

# ANNUAL REPORT 2014-15



## **BOARD OF DIRECTORS**

Dr. V.S. Hegde  
Dr. V.K. Dadhwal  
Shri A. Vijay Anand  
Dr. M. Annadurai (from 01 May 2015)  
Dr. Y.V.N. Krishnamurthy (from 01 May 2015)  
Shri S. Rakesh (from 20 October 2014)  
Shri C.M. Sane (from 01 May 2015)  
Shri V. Koteswara Rao (upto 01 November 2014)  
Shri E. Vasantha (upto 31 December 2014)  
Shri P.J. Mathew (upto 18 September 2014)  
Shri Arun Balakrishnan  
Shri Y.S. Mayya  
Prof. Devang V. Khakhar  
Shri V. Raghu Venkataraman (from 06 February 2015)

## **MANAGEMENT TEAM**

Chairman-cum-Managing Director  
Executive Director (Operations) & Director, (RSDS)  
Director, Special Projects  
Director (Technology & Services)  
Director (Launch Services & Missions)  
Director (Corporate Social Responsibility)  
Director, Business Development (Spacecraft Subsystems)  
Sr. Head Accounts & IFA

Dr. V.S. Hegde  
Shri V. Raghu Venkataraman  
Smt. Geetha Varadan  
Smt. T.S. Shoba  
Shri D. Radhakrishnan  
Dr. B.K. Ranganath  
Shri Samir Pal (from 25 March 2015)  
Shri G. Alagesan

## **STATUTORY AUDITORS**

M/s. B.V. Rao & Company  
Chartered Accountants  
49-28-12, Satyalakshmi Vinayaka Towers  
Mathuranagar  
Vishakapatnam 530 016

## **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 take great pleasure in presenting the Twenty-Third 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 31 March 2015.

### PERFORMANCE HIGHLIGHTS

The Company's performance during the year has been impressive with an upward trend as compared to earlier years. During the year, the Company's revenue has been ₹ 1860.71 Crores, an increase of about 17% as compared to the previous year. The Profit After Tax has been ₹ 205.10 Crores. As the commercial arm of Indian Space Research Organization (ISRO), your Company has been engaged in bringing space technology for the welfare of people and making significant contributions towards economic well-being and development of our nation, besides marketing ISRO's space capabilities to international customers.

### SATELLITE COMMUNICATION TRANSPONDER SERVICES

The rapid growth in services such as DTH, TV broadcasting, VSAT application, data backhauling, telephony and mobile and remote area communications, has created increased demand for satellite communication capacity in the country. With the launch of GSAT 16 communication satellite, the in-orbit capacity has increased by 48 additional transponders in C/ Ext C/ Ku band. During the year 2014-15, your Company has provisioned to Indian users 6 additional transponders. Additionally, 12 transponders have been provisioned to facilitate migration onto newer satellites. With these allocations, cumulatively, over 134 transponders in the INSAT/ GSAT system and 96 transponders leased from foreign vendors are provisioned to Indian users for various services.

### SATELLITE MISSION SUPPORT SERVICES

Your Company has been serving prestigious customers for Telemetry, Tracking and Command (TTC) and other associated services for satellite operators from across the world. In terms of the agreement with M/s. Intelsat for providing Transfer Orbit Support Services (TOSS), your Company has supported the TOSS for the IS30

and DTV-14 satellites using Earth Stations at Master Control Facility (MCF). The Ground Stations of ISTRAC were used to provide TTC support for the KSAT mission.

### LAUNCH SERVICES

During the year, eight PSLV Launch Services Agreements were signed for launching 16 international customer satellites as co-passengers. These are with Skybox Imaging Inc., USA; DLR, Germany; COMDEV, Canada; University of Toronto, Institute of Aerospace Studies, Canada; COSMOS International, Germany; Space Flight Inc., USA and Algerian Space Agency. With these, the Company had signed agreements for launching 33 satellites. In terms of the agreement between DMC International Imaging (DMCii)/ Surrey Satellite Technology Limited (SSTL), UK and Antrix, the three identical DMC3 Earth Observation Satellites and CBNT-1 (a micro satellite) and De-OrbitSail (a nano satellite), were launched on-board PSLV-C28 on 10 July 2015.

### IRS RELATED ACTIVITIES

Your company has been marketing satellite data products and downlink services for Indian Remote Sensing (IRS) satellite constellation for meeting the earth observation data requirement of international customers. The data reception and processing facilities for IRS Radar Imaging Satellite (RISAT-1) were made operational at Svalbard and Tromso respectively, as part of the agreement with Kongsberg Satellite Services (KSAT), Norway. So also, the IRS Cartosat-1 direct data reception and processing activities have resumed at the facilities of NGO, Iran and CRIES, Algeria during the year. The upgraded ground station of GAF, AG in Germany has commenced IRS Resourcesat 2 data reception and processing operations.

### 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 that these visits and exchange of ideas will help in increasing the business opportunities in the coming years.



## FINANCIAL RESULTS

Financial Results	For the year ended 31.03.15 (₹ in Lakhs)	For the year ended 31.03.14 (₹ in Lakhs)
Total Income	1,86,071.00	1,59,052.20
Less: Total Expenditure	1,53,488.45	1,31,104.36
<b>Profit before Depreciation and Tax</b>	<b>32,582.55</b>	<b>27,947.84</b>
Add: Extra Ordinary Items	-	3.62
Add: Prior Period Items	46.49	1,820.02
Less: Depreciation and Amortisation Expenses	(89.08)	(134.23)
Less: Provision for Taxation	(9,604.92)	(9,801.12)
Less/Add: Deferred Tax	(2,425.16)	213.75
Current year surplus	20,509.88	20,049.88
Add: Previous year surplus	39.97	6.59
<b>Profit available for appropriation</b>	<b>20,549.85</b>	<b>20,056.47</b>
Transfer to General Reserves	15,100.00	15,000.00
Transfer to Corporate Social Responsibility and Sustainable activities reserves	530.10	325.00
Less: Expenditure on CSR during the year	(80.00)	-
Proposed Dividend	4,112.00	4,010.00
Corporate Dividend Tax	837.12	681.50
Surplus in P&L A/C carried to Balance Sheet	50.63	39.97
<b>Total of appropriation</b>	<b>20,549.85</b>	<b>20,056.47</b>

### 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 letter No.3(67)-B(S)/2002 dated 09/09/2002 of the Ministry of Finance (Department of Economic Affairs), DO No. 3(2) B/S/2003 dated 17/06/2004 of the Department of Expenditure, Ministry of Finance, Government of India and D.O. letter No.3(3)-B (S)/2005 dated May 19, 2005 of Secretary, Department of Economic Affairs, Ministry of Finance, Government of India; your Directors are pleased to recommend a dividend of 1028% on the paid-up equity share capital of ₹ 400 lakhs (previous year 4010%). This represents 20% of the post-tax profits for the year ended 31 March, 2015.

### TRANSFER TO RESERVES

The Company proposes to transfer ₹ 151.11 Crores to the General Reserve out of the amount available for appropriation.

### FUTURE OUTLOOK

The Company has been earnestly exploring various related business opportunities, and has initiated during the year activities to market spacecraft sub-systems.

### DIRECTORS

Shri P.J. Mathew ceased to be a Director with effect from 18 September 2014 consequent upon superannuation. Shri V. Koteswara Rao ceased to be a Director with effect from 01 November 2014 consequent upon superannuation. Shri E. Vasantha ceased to be a Director with effect from 31<sup>st</sup> December 2014 consequent upon superannuation. Shri V. Raghu Venkatraman was appointed as Executive Director (Operations) with effect from 06 February 2015. Shri C.M. Sane, Dr. Y.V.N. Krishnamurthy and Dr. M. Annadurai were appointed as Directors on the Board with effect from 01 May 2015.

The Board places on record its appreciation of the valuable services rendered by Shri P.J. Mathew, Shri E. Vasantha and Shri V. Koteswara Rao.



## NUMBER OF MEETINGS OF THE BOARD

Four meetings of the board were held during the year.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- i. That in the preparation of the annual accounts for the financial year ended 31.03.2015, 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, 2013, 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 31 March, 2015 on a "Going Concern" basis; and
- v. That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## CORPORATE GOVERNANCE

Your Company has constituted a Board Level Corporate Governance Committee to oversee the effective implementation of Corporate Governance practices in the Company. Your Company has laid great emphasis on corporate governance practices as prescribed by the Government and other statutory authorities and its implementation at all levels in the Company.

In recognition of the Company's efforts towards better Corporate Governance practices, the Department of Public Enterprises in their rating of PSUs has graded your Company as "Excellent" for the previous year.

In accordance with Section 134 (3)(a) of the Companies Act 2013, an extract of annual return is appended in the prescribed format and forms part of this report.

## CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY DEVELOPMENT (CSR&SD)

For the year 2014-15, the Company has earmarked ₹ 5.301 Crores towards CSR & SD activities under Section 135 of the Companies Act 2013 and Rules framed thereunder.

Further, the Company has already spent ₹ 80 Lakhs during the year. The remaining balance of ₹ 4.501 Crores together with previous year unspent balance of ₹ 2.75 Crores, amounting to ₹ 7.251 Crores and the interest accrued thereon is available for CSR&SD activities. This amount has not been spent during the current year due to delays in implementation of projects by implementing agencies. The Company has drawn up plans for undertaking CSR activities in the coming year and is confident of expending the fund for the activities.

## AUDITORS

The Comptroller and Auditor General of India vide letter No.CA/5/COY/Central Govt., Antrix (1)/115 dated 30 August 2014 appointed M/s. B.V. Rao and Company, Chartered Accountants, Bangalore as Statutory Auditors to conduct audit of the annual accounts of the Company for the year ended 31 March, 2015. Their report together with the comments of the Comptroller and Auditor General of India are enclosed. The Comptroller and Auditor General of India vide letter No. CA.V/COY/CENTRAL GOVERNMENT ANTRIX(1)/185 dated 07.07.2015 has appointed M/s. B.V. Rao & Co., Chartered Accountants, as the Statutory Auditors of the Company for the financial year 2015-16.

## 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 197 of the Companies Act, 2013 as amended from time to time.

## RESERVATION

Besides the employees from ISRO/ DOS on working arrangement basis, Antrix has seven (7) permanent employees on its rolls [Group A (Technical) – 1, Group A (Administrative) – 2, Group B (Administrative)



-3, Group-C (Administrative) – 1]. During the year under review, the status of representation of persons belonging to Scheduled Caste (SC), Scheduled Tribes (ST) and Other Backward Classes (OBC) and Persons with Disability and Ex-servicemen was three.

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

The information required to be furnished relating to Conservation of Energy and Technology Absorption is NIL, as the Company has not directly consumed any energy or imported any foreign technology.

#### **FOREIGN EXCHANGE EARNINGS AND OUTGO (ACTUALS) FOR THE YEAR ENDED 31 MARCH 2015 ARE AS FOLLOWS:**

<b>Foreign Exchange Earnings</b>	<b>Amount in Lakhs (₹)</b>	<b>Amount in FE</b>	
Exports	621.43	USD	10,41,717.50
Technical consultancy	2,484.07	USD	35,91,843.30
Launch Services	24,714.06	Euro	3,23,27,615.00
		Euro	4,10,281.94
<b>Total</b>	<b>27,819.56</b>	<b>USD</b>	<b>46,33,560.80</b>
		<b>Euro</b>	<b>3,27,37,896.94</b>
<b>Foreign Exchange Outgo</b>	<b>Amount in Lakhs (₹)</b>	<b>Amount in FE</b>	
Travel	1.35	USD	720.00
		Euro	1,315.00
Cost of Imports	327.73	USD	5,33,136.60
Cost of Technical services	49,207.57	USD	8,04,30,144.91
Cost of other services	1,031.96	USD	16,38,334.51
		Euro	15,650.00
<b>Total</b>	<b>50,568.61</b>	<b>USD</b>	<b>8,26,02,336.02</b>
		<b>Euro</b>	<b>16,965.00</b>

#### **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 three workshops and training sessions which enabled the employees to acquire the necessary skills and thereby helped in promoting usage of the official language.

