	Form 66	383 A	Compliance Certificate for the year ended 31 st March, 2013	03.10.13	Q12117289	Yes
5.	Form 20 B	159	Annual Return for the year ended 31 st March, 2013	06.11.13	Q22352181	Yes

AUDITOR'S REPORT

To the Members of M/s. Antrix Corporation Limited

Report on the Financial Statements

We have audited the accompanying financial statements of M/s. Antrix Corporation Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("The Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness

of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

1. Your attention is invited to:

- a) *Non-disclosure of Contingent Liability in notes to accounts amounting to USD 1.60 Billion (INR 7004.80 Crores) relating to the claim made by M/s Devas Multimedia Limited before the International Chamber of Commerce, Paris (ICC) subsequent to the annulment of contract as per the policy decision of the Central Government acting in its sovereign capacity.*
- b) *Note No.8 and 9 - Regarding disputed KVAT and CST amounting to ₹ 373.21 Crores.*
- c) *Note No.10 - Regarding disputed Service tax amounting to ₹ 1.06 Crores.*
- d) *Note No.22 - Regarding non-availability of balance confirmation from customers.*
- e) *Note No.23 - Regarding the outstanding balances as on the year end in DOS/ISRO accounts which are yet to be confirmed by the DOS.*
- f) *Note-P-SI No.4 - Regarding non disclosure of particulars of consumption of store and spare parts, value of imports on CIF basis, expenditure in foreign currency during the financial year, value of Imports of Raw materials, spares parts and components consumed, amounts remitted in foreign currencies on account of dividend and earnings in foreign currencies under specified heads, for which the Company has sought order for exemption from disclosure which is yet to be received from Ministry of Corporate Affairs, Government of India.*

2. *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 to be made currently and the issue relating to arbitration proceedings is subjudice, and the same is disclosed as contingent liabilities.

Opinion

In our opinion and 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 1 below ;*
- ii. Profit and Reserves are overstated and Liabilities are understated to the extent of ₹ 21.89 Crores towards liquidated damages as in paragraph 2 above;*
- iii. comments in paragraph 1 above, the effect of which on the profit, reserves, assets and liabilities are not ascertainable.*

the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014
- (b) In the case of the Statement of Profit & Loss, of the Profit for the year ended on that date.
- (c) In the case of the cash flow statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on

the matters specified in paragraphs 4 and 5 of the order.

2. As required by Section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from the examination of the books.
 - c. The Balance Sheet, Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - e. On the basis of written representations received from the directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.

**For GNANOBA & BHAT
CHARTERED ACCOUNTANTS
Firm Reg. No: 000939S**

**Place: Bangalore
Date : 23-06-2014**

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

ANNEXURE TO AUDITOR'S REPORT REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE

- i) In respect of its fixed assets
 - a) The Company has maintained proper records showing 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. In our opinion, the frequency of verification is reasonable. According to the information and explanation given to us no material discrepancies were noticed on such verification.
 - c) The company has not disposed off its substantial part of 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) relating to frequency, procedures and maintenance of records of inventory, are not applicable to the Company.
- 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 are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of goods and services. In our opinion, there are no major weaknesses in the internal control.
- 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) As per the records and according to the information given to us, the Company has not accepted any deposits 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 Company has been generally regular in depositing undisputed statutory dues, including Investor Education and Protection Fund, Income Tax, Sales Tax, Service Tax, Cess and other statutory dues with the appropriate authorities during the period wherever applicable and 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 ₹ 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 ₹ 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 31.03.2014 and the Company has not incurred cash losses during the Financial Year covered by our audit and in the immediately preceding Financial Year.
- xi) Based on our audit procedures and according to the information and explanation given by the management, the Company has no dues to financial institutions or banks.

- xii) According to the information furnished to us and verified by us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities and hence clause (xii) of the Order is not applicable to the Company;
- xiii) In our opinion, the Company is not a Chit fund or a Nidhi / Mutual Benefit Fund/Society. Therefore, the provisions of clause (xiii) of the Order are not applicable to the Company;
- xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause (xiv) of the Order are not applicable to the Company;
- xv) According to the information and explanation given by the management, the Company has not given any guarantee for loans taken by others from bank 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 cash flow statement and other records examined by us, and the information and explanations given to us, on an overall basis, funds raised on short-term basis have, *prima facie*, not been used during the period for long-term investment.
- xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act and accordingly provisions of clause (xviii) of the Order are not applicable to the Company.
- xix) The Company has not issued any debentures during the year and hence clause (xix) of the Order is not applicable to the Company.
- xx) The Company has not raised any money by way of public issue during the year under report and hence clause (xx) of the Order is not applicable.
- xxi) To the best of our knowledge and belief and according to the information and explanation given to us by the Management, no frauds were noticed or reported during the year.

**For GNANOBA & BHAT
CHARTERED ACCOUNTANTS
Firm Reg. No: 000939S**

Place: Bangalore
Date: 23-06-2014

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

**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
FOR THE YEAR ENDED 31ST MARCH 2014**

The preparation of financial statements of **Antrix Corporation Limited** for the year ended 31st March 2014 in accordance with 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 Standards on Auditing 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 23rd June 2014.

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** for the year ended 31st March 2014. 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.

Based on the supplementary audit, I would like to highlight the following significant matters under section 619 (4) of the Companies Act, 1956 which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report.

(A) Balance Sheet

I Reserve and surplus (Note No. B)

(b) Corporate Social Responsibility and Sustainable Activities Reserve ₹ 325 Lakh

Other Notes forming part of Accounts - (Note P - Para 21)

Above allocation of ₹ 325 Lakh made by the company in the accounts for 2013-14 was two per cent of average profit after tax for last three years, whereas, DPE guidelines applicable for the year 2013-14 stipulate that the reserve shall be two to three per cent of the Profit after Tax in the previous year. Therefore, the provision made for the Corporate Social Responsibility and Sustainable Activities Reserve was understated and profit for the year was overstated by ₹ 0.29 Crore.

Further, reference is invited to the comment on non creation of Corporate Social Responsibility and Sustainable Activities Reserve amounting to ₹ 9.96 Crore printed in the annual report of the company for the year 2012-13. However, the company has not made provision of ₹ 9.96 Crore for earlier years from 2010-11 to 2012-13 in compliance with the DPE guidelines which resulted in understatement of Corporate Social Responsibility & Sustainable Activities Reserve and overstatement of Reserves and Surplus by ₹ 9.96 Crore. Thus, the Corporate Social Responsibility and Sustainable Activities Reserve was understated by ₹ 10.25 Crore (₹ 9.96 Crore plus ₹ 0.29 Crore).

