

# ANNUAL REPORT 2015-16



ANTRIX CORPORATION LIMITED

[www.antrix.gov.in](http://www.antrix.gov.in)

## **BOARD OF DIRECTORS**

Shri Rakesh Sasibhushan (from 01 June 2016)  
Dr. V.S. Hegde (upto 31 May 2016)  
Dr. V.K. Dadhwal (upto 04 June 2016)  
Shri A. Vijay Anand  
Dr. M. Annadurai  
Dr. Y.V.N. Krishnamurthy  
Shri C.M. Sane  
Shri Arun Balakrishnan (upto 09 June 2016)  
Shri Y.S. Mayya (upto 27 June 2016)  
Prof. Devang V. Khakhar (upto 09 June 2016)  
Shri V. Raghu Venkataraman (upto 12 September 2016)

## **MANAGEMENT TEAM**

Chairman-cum-Managing Director

Executive Director (Operations) & Director, (RSDS)

Executive Director (Operations)

Director (Technology & Services)

Director (Launch Services & Missions)

Director, Business Development (Spacecraft Subsystems)

Director (Corporate Social Responsibility)

Director (Remote Sensing and Data Services)

Sr. Head, Accounts & IFA

Shri Rakesh Sasibhushan (from 01 June 2016)  
Dr. V.S. Hegde (upto 31 May 2016)  
Shri V. Raghu Venkataraman (upto 12 September 2016)  
Smt. T.S.Shoba (from 14 September 2016)  
Smt. T.S. Shoba  
Shri D. Radhakrishnan  
Shri Samir Pal  
Dr. B.K. Ranganath (upto 31 May 2016)  
Shri A. Arunachalam (from 02 August 2016)  
Shri G. Alagesan

## **STATUTORY AUDITORS**

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

## **BANKERS**

1. Canara Bank  
RMV Extn. Branch  
Bangalore 560 080
2. State Bank of India  
Dollar Colony Branch  
Bangalore 560 054
3. State Bank of India  
Overseas Branch  
St. Marks Road  
Bangalore 560 001

## **REGISTERED OFFICE**

Antariksh Bhavan  
Near New BEL Road  
Bangalore 560 094



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## DIRECTORS' REPORT

Your Directors have extreme pleasure in presenting the Twenty-Fourth Annual Report together with the Audited Statement of Accounts, Auditors' Report and Comments of the Comptroller and Auditor General of India (CAG) for the year ended 31 March 2016.

### PERFORMANCE HIGHLIGHTS

The Company's performance during the year under review has been quite encouraging with an upward trend as compared to earlier years. During the year, the Company's turnover increased from ₹1860.71 Crores (during the previous year) to ₹1923.63 Crores. The Profit after Tax is ₹209.13 Crores as compared to ₹205.10 Crores during the previous year. 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 DTH industry in India has been constantly evolving and is expected to record higher revenues, particularly in the context of pan-India digitization. The rapidly growing demand for VSAT services mainly from Government and public sector enterprises have also been fueling the growth of satellite communication capacity in the country. Apart from this, transponder bandwidth for remote connectivity and cellular backhauling operations are gaining momentum, thereby further boosting the demand for transponders. With the launch of GSAT 15 communication satellite, the in-orbit capacity has increased by 24 additional transponders in C / Ku band. During the year 2015-16, your company has provisioned over 45 transponders to Indian users. With these allocations, cumulatively, over 151 transponders in the INSAT/GSAT system and 98 transponders leased from foreign satellite operators 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 operations 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 NBN-1A and SES-9 satellites using the 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, PSLV-C29/TeLEOS-1 Mission for ST Electronics, Singapore was successfully launched on 16 December 2015 along with 5 co-passenger satellites from Singapore. In addition, in the PSLV-C30/ASTROSAT mission during September 2015, 6 international customer satellites were successfully launched as co-passengers. With this, till March 2016, a total of 57 international customer satellites, from 21 countries have been successfully launched on-board PSLV.

### 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 requirements of international customers. Special efforts were made to promote sales of IRS Cartosat-1 archived data for generation of value added elevation products. The data reception and processing facilities for IRS Oceansat-2 were made operational during the year at Neustrelitz, Germany as part of the agreement with GAF AG, Germany. Direct reception and processing operations were continued during the year for (a) IRS Cartosat-1 at NGO, Iran and CRIES, Algeria, (b) IRS RISAT-1 for KSAT, Norway and (c) IRS Resourcesat-2 for GAF, AG, Germany.

### BENGALURU SPACE EXPO (BSX)-2016

Your Company in coordination with ISRO and Confederation of Indian Industry (CII) organised the fifth edition of Bengaluru Space Expo (BSX) 2016 and a concurrent conference, World Space Biz 2016 during September 1-3, 2016 at Bangalore International Exhibition Centre (BIEC), Bangalore.