#### **ACKNOWLEDGEMENT**

Your Directors take great pleasure in acknowledging the help received by the Company from the customers and other users of its products and services and hope to receive their continued support in the years to come. Your Directors also place on record their appreciation for the co-operation and support received from other Government Departments and agencies, bankers and industries.

Your Directors also place on record their appreciation for the support and contribution of the officers and staff members of the Department of Space, various ISRO

Centres and Your Company, which have greatly paved the way for the Company's successful operations 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: 17.07.2015



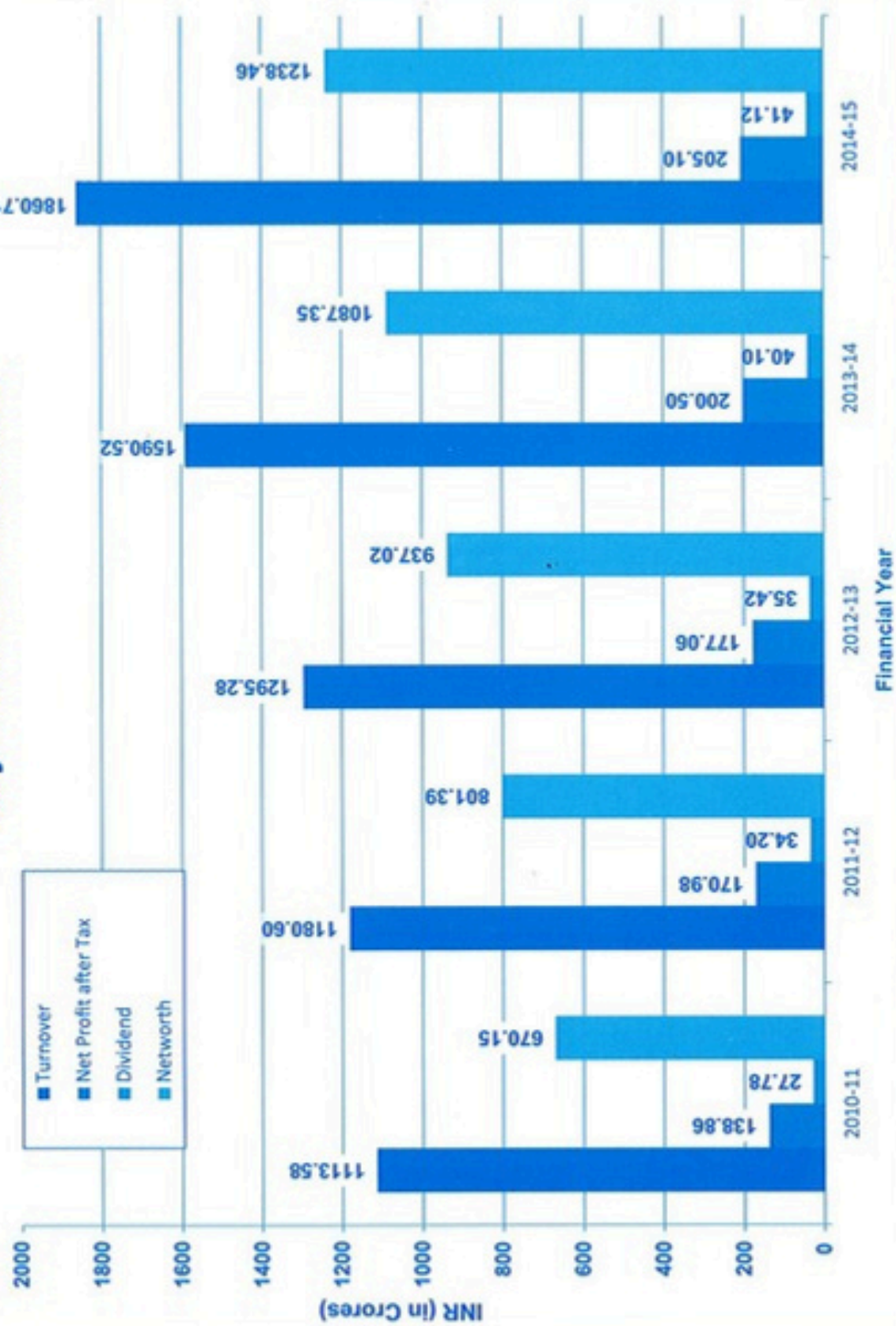
## ADDENDUM TO DIRECTORS' REPORT RELEVANT TO FINANCIAL YEAR ENDED 31ST MARCH 2015

Comment of the Statutory Auditors	Management Reply
<p>1. Ministry of Defence, Ministry of Human Resource Department and a Government University i.e., IGNOU denied any receipt of service as well as dues. However neither reversal of sale of services amounting to ₹ 5,710.58 lakhs and cost of cumulative services amounting to ₹ 4,853.99 lakhs relating to the period 2011-12 to 2014-15 nor provision for the net amount of ₹ 856.59 lakhs has been made. The above resulted in overstatement of profit and understatement of provision for doubtful debts to the extent of ₹ 856.59 lakhs.</p>	<p>1. The Company is consistently following a practice of raising invoices based on the allocation of Satellite bandwidth by ISRO HQ/ DOS which intimates the billing cycle for payment of the capacity allocated. Accordingly, the Company raised invoices on Ministry of Defence, Ministry of Human Resource Development and Indira Gandhi National Open University consequent to allocation of bandwidth. Any denial by the user shall be accepted only on formal confirmation by ISRO HQ/ DOS and appropriate accounting treatment shall be given subsequently in the books of accounts of the Company.</p>
<p>2. M/s Devas Multimedia Limited claimed an amount of US\$1.60 billion (₹ 700,480 lakhs) towards damages subsequent to the annulment of the contract by the company as per the policy decision of the Central Government acting in its Sovereign capacity. The said claim is being disputed by the company. There is disclosure of the said contingent liability in the notes to accounts but not under contingent liability. The above resulted in understatement of contingent liabilities to the extent of ₹ 700,480 lakhs.</p>	<p>2. The Company is participating in the Arbitration proceedings initiated by Devas under International Chamber of Commerce (ICC), subsequent to the dismissal of Arbitration petition and the review petition thereon by Hon'ble Supreme Court of India.</p> <p>Antrix has also filed an arbitration petition at the Court of Additional City Civil Judge, Bangalore (u/s. 9 of the Arbitration and Conciliation Act, 1996). The matter as on date stands posted for hearing on October 09, 2015.</p> <p>In the ICC Proceedings, Devas had initially sought either specific performance of the agreement or damages. Subsequently, they have withdrawn their claim of specific performance. The damages sought is USD 1.60 Billion (₹ 7,004.80 Crores) which includes liquidated damage of ₹ 21.89 Crores (USD 5 million). The liquidated damage of ₹ 21.89 Crores, under the agreement has already been disclosed as Contingent Liability in Other Notes Forming part of Accounts.</p>



Comment of the Statutory Auditors	Management Reply
	<p>The ICC hearing on jurisdiction, liability and merits was held at London during the period from December 15 to 19, 2014. As directed by the Tribunal, both parties have filed their post hearing briefs on February 16, 2015 and March 23, 2015. The ICC have now granted time upto September 30, 2015 to the Tribunal for rendering the award. 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>3. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for sale of goods and services. However, internal control needs to be strengthened by introducing the system of monthly/ quarterly certification by DOS of actual commercial users/ allottees of space segments.</p>	<p>3. The concerned business vertical of the Company provides monthly statements of commercial users of space segment for invoicing. This is based on allocation letters issued by ISRO HQ/ DOS. In the opinion of the Management sufficient internal control is in place. However, the Company shall approach ISRO HQ/ DOS for providing monthly/ quarterly certification of actual Satellite bandwidth allocation.</p>

## Key Financial Indicators





**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31.03.2015

*[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]***I. REGISTRATION AND OTHER DETAILS:**

- i) CIN:- U85110KA1992GOI013570
- ii) Registration Date: September 28, 1992
- iii) Name of the Company: Antrix Corporation Limited
- iv) Category/Sub-Category of the Company: Company limited by shares/ Indian Government Company
- v) Address of the Registered office and contact details:  
Antrix Corporation Limited  
Corporate Office  
Antariksh Bhavan  
New BEL Road  
Bangalore - 560094
- vi) Whether listed company: No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any-- Not Applicable

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl.No.	Name and Description of main products/ services	NIC Code of the Products/ services	% to total turnover of the company
1	Space & Space related activities	9983325	68.20%
		99831414	14.30%
		99653200	17.50%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-**

S. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1	NIL				

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup)****i) Category-wise Share holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.	0	1,00,000	1,00,000	100	0	4,00,000	4,00,000	100	300
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Financial Institutions	0	0	0	0	0	0	0	0	0

e) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A)(1):-</b>	0	1,00,000	1,00,000	100	0	4,00,000	4,00,000	100	300
<b>(2) Foreign</b>									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other- Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/ FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A)(2):-</b>	0	0	0	0	0	0	0	0	0
<b>Total shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	0	1,00,000	1,00,000	100	0	4,00,000	4,00,000	100	300
<b>B. Public shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/ FI	0	0	0	0	0	0	0	0	0
c) Central Govt/ State Govt(s)	0	0	0	0	0	0	0	0	0
d) Venture Capital Funds	0	0	0	0	0	0	0	0	0
e) Insurance Companies	0	0	0	0	0	0	0	0	0
f) FIs	0	0	0	0	0	0	0	0	0
g) Foreign Venture Capital	0	0	0	0	0	0	0	0	0
h) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B) (1):-</b>	0	0	0	0	0	0	0	0	0
<b>2. Non- Institutions</b>									
a) Bodies Corp.	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto ₹1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	0	0	0	0	0	0	0	0	0
<b>Total Public Shareholding (B)= (B)(1)+ (B)(2)</b>	0	0	0	0	0	0	0	0	0
<b>C. Shares held by Custodian for GDRs&amp;ADRs</b>	0	0	0	0	0	0	0	0	0
<b>GrandTotal (A+B+C)</b>	0	1,00,000	1,00,000	100	0	4,00,000	4,00,000	100	300



**(ii) Shareholding of Promoters**

Sl No	Shareholder's Name	Share holding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Department of Space, Government of India	1,00,000	100%	NIL	4,00,000	100%	NIL	300
	Total	1,00,000	100%	NIL	4,00,000	100%	NIL	300

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sl. No.		Share holding at the beginning of the year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	1,00,000	100%	1,00,000	100%
2	Datewise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	Issue of Bonus Shares on 15.09.2014 in the ratio of 3 shares for every 1 share held		3,00,000	100%
3	At the End of the year	1,00,000	100%	4,00,000	100%

**(iv) Share holding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL			
	Datewise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):				
	At the End of the year (or on the date of separation, if separated during the year)				

(v) **Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL			
	Datewise Increase/ Decrease in Share holding during the year specifying reasons for increase /decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):				
	At the End of the year	Nil	Nil	Nil	Nil

(vi) **INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/ accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>		NIL		
Change in Indebtedness during the financial year				
• Addition				
• Reduction				
<b>Net Change</b>				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	Nil	Nil	Nil	Nil