(B) Statement of Profit and Loss

Other Income (Note No.2)

Prior Period Items - ₹ 1820.02 Lakh

Para-15 of Accounting Standard - 5 provides that nature and amount of prior period items should be separately disclosed in the Statement of Profit and Loss in a manner that their impact on the current profit or loss can be perceived. The Company has shown the prior period items amounting to ₹ 18.20 Crore under the head 'other income' in violation of the requirement of Accounting Standard-5.

(Atreyee Das)

Director General of Commercial Audit &
Ex-officio Member, Audit Board-IV

Place: New Delhi
Date: 13.08.2014

DETAILED FINANCIALS

BALANCE SHEET AS AT 31.03.2014

(₹ in Lakhs)

Particulars	Note No	Figures as at the end of current reporting period 31.03.2014	Figures as at the end of previous reporting period 31.03.2013
I. EQUITY AND LIABILITIES:			
(1) Shareholders' funds:			
(a) Share Capital	A	100.00	100.00
(b) Reserves and surplus	B	1,08,909.97	93,601.59
(2) Non-current liabilities:			
(a) Other Long term liabilities	C	89,848.64	1,11,006.83
(b) Long-term provisions	D	19.95	27.82
(3) Current liabilities:			
(a) Trade payables		29,453.79	24,743.01
(b) Other current liabilities	E	57,116.53	47,313.72
(c) Short-term provisions	F	4,693.28	4,145.69
TOTAL		<u>2,90,142.16</u>	<u>2,80,938.66</u>
II. ASSETS:			
(1) Non-current assets:			
(a) Fixed assets			
(i) Tangible assets	G	1,499.14	1,541.16
(ii) Intangible assets	H	- 10.05	12.88
(iii) Capital work-in-progress		-	-
(b) Deferred Tax Assets (Net)		1,272.81	1,059.06
(c) Long-term loans and advances	I	51,471.71	44,368.73
(2) Current assets:			
(a) Current investments	J	14,815.97	19,387.22
(b) Trade receivables	K	61,735.15	57,853.09
(c) Cash and cash equivalents	L	1,13,857.41	1,02,789.42
(d) Short-term loans and advances	M	37,591.00	46,665.99
(e) Other current assets	N	7,888.92	7,261.11
TOTAL		<u>2,90,142.16</u>	<u>2,80,938.66</u>
Accounting Policies	O		
Other Notes forming part of Accounts	P		

Notes No. A to P form an integral part of this Balance Sheet

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/-
(S Parameswaran)
Executive Director

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

Place : Bangalore
Date : 23-06-2014

Place : Bangalore
Date : 23-06-2014

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2014

(₹ in Lakhs)

Particulars		Note No	For the current reporting period ended 31.03.2014	For the previous reporting period ended 31.03.2013
I	Revenue from operations	1	1,47,734.65	1,16,873.69
II	Other income	2	13,137.57	12,654.52
III	Total Revenue (I+II)		1,60,872.22	1,29,528.21
IV	Expenses:			
	(i) Cost of Revenue from operation	3	1,28,937.25	1,02,962.88
	(ii) Employees benefits expense	4	290.83	311.60
	(iii) Depreciation and amortisation expense:			
	- Current Year		132.01	117.84
	- Previous Year		2.22	-
	(iv) Other expenses	5	1,876.28	741.26
	Total expenses		1,31,238.59	1,04,133.58
V	Profit before Extraordinary items and tax (III-IV)		29,633.63	25,394.63
VI	Extraordinary items		3.62	-
VII	Profit before tax (V+VI)		29,637.25	25,394.63
VIII	Tax expense:	6		
	(i) Current tax		(9,801.12)	(7,725.05)
	(ii) Deferred tax		213.75	37.41
IX	Profit for the period from continuing operations (VII -VIII)		20,049.88	17,706.99
X	Earnings per Equity Share:			
	Amount used as numerator in calculating earnings per Equity Share is ₹		20,049.89	17,706.99
	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 in ₹		100.00	100.00
	Basic and Diluted Earnings per Equity Share is ₹		0.20	0.18
	Accounting Policies	O		
	Other Notes forming part of Accounts	P		
Notes No. 1 to 6, O and P 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/-
(S Parameswaran)
Executive Director

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

Place : Bangalore
Date : 23-06-2014

Place : Bangalore
Date : 23-06-2014

NOTES FORMING PART OF BALANCE SHEET AS AT 31.03.2014

(₹ in Lakhs)

Note No	Particulars	Unit	Figures as at the end of current reporting period 31.03.2014	Figures as at the end of previous reporting period 31.03.2013
A	SHARE CAPITAL:			
	Equity Shares:			
	(a) Authorised:			
	(i) Number of Shares	Nos.	5,00,000	5,00,000
	(ii) Amount of Shares	Lakhs	500.00	500.00
	(b) Issued, subscribed and fully paid up for cash:			
	(i) Number of Shares	Nos.	1,00,000	1,00,000
	(ii) Amount of Shares	Lakhs	100.00	100.00
	(c) Par value per share		-	-
	(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 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 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 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 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 Nominees.	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 Nominees.

B	RESERVES AND SURPLUS:		
(a)	General Reserve:		
	Amount outstanding at the beginning of the reporting period	93,595.00	80,035.00
	Add: Transfer out of current year profit	15,000.00	13,560.00
	Amount outstanding at the end of the reporting period	<u>1,08,595.00</u>	<u>93,595.00</u>
(b)	Corporate Social Responsibility and Sustainable Activities Reserve:		
	Amount outstanding at the beginning of the reporting period	-	-
	Add: Transfer out of current year profit	325.00	-
	Less: Pay out during the year	(50.00)	-
	Amount outstanding at the end of the reporting period	<u>275.00</u>	-
(c)	Surplus:		
	Amount outstanding at the beginning of the reporting period	6.59	3.57
	Add: Current year profit	20,049.88	17,706.99
		<u>20,056.47</u>	<u>17,710.56</u>
	Less:		
	Transfer to General Reserve	(15,000.00)	(13,560.00)
	Transfer to Corporate Social Responsibility and Sustainable Activities Reserve (Budgetary allocation for CSR and Sustainable Activities)	(325.00)	-
	Proposed Dividend	(4,010.00)	(3,542.00)
	Tax on distributed profit	(681.50)	(601.97)
	Amount outstanding at the end of reporting period	<u>39.97</u>	<u>6.59</u>
	TOTAL	<u>1,08,909.97</u>	<u>93,601.59</u>
C	OTHER LONG TERM LIABILITIES:		
(a)	Other Trade Payables	103.45	103.45
(b)	Others	89,745.19	1,10,903.38
		<u>89,848.64</u>	<u>1,11,006.83</u>
D	LONG TERM PROVISIONS:		
(a)	Provision for employee benefits		
(i)	Provision for Gratuity	6.50	9.53
(ii)	Provision for Leave Encashment	13.45	18.29
		<u>19.95</u>	<u>27.82</u>
E	OTHER CURRENT LIABILITIES:		
(a)	Income received in advance	21,955.46	23,415.24
(b)	Advances from customers	8,579.07	5,173.86
(c)	Statutory Liabilities	441.23	754.07
(d)	Creditors for Expenses	125.81	107.87
(e)	Creditors for Project Expenses	57.85	113.47
(f)	Creditors for Other Liabilities	25,957.11	17,749.21
		<u>57,116.53</u>	<u>47,313.72</u>
F	SHORT TERM PROVISIONS:		
(a)	Provision for Leave Encashment	1.42	1.72
(b)	Provision for Gratuity	0.36	-
(c)	Provision for Proposed Dividend	4,010.00	3,542.00
(d)	Provision for Tax on Distributed Profit	681.50	601.97
		<u>4,693.28</u>	<u>4,145.69</u>