There were seven interesting sessions held during the conference which focussed on topics like Turnkey Satellite System Realisation; Tapping New Market for Satellite Sub-Systems; Production of Launch Vehicle through Industry; Connecting the Unconnected: Unlocking potential through HTS; NAVIC and GAGAN : The Opportunities Ahead; GIS and Navigation Enabling and Trends; Space Start Ups: The New Face of Industry. In addition, there were highlight address and lightning talks on futuristic communications by eminent industry professionals.



*Opening Ceremony of World Space-biz - CII President addressing the gathering*

A trade exhibition alongside the expo had participation by various space Industries from India and abroad. More than 70 exhibitors had their stalls at BSX 2016 including ECIL, Centum, Ananth Technologies, Data Patterns, Astra Microwave Products, Viasat, CNES, Swissnex, Asiasat, Measat etc.



*Inauguration of Space Exhibition*

Two new initiatives - B2B meeting on Small Satellites Development and Solar Panels; and User Consultations on Satcom Services were organised during BSX 2016. The B2B sessions and User Consultations

with INSAT/GSAT Users of space segment capacity had a combined participation of more than 200 delegates from industry.



*Industry Pavilions at BSX 2016*

## EXCHANGE OF VISITS

Exchange of visits to and from several space agencies and companies from 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.

## RISK MANAGEMENT POLICY

Although the Company does not perceive any major risks at present, it is fully geared to cope up with any eventualities. Action has been initiated to put in place a comprehensive Risk Management Policy.

## 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 Official Language Implementation Committee (OLIC) 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.

## FINANCIAL RESULTS

Financial Results	For the year ended 31.03.16 (₹ in Lakhs)	For the year ended 31.03.15 (₹ in Lakhs)
Total Income	1,92,363.35	1,86,071.00
Total Expenditure	1,59,956.40	1,53,488.45
<b>Profit before Depreciation and Tax</b>	<b>32,406.95</b>	<b>32,582.55</b>
Extra Ordinary Items	-	-
Add: Prior period items – Income/ (expenditure)	(509.49)	46.49
Less: Depreciation and amortisation expenses	(115.35)	(89.08)
Less: Provision for Taxation	(10,935.20)	(9604.92)
Less/Add: Deferred Tax	66.43	(2425.16)
Current year surplus	20,913.34	20,509.88
Add: Previous year surplus	50.63	39.97
<b>Profit available for appropriation</b>	<b>20,963.97</b>	<b>20,549.85</b>
Transfer to General Reserves	12,900.00	15,100.00
Transfer to Corporate Social Responsibility and Sustainable activities reserves	584.00	530.10
Less: Expenditure on CSR during the year	(170.18)	(80.00)
Proposed Dividend	6,300.00	4112.00
Corporate Dividend Tax	1,282.53	837.12
Surplus in P&L A/C carried to Balance Sheet	67.62	50.63
<b>Total of appropriation</b>	<b>20,963.97</b>	<b>20,549.85</b>

### DIVIDEND

During the year 2015-16, the Company declared an interim dividend of ₹20 Crores, which is 500% of the paid-up share capital of ₹400 lakhs. Your Directors are pleased to recommend a final dividend of 1075% on the paid-up equity share capital. Thus the total dividend for the year 2015-16 is 1575% (previous year 1028%). This represents 30% of the post-tax profits for the year ended 31<sup>st</sup> March, 2016, which is in accordance with the instructions issued by the Government of India vide Office Memorandum No. F/5/2/2016-Policy dated 27 May 2016, Ministry of Finance, Government of India.

### TRANSFER OF RESERVES

The Company proposes to transfer ₹129 Crores to the General Reserve out of the amount available for appropriation.

### FUTURE OUTLOOK

The Company has been earnestly exploring various business related opportunities. In this regard, the Company proposes to strengthen co-operation with strategic partners in the areas of (i) telecom and earth observation satellites; (ii) equipment/ sub-systems; and

(iii) payload equipment for communication as well as other satellites, with a view to achieving competitive edge in the international commercial market and to offer satellites and space solutions for platforms and payload. Marketing of spacecraft sub-systems is another area that holds a lot of promise and your company is keen on leveraging the available opportunities.

### DIRECTORS

Dr. V.S. Hegde ceased to be Chairman-cum-Managing Director with effect from 1 June, 2016 consequent to his superannuation. Shri Arun Balakrishnan and Shri Devang V. Khakhar ceased to be a Director with effect from 09 June 2016. Shri Y.S. Mayya ceased to be a Director with effect from 27 June 2016. Shri Rakesh Sasibhushan has been appointed as Chairman-cum-Managing Director in place of Dr. V.S. Hegde with effect from 1st June, 2016. Dr. P. G. Diwakar, Scientific Secretary, ISRO was appointed as Director with effect from 19th July 2016.

The Board places on record its appreciation of the valuable services rendered by Dr. V.S. Hegde, Shri Y.S. Mayya, Shri Arun Balakrishnan and Shri Devang V. Khakhar.