(vii) **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. **Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount (For FY 2014-2015) ₹
		CMD ₹	ED ₹	ED(O) ₹	----	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24,27,307	7,89,288	1,43,666		33,60,261
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL				
2	Stock Option	NIL				



3	Sweat Equity	NIL				
4	Commission - as % of profit - others, specify...	NIL				
5	Others, please specify	NIL				
	<b>Total(A)</b>	<b>24,27,307</b>	<b>7,89,288</b>	<b>1,43,666</b>		<b>33,60,261</b>
	Ceiling as per the Act					

**B. Remuneration to other directors:**

Sl. no.	Particulars of Remuneration	Name of Directors		Total Amount
		Shri Arun Balakrishnan ₹	Prof. Devang V. Khakhar ₹	
	1. Independent Directors • Fee for attending Board/ Committee Meetings	1,50,000	60,000	2,10,000
	• Commission	NIL		
	• Others, please specify	NIL		
	<b>Total (1)</b>	<b>1,50,000</b>	<b>60,000</b>	<b>2,10,000</b>
	2. Other Non-Executive Directors • Fee for attending Board Committee Meetings • Commission • Others, please specify	NIL		
	<b>Total(2)</b>	-	-	-
	<b>Total(B)=(1+2)</b>	<b>1,50,000</b>	<b>60,000</b>	<b>2,10,000</b>
	<b>Total Managerial Remuneration</b>			<b>35,70,261</b>
	<b>Overall Ceiling as per the Act</b>			

**C. Remuneration to key managerial personnel other than MD/ Manager/ WTD**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
1		CEO	Company Secretary	CFO	Total
	1. Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	NIL			
2	Stock Option	NIL			
3	Sweat Equity	NIL			
4	Commission - as % of profit - others, specify...	NIL			
5	Others, please specify	NIL			
	<b>Total</b>	NIL			

(viii) Penalties/ punishment/ compounding of offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Detail)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					



## INDEPENDENT AUDITORS' REPORT

To,  
The President of India

We have audited the accompanying financial statements of M/s ANTRIX CORPORATION LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and a summary of significant accounting policies and other explanatory information for the year then ended.

### **Management Responsibility for the Financial Statement:**

The company's Board of Directors is responsible for the matters stated in Sec 134(5) of the Companies Act 2013 ("The Act") with respect to preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards referred to in section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and irregularities; selection and application of applicable accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Sec 143 (10) of the Act. 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 disclosures in the financial statements. The procedures selected depend on the auditor's judgment, 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 whether the company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. 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. Basis for Qualified/Modified Opinion:**

- a) Ministry of Defence, Ministry of Human Resources Department and a Government University i.e., IGNOU denied any receipt of service as well as dues. However neither reversal of sale of services amounting to ₹ 5,710.58 lakhs and cost of cumulative services amounting to ₹ 4,853.99 lakhs relating to the period 2011-12 to 2014-15 nor provision for the net amount of ₹ 856.59 lakhs has been made. The above resulted in overstatement of profit and understatement of provision for doubtful debts to the extent of ₹ 856.59 lakhs.
- b) M/s Devas Multimedia Limited claimed an amount of US\$1.60 billion (₹ 700,480 lakhs) towards damages subsequent to the annulment of the contract by the company as per the policy decision of the Central Government acting in its Sovereign capacity. The said claim is being disputed by the company. There is disclosure of the said contingent liability in the notes to accounts but not under contingent liability. The above resulted in understatement of contingent liabilities to the extent of ₹ 700,480 lakhs.

### **Qualified/ Modified Opinion:**

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the basis at paragraphs numbered 1(a) and 1(b), 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 March 31, 2015;
- b) in the case of the Profit and Loss Statement, of the Profit for the year ended on that date; and
- c) in the case of the cash flow statements, of the cash flows for the year ended on that date.

**Emphasis of Matters:**

We draw attention to the following:

- a) Note Nos. 4 and 11 - regarding segment-wise reporting - the company has applied for exemption from the Ministry of Corporate Affairs, Government of India, from disclosure of each class of goods with quantities and corresponding values under section 129 of Companies Act, 2013 and in view of the sensitive nature of the products and the area of operation, pending receipt of exemption, the information required under Schedule III and Accounting Standard 17-Segment Reporting, has not been furnished for the current and previous financial years.
- b) Note No. 10 - regarding non-disclosure of further mandatory interest in respect of unpaid disputed tax liabilities.
- c) Note No.23 - regarding non-availability of balance confirmation from customers, a non-reconciliation of customer accounts in respect of which confirmations were received.
- d) Note No.24 - regarding the outstanding balances as on the year end in DOS/ISRO accounts which are yet to be confirmed by DOS.

Our opinion is not qualified/ modified in respect of the above matters.

**Report on other Legal and Regulatory Requirements:**

2. As required by the Companies (Auditor's Report) Order, 2015 as amended by the Companies (Auditor's Report) Amendment Order, 2015 (together 'the Order'), issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the Annexure - I a statement on the matters specified in paragraphs 3 and 4 of the Order.
3. As required by section 143(5) of the Act, with regard to the directions issued by the Comptroller and Auditor General of India, we report that:-
  - a) The company has not been selected for disinvestment till date.
  - b) There are no cases of waiver of loans/interest or write off of debts during the year 2014-15.
  - c) The company does not have any manufacturing facility and does not maintain any inventory.

No assets have been received as gifts from Government or other authorities.

- d) The details of age-wise pending legal/arbitration cases including reasons for pendency is enclosed vide Annexure-II.

The expenditure relating to legal cases (foreign and local) are being accounted under different ledger accounts for ease of monitoring and to have better control of the expenses relating to various cases pending relating to the company. The breakup of legal expenses is as under.

- (i) Local Legal Expenses - ₹ 7.63 lakhs
- (ii) Foreign Legal Expenses - ₹ 2,196.70 lakhs

The local legal expenses are incurred after due approvals and foreign legal expenses are incurred in terms of the intimation received from ICC and agreement with the foreign legal firm of advocates. However, the payment to the foreign advocates is being made with reference to the hours spent and their claim for reimbursement of expenses as per their bills. The said hours are certified by the legal cell in good faith and sent for approval to CMD. The foreign legal firm has been engaged on the advice of DOS. The foreign legal expenses have been brought to the notice of the Board from time to time.

4. As required by section 143(3) of the Act, we report that:
  - a) We have sought and 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 appears from our examination of those books. The Balance Sheet, Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
  - c) In our opinion, the Balance Sheet, Statement of Profit and Loss, comply with the Accounting Standards referred to in subsection (3C) of section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014;

**For B.V. Rao & Co.,**  
Chartered Accountants  
Firm registration No: 003118S

**Sd/-**  
**(B.V.Rao)**  
**Partner**  
M.No.19138

Place: Bangalore  
Date: 06-08-2015



## ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in Paragraph 2 of the Auditors Report to members of "M/s ANTRIX CORPORATION LIMITED" on the accounts for the Year ended 31<sup>st</sup> March 2015.

**i. In respect of Fixed Assets:**

- a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- b) As explained to us, fixed assets have been physically verified by the management during the period in a phased manner, which in our opinion is reasonable having regard to size and nature of its Assets. No material discrepancies were noticed on such verification.

**ii. With respect to inventories, the company is a service oriented undertaking, as a result of which the company doesn't have any inventory, hence sub clause (a), (b), (c) of clause ii is not applicable.**

**iii. In our opinion, according to the information and explanations given to us, the company has not**

v. In our opinion and according to the information and explanations given to us, the company has not accepted deposits from the public as defined under section 73 & 76 or any other relevant provisions of the Companies Act, 2013 or Rules framed there under.

vi. With respect to maintenance of cost records, the company is a service oriented company and hence such cost records are not applicable.

**vii. According to the information and explanations provided to us in respect to statutory dues:**

- a. The company has been regularly depositing the undisputed statutory dues namely Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Taxes, cess and other statutory dues with appropriate authorities.
- b. Details of Service Tax, KVAT and CST which have not been deposited as on 31<sup>st</sup> March 2015 on account of disputes are given below:-

Sl No	Name of the Statute	Nature of Dues	Amount (₹ in lakhs)	Period for which it is Due	Forum where dispute is pending
1	Chapter V of the Finance Act, 1994	Service tax	130.91	01-10-2003 to 31-03-2005	Customs, Excise & Service Tax Appellate Tribunal, Bangalore
			3,754.14	18-04-2006 to 15-05-2008	Customs, Excise & Service Tax Appellate Tribunal, Bangalore
2	Karnataka VAT Act, 2005 and Central Sales Tax Act, 1956	KVAT and Central Sales Tax	14,683.09	01-04-2005 to 31-07-2008	Hon'ble Supreme Court
3	do	do	16,725.85	01-08-2008 to 31-03-2010	Hon'ble High Court of Karnataka

granted any Loan, secured or unsecured to companies, firms or other parties as disclosed in the Register maintained under section 189 of the Companies Act, 2013.

**iv. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for sale of goods and services. However, internal control needs to be strengthened by introducing the system of monthly/quarterly certification by DOS of actual commercial users/allottees of space segments.**

**Consequent to the observation of C&AG Audit, the following para is included:**

- c. The provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder regarding amounts required to be transferred to investor education and protection fund is not applicable to the Company.

viii. The Company is a profit making company and does not have any accumulated losses.

ix. In our opinion and according to the information available to us, during the year the Company has

neither borrowed any money from bank/ financial institutions nor issued any debentures. Hence this clause is not applicable.

x. According to the information and explanations given to us, the Company has not given guarantee for loans taken by others from banks, financial institutions.

xi. In our opinion and according to the information available to us, the Company has not applied for any term loans.

xii. To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.

**For B.V. Rao &Co.,**  
Chartered Accountants  
Firm registration No: 003118S

Place: Bangalore  
Date: 06-08-2015

**Sd/-**  
**(B.V.Rao)**  
**Partner**  
M.No.19138



## Annexure – II

### DETAILS OF PENDING LEGAL / ARBITRATION CASES INCLUDING REASONS FOR PENDENCY

(Annexure to Para No. 3(d) u/s 143 (5) of the Companies Act, 2013)

Sl No	Nature of Claim/Service	Date of SCN / Assessment Order / filing of Arbitration	Date of Balance Sheet	Pending for (No. of months)	Forum / Authority where dispute is pending	Reasons for Pendency / Status
<b>A . Service Tax</b>						
1	Claim of Service tax on Supply & Installation of Tele-Education and VSAT equipment vide Order of Commissioner on 21.04.2009 under installation and commissioning services	4/21/2009	3/31/2015	71	CESTAT, Bangalore	No hearing date posted by CESTAT, Bangalore
2	Claim of Service tax on Satellite Transponder leasing charges paid to foreign satellite service providers on Reverse Charge Mechanism during the period from 18/04/2006 to 31/05/2007 under Telegraph Services and from 01/06/2007 to 15/05/2008 under Telecommunication Service vide SCN No.COMR/042 dtd:03.09.09	9/3/2009	3/31/2015	67	CESTAT, Bangalore	First hearing date not posted by CESTAT, Bangalore
<b>B. KVAT and CST</b>						
1	KVAT & CST for the period from 01.04.2005 to 31.07.2008 (Order dated 24.12.2008)	12/24/2008	3/31/2015	67	Hon'ble Supreme Court, New Delhi	The proceedings of Hon'ble Court are ongoing
2	KVAT & CST for the period from 01.08.2008 to 31.03.2010 (Order dated 19.08.2010)	8/19/2010	3/31/2015	55	Hon'ble High Court of Karnataka, Bangalore	The proceedings of Hon'ble Court are ongoing

**C. Arbitration Case**

<p>Dispute for damage raised by M/s Devas Multimedia Private Limited before International Chamber of Commerce (ICC), Paris for termination of agreement entered into with them by the Company consequent to direction of Central Government acting in its sovereign capacity for annulment of agreement intimating the policy decision of the Central Government, not to provide orbital slot in S band to the Company for commercial activities</p>	6/29/2011	3/31/2015	45	<p>International Chamber of Commerce (ICC), Paris</p> <p>Court of Additional Civil Judge, Bangalore</p>	<p>There is no claim or demand on Antrix directly by M/s Devas Multimedia Private Limited. The ICC hearing on jurisdiction and liability was held at London during the period from December 15 to 19, 2014. As directed by the ICC, both parties have filed their post hearing brief on February 16, 2015 and March 23, 2015. The award of the ICC is awaited. In the meantime, ICC have extended time limit for submission of award to September 30, 2015.</p> <p>The Company had also filed arbitration application and suit before the Court of Additional 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 Oct 09, 2015.</p>
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**For B.V. Rao & Co.,**  
Chartered Accountants  
Firm registration No: 003118S

Place: Bangalore  
Date: 06-08-2015

**Sd/-**  
**(B.V.Rao)**  
**Partner**  
M.No.19138



## **COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF ANTRIX CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2015**

The preparation of financial statements of Antrix Corporation Limited for the year ended 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditor /auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is/are responsible for expressing opinion on the financial statement under section 143 of the Act based on independent audit in accordance with standards in auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 06.08.2015.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the financial statements of Antrix Corporation Limited for the year ended 31 March 2015. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors report.