G	TANGIBLE ASSETS:		
	(i) (a) Building	1,236.14	1,243.57
	(b) Furniture and fixtures	209.09	240.91
	(c) Computer	15.60	25.78
	(d) Office Equipment	36.85	30.90
	(e) Networking Equipment	1.46	-
		<u>1,499.14</u>	<u>1,541.16</u>
	(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	Refer Annexure to this Note	Refer Annexure to this Note
H	INTANGIBLE ASSETS:		
	(i) Computer software	10.05	12.88
	(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	Refer Annexure to this Note	Refer Annexure to this Note
I	LONG TERM LOANS AND ADVANCES:		
	(Unsecured-Considered good)		
	(a) Security Deposits	5,015.09	5,015.29
	(b) Advances to employees	0.26	0.13
	(c) Accrued interest on Advances to employees	0.11	0.07
	(d) Advances for Project Expenses	1,344.20	1,419.17
	(e) Taxes Refund Due	12,018.98	9,786.28
	(f) Taxes paid under protest	912.47	912.47
	(g) Advances to trade creditors	32,175.19	27,229.81
	(h) Advances for Expenses	5.41	5.51
		<u>51,471.71</u>	<u>44,368.73</u>
J	CURRENT INVESTMENTS:		
	Investments in Mutual Funds;		
	(At cost - Non-Trade - Unquoted)	-	1,016.05
	Canara Robaco Short Term Fund - Direct Mnlly Div-6 months		
	(Invested in previous year in 1,00,19,662.9150 units @ ₹ 10.14 : NAV as at previous year end @ 10.1291 is ₹ 10,14,90,167.63)	-	1,135.81
	Canara Robe MF Try Adv Supr Instt Dly Div Reinv Fund		
	(Invested in previous year in 91,545.1120 units @ ₹ 1240.71 each which was also NAV at previous year end)		
	UTI MF Short Term Inc Fund Inst-Dir Inc Opt-Re-Inv	-	1,511.80
	(Invested in previous year in 1,38,18,435.117 units ₹ 10.94; NAV as at previous year end @ ₹ 11.0027 ₹ 15,20,40,096)		
	UTI Treasury Advantage Fund-Direct Daily Dividend	-	3,809.62

(Invested in previous year in 3,80,880.933 units @ ₹ 1000.2141 each which was also NAV at previous year end) Canara Robeco MF InDiGo Fund Regular Growth - 366 D	—	2,500.00
(Invested in previous year in 2,06,34,553.7980 units at ₹ 12.1156 each; NAV as at previous year end @ ₹ 12.8927 was ₹ 26,60,35,112) Canara Robeco MF InDiGo Fund Regular Growth - 366 D	—	1,000.00
(Invested in previous year in 77,49,354.8660 units at ₹ 12.9043 each; NAV as at previous year end @ ₹ 12.8927 was ₹ 9,99,10,107) LIC Nomu MF Bond Fund-Grw Plan-Lock in 6 Month	—	204.05
(Invested in previous year in 6,32,703.890 units at ₹ 32.2502 ; NAV as at previous year end @ ₹ 32.7761 was ₹ 2,07,37,566) LIC Nomura MF FMP Series 52-367d Growth	—	1,501.75
(Invested in previous year in 1,50,17,543 units at ₹ 10/- each ; NAV as at previous year end @ ₹ 11.0280 was ₹ 16,56,13,464) LIC Nomura MF FMP Series 62-456d Direct Growth Plan	1,658.37	—
(Invested in 1,65,83,722 units at ₹ 10/- each ; NAV as at year end @ ₹ 10.8375 ₹ 17,97,26,087) LIC Nomura MF FMP Series 66-371d Direct Growth Plan	2,000.00	—
(Invested in 2,00,00,000 units at ₹ 10/- each ; NAV as at year end @ ₹ 10.5834 ₹ 21,16,68,000) SBI Debt Fund Series 25 - 366 Days -FMP	2,208.14	2,208.14
(Invested in 2,20,81,400 units at ₹ 10 each; NAV as at year end @ ₹ 10.8625 (Pr Yr - ₹ 10) is ₹ 23,98,59,207 (Pr Yr- ₹ 22,08,14,000) SBIMF Debt Fund Series 366 Days-17 Growth	—	1,000.00
(Invested in previous year in 1,00,00,000 units at ₹ 10 ; NAV as at previous year end @ ₹ 10.2975 ₹ 10,29,75,000) SBI MF Debt Fund Series 366 Days -3-Growth	—	2,500.00
(Invested in previous year in 2,50,00,000 units at ₹ 10; NAV as at previous year end @ ₹ 10.8659 ₹ 27,16,47,500) SBI MF Debt Fund Series 366 Days Series-16 Growth	—	1,000.00
(Invested in previous year in 1,00,00,000 units at ₹ 10; NAV as at previous year end @ ₹ 10.3219 ₹ 10,32,19,000) LIC Nomura MF Liquid Fund-Direct-Growth Plan	1,552.27	—