## **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(3)(c) 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 31.3.2016, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 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 31st March, 2016 on a "Going Concern" basis.
- 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 is of the firm belief that Corporate Governance is the hallmark of the success of a business enterprise. Towards this end, Company has been striving to adopt various Corporate Governance Policy measures which are in line with the directives of the Government of India laid down from time to time.

## **EXTRACT OF ANNUAL RETURN**

In accordance with Section 92 (3) and Section 134 (3) (a) of the Companies Act 2013, an extract of annual return in Form MGT-9 is appended and forms part of this report.

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

Company has been actively pursuing CSR initiatives as part of the CSR Policy. Particulars of the initiatives undertaken are set out in the Report on CSR activities vide Annexure – 1.

## **AUDITORS**

The Comptroller and Auditor General of India (CAG) vide letter No.CA.V/COY/CENTRAL GOVERNMENT, Antrix (1)/185 dated 7July 2015 appointed M/s. B.V. Rao and Company, Chartered Accountants, as Statutory Auditors to conduct audit of the annual accounts of the Company for the year ended 31 March, 2016. Their report together with the 'NIL' comments of the Comptroller & Auditor General of India under section 143(6) (b) of the Companies Act, 2013 on the Annual Accounts are appended to this report.

## **FIXED DEPOSITS**

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

## **PARTICULARS OF EMPLOYEES**

No employee was in receipt, either during the year or part thereof, of remuneration above the limits specified in Section 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<sup>ST</sup> MARCH 2016 ARE AS FOLLOWS:**

<b>Foreign Exchange Earnings</b>	<b>Amount in Lakhs (₹)</b>	<b>Amount in FE</b>	
On a/c of Exports	852.59	USD	12,75,663.99
		Euro	15,780.00
On a/c of Technical consultancy	1664.13	USD	24,98,265.14
		Euro	32,420.88
On a/c of Launch Services	25,050.82	USD	27,23,490.00
		Euro	3,23,86,840.00
On a/c of Other services	368.87	USD	26,547.32
		Euro	4,74,885.04
<b>Total</b>	<b>27,936.41</b>	<b>USD</b>	<b>65,23,966.45</b>
		<b>Euro</b>	<b>3,29,09,925.92</b>
<b>Foreign Exchange Outgo</b>	<b>Amount in Lakhs (₹)</b>	<b>Amount in FE</b>	
On a/c Travel	9.94	USD	2,305.00
		Euro	4,347.00
		SGD	10,499.00
On a/c of Cost of Imports	342.24	USD	5,15,347.04
On a/c of Cost of Technical services	52,824.50	USD	8,05,95,686.25
On a/c of Other payments	1,134.23	USD	17,65,772.20
		Euro	7,981.80
<b>Total</b>	<b>54,310.91</b>	<b>USD</b>	<b>8,28,79,110.49</b>
		<b>Euro</b>	<b>12,328.80</b>
		<b>SGD</b>	<b>10,499.00</b>

**ACKNOWLEDGEMENT**

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

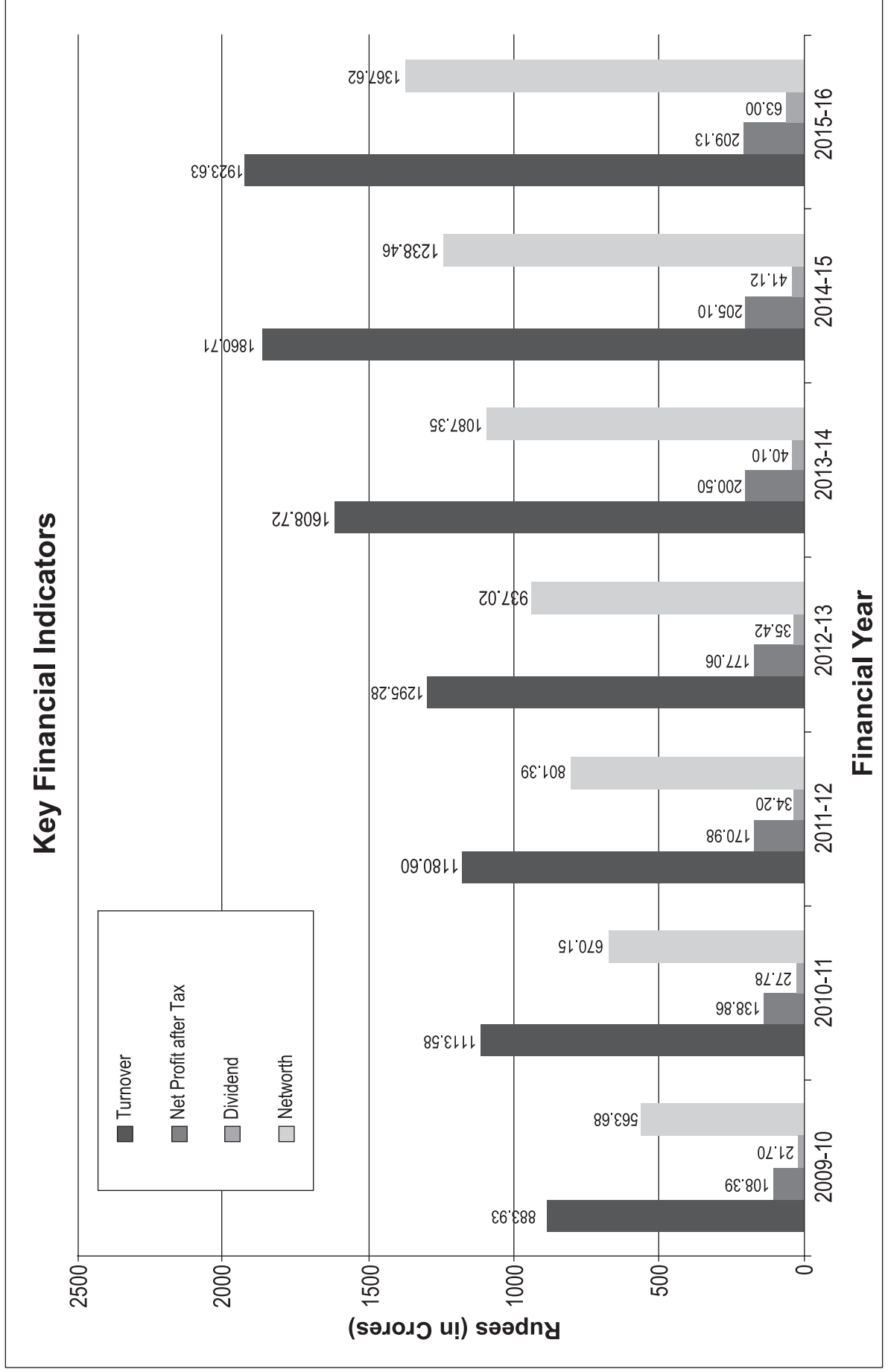
Your Directors also place on record their appreciation for the support and contribution of the officers and staff members of the Department of Space, various ISRO Centres and your Company, which has contributed in