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

Place: New Delhi  
Date: 24.08.2015

Sd/-  
**(Dr. Ashutosh Sharma)**  
Principal Director of Commercial Audit &  
Ex- Officio Member, Audit Board-IV

## DETAILED FINANCIALS



## BALANCE SHEET AS AT 31.03.2015

(₹ in Lakhs)

Particulars	Note No	Figures as at the end of current reporting period 31.03.2015	Figures as at the end of previous reporting period 31.03.2014
<b>I. EQUITY AND LIABILITIES:</b>			
(1) <b>Shareholders' funds:</b>			
(a) Share Capital	A	400.00	100.00
(b) Reserves and surplus	B	1,24,170.73	1,08,909.97
(2) <b>Non-current liabilities:</b>			
(a) Deferred Tax Liabilities (Net)		1,152.35	-
(b) Other Long Term Liabilities	C	76,806.42	89,848.64
(c) Long-term Provisions	D	29.99	19.95
(3) <b>Current liabilities:</b>			
(a) Trade Payables		56,197.37	29,453.79
(b) Other Current Liabilities	E	35,567.11	57,116.53
(c) Short-term Provisions	F	4,950.98	4,693.28
<b>TOTAL</b>		<b>2,99,274.95</b>	<b>2,90,142.16</b>
<b>II. ASSETS:</b>			
(1) <b>Non-current assets:</b>			
(a) Fixed assets			
(i) Tangible assets	G	1,523.22	1,499.14
(ii) Intangible assets	H	4.21	10.05
(b) Deferred Tax Assets (Net)		-	1,272.81
(c) Long-term Loans and Advances	I	68,741.38	51,471.71
(2) <b>Current assets:</b>			
(a) Current Investments	J	-	14,815.97
(b) Trade Receivables	K	67,147.15	61,735.15
(c) Cash and Bank Balances	L	1,34,328.95	1,13,857.41
(d) Short-term Loans and Advances	M	16,400.47	37,591.00
(e) Other Current Assets	N	11,129.57	7,888.92
<b>TOTAL</b>		<b>2,99,274.95</b>	<b>2,90,142.16</b>
<b>Notes No. A to N form an integral part of this Balance Sheet</b>			

As per our report attached  
For B.V. Rao & Co  
Chartered Accountants  
Firm Reg No.003118S

For and on behalf of the Board

Sd/-  
(B V Rao)  
Partner  
ICAI Membership No.19138

Sd/-  
(V Raghu Venkataraman)  
Executive Director (Operations)

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

Place : Bangalore  
Date : 17-07-2015

Place : Bangalore  
Date : 17-07-2015

# STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2015

(₹ in Lakhs)

Particulars		Note No	For the current reporting period ended 31.03.2015	For the previous reporting period ended 31.03.2014
I	Revenue from operations	1	1,71,755.69	1,47,734.65
II	Other income	2	14,315.31	11,317.55
III	<b>Total Revenue (I + II)</b>		<b>1,86,071.00</b>	<b>1,59,052.20</b>
IV	Expenses:			
(i)	Cost of Revenue from operation	3	1,48,755.17	1,28,937.25
(ii)	Employees benefits expense	4	336.65	290.83
(iii)	Depreciation and amortisation expense:			
	- Current Year		77.66	132.01
	- Previous Year		8.14	2.22
	- Adjustment As Per Sch II of CA 2013/AS6 against Retained Opening Earning		3.28	-
(iv)	Other expenses	5	4,396.63	1,876.28
	<b>Total Expenses</b>		<b>1,53,577.53</b>	<b>1,31,238.59</b>
V	Profit before Prior Period items, Extraordinary items and tax		32,493.47	27,813.61
VI	Prior Period items (Income)	6	46.49	1,820.02
VII	Extraordinary items (Income)		-	3.62
VIII	<b>Profit before tax (V + VI + VII)</b>		<b>32,539.96</b>	<b>29,637.25</b>
IX	Tax expense:			
(i)	Current tax :			
	a) Current Year		(8,670.10)	(9,823.00)
	b) Earlier Years		(934.82)	21.88
(ii)	Deferred tax	7	(2,425.16)	213.75
X	<b>Profit for the period from continuing operations (VIII-IX)</b>		<b>20,509.88</b>	<b>20,049.88</b>
XI	Earnings per Equity Share:			
	Amount used as numerator in calculating earnings per Equity Share		20,509.88	20,049.88
	Number of equity shares used as the denominator in calculating earnings per equity share is		4,00,000.00	1,00,000.00
	Nominal value of Equity Share in ₹		100.00	100.00
	Basic and Diluted Earnings per Equity Share		0.05	0.20
Notes No. 1 to 7 form an integral part of this Statement of Profit and Loss				

As per our report attached  
For B.V. Rao & Co  
Chartered Accountants  
Firm Reg No.003118S

For and on behalf of the Board

Sd/-  
(B V Rao)  
Partner  
ICAI Membership No.19138

Sd/-  
(V Raghu Venkataraman)  
Executive Director (Operations)

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

Place : Bangalore  
Date : 17-07-2015

Place : Bangalore  
Date : 17-07-2015



# NOTES FORMING PART OF BALANCE SHEET AS AT 31.03.2015

(₹ in Lakhs)

Note No	Particulars	Unit	Figures as at the end of current reporting period 31.03.2015	Figures as at the end of previous reporting period 31.03.2014
<b>A</b>	<b>SHARE CAPITAL:</b>			
	<b>Equity Shares:</b>			
	(a) Authorised:			
	(i) Number of Shares	Nos.	1,00,00,000	5,00,000
	(ii) Amount of Shares	Lakhs	<u>10,000.00</u>	<u>500.00</u>
	(b) Issued, subscribed and fully paid up for cash:			
	(i) Number of Shares	Nos.	4,00,000	1,00,000
	(ii) Amount of Shares	Lakhs	<u>400.00</u>	<u>100.00</u>
	(c) Par value per share	₹	100.00	100.00
	(d) (i) Number of shares outstanding at the beginning of the reporting period	Nos.	1,00,000	1,00,000
	(ii) Number of Bonus Shares allotted during the year	Nos.	3,00,000	-
	(iii) Number of shares outstanding at the end of the reporting period	Nos.	4,00,000	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		<b>Equity Shares:</b> 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 directions of the Ministry of Finance, Government of India. 100% of entire 4,00,000 number of paid up Equity Shares of Rupees 100 each are held by the Central Government (Government of India) through the President of India and its Nominees.	<b>Equity Shares:</b> 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 directions of the Ministry of Finance, Government of India. 100% of entire 1,00,000 number of paid up Equity Shares of Rupees 100 each are held by the Government of India through the President of India and its Nominees.
	(f) Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held.			



<b>B RESERVES AND SURPLUS:</b>		
(a) General Reserve:		
Amount outstanding at the beginning of the reporting period	1,08,595.00	93,595.00
Less: Transfer to Share Capital towards Bonus Shares issued	(300.00)	-
Add: Transfer out of current year profit	15,100.00	15,000.00
Amount outstanding at the end of the reporting period	<b>1,23,395.00</b>	<b>1,08,595.00</b>
(b) Corporate Social Responsibility and Sustainable Activities Fund:		
Amount outstanding at the beginning of the reporting period	275.00	-
Add: Transfer out of current year profit	530.10	325.00
Less: Pay out during the year	(80.00)	(50.00)
Amount outstanding at the end of the reporting period	<b>725.10</b>	<b>275.00</b>
(c) Surplus:		
Amount outstanding at the beginning of the reporting period	39.98	6.59
Add: Current year profit	20,509.87	20,049.88
Add: Corporate Social Responsibility Activities Expenditure	80.00	-
	20,629.85	20,056.47
Less:		
Transfer to General Reserve	(15,100.00)	(15,000.00)
Transfer to Corporate Social Responsibility and Sustainable Activities Reserve (Budgetary allocation for CSR and Sustainable Activities)	(530.10)	(325.00)
Proposed Dividend	(4,112.00)	(4,010.00)
Tax on distributed profit	(837.12)	(681.50)
Amount outstanding at the end of reporting period	<b>50.63</b>	<b>39.97</b>
	<b>1,24,170.73</b>	<b>1,08,909.97</b>
<b>C OTHER LONG TERM LIABILITIES:</b>		
(a) Other Trade Payables	14.90	103.45
(b) Others	76,791.52	89,745.19
	<b>76,806.42</b>	<b>89,848.64</b>
<b>D LONG TERM PROVISIONS:</b>		
(a) Provision for employee benefits		
(i) Provision for Gratuity	12.63	6.50
(ii) Provision for Leave Encashment	17.36	13.45
	<b>29.99</b>	<b>19.95</b>
<b>E OTHER CURRENT LIABILITIES:</b>		
(a) Income received in advance	22,869.49	21,955.46
(b) Advances from customers	8,782.77	8,579.07
(c) Statutory Liabilities	861.64	441.23
(d) Income Tax (assessed) payable	737.37	-
(e) Creditors for Expenses	1,163.61	125.81
(f) Creditors for Project Expenses	-	57.85
(g) Creditors for Other Liabilities	1,152.23	25,957.11
	<b>35,567.11</b>	<b>57,116.53</b>
<b>F SHORT TERM PROVISIONS</b>		
(a) Provision for Leave Encashment	1.50	1.42
(b) Provision for Gratuity	0.35	0.36
(c) Provision for Proposed Dividend	4,112.00	4,010.00
(d) Provision for Tax on Distributed Profit	837.13	681.50
	<b>4,950.98</b>	<b>4,693.28</b>