	(Invested in 70,200.6402 units at ₹ 2211.1875/- each ; NAV as at year end @ ₹ 2324.9326 ₹ 16,32,11,757)		
	SBI Premier Liquid Fund-Direct Plan-Growth (Invested in 1,34,282.185 units at ₹ 2014.8907 each ; NAV as at year end @ ₹ 2017.2625 ₹ 27,08,82,416)	2,705.64	—
	UTI Liquid Cash Plan-Inst-Direct Plan-Growth (Invested in 2,23,308.440 units at ₹ 2100.9305 each; NAV as at year end @ ₹ 2103.8304 ₹ 46,98,03,087)	4,691.56	—
	Aggregate amount of Unquoted, Non-trade Current Investment in Mutual Funds	<u>14,815.98</u>	<u>19,387.22</u>
K	TRADE RECEIVABLES:		
	(a) Trade Receivables outstanding for a period exceeding six months from the date they are due for payment		
	(i) Secured - Considered Good	1,339.14	962.62
	(ii) Unsecured - Considered Good	17,149.50	13,083.73
	(iii) Considered doubtful	3,706.61	3,237.34
		<u>22,195.25</u>	<u>17,283.69</u>
	Less: Provision for Doubtful Debts	<u>(3,706.61)</u>	<u>(3,237.34)</u>
		18,488.64	14,046.35
	(b) Other debts		
	(i) Secured - Considered Good	6,178.68	6,316.71
	(ii) Unsecured - Considered Good	37,067.83	37,490.03
		<u>43,246.51</u>	<u>43,806.74</u>
		<u>61,735.15</u>	<u>57,853.09</u>
L	CASH AND CASH EQUIVALENTS:		
	(a) Balances with banks;	89,074.23	57,657.97
	(b) Cash on hand;	0.20	0.14
	(c) Bank deposits with more than 12 months maturity	24,782.97	45,131.31
		<u>1,13,857.40</u>	<u>1,02,789.42</u>
M	SHORT TERM LOANS AND ADVANCES:		
	(Unsecured-Considered Good)		
	(a) Advances for Expenses	336.45	218.46
	(b) Advances for Project Expenses	37,245.00	29,610.37
	(c) Advances to Trade Creditors	-	16,825.74
	(d) Other Recoverables	9.55	11.42
		<u>37,591.00</u>	<u>46,665.99</u>
N	OTHER CURRENT ASSETS		
	(Unsecured-Considered Good)		
	(a) Accrued Interest on Deposits with banks	5,731.68	5,860.46
	(b) Input Service Tax	2,157.25	1,400.65
		<u>7,888.93</u>	<u>7,261.11</u>

(₹ in Lakhs)

ANNEXURE TO NOTE - G – TANGIBLE ASSETS

Sl No.	Particulars	GROSS BLOCK (COST)				DEPRECIATION (UNDER WDV METHOD)				NET CARRYING VALUE (WDV)	
		As at 31.03.2013	Additions	Disposal/ Adjustment	As at 31.03.2014	Upto 31.03.2013	For the year	For Disposal/ Adjustment	Upto 31.03.2014	As at 31.03.2014	As at 31.03.2013
1	Building	1,298.04	59.78	–	1,357.82	54.47	67.20	–	121.67	1,236.15	1,243.57
2	Furniture and Fixtures	332.81	13.54	–	346.35	91.90	45.36	–	137.26	209.09	240.91
3	Computers and Peripherals	83.81	0.56	2.61	81.77	58.03	10.60	2.46	66.17	15.60	25.78
4	Office Equipments	56.12	11.72	0.97	66.86	25.22	5.46	0.67	30.01	36.85	30.90
5	Networking Equipment	–	1.61	–	1.61	–	0.16	–	0.16	1.45	–
	Total	1,770.78	87.21	3.58	1,854.41	229.62	128.78	3.13	355.27	1,499.14	1,541.16
	Previous Years' Figures	149.93	1,617.42	3.42	1,770.78	114.11	112.67	2.84	229.62	1,541.16	35.82

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

Building is built on the land leased to company by Department of Space, Government of India on Annual Rental basis for an initial term of 60 years or any extension provided commenced from 01.02.2009. The lease period shall be further extended for one more additional term of 10 years at an annual rent to be mutually agreed.

ANNEXURE TO NOTE - H – INTANGIBLE ASSETS

Sl No.	Particulars	GROSS BLOCK (COST)				AMORTISATION UNDER ACCOUNTING STANDARD-AS 26 (STRAIGHT LINE METHOD)				NET CARRYING VALUE (WDV)	
		As at 31.03.2013	Additions	Disposal/ Adjustment	As at 31.03.2014	Upto 31.03.2013	For the year	For Disposal/ Adjustment	Upto 31.03.2014	As at 31.03.2014	As at 31.03.2013
	Computer Software	23.63	2.62	–	26.25	10.75	5.45	–	16.20	10.05	12.88
	Total	23.63	2.62	–	26.25	10.75	5.45	–	16.20	10.05	12.88
	Previous Years' Figures	10.76	16.29	3.42	23.63	8.86	5.16	3.27	10.75	12.88	1.90

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

NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2014

(₹ in Lakhs)

Note No	Particulars	Unit	For the current reporting period ended 31.03.2014	For the previous reporting period ended 31.03.2013
1	Revenue from Operations:			
	(a) Sale of products:			
	(i) Exports		356.12	226.68
	Net gain/(loss) on foreign currency transaction and translation relating to Export		(25.80)	21.24
			<u>330.32</u>	<u>247.92</u>
	(ii) Inland Sales		<u>20,132.29</u>	<u>327.31</u>
	(b) Sale of services:			
	(i) Foreign Consultancy Services Receipts		117.25	155.77
	Net gain/(loss) on foreign currency transaction and translation relating to FCS		16.99	6.96
			<u>134.24</u>	<u>162.73</u>
	(ii) Inland Consultancy Services Receipts		<u>232.52</u>	<u>1,093.23</u>
	(c) Other operating revenues:			
	(1) Foreign Receipts:			
	(i) Access Fees and Royalty receipts		530.89	1,946.92
	Net gain/(loss) on foreign currency transaction and translation relating to AFR		46.55	25.86
			<u>577.44</u>	<u>1,972.78</u>
	(ii) Host Facility receipts		10,530.80	6,193.46
	Net gain/(loss) on foreign currency transaction and translation relating to HF		(389.54)	250.43
			<u>10,141.26</u>	<u>6,443.89</u>
	(iii) Space Segment Capacity Charges receipts		119.34	203.58
	Net gain/(loss) on foreign currency transaction and translation relating to SSCC		0.66	3.48
			<u>120.00</u>	<u>207.06</u>
	(iv) Export Incentive		<u>53.92</u>	<u>56.54</u>
	(2) Inland Receipts:			
	(i) Space Segment Capacity Charges receipts		1,16,012.66	1,06,362.23
			<u>1,47,734.65</u>	<u>1,16,873.69</u>
2	Other Income:			
	(a) Interest Income			
	(i) On Deposits with Banks		9,747.04	9,922.93
	(ii) On Advances and Trade Receivables		110.48	698.45
	(b) Net gain/(loss) on sale of investments			
	(i) Long Term Capital Gain on Mutual Fund Investments		656.00	1,108.61
	(ii) Short Term Capital Gain on Mutual Fund Investments		92.98	46.52
	(iii) Short Term Capital Loss on Mutual Fund Investments		(42.83)	(0.48)