great measure for the company's successful operations during the year under review.

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

Sd/-  
**(Rakesh Sasibhushan)**  
Chairman-cum-Managing Director

Place: Bengaluru  
Date: 19<sup>th</sup> July, 2016



**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31.03.2016

*[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/ Union 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 Product/ service	% to total turnover of company
1	Engineering services for telecommunication & broadcasting projects	9983325	68.19 %
	Geographical Information System Services	99831414	14.67%
	Space Transport Services	99653200	17.14%

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

NIL
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**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****i) Category-wise ShareHolding (in Lakhs)****(in Lakhs)**

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>									
<b>(1) Indian</b>									
a) Individual/ HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.	0	4.00	4.00	100	0	4.00	4.00	100	0
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	4.00	4.00	100	0	4.00	4.00	100	0

<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	4.00	4.00	100	0	4.00	4.00	100	0
<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) FIIs	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>	<b>0</b>	<b>4.00</b>	<b>4.00</b>	<b>100</b>	<b>0</b>	<b>4.00</b>	<b>4.00</b>	<b>100</b>	<b>0</b>

**(ii) Shareholding of Promoters** (in Lakhs)

SI 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	4.00	100%	NIL	4.00	100%	NIL	NIL
	Total	4.00	100%	NIL	4.00	100%	NIL	NIL

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

SI. 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	4.00	100%	4.00	100%
2	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	NIL			
3	At the End of the year	4.00	100%	4.00	100%

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

SI. No.		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
	For Each of the Top 10 Shareholders				
	At the beginning of the year				
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	NIL			
	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	<div>NIL</div>			
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):				
	At the End of the year				

**(V) 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>	<div>NIL</div>			
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>				

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

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (₹ in Lakhs)**

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		CMD	ED	ED(O)	----	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24.05	NIL	18.37		42.42
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	<div>NIL</div>				
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961					
2	Stock Option					
3	Sweat Equity					

4	Commission - as % of profit - others, specify...	NIL				
5	Others, please specify					
	<b>Total(A)</b>	<b>24.05</b>	<b>NIL</b>	<b>18.37</b>		<b>42.42</b>
	Ceiling as per the Act					

**B. Remuneration to other Directors: (₹ in Lakhs)**

Sl. no.	Particulars of Remuneration	Name of Directors		Total Amount
		Shri Arun Balakrishnan	Prof. Devang Khakhar	
	1. Independent Directors • Fee for attending Board/ Committee Meetings	1.50	0.45	1.95
	• Commission	NIL		
	• Others, please specify	NIL		
	Total (1)	1.50	0.45	1.95
	2. Other Non-Executive Directors • Fee for attending Board Committee Meetings • Commission • Others, please specify	NIL		
	Total(2)	-	-	-
	Total(B)=(1+2)	1.50	0.45	1.95
	Total Managerial Remuneration	-	-	44.37
	Overall Ceiling as per the Act			

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	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			
	Total	NIL			

**(VII) 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					

## REPORT ON CSR ACTIVITIES

### 1) A brief outline of the Company's CSR policy

The company's CSR policy has been uploaded in the website of the company under the web-link: <http://www.antrix.gov.in>

### 2) The composition of the CSR Committee

Prof Devang V Khakhar (Director, IIT Bombay & Director Antrix Board).