<b>G</b>	<b>TANGIBLE ASSETS:</b>		
	(i) (a) Building	1,297.86	1,236.14
	(b) Furniture and fixtures	189.14	209.09
	(c) Computer	14.81	15.60
	(d) Office Equipment	20.29	36.85
	(e) Networking Equipment	1.12	1.46
		<b>1,523.22</b>	<b>1,499.14</b>
	(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
<b>H</b>	<b>INTANGIBLE ASSETS:</b>		
	(i) (a) Computer software	4.21	10.05
	(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
<b>I</b>	<b>LONG TERM LOANS AND ADVANCES:</b>		
	(Unsecured-Considered good)		
	(a) Security Deposits	5,013.99	5,015.09
	(b) Advances to employees	0.26	0.26
	(c) Accrued interest on Advances to employees	0.13	0.11
	(d) Advances for Project Expenses	1.11	1,344.20
	(e) Taxes Refund Due	15,482.78	12,018.98
	(f) Taxes paid under protest	8,845.09	912.47
	(g) Advances to trade creditors	39,392.72	32,175.19
	(h) Advances for Expenses	5.30	5.41
		<b>68,741.38</b>	<b>51,471.71</b>
<b>J</b>	<b>CURRENT INVESTMENTS:</b>		
	Investments in Mutual Funds;		
	(At cost - Non-Trade - Unquoted)		
	LIC Nomura MF FMP Series 62-456d Direct Growth Plan (Invested in Pr Yr 1,65,83,722 units at ₹10/- each ; NAV as at Pr Yr end @ 10.8375 ₹17,97,26,087)	-	1,658.37
	LIC Nomura MF FMP Series 66-371d Direct Growth Plan (Invested in Pr Yr 2,00,00,000 units at ₹10/- each ; NAV as at Pr Yr end @ 10.5834 ₹21,16,68,000)	-	2,000.00
	SBI Debt Fund Series 25 - 366 Days -FMP (Invested in Pr Yr 2,20,81,400 units at ₹10 each ; NAV as at Pr Yr year end @ 10.8625 ₹23,98,59,207)	-	2,208.14
	LIC Nomura MF Liquid Fund-Direct-Growth Plan (Invested in Pr Yr 70,200.6402 units at ₹2211.1875/- each ; NAV as at Pr Yr end @ 2324.9326 ₹16,32,11,757)	-	1,552.27
	SBI Premier Liquid Fund-Direct Plan-Growth (Invested in Pr Yr 1,34,282.185 units at ₹2014.8907 each ; NAV as at Pr Yr end @ 2017.2625 ₹27,08,82,416)	-	2,705.64



K	UTI Liquid Cash Plan-Inst-Direct Plan-Growth (Invested in Pr Yr 2,23,308.440 units at ₹2100.9305 each; NAV as at Pr Yr end @ 2103.8304 ₹46,98,03,087)	-	4,691.56
	Aggregate amount of Unquoted, Non-trade Current Investment in Mutual Funds	-	14,815.98
	<b>TRADE RECEIVABLES:</b>		-
	(a) Trade Receivables outstanding for a period exceeding six months from the date they are due for payment		-
	(i) Secured - Considered Good	708.28	1,339.14
	(ii) Unsecured - Considered Good	24,838.54	17,149.50
	(iii) Considered doubtful	4,625.55	3,706.61
		<b>30,172.37</b>	<b>22,195.25</b>
	Less: Provision for Doubtful Debts	(4,625.55)	(3,706.61)
		<b>25,546.82</b>	<b>18,488.64</b>
L	(b) Other debts		
	(i) Secured - Considered Good	9,678.44	6,178.68
	(ii) Unsecured - Considered Good	31,921.89	37,067.83
		<b>41,600.33</b>	<b>43,246.51</b>
		<b>67,147.15</b>	<b>61,735.15</b>
	<b>CASH AND BANK BALANCES:</b>		
	<b>(i) CASH AND CASH EQUIVALENTS:</b>		
	(a) Balances with banks	9,843.68	9,294.18
	(b) Cash on hand	0.13	0.09
	(c) Imprest Cash with Employees	0.09	0.11
M	<b>(ii) OTHER BANK BALANCES:</b>		-
	(a) Bank deposits for more than 3 months but with 12 months or less maturity	1,17,000.00	79,780.00
	(b) Balance with a bank earmarked for Dividend Payment	0.05	0.06
	(c) Balance with a bank earmarked for CSR & SA	195.84	-
	(d) Bank deposits with more than 12 months maturity	3,700.00	23,501.00
	(e) Bank deposits with more than 12 months maturity held as security against Guarantee issued and in lieu of security deposit	3,589.16	1,281.96
		<b>1,34,328.95</b>	<b>1,13,857.40</b>
	<b>SHORT TERM LOANS AND ADVANCES:</b>		
	(Unsecured-Considered Good)		
	(a) Advances for Expenses	58.49	336.45
N	(b) Advances for Project Expenses	16,284.59	37,245.00
	(c) Other Recoverables	57.39	9.55
		<b>16,400.47</b>	<b>37,591.00</b>
	<b>OTHER CURRENT ASSETS</b>		
	(Unsecured-Considered Good)		
	(a) Accrued Interest on Deposits with banks	7,452.39	5,731.67
	(b) Input Service Tax	3,677.18	2,157.25
		<b>11,129.57</b>	<b>7,888.92</b>



## ANNEXURE TO NOTE - G - TANGIBLE ASSETS

[₹ in lakhs]

Sl No.	Particulars	GROSS BLOCK (COST)				DEPRECIATION [UNDER USEFUL LIFE (SLM)]						NET CARRYING VALUE (WDV)	
		As at 31.03.14	Additions	Disposal/ Discarded/ Adjustment	As at 31.03.15	Upto 31.03.14	For the year	For Pr year	Adjustment in Opening Retained Earning (ORE)	For Disposal/ Discarded/ Adjustment	Upto 31.03.15	As at 31.03.15	As at 31.03.14
1	Building	1,357.81	92.50	-	1,450.31	121.67	23.71	8.14	- (1.07)	-	152.45	1,297.86	1,236.15
2	Furniture and Fixures	346.35	10.72	58.67	298.39	137.26	24.86	-	1.09	53.96	109.25	189.14	209.09
3	Computers and Peripherals	81.77	16.91	22.31	76.37	66.17	16.14	-	0.80	21.56	61.55	14.82	15.60
4	Office Equipments	66.86	0.52	25.21	42.17	30.01	8.00	-	2.46	18.58	21.89	20.28	36.85
5	Networking Equipment	1.61	-	-	1.61	0.16	0.34	-	-	-	0.49	1.12	1.45
	<b>Total</b>	<b>1,854.40</b>	<b>120.65</b>	<b>106.19</b>	<b>1,868.85</b>	<b>355.27</b>	<b>73.05</b>	<b>8.14</b>	<b>3.28</b>	<b>94.10</b>	<b>345.63</b>	<b>1,523.22</b>	<b>1,499.14</b>
	Previous Years' Figures	1,770.78	87.22	3.59	1,854.41	229.62	128.78	-	-	3.13	355.27	1,499.14	1,541.16

Note: 1) There are no acquisitions through business combinations and impairment losses/reversals

2) 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.

3) Cost of Building includes the cost of Electrical (Allied and Composite), Air Conditioner items of ₹353.42 lakhs internally built into the Building and is being depreciated at rate applicable to Buildings.

4) Cost of Disposal/Discarded Adjustment of ₹106.19 lakhs includes Fixed Assets left back in ISRO HQ - ₹68.32 lakhs (WDV-₹61.72 lakhs);

Obsolete Fixed Assets - ₹3.30 lakhs (WDV-₹2.82 lakhs) and Fixed Asset not traceable - ₹11.76 lakhs (WDV-₹10.67 lakhs). Realisable value for obsolete Fixed Assets remaining as unsold scrap as on Balance Sheet date cannot be reasonably estimated.

## ANNEXURE TO NOTE - H - INTANGIBLE ASSETS

[₹ in lakhs]

Sl No.	Particulars	GROSS BLOCK (COST)				AMORTISATION UNDER ACCOUNTING STANDARD-AS 26 (STRAIGHT LINE METHOD)					NET CARRYING VALUE (WDV)		
		As at 31.03.14	Additions	Disposal/ Discarded/ Adjustment	As at 31.03.15	Upto 31.03.14	For the year	For Pr year	Adjustment In Opening Retained Earning (ORE)	For Disposal/ Discarded/ Adjustment	Upto 31.03.15	As at 31.03.15	As at 31.03.14
	Computer Software	26.25	5.64	18.41	13.49	16.20	4.61	-	-	11.53	9.28	4.21	10.05
	<b>Total</b>	<b>26.25</b>	<b>5.64</b>	<b>18.41</b>	<b>13.49</b>	<b>16.20</b>	<b>4.61</b>	<b>-</b>	<b>-</b>	<b>11.53</b>	<b>9.28</b>	<b>4.21</b>	<b>10.05</b>
	Previous Years' Figures	23.63	2.62	-	26.25	10.75	5.45	-	-	-	-	10.05	12.88

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 31.03.2015

(₹ in Lakhs)

Note No	Particulars	Unit	For the current reporting period ended 31.03.2015	For the previous reporting period ended 31.03.2014
1	<b>Revenue from Operations:</b>			
	(a) Sale of products:			
	(i) Exports		1,343.42	356.12
	Net gain/(loss) on foreign currency transaction and translation relating to Export		(3.35)	(25.80)
			<u>1,340.07</u>	<u>330.32</u>
	(ii) Inland Sales		<u>20,991.55</u>	<u>20,132.29</u>
	(b) Sale of services:			
	(i) Foreign Consultancy Services Receipts		210.16	117.25
	Net gain/(loss) on foreign currency transaction and translation relating to FCS		-	16.99
			<u>210.16</u>	<u>134.24</u>
	(ii) Inland Consultancy Services Receipts		<u>2,806.42</u>	<u>232.52</u>
	(c) Other operating revenues:			
	(1) Foreign Receipts:			
	(i) Access Fees and Royalty receipts		1,330.03	530.89
	Net gain/(loss) on foreign currency transaction and translation relating to AFR		9.59	46.55
			<u>1,339.62</u>	<u>577.44</u>
	(ii) Host Facility receipts		25,776.16	10,530.80
	Net gain/(loss) on foreign currency transaction and translation relating to HFR		2,108.19	(389.54)
			<u>27,884.35</u>	<u>10,141.26</u>
	(iii) Space Segment Capacity Charges receipts		10.05	119.34
	Net gain/(loss) on foreign currency transaction and translation relating to SSCC		0.14	0.66
			<u>10.19</u>	<u>120.00</u>
	(iv) Export Incentive		60.80	53.92
	(2) Inland Receipts:			
	(i) Space Segment Capacity Charges receipts		1,17,112.53	1,16,012.66
			<u>1,71,755.69</u>	<u>1,47,734.65</u>
2	<b>Other Income:</b>			
	(a) Interest Income			
	(i) On Deposits with Banks		11,523.51	9,747.04
	(ii) On Advances to employees		0.02	-
	(iii) On Trade Receivables		1,432.81	110.48
	(iv) On Prepaid Taxes		469.55	-
	(b) Net gain/(loss) on sale of investments			