	(c) Dividend receipts on Mutual Fund Investments	782.03	741.82
	(d) Net gain on foreign currency transaction and translation relating to outstanding Liabilities and Assets	(95.99)	133.13
	(e) Liability no longer required written back	43.54	-
	(f) Prior Period Items	1,820.02	-
	(g) Miscellaneous Income	24.30	3.54
		13,137.57	12,654.52
3	Cost of Revenue from operation		
	(a) Cost of Sales		
	(i) Cost of Exports	216.29	119.45
	(ii) Cost of Inland Sales	17,488.77	282.10
	(b) Cost of Services		
	(i) Cost of Foreign Consultancy Receipts	71.30	93.33
	(ii) Cost of Inland Consultancy Receipts	189.19	949.26
	(c) Cost of Other Revenues		
	For Foreign Receipts		
	(i) Cost of Access Fees and Royalty receipts	475.12	1,160.99
	(ii) Cost of Host Facility receipts	6,342.41	4,703.05
	(iii) Cost of Space Segment Capacity Charges receipts	101.43	182.21
	For Inland Receipts		
	(i) Cost of Space Segment Capacity Charges receipts	1,04,052.74	95,472.49
		1,28,937.25	1,02,962.88
4	Employees benefits expenses		
	Remuneration to CMD	18.58	16.87
	Remuneration to ED	16.32	13.20
	Directors sitting fees	0.39	-
	Salaries	42.10	48.03
	Contribution to Public Provident Fund	1.33	1.88
	Staff Welfare	12.35	49.33
	Leave Travel Concession	4.00	6.05
	Leave Encashment Paid	3.87	1.50
	Leave Encashment provision	-	8.03
	Gratuity Paid	3.39	2.26
	Gratuity Provision	-	3.33
	Establishment Expenses	188.50	161.00
	Personnel Training Expenses	-	0.12
		290.83	311.60
5	Other Expenses:		
	Travelling Expenses	28.78	36.05
	Conveyance and Taxi Hire	23.25	20.37
	Printing and Stationery	8.39	10.77
	Communication Expenses	30.63	30.60
	Legal and Professional fees	1,055.00	155.77
	Rates and Taxes	0.03	0.04
	Advertisement and Publicity	1.65	7.54
	Business Procuring Commission	-	233.63
	Hospitality and Entertainment	-	0.23

	Seminar, Conference and Meeting Expenses	11.94	11.16
	Exhibition and Trade Fair	–	44.18
	Lease Rent	0.10	0.10
	Interest on belated payment of Taxes	200.12	2.76
	Bank Charges	10.40	7.31
	Bank Guarantee and LC charges	1.11	0.98
	Repairs and Maintenance - Others	12.98	14.65
	Payment to Auditors:		
	As Auditors	2.08	1.85
	For Reimbursement of Expenses	0.12	0.49
	Membership and Subscription	2.83	0.94
	Miscellaneous Expenses	17.60	17.39
	Provision for Doubtful Debts	469.27	111.06
	Prior Period Items (as detailed in note no.13 of Other Notes forming part of accounts)	–	33.39
		1,876.28	741.26
6	Tax Expenses:		
	(i) Current Tax	9,823.00	7,692.00
	Excess/(Short) Provision for IT in earlier years	(21.88)	33.05
		9,801.12	7,725.05
	(ii) Deferred Tax		
	Deferred Tax originating during the year (Savings)	163.43	37.41
	Deferred Tax reversing during the year (savings)	50.32	–
		213.75	37.41

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, net of all taxes, duties other than excise duty and levies, 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, net of all taxes, duties other than excise duty and levies, 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, net of all taxes, duties other than excise duty and levies, 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 (i) to (iii) above.

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

Interest income is recognized on accrual basis. However, interest income from Trade 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 DOS/ISRO are accounted as mutually agreed and approved by and between DOS/ISRO and the Company.

4) Fixed Assets:

Fixed Assets are accounted on historical cost basis.

5) Depreciation – AS-6:

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

6) Intangible Assets- Amortisation Expense Under – AS-26 :

The intangible assets shall be amortized over a period of not exceeding ten years on a straight line method except in the case of software which shall be amortized over a period of not exceeding five years from the date when the asset is available for use or for the period of license/legal rights whichever is earlier. The amortization period and the amortization method shall be reviewed at each financial year end and if the expected useful life of the asset is significantly different from the previous estimates, the amortization period shall be changed accordingly.

7) 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 Statement of Profit and Loss 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 Statement of Profit and Loss.

8) 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(s).

9) 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 Statement of Profit and Loss 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.

10) 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.

11) 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 Autonomous Bodies, Public Sector Undertakings for which provision is made on case to case basis.

12) 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 Statement of Profit and Loss.

OTHER NOTES FORMING PART OF ACCOUNTS

(₹ in Lakhs)

		As at 31st March 2014	As at 31st March 2013
1	CONTINGENT LIABILITIES AND COMMITMENTS: (to the extent not provided for) (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 (on account of contract entered into by company for supply & service)	37,321.41 106.01 2,189.00 No Guarantee has been issued by the Company to result in contingent liability NIL NIL 1,60,985.75	37,321.41 106.01 2,189.00 No Guarantee has been issued by the Company to result in contingent liability NIL NIL 1,16,523.49
2	(i) The amount of Dividend proposed to be distributed to Equity Shareholders for the period : (ii) Related amount per Share :	4010.00 0.04	3,542.00 0.04
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	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.	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.
4	a) Consumption of stores and spare parts, i) Imported ii) Indigenously Procured b) 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;	Disclosure is exempted vide Order No.F.46/4/2014-CL-III dated 01.10.2014 issued by the Ministry of Corporate Affairs, Govt of India. -do-	Disclosure is exempted vide Order No.46/8/2013-CL-III dated 04.06.2013 issued by Ministry of Corporate Affairs, Govt of India. -do-

c) Expenditure in foreign currency during the financial year on account of royalty, know how, professional and consultation fees, interest, and other matters;	Disclosure is exempted vide Order No.F.46/4/ 2014-CL-III dated 01.10.2014 issued by the Ministry of Corporate Affairs, Govt of India.	Disclosure is exempted vide Order No.46/8/ 2013-CL-III dated 04.06.2013 issued by Ministry of Corporate Affairs, Govt of India.
d) 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-
e) The amount remitted during the year in foreign currencies on account of dividend with a specific mention of the total number of non resident shareholders, the total number of shares held by them on which the dividend were due and the year to which the dividends related.	-NA-	-NA-
f) Earnings in foreign exchange classified under the following heads, namely:-	Disclosure is exempted vide Order No.F.46/4/ 2014-CL-III dated 01.10.2014 issued by the Ministry of Corporate Affairs, Govt of India.	Disclosure is exempted vide Order No.46/8/ 2013-CL-III dated 04.06.2013 issued by Ministry of Corporate Affairs, Government of India
i. Export of goods calculated on F.O.B. basis;	-do-	-do-
ii. Royalty, know-how, professional and consultation fees;	-NIL-	-NIL-
iii. Interest and dividend;	-NIL-	-NIL-
iv. Other income, indicating the nature thereof	-NIL-	-NIL-