Dr. VK Dadhwal (Director, NRSC & Director, Antrix Board).

Shri V Raghu Venkataraman(Executive Director(Operations), Antrix Board.

### 3) Average Profit Before Tax of the Company for the last Three financial years

Average net profit: INR 29190.61 Lakhs

### 4) Prescribed CSR Expenditure(2% of the average Profit Before Tax of the last three financial years)

The company during the financial year 2015-16 is required to spend INR 584 Lakhs towards CSR activity.

### 5) Details of CSR to be spent for the Financial Year

a. Total amount to be spent in the financial year : INR 584 Lakhs.

b. Amount unspent, if any: INR 413.82 Lakhs

c. Manner in which the amount spent during the financial year is given in the Table-1.

- In line with DPE guidelines, Project wise provision has been made in the books for amount yet to be spent against the respective project

### 6) In case the company has failed to spend two percent of the average net profit of the last three financial years or part any thereof, the company shall provide the reasons for not spending the amount in its Board's Report

a) The CSR activities identified are under different stages of implementation. Hence the actual cash flow is expected during 2016-17.

b) Few programs are under finalisation with the implementing agencies / end users.

### 7) Awards: Antrix has been awarded the "Outstanding CSR Project Award-2016" by Delhi Management Association.



Handing over of assets to Government Schools under "Swachh Vidyalaya Abhiyan" program



Visit to Indira Gandhi Institute of Child Health Hospital to implement CSR Activity

**Table - 1. : Details of the CSR activities implemented / Allocation of funds for FY-2015-16**

Sl. No	CSR Project / Activity Identified/ Implemented	Sector in which the activity is covered	Area of Implementation 1) Local Area or Other Area 2) District / State	Amount Outlay (Budget) Project wise (INR)	Amount Spent on Projects 1) Direct 2) Overheads	Cumulative Expenditure upto the reporting period	Amount spent : Direct or through implementing agency	Remarks
1	Construction of toilets – 42 units in 19 Govt Schools	Sanitation	Malur Taluk, Kolar District, Karnataka	62 Lakhs	61.90 Lakhs	61.90 Lakhs	Through Sulabh	Activity completed
2	Distribution of Artificial Appliances and aids to differently abled persons	Social Welfare	Other -Arsikere and Chennarayapatta Taluks of Hassan District, Karnataka	41 Lakhs	28.28 Lakhs	28.28 Lakhs	Through ALIMCO - CPSE	Activity completed
3	Contribution to River clean Ganga project	Swachh Bharat Mission	Other : National River Ganga	50 Lakhs	50 Lakhs	50 Lakhs	Direct Contribution to Ministry, New Delhi	Activity completed
4	Contribution to National Foundation for Communal Harmony	Social Welfare	Other : National level	30 Lakhs	30 Lakhs	30 Lakhs	Direct Contribution to Ministry, New Delhi	Activity Completed
5	Construction of toilets – in 21 Govt. Schools and 6 community toilets, at Hospitals and public places	Sanitation and Healthcare	Other : Chickballapur District, Karnataka	236.67 Lakhs	Nil	Nil	Through Sulabh International Social Organisation (NGO)	Activity in Progress
6	Construction of Toilet Complex in Indira Gandhi Hospital for child health	Sanitation and Healthcare	Local : Bangalore City	20.62 Lakhs	Nil	Nil	Through Sulabh International Social Organisation (NGO)	Activity in Progress
7	Village adoption	Rural Development	Other : Brahmastandra Village, Sira Taluk, Tumkur District, Karnataka	381 Lakhs	Nil	Nil	Implementing through BAIF- an NGO	Activity to be initiated
8	Distribution of Artificial Appliances and aids to differently abled persons	Social Welfare	Other - Sulurpeta Mandal, Nellore District, AP	50 Lakhs	Nil	Nil	Through ALIMCO - CPSE	Activity Initiated
9	Construction of two overhead tanks for the supply of drinking water to villages	Drinking water	Damaraya and Pernadu hamlets of Kadapatra Panchayat, Nellore District	40 Lakhs	Nil	Nil	Direct - Through SHAR	Activity Initiated
10	Setting up of sewage Treatment Plant(STP)	Sanitation	Other : Hiremath Samsthan Vidyapeetha trust, Bhalki, Bidar District	30 Lakhs	Nil	Nil	Direct – through NRSC, Hyderabad	Activity initiated
			Total	941.29 lakhs	170.18 lakhs	170.18 lakhs		

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF THE ANTRIX CORPORATION LIMITED

### **Report on the Financial Statements**

We have audited the accompanying financial statements of M/s. ANTRIX CORPORATION LIMITED which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements:**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under 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 other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal 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 the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with the 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 the 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 the internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion:**