	(i) Long Term Capital Gain on Mutual Fund Investments	536.02	656.00
	(ii) Short Term Capital Gain on Mutual Fund Investments	95.98	92.98
	(iii) Short Term Capital Loss on Mutual Fund Investments		(42.83)
	(c) Dividend receipts on Mutual Fund Investments	804.14	782.03
	(d) Net gain/(Loss) on foreign currency translation relating to outstanding Liabilities and Assets	(1,005.52)	(95.99)
	(e) Liability no longer required written back	16.22	43.54
	(f) Provision for Doubtful Debt No Longer Required W/B	432.59	-
	(g) Miscellaneous Income	9.99	24.30
		<u>14,315.31</u>	<u>11,317.55</u>
<b>3</b>	<b>Cost of Revenue from operation</b>		
	(a) Cost of Sales		
	(i) Cost of Exports	1,046.78	216.29
	(ii) Cost of Inland Sales	21,031.29	17,488.77
	(b) Cost of Services		
	(i) Cost of Foreign Consultancy Receipts	151.77	71.30
	(ii) Cost of Inland Consultancy Receipts	2,481.06	189.19
	(c) Cost of Other Revenues		
	For Foreign Receipts		
	(i) Cost of Access Fees and Royalty receipts	639.50	475.12
	(ii) Cost of Host Facility receipts	19,009.51	6,342.41
	(iii) Cost of Space Segment Capacity Charges receipts	8.54	101.43
	For Inland Receipts		
	(i) Cost of Space Segment Capacity Charges receipts	1,04,386.72	1,04,052.74
		<u>1,48,755.17</u>	<u>1,28,937.25</u>
<b>4</b>	<b>Employees benefits expenses</b>		
	Remuneration to CMD	19.56	18.58
	Remuneration to ED	9.31	16.32
	Directors sitting fees	2.41	0.39
	Salaries	41.66	42.10
	Contribution to Public Provident Fund	-	1.33
	Staff Welfare	13.54	12.35
	Leave Travel concession	2.87	4.00
	Leave Encashment paid	0.17	3.87
	Leave Encashment provision	3.99	-
	Gratuity Paid	-	3.39
	Gratuity Provision	6.12	-
	Establishment Expenses	236.97	188.50
	Personnel Training Expenses	0.05	-
		<u>336.65</u>	<u>290.83</u>

5	<b>Other Expenses:</b>			
	Travelling Expenses	61.94	28.78	
	Conveyance and Taxi Hire	25.60	23.25	
	Printing and Stationery	7.62	8.39	
	Communication Expenses	32.36	30.63	
	Legal fees and expenses	2,208.92	1,035.08	
	Professional fees	28.61	19.92	
	Rates and Taxes	0.71	0.03	
	Advertisement and Publicity	14.98	1.65	
	Membership and Subscription	3.49	2.83	
	Seminar, Conference and Meeting Expenses	11.06	11.94	
	Exhibition and Trade Fair	46.56	-	
	Loss on Sale of Fixed Assets	1.10	-	
	Fixed Assets Discarded	15.05	-	
	Lease Rent	0.10	0.10	
	Interest Receipts offered to tax in previous years reversed as per IT Assessment Orders made during the year	134.75	-	
	Interest on belated payment of Taxes	211.32	200.12	
	Bank Charges	12.25	10.40	
	Bank Guarantee and LC charges	26.75	1.11	
	Repairs and Maintenance - Others	16.44	12.98	
	Payment to Auditors:			
	- As Auditors	2.15	1.85	
	- For service Tax	0.27	0.23	
	- For Reimbursement of Expenses	0.23	0.12	
	Payment to Previous Year's Auditors:			
	- For Reimbursement of Expenses	0.46	-	
	Corporate Social Responsibility Activities Expenditure:			
	- Contribution to National Foundation of Communal Harmony under Ministry of Home Affairs	30.00	-	
	- Contribution to Jammu and Kashmir Chief Minister's Relief Fund for Flood Relief and Rehabilitation measure	50.00	-	
	Miscellaneous Expenses	102.39	17.60	
	Provision for Doubtful Debts	1,351.52	469.27	
		<b>4,396.63</b>	<b>1,876.28</b>	
6	<b>Prior period items</b>			
	<b>CREDITED TO PRIOR PERIOD ITEMS</b>			
	Space Segment Capacity Charges receipts	297.50	891.68	
	Inland Consultancy Receipts	-	6.72	
	Access Fee and Royalty Receipts	-	379.10	
	Export	-	91.18	
	Host Facility Receipts	-	4.18	
	Interest income on Deposits with Banks	-	1.39	



	Cost of Export reversed	-	2.53
	Cost of Space Segment Charges reversed	10.16	681.42
	Cost of Inland Consultancy Receipts reversed	-	2.47
	Cost of Access Fee and Royalty Receipts reversed	-	105.05
	Cost of Host Facility Receipts reversed	29.59	4.49
	Interest income on trade receivables	-	51.64
	Staff welfare (recovery of Excess contribution to PLI)	-	0.03
		<u>337.25</u>	<u>2,221.88</u>
	<b>DEBITED TO PRIOR PERIOD ITEMS</b>		
	Space Segment Capacity Charges Receipts accounted in earlier years reversed	-	250.38
	Access Fee Receipts accounted in earlier years reversed	264.20	-
	Exports accounted in earlier years reversed	-	1.82
	Host Facility Receipts accounted in earlier years reversed	-	0.30
	Cost of Export	-	1.24
	Cost of Space Segment charges Receipts	-	84.78
	Cost of Host Facility Receipt	2.09	0.13
	Cost of Access Fee Receipt	5.06	-
	Cost of Inland Consultancy Receipt	-	39.40
	Cost of Foreign Consultancy Receipt	-	3.93
	Traveling Expenses	2.62	2.81
	Bank Guarantee Commission	-	0.40
	Legal charges	2.50	-
	Communication Expenses	-	0.01
	Service Tax on launch optional service	12.05	-
	Repairs and Maintenance - Others	-	3.70
	Interest on belated payment on service tax	-	0.92
	Loss on sale of Fixed Assets	2.24	-
	Membership and Subscription	-	3.19
	Miscellaneous (General) Expenses	-	0.12
	Establishment Expenses (Security Charges)	-	0.06
	Printing and Stationery	-	0.66
	Conveyance and Taxi Hire	-	6.72
	Year end currency translation-Assets and Liabilities	-	1.29
		<u>290.76</u>	<u>401.86</u>
	<b>Net Credit</b>	<u>46.49</u>	<u>1,820.02</u>
7	<b>Tax Expenses:</b>		
	(i) Deferred Tax		
	Deferred Tax originating during the year (Savings)	319.23	163.43
	Deferred Tax reversing during the year (Expenses/savings)	(2,744.39)	50.32
		<u>(2,425.16)</u>	<u>213.75</u>



**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 values of Revenue from Operations.

**3) Expenditure:**

Cost of Export, Foreign (Other) Receipts, Inland Sales and Inland (Other) Receipts payable to DOS/ISRO are accounted for, 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-AS6:**

Fixed Assets, except Intangible Assets are depreciated over the useful life of the asset as per Schedule II to the Companies Act, 2013. The residual value of the Assets costing below ₹ Five Thousand is 0% of the original cost of the asset and for all other assets the residual value is 1% of the original cost of the asset.

**6) Intangible Assets- Amortization 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 licence/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 year end are translated at year end applicable exchange rates or at which they are settled subsequently and the variances are recognized in the Statement of Profit and Loss except for debts outstanding in foreign currency considered as doubtful which are stated at the exchange rate when they are considered as doubtful.

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

Income or Expenditure 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 are recognized as Prior Period Items only when such item of income or expenditure exceeds Rupees Two lakhs in each transaction.

**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 Schedule III to the Companies Act, 2013. 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.



	As at 31.03.2015	As at 31.03.2014
<b>1 CONTINGENT LIABILITIES AND COMMITMENTS:</b> (to the extent not provided for)		
<b>I) Contingent Liability:</b>		
(a) Claims against the company not acknowledged as debt on account of :-		
(i) Karnataka Value Added Tax and Central Sales Tax including interest and penalty up to the date of demands. Against these demands, (applicable for both current and previous reporting periods) a sum of ₹ 912.47 lakhs paid under protest and deposited a sum of ₹ 5,000.00 lakhs as per the directions of the Hon'ble Supreme Court of India in its Interim Order dated 12.03.2010.	37,321.41	37,321.41
(ii) Service Tax including interest and penalty upto the date of demands. Against these demands, a sum of ₹ 1,740.96 lakhs (previous reporting period - Nil) was paid under protest.	5,626.01	106.00
(iii) Liquidated damages	2,189.00	2,189.00
(b) Guarantees:	Company has not issued any Guarantee to another person on behalf of third party to result in contingent liability	No Guarantee has been issued by the Company to result in contingent liability
(c) Other money for which the Company is contingently liable:		
1. Against the Show Cause Notices:		
(i) Service Tax (against this, a sum of ₹ 5,670.13 lakhs was paid under protest)	5,964.16	NIL
(ii) Interest and penalty on Service Tax upto the date of payment of disputed Service Tax Under Protest	15,316.77	NIL
2. Interest on voluntary payment of Service Tax under protest from due date until date of payment of tax	43.24	NIL
<b>II) Commitments:</b>		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for;	NIL	NIL
(b) Other commitments (contractual commitments for sales and service)	1,14,401.62	1,60,985.75
<b>2</b> (i) The amount of Dividend proposed to be distributed to Equity Shareholders for the period :	4,112.00	4,010.00
(ii) Related amount per Share :	0.01	0.04
<b>3</b> 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 realization 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 realization 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	Applied to Ministry of Corporate Affairs, Govt. of India, for exemption of disclosure	Disclosure is exempted vide Order No.F.46/4/2014-CL-III dated 01.10.2014 issued by Ministry of Corporate Affairs, Govt of India
	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;	-do-	-do-
	c) Expenditure in foreign currency during the financial year on account of royalty, know-how, professional and consultation fees, interest, and other matters;	-do-	-do-
	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.	-Not Applicable-	-Not Applicable-
	f) Earnings in foreign exchange classified under the following heads, namely:- i. Export of goods calculated on F.O.B. basis;	Applied to Ministry of Corporate Affairs, Govt. of India, for exemption of disclosure	Disclosure is exempted vide Order No.F.46/4/2014-CL-III dated 01.10.2014 issued by Ministry of Corporate Affairs, Govt of India
	ii. Royalty, know-how, professional and consultation fees;	-do-	-do-
	iii. Interest and dividend;	-NIL-	-NIL-
	iv. Other income, indicating the nature thereof	-NIL-	-NIL-

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

Particulars	Year End Currency Translation (₹ in Lakhs)	Dr / Cr	Profit and Loss Statement
Banks EEFC Current Accounts and Assets and Liabilities	1,005.52	Dr.	Debited to Other Income
	(95.99)	Dr.	(Debited to Other Income)

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

6. Bank Deposits with more than 12 months maturity includes a Fixed Deposit with Canara Bank for a sum of ₹ 0.37 Lakhs (Previous year ₹ 0.34 Lakhs) under lien with "Assistant Commissioner of Commercial Taxes, District - "V" Circle, Bangalore" in lieu of security Deposit.
7. Against the Bank Guarantees issued by State Bank of India on behalf of the company for Euro 13,00,000, USD 90,000 & Euro 26,00,000 in aggregate equivalent to ₹ 2,725.13 Lakhs (Previous year USD 90,000 & Euro 13,00,000 equivalent to ₹ 1,139.41 Lakhs), the Company has pledged a fixed deposit for ₹ 3,588.79 Lakhs with them (Previous Year - ₹ 1,281.63 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.



## 8. Details of Disputes:

- (i) 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 lakhs with Karnataka Commercial Tax Department. The Company has also paid KVAT amounting to ₹ 250 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.
- (ii) 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.
- (iii) The Commissioner Service Tax, Large Tax Payer Unit, Bangalore has levied a Service Tax demand amounting to ₹ 53.00 lakhs under the category of Erection, Commissioning and Installation and a penalty of ₹ 53.01 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 ₹ 53.00 lakhs along with interest and penalty of ₹ 53.01 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. However, the Company has paid the disputed Service tax amount of ₹ 53 lakhs "Under Protest" to the Service Tax Department to avoid further interest in case of unfavourable Order by CESTAT.
- (iv) The Commissioner, Service Tax, Large Tax Payer Unit, Bangalore has levied a Service Tax demand on Space segment capacity charges paid to foreign satellite service providers under Reverse Charge Mechanism during the period from 18/04/2006 to 31/05/2007 under "Telegraph Services" and from 01/06/2007 to 15/05/2008 under "Telecommunication Services" amounting to ₹ 1687.95 lakhs against which the Company remitted the Service Tax amount of ₹ 1687.95 lakhs "Under Protest" and filed an Appeal before CESTAT, Bangalore and the proceedings are ongoing.
- (v) The Service tax Department have issued Show Cause Notices for payment of Service Tax, Interest and penalty on Space Segment charges and launch services amounting to ₹ 20,419.93 lakhs against which the Company has submitted its responses, attended hearings and the Order is awaited. However, the Company has remitted Service Tax portion of ₹ 5436.83 lakhs "Under Protest" to the Service Tax Department to avoid further interest.