5. The Details of the Year End Currency Translation in respect of:

Particulars	Year End Currency Translation (₹ in lakh)	Dr / Cr	Profit and Loss Statement
Banks EEFC Current	95.99	Dr	Debited to Other Income
Accounts and Assets and Liabilities	(133.13)	Cr	(Credited to Other Income)

Previous year's figures are shown in bracket
"Cr" denotes "Credit" and "Dr" denotes "Debit"

- Bank Deposits with more than 12 months maturity includes a Fixed Deposit with Canara Bank for a sum of ₹ 0.34 Lakh (Previous year ₹ 0.31 Lakh) 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 State Bank of India on behalf of the company for Euro 13,00,000 & USD 90,000 in aggregate equivalent to ₹ 1,139.41 Lakhs (Previous year USD 20,000 & USD 1,10,000 equivalent to ₹ 71.24 Lakhs), the Company has pledged a fixed deposit for ₹ 1,281.63 Lakh with them (Previous Year - ₹ 600.00 Lakhs). However, Company is earning interest at Card rates on the above Fixed Deposit. 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 ₹ 20,102.42 Lakhs under KVAT and ₹ 493.14 Lakhs under CST Act (in aggregate ₹ 20,595.56 Lakhs) inclusive of penalty and interest for the period from 01.04.2005 to 31.07.2008, the Company had moved the Hon'ble High Court of Karnataka against the Order of Commercial Tax Authorities and the Division Bench of the Hon'ble 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 Hon'ble Supreme Court. The Hon'ble Supreme Court had passed an Interim Order dated 12.03.2010 directing the Company to deposit a sum of ₹ 5,000.00 Lakhs with Karnataka Commercial Tax Department. The Company has also paid KVAT amounting to ₹ 250.00 Lakhs and CST amounting to ₹ 662.47 Lakhs to the Commercial tax Department "under protest" aggregating to ₹912.47 Lakhs which is disclosed under Non-current assets-Long term Loans and Advances.

The Hon'ble 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 Hon'ble 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 Hon'ble Supreme Court of India, the Assessing Officer assessed the revenue of the Company for the further period from 01.08.2008 to 31.03.2010 and passed an order dated 19.8.2010 levying KVAT of ₹ 16,711.98 Lakhs and revised the same vide order dated 30.04.2012 to ₹ 16,725.85 Lakhs 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 Payer Unit, Bangalore has levied a Service Tax demand amounting to ₹ 53.01 Lakhs under the category of Erection, Commissioning and Installation and a penalty of ₹ 53.00 Lakhs aggregating to ₹ 106.01 Lakhs on the projects executed by the Company during the years 2003 to 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 CESTAT vide stay Order No.51/2012 dated 12.01.2012 waived pre-deposit and the adjudged dues; and stayed the recovery of the same. The Dy Commissioner of Service Tax vide letter No.V/15/Antrix/16/2009-GLT-1 dated 07.01.2013, intimated the vacation of stay granted by CESTAT as per Sub Section 2A of Section 35C of the Central Excise Act, 1944 as made applicable to Service tax matter under Section 83 of the Finance Act, 1994 and demand payment of ₹ 53.01 Lakhs along with interest and penalty of ₹ 53.00 Lakhs. Against this demand, the Company filed a writ petition before the Hon'ble High Court of Karnataka praying to quash the order dated 07.01.2013. The High Court in its Order dated 04.02.2013 directed the Tribunal to dispose the appeal expeditiously and granted stay on recovery upto the date of disposal of issue by the Tribunal. The matter is now pending with the Tribunal.

11. The Department of Space vide letter no. B.31012/3/2011-Sec.5 dated. 23/02/2011 directed the Company to annul the agreement entered into by the Company with M/s. Devas Multimedia Private Limited (Devas) on 28.01.2005. The Company had terminated the agreement with immediate effect vide letter No. Antrix/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 during 2011-12 the upfront reservation charges of ₹ 5837.00 Lakhs received from Devas. However, Devas had not accepted the refund and had returned the said amount to the Company.

Devas had filed a Request for arbitration on 29.06.2011 before the International Chamber of Commerce (ICC), Paris 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 arbitration petition filed by the Company was dismissed by the Hon'ble Supreme Court of India on May 10, 2013 with liberty to take recourse to other provisions of the Indian Arbitration and Conciliation Act, 1996. Advice of the Ld. Solicitor General of India was sought, through the Department, on the options available before Antrix in the light of the order dated May 10, 2013 of the Hon'ble Supreme Court of India. Ld.SGI advised filing of review petition against the order dated May 10, 2013 of the Hon'ble Supreme Court of India. The Review Petition filed was also dismissed by the Hon'ble Supreme Court of India.

Consequent to the dismissal of the Review Petition, Antrix is participating in the ICC proceedings initiated by Devas. Devas filed their statement of claim on February 20, 2012 wherein they had sought specific performance

of the Agreement failing which damages to the tune of USD 1.60 billion. Subsequently, on June 13, 2013, Devas amended their claim limiting to damages without insisting for specific performance of the Agreement.

Antrix filed the statement of defence on November 15, 2013. Devas filed their reply statement on March 24, 2014 and Antrix's rejoinder is to be filed by August 01, 2014. The hearing is scheduled to begin on December 15, 2014 at New Delhi or at any other place to be decided by the Tribunal.

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 and an award that invocation of arbitration by Devas is not in accordance with the agreement. Antrix completed its arguments in the arbitration petition (u/s 9 of the Arbitration and conciliation Act, 1996) and the civil suit filed before the court of Additional City Civil Judge, Bangalore. The matter is now posted for hearing on October 18, 2014.