*In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:*

- a) *In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2016;*
- b) *In the case of the Profit and Loss Statement, of the profit for the year ended on that date;*
- c) *In the case of the Cash Flow Statements, of the cash flows for the year ended on that date.*

### **Emphasis of Matters:**

*We draw attention to the following:*

- a) *Note-P(1)(i)(a)(iii) regarding Contingent liability which describes the uncertainty related to the outcome of legal proceedings in respect of the claim of M/s Devas Multimedia Pvt. Ltd filed against the company.*
- b) *Note No. 21 regarding non availability of balance confirmation from several customers, pending reconciliation of the customer accounts in respect of which confirmations were received.*

- c) *Note No. 23 regarding non-disclosure of further interest payable in respect of unpaid disputed KVAT liabilities resulting in understatement of Contingent Liabilities.*
- d) *Note No.25 regarding long pending dues from Government Departments/ Organizations which describes uncertainty of the provision, if any, required.*

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

### **Report on Other Legal and Regulatory**

#### **Requirements:**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of sub section 11 of Section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 purposes of our audit;
  - (b) In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
  - (c) The Balance Sheet and the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) As per notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 164(2) is not applicable to the Company.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note P to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. The Company has no amount that is required to be transferred to the Investor Education and Protection Fund.
3. As required by Section 143(5) of the Act, we give in Annexure-C, a statement on the matters specified by the Comptroller and Auditor General of India.

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

**Sd/-**  
**(B.A.S.P.RANGA)**  
**Partner**  
M.No. 22649

Place: Bangalore  
Date: 19<sup>th</sup> July, 2016

## ANNEXURE 'A' TO THE AUDITORS' REPORT

### (Referred to in paragraph 1 of our Report on Other Legal and Regulatory Requirements)

- (i) In respect of its fixed assets:
- (a) The company has maintained proper records showing in most cases, full particulars including quantitative details and situation of its fixed assets.
  - (b) The fixed assets of the company have been physically verified by the management at reasonable intervals. As informed to us, no material discrepancies have been noticed on such verification wherever reconciliation has been carried out.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the land lease agreement with DOS, Government of India is unregistered.
- (ii) With respect to inventories, the company is a service oriented undertaking, as a result of which the company doesn't have any inventory.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, the clauses (iii) (a), (iii) (b) and (iii) (c) of the paragraph 3 of the order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, The Company has not granted any loans or made any investment or given any guarantee and security covered under Section 185 and 186 of the Companies Act, 2013.
- (v) The Company has not accepted any public deposits during the year. According to the information and explanations given to us, the compliance with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted, is not applicable to the Company.
- (vi) With respect to maintenance of cost records which has been specified by the Central Government under Section 148(1) of Companies Act, 2013, the Company is a service oriented company and hence such cost records are not applicable.
- (vii) According to the information and explanations given to us in respect of statutory dues:
- (a) The company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Central Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Taxes, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no undisputed statutory dues outstanding for a period of more than six months from the date they became payable, as per books of accounts as at 31st March, 2016.
  - (b) According to the information and explanations given to us, the following dues of income tax, sales tax, service tax, duty of customs, duty of excise and Value added Tax have not been deposited by the company on account of disputes:

SI 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	294.02	01.07.2012 to 30.09.2014	Central Excise & Service Tax Appellate Tribunal (CESTAT), 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 of India
3	Karnataka VAT Act, 2005 and Central Sales Tax Act, 1956	KVAT and Central Sales Tax	27,429.82	01.08.2008 to 31.03.2014	Hon'ble High Court of Karnataka
4	Karnataka VAT Act, 2005	KVAT	96,415.06	01.04.2010 to 31.03.2014	Hon'ble High Court of Karnataka

- (viii) 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.
- (ix) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instrument) and did not obtain term loans from banks and financial institutions.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no case of fraud has been committed on or by the Company or by its officers or employees during the year.
- (xi) As per notification no. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 is not applicable to the Government Companies. Accordingly, provisions of paragraph 3 (xi) of the Order are not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, provisions of paragraph 3 (xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanation given to us, the Company has not entered into non-cash transactions with Directors or persons connected with him, as covered under Section 192 of the Companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

**Sd/-**  
**(B.A.S.P.RANGA)**  
**Partner**  
M.No. 22649

Place: Bangalore  
Date: 19<sup>th</sup> July, 2016

## **Annexure - B to the Auditors' Report**

### **Report on the Internal Financial Controls under Paragraph (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of M/s. ANTRIX CORPORATION LIMITED as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of

controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Qualified Opinion**

*According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at 31st March, 2016:*

- a) Delays in renewal of contracts.*
- b) Monitoring of realisation of dues from customers needs to be strengthened.*
- c) Absence of disaster recovery management of financial data.*

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects/ possible effects of the material weaknesses described above on the

achievement of the objectives of the control criteria, the company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31st March 2016 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weakness identified and reported above in determining the nature, timing, and the extent of audit tests applied in our audit of the March 31, 2016 financial statements of the Company, and these material weaknesses do not affect our opinion on the financial statements of the Company.