- (vi) The Service tax Department have issued Show Cause Notices for payment of Service tax, Interest and penalty on Space segment charges, Access fee under Telegraph and telecommunication amounting to ₹ 861.00 lakhs against which the Company has submitted its responses and hearing and Order is pending. However, the Company has remitted Service Tax portion of ₹ 233.31 lakhs "Under Protest" to the Service Tax Department to avoid further interest, if any.
- (vii) The Central Government acting in its sovereign capacity made a policy decision not to provide orbital slot in S band to the Company for commercial activities. Based on the direction of Central Government, the agreement with M/s Devas Multimedia Private Limited (Devas) was terminated. Devas initiated arbitration proceedings before the International Chamber of Commerce (ICC), Paris and filed a claim for an amount of ₹ 7,00,480.00 lakhs (Equivalent to US\$ 1.60 billion @ Contracted forex rate of ₹ 43.78; which includes Liquidated damage of ₹ 2,189 lakhs as disclosed in 1 (I) (a)(iii) above), as damages. The ICC hearing on jurisdiction, liability and merits was held at London during the period from December 15 to 19, 2014. As directed by the Tribunal, both parties have filed their post hearing briefs on February 16, 2015 and March 23, 2015. The ICC have now granted time upto September 30, 2015 to the Tribunal for rendering the award. The award of the Tribunal is awaited. 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 Oct 09, 2015.
9. The Company disputes the view of Service Tax Authorities to levy Service Tax on launch services provided to foreign satellites. However, the Company has voluntarily paid the Service Tax amounting to ₹ 2,209.48 Lakhs "Under Protest" for the period from 01-10-2014 to 31-03-2015. However, interest thereon amounting to ₹ 43.24 Lakhs up to the date of payment of the said Service Tax is not paid.
10. The interest and penalty on taxes as per demand are included in contingent liability amounts. The interest and penalty on taxes until date of disputed taxes paid under protest are also furnished as contingent liability. However, contingent liability furnished does not include accrual of further interest from the date of demand or payment of taxes under dispute, as the case may be, which cannot be reasonably estimated, since it will not form part of Obligation and also economic out flow is remote until the dispute is resolved by the appropriate Authority or Hon'ble Courts.
11. As the Company has applied for exemption from the Ministry of Corporate Affairs, Government of India, from disclosure of each class of goods with quantities and corresponding values under section 129 of Companies Act, 2013 and in view of the sensitive nature of the products and the area of operation, the information required under Accounting Standard 17-Segment Reporting, has not been furnished for the current and previous financial years.
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

##### (i) Assets and Liability (Balance Sheet Position)

Particulars	Figures as at the end of current reporting period 31.03.2015 (₹ in Lakhs)	Figures as at the end of previous reporting period 31.03.2014 (₹ in Lakhs)
Present Value of Obligation	12.98	6.86
Fair Value of Plan Assets	-	-
Unrecognized Past service Cost	-	-
Effects of Asset Ceiling	-	-
Net Asset / (Liability)	(12.98)	(6.86)



(ii) Expenses recognized in the statement of Profit and Loss (₹ in lakhs)

Expenses recognized in the statement of Profit and Loss	6.12	0.72
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(iii) Experience adjustments on Present Value of Obligation and Plan Assets

(Gain)/Loss on Plan Liabilities (₹ in Lakhs)	1.51	0.26
% of Opening Plan Liabilities	22.0%	2.8%
(Gain)/Loss on Plan Assets	0	0
% of Opening Plan Assets	0	0
The Company's best estimate of Contribution during the next year		Nil

(iv) The benefit Valued

The benefit valued are summarised below :

Type of Plan	Defined benefit	
Employer's Contribution	100%	
Employee's Contribution	Nil	
Salary for calculation of Gratuity (Or monthly Emoluments)	Last drawn basic salary + D.A.	
Gratuity Service	Completed six months period of qualifying service	
Normal retirement Age	60 years	
Vesting Period	5 years	
Benefit on normal retirement	One-fourth of emoluments for each completed six monthly period of qualifying service	
Benefit on early retirement/termination/resignation/withdrawal	Same as on normal retirement	
Benefit on death in service	Length of Service	Benefit payable to life
	Less than 1 year	2 times of monthly emoluments
	1 year and more but less than 5 years	6 times of monthly emoluments
	5 years or more, but less than 20 years	12 times of monthly emoluments
	20 years and more	Half of monthly emoluments for every completed six monthly period of qualifying service
Limit on benefit in case of Normal Retirement and withdrawal	Maximum of 16.5 times of monthly emoluments or ₹ 10.00 Lakhs whichever is less	
Limit on benefit in case of death	Maximum of 33 times of monthly emoluments or ₹ 10.00 Lakhs whichever is less	
Analysis of Defined Benefit Obligation arising from plan that are wholly unfunded/ wholly funded/ partly funded	NA (since type of plan is defined benefit)	

(v) Financial Assumptions

The principal financial assumptions used in the valuation are shown in the table below :

Discount rate (per annum)	7.80%	9.30%
Salary growth rate (per annum)	11% for first four years and 7% thereafter	11% for first four years and 7% thereafter
Expected rate of return on plan assets (per annum)	0	0



**(vi) Demographic Assumptions**

Mortality Rate (as % of IALM 06-08)	100%	100%
Withdrawal rates, based on age: (per annum)		
Up to 30 years	5%	5%
31 to 40 years	3%	3%
Above 40 years	2%	2%
Effect of an increase and decrease of one percentage point in the assumed medical cost trend rates		NA

**(vii) Summary of Membership Status**

Number of Employees	7	6
Total monthly salary (₹ in Lakhs)	2.82	2.27
Average past service (years)	7.14	7.17
Average age (years)	37.86	35.00
Average remaining working life (years)	22.14	NA
Number of completed years valued	50	NA

**(viii) Changes in the Present Value in Obligation (₹ in Lakhs)**

Present Value of Obligation as at the beginning	6.86	9.53
Interest cost	0.64	0.82
Current service Cost	1.12	0.80
Benefit Paid	0	(3.39)
Actuarial (Gain)/Loss on the Obligation	4.36	(0.90)
Present Value of Obligation as at the End	12.98	6.86

**(ix) Changes in the fair value of Plan Assets**

Fair Value of Plan Assets as at the beginning	-	-
Fair Value of Plan Assets as at the end	-	-

**(x) Fair value of Plan Assets**

Fair Value of Plan Assets as at the beginning	-	-
Fair Value of Plan Assets as at the end	-	-
Amount included in the fair value of plan assets for each category and any property occupied by, or other assets		NIL

**(xi) Expenses recognised in the Profit and Loss Account (₹ in Lakhs)**

Current Service cost	1.12	0.80
Interest cost	0.64	0.82
Net Actuarial (Gain) / Loss recognised in the period	4.36	(0.90)
Expenses recognised in the statement of Profit and Loss	6.12	0.72

**(xii) Amount for the Current period (₹ in Lakhs)**

Actuarial (Gain)/Loss for the period-Present Value of Obligation	4.36	(0.90)
% of Opening Present Value of Obligation	63.5%	- 9.5%
Actuarial (Gain)/Loss for the period-Fair Value of Plan Assets	-	-
% of Opening Fair Value of Plan Assets	-	-
Total Actuarial (Gain)/Loss for the period	4.36	(0.90)
Actuarial (Gain)/Loss recognised in the period	4.36	(0.90)
Experience Adjustment on Present value of Obligation-Loss/ (gain)	1.51	0.26



(xiii) Movement in the Liability recognised in the Balance Sheet (₹ in Lakhs)

Present Value of Obligation as at the beginning	6.86	9.53
Expenses recognised in statement of Profit and Loss	6.12	0.72
Benefit Paid	0	(3.39)
Actual returns on Plan assets	0	0
Present Value of Obligation as at the end	12.98	6.86

(xiv) Major categories of Plan Assets (as percentage of Total Plan Assets)-Nil

Investment/Securities	-	-
Total	-	-

(xv) Bifurcation of Present value of Obligation at the end of the year as per Schedule III of the Companies Act, 2013 (₹ in Lakhs)

Current Liability(Short Term)	0.35	0.36
Non-Current Liability(Long Term)	12.63	6.50
Total	12.98	6.86

(xvi) Statement of Profit and Loss related terms

**Expenses:** It is the amount recognized in the Statement of Profit and Loss, calculated as net total of current service cost, interest cost, expected return of assets, actuarial gains/losses, past service cost (if any) and the effects if curtailment or settlements (if any). It can also be calculated as a change in the Present Value of Obligation during the period plus the benefits paid less actual return on plan assets.

**Interest cost:** It is the increase during the period in the present value of the defined benefit obligation which arises because the benefits are one period closer to settlement.

**Current service cost:** It is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.

**Past service cost:** It is the changes in the present value of obligation for employee service in the prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits.

**Actuarial Gain/ Loss:** It comprises of the following two components:

- Experience Adjustments: The effect of differences between the previous actuarial assumptions and what was actually occurred.
- The effect of changes on actuarial assumptions.

**Curtailment Cost:** It is the cost that arises due to an event that significantly reduces the expected years of future service of present employees or eliminates for a significant number of employees the accrual of defined benefits of some or all of their future services.

**Settlement Cost:** It is the cost that arises due to an event where an enterprise enters into a transaction that eliminates all further obligations for part or all of the benefits provided under a defined benefit plan.

**Expected Rate of return:** The expected return on assets over the accounting period, based on an assured rate of return. The same is determined by considering the yield earned in past as well as current prevailing yield.

**Actual Rate of Return:** The return earned by the accumulated fund assets in a year due to interest, dividends, and realized and unrealized changes in fair market value of plan assets.

(xvii) Windup Liability/ Discontinuance Liability:

Particulars	Figures as at the end of current reporting period 31.03.2015 (₹ in Lakhs)
Discontinuance Liability *	11.68



Present value of Obligation	12.98
Ratio (Present Value of Obligation /Discontinuance Liability)	111%

\***Discontinuance Liability** is the amount that would be payable to the employees if all the obligations were to be settled immediately. It has been calculated ignoring the vesting criteria.

#### 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. Details of Corporate Social Responsibility and Sustainable Activities:-

(a) Gross amount required to be spent by the Company during the year ₹ 530.10 Lakhs (Previous year ₹ 325.00 Lakhs)

(b) Amount spent during the year on (₹ in Lakhs):

SI No.	Particulars	Opening Balance	Provision	Amount Spent	Closing Balance
(i)	Construction/acquisition of any asset	Nil	Nil	Nil	Nil
(ii)	On purposes other than (i) above:-				
	2013-14	Nil	325.00	50.00	275.00
	2014-15	275.00	530.10	80.00	725.10

(c) Details of related party transactions in relation to CSR expenditure as per Accounting Standard (AS) 18, Related Party Disclosures - Nil (Previous year Nil).