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

	As on	
	31st March 2014	31st March 2013
	(₹ in Lakh)	
Present Value of Unfunded Obligations	6.86	9.52
Amount in Balance Sheet		
Liability – Current	0.36	0.42
Liability – Non-Current	6.50	9.10
Assets		
Net Liability	6.86	9.52

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

	Year Ended	
	31st March 2014	31st March 2013
	(₹ in Lakhs)	
Current Service Cost	0.80	0.83
Interest on Defined Benefit Obligation	0.82	0.60
Net Actuarial Losses / (Gain) Recognized in Year	(0.90)	4.16
Total, Included in "Employee Benefit Expense"	0.72	5.59

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

	Year Ended	
	31st March 2014	31st March 2013
	(₹ in Lakhs)	
Changes in Defined Benefit Obligation		
Opening Defined Benefit Obligation	9.52	6.20
Current Service Cost	0.80	0.83
Interest Cost	0.82	0.60
Actuarial Losses / (Gain)	(0.90)	4.15
Benefits paid	(3.39)	(2.26)
Closing Defined Benefit Obligation	6.85	9.52
Changes in Fair Value of Assets		
Opening Fair Value of Plan Assets	–	–
Contribution by Employer	3.39	2.26
Benefits Paid	(3.39)	(2.26)
Closing Fair Value of Plan Assets	–	–
Expected Employer's Contribution Next Year	0.36	0.43

TABLE 4 - ASSET INFORMATION - NIL

TABLE 5 - EXPERIENCE ADJUSTMENTS

	Year Ended	
	31st March 2014	31st March 2013
	(₹ in Lakhs)	
Defined Benefit Obligation	6.86	9.52
Plan Assets	-	-
Surplus /(Deficit)	(6.86)	(9.52)
Exp. Adj. on Plan Liabilities	0.26	2.57
Exp. Adj. on Plan Assets	-	-

TABLE 6 - SUMMARY OF PRINCIPAL ACTUARIAL ASSUMPTIONS

FINANCIAL ASSUMPTIONS AT THE VALUATION DATE:

	Year Ended	
	31st March 2014	31st March 2013
Discount Rate (p.a)	9.30%	8.15%
Expected Rate of Return on Assets (p.a)	0.00%	0.00%
Salary Escalation Rate (p.a.)	11 % for first 4 years and 7% thereafter	11 % for first 5 years and 7% thereafter

DEMOGRAPHIC ASSUMPTIONS AT THE VALUATION DATE :

Retirement Age:

The employees of the Company are assumed to retire at the age of 60 years.

Leaving Service :

Rates of leaving service at specimen ages are as shown below:

Age (Years)	Rates p.a
21-30	5%
31-40	3%
41-59	2%

Disability:

Leaving service due to disability is included in the provision made for all causes of leaving service.

(B) Leave Encashment-Disclosure

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 and Debit) are as under:-

Particulars		For year ended 31st March 2014 (₹ in Lakhs)	For year ended 31st March 2013 (₹ in Lakhs)
A	CREDITED TO PRIOR PERIOD ITEMS		
a	Space Segment Capacity Charges receipts (net of cost)	891.68	160.81
b	Foreign Consultancy Receipts (Net of cost)	-	48.41
c	Inland Consultancy Receipts (Net of cost)	6.72	0.27
d	Access Fee and Royalty Receipts (Net of cost)	379.10	11.40
e	Export	91.18	1.12

f	Host Facility Receipts	4.18	-
g	Interest income on Deposits with Banks	1.39	-
h	Cost of Export reversed	2.53	3.18
i	Cost of Space Segment Charges reversed	681.42	-
j	Cost of Inland Consultancy Receipts reversed	2.47	-
k	Cost of Access Fee and Royalty Receipts reversed	105.05	-
l	Cost of Host Facility Receipts reversed	4.49	-
m	Interest income on trade receivables	51.64	-
n	Staff welfare (Excess company contribution to PLI recovered)	0.03	-
o	Salary excess accounted recovered	-	0.33
p	Bank charges reimbursement	-	0.54
q	Printing & Stationary reversed	-	0.05
r	Traveling Expense reversed	-	0.03
s	Establishment Expenses reversed	-	0.69
t	Hospitality and Entertainment reversed	-	0.04
A	Total [(a) to (t)]	2221.88	226.87
B	DEBITED TO PRIOR PERIOD ITEMS		
i	Space Segment Capacity Charges Receipts (Net of cost) accounted in earlier years reversed	250.38	61.84
ii	Access Fee Receipt (Net of cost) accounted in earlier years reversed	-	67.67
iii	Exports (Net of cost) accounted in earlier years reversed	1.82	-
iv	Host Facility Receipts (Net of cost) accounted in earlier years reversed	0.30	-
v	Cost of Export	1.24	3.22
vi	Cost of Space Segment charges	84.78	112.87
vii	Cost of Host Facility Receipt	0.13	-
viii	Cost of Inland Sales	-	9.29
ix	Cost of Inland Consultancy Receipt	39.40	0.82
x	Cost of Foreign Consultancy Receipt	3.93	-
xi	Liquidated Damage Receipts Refunded	-	0.50
xii	Office Expenses	-	0.53
xiii	Traveling Expenses	2.81	0.66
xiv	Non recoverable Service Tax	-	2.04
xv	Bank Guarantee Commission	0.40	0.41
xvi	Non recoverable TDS	-	0.01
xvii	Communication Expenses	0.01	0.12
xviii	Repairs and Maintenance - Others	3.70	0.28
xix	Interest on belated payment on service tax	0.92	-
xx	Membership and Subscription	3.19	-
xxi	Miscellaneous (General) Expenses	0.12	-
xxii	Establishment Expenses (Security Charges)	0.06	-
xxiii	Printing and Stationery	0.66	-
xxiv	Conveyance and Taxi Hire	6.72	-
xxv	Year end currency translation-Assets and Liabilities	1.29	-
B	Total [(i) to (xxv)]	401.86	260.26
	Net Credit [A - B] for current year	1,820.02	
	Net Debit [B - A] for previous year		33.39

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

		As on 31st March 2014 (₹ in Lakhs)	As on 31st March 2013 (₹ in Lakhs)
	DEFERRED TAX ASSETS:		
(i)	Provision for Doubtful Debts	1,259.88	1,050.52
(ii)	Provision for Gratuity	2.33	3.09
(iii)	Provision for Leave Encashment	5.05	6.49
(iv)	Accumulated Depreciation	5.55	–
	Total	1,272.81	1,060.10
	DEFERRED TAX LIABILITIES:		
(i)	Accumulated Depreciation	–	1.04
	Total	–	1.04
	Net Deferred Tax Assets	1,272.81	1,059.06

15. Disclosure under Accounting Standard AS-26:

(a)	Class of intangible assets	Computer Software
(b)	Nature of Intangible Assets	Bought out computers software
(c)	Useful lives or the amortisation rate(s) used	5 years from the year during which the Computer software is available for use
(d)	Amortisation method(s) used	Straight Line Method
(e)	Gross carrying amount	₹ 26.25 Lakhs (Previous year ₹ 23.63 Lakhs)
(f)	Accumulated amortisation	₹ 16.20 Lakhs (Previous year ₹ 10.75 Lakhs)
(g)	Accumulated impairment losses at the beginning and end of the period	NIL
(h)	Reconciliation of the carrying amount at the beginning and end of the period	As furnished in the Annexure to Note-H
(i)	Additions, indicating separately those from internal development and through amalgamation	Bought out Software of ₹ 2.62 Lakhs (Previous year ₹16.29 Lakhs). There is no software internally developed or through Amalgamation
(j)	Retirements and disposals	NIL
(k)	Impairment losses recognized in the Statement of Profit and Loss during the period (if any)	NIL
(l)	Impairment losses reversed in the Statement of Profit and Loss during the period (if any)	NIL
(m)	Amortisation recognised during the period	₹ 5.45 (Previous year ₹ 5.16)
(n)	Other changes in the carrying amount during the period.	Nil

16. 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, except reimbursement of their remuneration and benefits as under to ISRO.