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

**Sd/-**  
**(B.A.S.P.RANGA)**  
**Partner**  
M.No. 22649

Place: Bangalore  
Date: 19<sup>th</sup> July, 2016

## Annexure-C to the Independent Auditors' Report

	Directions under section 143(5) of Companies Act 2013	
	QUESTIONS	AUDITORS COMMENTS
1.	Whether the company has clear title/lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available.	The Company has a leasehold land of Department of Space (DOS), Government of India on which Antrix Corporate Office is constructed and the Company has clear unregistered lease deed executed with DOS.
2.	Please report whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reasons there for and the amount involved.	There are no instances of waiver/write off of debts/loans/interest, etc., during the year.
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities.	No inventories are lying with third parties. No assets were received as gift/grant(s) from Government or other authorities.

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

**Sd/-**  
**(B.A.S.P.RANGA)**  
**Partner**  
M.No. 22649

Place: Bangalore  
Date: 19<sup>th</sup> July, 2016

## **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 2016**

The preparation of financial statements of **Antrix Corporation Limited** for the year ended 31 March 2016 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) 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 statements under section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **19.07.2016**.

I, on the 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 2016. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report.

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

**Place: New Delhi**

**Date: 19.09.2016**

**Sd./-  
(Nandana Munishi)  
Director General of Commercial Audit &  
Ex-Officio Member, Audit Board-IV**

# **DETAILED FINANCIALS**

# BALANCE SHEET AS AT 31.03.2016

(₹ in Lakhs)

Particulars		Note No	Figures as at the end of current reporting period 31.03.2016	Figures as at the end of previous reporting period 31.03.2015
<b>I. EQUITY AND LIABILITIES:</b>				
<b>(1) Shareholders' funds:</b>				
(a) Share Capital	A		400.00	400.00
(b) Reserves and surplus	B		1,37,501.54	1,24,170.73
<b>(2) Non-current liabilities:</b>				
(a) Deferred Tax Liabilities (Net)			1,085.93	1,152.35
(b) Other Long term liabilities	C		63,252.55	76,806.42
(c) Long-term provisions	D		49.19	29.99
<b>(3) Current liabilities:</b>				
(a) Trade payables			71,007.01	56,197.37
(b) Other current liabilities	E		12,762.24	35,567.11
(c) Short-term provisions	F		5,177.36	4,950.98
<b>TOTAL</b>			<b>2,91,235.82</b>	<b>2,99,274.95</b>
<b>II. ASSETS:</b>				
<b>(1) Non-current assets:</b>				
(a) Fixed assets				
(i) Tangible assets	G		1,430.33	1,523.22
(ii) Intangible assets	H		2.32	4.21
(b) Long-term loans and advances	I		69,245.29	68,741.38
<b>(2) Current assets:</b>				
(a) Current investments	J		-	-
(b) Trade receivables	K		50,086.18	67,147.15
(c) Cash and Bank Balances	L		1,51,890.35	1,34,328.95
(d) Short-term loans and advances	M		8,983.38	16,400.47
(e) Other current assets	N		9,597.97	11,129.57
<b>TOTAL</b>			<b>2,91,235.82</b>	<b>2,99,274.95</b>
<b>Notes No. A to P 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.A.S.P Ranga)**  
Partner  
ICAI Membership No.22649

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

Sd/-  
**(Rakesh Sasibhushan)**  
Chairman-cum-Managing Director

Place : Bangalore  
Date : 19-07-2016

Place : Bangalore  
Date : 19-07-2016

# STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2016

(₹ in Lakhs)

Particulars		Note No	For the current reporting period ended 31.03.2016	For the previous reporting period ended 31.03.2015
I	Revenue from operations	1	1,79,508.72	1,71,755.69
II	Other income	2	12,854.63	14,315.31
III	<b>Total Revenue (I +II)</b>		<b>1,92,363.35</b>	<b>1,86,071.00</b>
IV	Expenses:			
	(i) Cost of Revenue from operation	3	1,57,923.48	1,48,755.17
	(ii) Employees benefits expense	4	403.95	336.65
	(iii) Depreciation and amortisation expense:			
	- Current Year		115.35	77.66
	- Previous Year		-	8.14
	- Adjustment As Per Sch II of CA 2013/AS6 against Retained Opening Earning		-	3.28
	(iv) Other expenses	5	1,628.97	4,396.63
	<b>Total Expenses</b>		<b>1,60,071.75</b>	<b>1,53,577.53</b>
V	Profit before Prior Period Items,Extraordinary items and tax (III-IV)		32,291.60	32,493.47
VI	Prior Period Items [(Expense) / Income]	6	(509.49)	46.49
VII	Extraordinary items (Income)		-	-
VIII	Profit before tax (V + VI + VII)		31,782.11	32,539.96
IX	Tax expense:			
	(i) Current tax :			
	a) Current Year		(11,100.00)	(8,670.10)
	b) Earlier Years		164.80	(934.82)
	(ii) Deferred tax	7	66.43	(2,425.16)
X	<b>Profit for the period from continuing operations (VIII-IX)</b>		<b>20,913.34</b>	<b>20,509.88</b>
XI	Earnings per Equity Share:			
	Amount used as numerator in calculating earnings per Equity Share is Rupees in Lakhs		20,913.34	20,509.88
	Number of equity shares used as the denominator in calculating earnings per equity share is		4,00,000	4,00,000
	Nominal value of Equity Share in ₹		100	100
	Basic and Diluted Earnings per Equity Share is ₹		5,228	5,127