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

		As on 31st March 2015 (₹ in Lakhs)	As on 31st March 2014 (₹ in Lakhs)
	<b>DEFERRED TAX ASSETS:</b>		
(i)	Provision for Doubtful Debts	1,600.90	1,259.87
(ii)	Provision for Gratuity	4.49	2.33
(iii)	Provision for Leave Encashment	6.53	5.05
(iv)	Accumulated Depreciation	0	5.54
	<b>Total</b>	<b>1,611.92</b>	<b>1,272.79</b>
	<b>DEFERRED TAX LIABILITIES:</b>		
(i)	Accumulated Depreciation	18.80	-
(ii)	Service Tax paid under protest during the year not debited in the Statement of Profit and Loss but claimed as deduction in the Income Tax computation statement under Section 43 B in the year of payment	2,745.47	-
	<b>Total</b>	<b>2,764.27</b>	<b>-</b>
	<b>Net Deferred Tax Liabilities / Assets</b>	<b>1,152.35</b>	<b>1,272.79</b>

#### 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 rates used	5 years from the year during which the Computer software is available for use
(d)	Amortisation methods used	Straight Line Method
(e)	Gross carrying amount	₹ 13.49 Lakhs (Previous year ₹ 26.25 Lakhs)
(f)	Accumulated amortization	₹ 9.28 Lakhs (Previous year ₹ 16.21 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 ₹ 5.64 Lakhs (Previous year ₹ 2.62 Lakhs). There is no software internally developed or through Amalgamation
(j)	Retirements and disposals	Cost ₹ 18.41 Lakhs and corresponding amortized amount ₹ 11.53 Lakhs
(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 recognized during the period	₹ 4.61 Lakhs (Previous year ₹ 5.45 Lakhs)
(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 (upto 10<sup>th</sup> July 2014) and Shri V Raghu Venkataraman, Executive Director (Operations) (from 30<sup>th</sup> January 2015) 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 Indian Space Research Organisation (ISRO).

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

Nature of Payment	FY 2014-15 (₹ in Lakhs)	FY 2013-14 (₹ in Lakhs)
Remuneration (Salary)	19.56	18.58
Telephone	0.77	0.56
Medical reimbursement	0.20	0.13
Leave Travel Concession	-	0.40
Conveyance	3.74	-
<b>Total</b>	<b>24.27</b>	<b>19.67</b>

(b) Shri S Parameswaran, Executive Director (upto 10th July 2014):

Nature of Payment	FY 2014-15 (₹ in Lakhs)	FY 2013-14 (₹ in Lakhs)
Remuneration (Salary)	7.89	16.32
Medical reimbursement	-	0.22
<b>Total</b>	<b>7.89</b>	<b>16.54</b>

(c) Shri V Raghu Venkataraman, Executive Director (Operations) (from 30th January 2015):

Nature of Payment	FY 2014-15 (₹ in Lakhs)	FY 2013-14 (₹ in Lakhs)
Remuneration (Salary)	1.42	-
Medical reimbursement	0.02	-
<b>Total</b>	<b>1.44</b>	<b>-</b>

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. Depreciation has been charged off during the year under useful life Straight Line Method as per Schedule II to the Companies Act 2013 as under:-



- (i) Assets costing less than ₹ 0.05 Lakhs, where the useful life has already completed before April 1<sup>st</sup> 2014, no effect on depreciation since the residual value and the carrying amount is zero.
- (ii) Assets costing more than ₹ 0.05 Lakhs, where the useful life has already completed before April 1<sup>st</sup> 2014 and the carrying amount is more than the residual value, the difference is considered as depreciation and debited to Statement of Profit & Loss.
- (iii) Assets costing more than ₹ 0.05 Lakhs, where the useful life has already completed before April 1<sup>st</sup> 2014 and the carrying amount is less than the residual value, the difference is reversed from the Retained earnings through the Statement of Profit & Loss.
- (iv) For all Assets where balance useful life exists as on April 1<sup>st</sup> 2014, the net carrying amount after retaining residual value is depreciated over remaining period of useful life.
20. Note-C (b) to the Balance Sheet (Other Long term Liabilities) includes a net advance from a Strategic customer for a Project amounting to ₹ 29,107.86 Lakhs after netting off the Central Sales Tax and Service tax re-imbursement due amounting to ₹ 5,492.14 Lakhs.
21. Other Commitments under P - Other Note no.1(II)(b) is net commitment for ₹ 1,14,401.62 Lakhs (Previous year – ₹ 1,60,985.75 Lakhs) as against gross contract value for supply and service for ₹ 2,27,231.35 Lakhs (Previous year ₹ 2,52,660.67 Lakhs) being executed and advance received from customer against these contract is ₹ 35,077.57 Lakhs (Previous year ₹ 1,52,244.84 Lakhs).
22. Export incentives of ₹ 60.47 Lakhs (Previous year ₹ 53.92 Lakhs) under Other Operating Revenue –Foreign Receipts is received from a customer for satisfactory performance of Hylas satellite exported to them.
23. The Company has requested confirmation of balance as on 31<sup>st</sup> March 2015 from all customers, except the customers with whom the contracts are closed and responses / confirmations were received only from very few customers. Reconciliation of customer accounts with differences is in progress.
24. The Company has not received confirmation from Department of Space, Government of India for completing the reconciliation of DOS/ISRO-Antrix accounts pertaining to INSAT/GSAT transponder leasing for the period from 2003-04 to 2014-15. In the opinion of the Management such non-confirmation and non-reconciliation does not have any impact on the Profit for the year.
25. The status of Income Tax refund dues for various Assessment years furnished under *Non-current assets-Long Term Loans and Advances-Taxes refund due*, for which Assessment Orders received during the year are detailed below (₹ in Lakhs) :-

FY	IT Refund as per Books	IT Demand as per Order	IT Refund received as per Order	Status
2007-08	1,280.15	34.32	-	Recovered against Refund for FY-2011-12 but filed Rectification application u/s 154. Also petition u/s 119(2)(b) is pending before CBDT
2008-09	1,727.33	703.06	-	Recovered against Refund for FY-2011-12 but filed Rectification application u/s 154
2009-10	440.75	24.98	-	Company filed Rectification application u/s 154
2010-11	9.14	-	-	Refund short received to the extent of ₹ 9.14 lakhs
2011-12	3,084.28	-	3,078.11	Refund received on 01.05.2015

The Income Tax refund due is accounted based on the TDS certificates and payment advices/ information received from the customers and outstanding in the books of Account against TDS claimed in the Income Tax Returns (ITR). Rectification application u/s 154 of the Income Tax Act, 1961 have been filed before the



Assessing Officer and reconciliation between the refund due as per books and as per the amount admitted by IT Department as detailed in the above table on account of TDS made by others is under progress. Suitable accounting treatment shall be given in the books of accounts on completion of the reconciliation and receipt of Order against Section 154 application. The Management is of the opinion that there is no effect of such pending reconciliation on the Statement of Profit and Loss.

26. Rupees 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.

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**As per our report attached**

**For B.V. Rao & Co**  
Chartered Accountants  
Firm Reg No.003118S

**For and on behalf of the Board**

Sd/-  
**(B V Rao)**  
Partner  
ICAI Membership No.19138

Sd/-  
**(V Raghu Venkataraman)**  
Executive Director (Operations)

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

Place : Bangalore  
Date : 17-07-2015

Place : Bangalore  
Date : 17-07-2015



# CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2015 (Under Indirect Method)

(₹ in Lakhs)

PARTICULARS	For the current reporting period ended 31.03.2015		For the previous reporting period ended 31.03.2014	
Cash flow from operating activities :				
Net Profit before taxation	-	32,539.95	-	29,637.25
Adjustment (Add) for :				
Depreciation and amortisation expenses	89.08	-	134.23	-
Provision for Gratuity	6.12	-	-	-
Provision for Leave Encashment	3.99	-	-	-
Corporate Social Responsibility Expenses	80.00	-	-	-
Provision for Doubtful Debts	1,351.52	-	469.27	-
Foreign currency translation	1,005.52	-	(95.99)	-
Loss on sale of Fixed assets	1.10	-	0.16	-
Fixed Assets discarded	15.05	2,552.38	-	507.67
	-	35,092.33	-	30,144.92
Adjustment: Add/(less) for :				
Extraordinary Item	-	-	(3.62)	-
Provision for Doubtful Debts no longer required wib	432.59	-	-	-
Liability no longer required written back	16.22	-	(43.55)	-
Interest Receipt from Bank	11,523.51	-	(9,747.04)	-
Capital gain from MF	632.00	-	(706.15)	-
Dividend Receipts from MF	804.14	13,408.46	(782.03)	(11,282.39)
Operating Profit before working capital changes	-	48,500.79	-	18,862.53
Increase in Trades payables	26,655.03	-	4,667.23	-
CSR Fund expended	80.00	-	-	-
Decrease in Liabilities and Provisions	(33,836.45)	-	(15.25)	-
Increase in Trades Receivables	(6,330.92)	-	(3,885.67)	-
Decrease in Loans, Advances and other current Assets	3,673.83	-	-	-
Increase in Loans, Advances and other current Assets	-	(9,758.51)	(8,857.38)	(8,091.07)
Cash generated from operations	-	38,742.28	-	10,771.46
Income tax Paid	-	(72.30)	-	(64.26)
Tax Deducted at Source by others	-	(11,613.70)	-	(11,436.95)
Net cash from operating activities	-	27,056.28	-	(729.75)
Cash flow from investing activities:				
Purchase of Fixed Assets	(126.28)	-	(89.84)	-
Proceeds from sale of Fixed Assets	0.58	-	0.30	-
Foreign currency Translation Variance	(1,005.52)	-	95.99	-
Interest Receipt from Bank	11,523.51	-	9,747.04	-
Capital gain from MF	632.00	-	706.15	-
Dividend Receipts from MF	804.14	-	782.03	-

Decrease in Investments	14,815.97	-	4,571.25	-
Increase in Accrued interest on Bank FD	(1,720.72)	-	-	-
Decrease in Accrued interest on Bank FD	-	-	128.78	-
<b>Net cash from investing activities</b>	-	<b>24,923.68</b>	-	<b>15,941.70</b>
<b>Cash flow from financing activities:</b>				
Dividend Paid	(4,010.00)		(3,542.00)	-
Dividend Distribution Tax Paid	(681.50)		(601.96)	-
<b>Net cash used in financing activities</b>	-	<b>(4,691.50)</b>	-	<b>(4,143.96)</b>
<b>Net increase in cash and Bank Balances</b>	-	<b>47,288.46</b>	-	<b>11,067.99</b>
Cash and Bank Balances at the beginning of the year	-	1,13,857.41	-	1,02,789.42
Cash and Bank Balances at the end of the year	-	<b>1,61,145.87</b>	-	<b>1,13,857.41</b>

**Note:**

1. Details of related party transactions in relation to CSR expenditure as per Accounting Standard (AS) 18, Related Party Disclosures are Nil.
2. Out of provision for CSR Fund of ₹530.10 lakhs an amount of ₹80 lakhs was spent during the year towards CSR activities, other than construction and acquisition of Assets, and the accumulated unspent balance amounting to ₹725.10 as on year end is carried forward.

As per our report attached hereto  
**For B.V. Rao & Co**  
Chartered Accountants  
Firm Reg No.003118S

**For and on behalf of the Board**

Sd/-  
**(B V Rao)**  
Partner  
ICAI Membership No.19138

Sd/-  
**(V Raghu Venkataraman)**  
Executive Director (Operations)

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

Place : Bangalore  
Date : 17-07-2015

Place : Bangalore  
Date : 17-07-2015





**ANTRIX CORPORATION LIMITED**

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