(a) Dr.V.S. Hegde, Chairman-cum-Managing Director

Nature of Payment	FY 2013-14 (₹ in lakhs)	FY 2012-13 (₹ in lakhs)
Remuneration (Salary)	18.58	16.88
Telephone	0.56	0.84
Medical reimbursement	0.13	0.21
Leave Travel Concession	0.40	–
Total	19.67	17.93

(b) Shri .S. Parameswaran, Executive Director

Nature of Payment	FY 2013-14 (₹ in Lakhs)	FY 2012-13 (₹ in Lakhs)
Remuneration (Salary)	16.32	13.20
Medical reimbursement	0.22	0.28
Leave Travel Concession	-	0.29
Total	16.54	13.77

17. There are no incidents of impairment of assets as per Accounting Standard AS-28 during the financial year.
18. 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.
19. Other Commitments under P - Other note No.1(ii)(b) is net commitment for ₹ 1,60,985.75 Lakhs as against gross contract value for supply and service for ₹ 2,52,660.67 Lakhs being executed and advance received from customer against these contract is ₹ 1,52,079.84 Lakhs.
20. Export incentives of ₹ 53.92 Lakhs under Other Operating Revenue-Foreign Receipts is received from a customer for satisfactory performance of Hylas satellite exported to them.
21. A sum of ₹ 325.00 Lakhs being 2% of average profit after tax for last three years made as budgetary allocation for corporate social responsibility and sustainable activity as per DPE. A sum of ₹ 50.00 Lakhs was paid out to Chief Minister's Relief Fund of Government of Uttarakhand. The balance to be spent for such activity is transferred to specific reserve account. The earmarked reserve amount will be deposited in a separate bank account and will be called as "Antrix - CSR & Sustainability Fund". As the Budgetary allocation is made first time this year, the allocated amount could not be spent during the year itself but it will be spent within next two years.
22. The Company has requested confirmation of balance as on 31st March 2014 from majority of customers and has received response from a few customers.
23. The Company has completed the reconciliation of DOS/ISRO-Antrix accounts pertaining to INSAT transponder leasing for the period from 2003-04 to 2010-11 and is in the process of obtaining confirmation from Department of Space.
24. The Income Tax Refund due as per Books of account is being reconciled with credits available with TRACES of IT Department and also with the TDS Certificates in Form 16A received. The company has also taken up the matter with Deductees for rectification of e-filing of TDS Returns or to remit the sum to the credit of Central Government in our account where such deduction are not supported by the credits in TRACES of IT Department as well as TDS certificates in Form 16A.
25. Figures have been rounded off to the nearest lakhs and figures for the previous year have been regrouped/ rearranged wherever necessary to conform with the presentation of the current year.

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/-
(S Parameswaran)
Executive Director

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

Place : Bangalore
Date : 23-06-2014

Place : Bangalore
Date : 23-06-2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2014

(₹ in Lakhs)

PARTICULARS	For the current reporting period ended 31.03.2014		For the previous reporting period ended 31.03.2013	
Cash flow from operating activities:				
Net Profit before taxation		29637.25		25394.63
Adjustment for :				
Depreciation and amortisation expenses	134.23		117.84	
Provision for Gratuity	—		3.32	
Provision for Leave Encashment	—		8.03	
Provision for Doubtful Debts	469.27		111.05	
Foreign currency transaction and translation	(95.99)		—	
Loss on sale of Fixed assets	0.16		—	
Excess Depreciation written back	—	507.67	(0.43)	239.81
		30144.92		25634.44
Adjustment for :				
Extraordinary Item	(3.62)		—	
Foreign currency transaction and translation	—		(133.13)	
Liability no longer required written back	(43.55)		—	
Interest Receipt from Bank	(9,747.04)		(9,922.93)	
Capital gain from MF	(706.15)		(1,154.65)	
Dividend Receipts from MF	(782.03)	(11,282.39)	(741.82)	(11,952.53)
Operating Profit before working capital changes		18862.53		13681.91
Increase in Trades payables	4667.23		—	
Decrease in Trades payables	—		(5,263.59)	
Increase in Liabilities and Provisions	—		24,760.11	
Decrease in Liabilities and Provisions	(15.25)		—	
Increase in Trades Receivables	(3,885.67)		(15,335.58)	
Increase in Loans, Advances and other current Assets	(8,857.38)	(8,091.07)	(14,570.58)	(10,409.64)
Cash generated from operations		10771.46		3,272.27
Income tax Paid		(64.26)		(749.67)
Tax Deducted at Source by others		(11,436.95)		(10,307.90)
Net cash from operating activities		(729.75)		(7,785.30)
Cash flow from investing activities:				
Purchase of Fixed Assets	(89.84)		(1,633.71)	
Proceeds from sale of Fixed Assets	0.30		—	

Foreign currency Translation Variance	95.99		133.13	
Interest Receipt from Bank	9747.04		9922.93	
Capital gain from MF	706.15		1154.65	
Dividend Receipts from MF	782.03		741.82	
Decrease in Investments	4571.25		4308.32	
Decrease in Accrued interest on Bank FD	128.78		1018.88	
Net cash from investing activities		15941.70		15646.02
Cash flow from financing activities:				
Dividend Paid	(3,542.00)		(3,420.00)	
Dividend Distribution Tax Paid	(601.96)		(554.81)	
Net cash used in financing activities		(4,143.96)		(3,974.81)
Net increase in cash and cash Equivalents		11067.99		3885.91
Cash and cash equivalents at the beginning of the year		102789.42		98903.51
Cash and cash equivalents at the end of the year		113857.41		102789.42

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/-
(S Parameswaran)
Executive Director

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

Place : Bangalore
Date : 23-06-2014

Place : Bangalore
Date : 23-06-2014



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