**Notes No. 1 to 7, O and P 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.A.S.P Ranga)**

Partner

ICAI Membership No.22649

Sd/-

**(V Raghu Venkataraman)**

Executive Director (Operations)

Sd/-

**(Rakesh Sasibhushan)**

Chairman-cum-Managing Director

Place : Bangalore

Date : 19-07-2016

Place : Bangalore

Date : 19-07-2016

# NOTES FORMING PART OF BALANCE SHEET AS AT 31.03.2016

(₹ in Lakhs)

Note No	Particulars	Unit	Figures as at the end of current reporting period 31.03.2016	Figures as at the end of previous reporting period 31.03.2015
A	<b>SHARE CAPITAL:</b>			
	<b>Equity Shares:</b>			
	(a) Authorised:			
	(i) Number of Shares	Nos.	1,00,00,000	1,00,00,000
	(ii) Amount of Shares	Lakhs	10,000	10,000
	(b) Issued, subscribed and fully paid up for cash:			
	(i) Number of Shares	Nos.	4,00,000	4,00,000
	(ii) Amount of Shares	Lakhs	400	400
	(c) Par value per share	₹	100.00	100.00
	(d) (i) Number of shares outstanding at the beginning of the reporting period	Nos.	4,00,000	1,00,000
	(ii) 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	4,00,000
	(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 30% of post tax profit shall be distributed to Government of India as Dividend and the repayment of capital is as per the provision of the Companies Act, 2013	<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 provision of the Companies Act, 2013

	(f) Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held.		100% of entire 4,00,000 number of paid up Equity Shares of ₹100 each are held by the Central Government (Government of India) through the President of India and its Nominees	100% of entire 4,00,000 number of paid up Equity Shares of ₹100 each are held by the Central Government (Government of India) through the President of India and its Nominees
<b>B</b>	<b>RESERVES AND SURPLUS:</b>			
	<b>(a) General Reserve:</b>			
	Amount outstanding at the beginning of the reporting period		1,23,395.00	1,08,595.00
	Less: Transfer to Share Capital towards Bonus Shares issued		-	(300.00)
	Add: Transfer out of current year profit		12,900.00	15,100.00
	Amount outstanding at the end of the reporting period		<b>1,36,295.00</b>	<b>1,23,395.00</b>
	<b>(b) Corporate Social Responsibility and Sustainable Activities Fund:</b>			
	Amount outstanding at the beginning of the reporting period		725.10	275.00
	Add: Transfer out of current year profit		584.00	530.10
	Less: Pay out during the year		(170.18)	(80.00)
	Amount outstanding at the end of the reporting period		<b>1,138.92</b>	<b>725.10</b>
	<b>(c) Surplus:</b>			
	Amount outstanding at the beginning of the reporting period		50.63	39.98
	Add: Current year profit		20,913.34	20,509.87
	Add: Corporate Social Responsibility Activities Expenditure		170.18	80.00
			<b>21,134.15</b>	<b>20,629.85</b>
	Less:			
	Transfer to General Reserve		(12,900.00)	(15,100.00)
	Transfer to Corporate Social Responsibility and Sustainable Activities Reserve (Budgetary allocation for CSR and Sustainable Activities)		(584.00)	(530.10)
	Interim Dividend paid		(2,000.00)	-
	Tax on distributed profit (Interim) paid		(407.15)	-
	Proposed Final Dividend		(4,300.00)	(4,112.00)
	Tax on distributed profit (Final)		(875.38)	(837.12)
	Amount outstanding at the end of reporting period		67.62	50.63
			<b>1,37,501.54</b>	<b>1,24,170.73</b>
<b>C</b>	<b>OTHER LONG TERM LIABILITIES:</b>			
	(a) Other Trade Payables		14.90	14.90
	(b) Others		63,237.65	76,791.52
			<b>63,252.55</b>	<b>76,806.42</b>
<b>D</b>	<b>LONG TERM PROVISIONS:</b>			
	(a) Provision for employee benefits			
	(i) Provision for Gratuity		20.98	12.63

	(ii) Provision for Leave Encashment	28.21	17.36
		<b>49.19</b>	<b>29.99</b>
<b>E</b>	<b>OTHER CURRENT LIABILITIES:</b>		
	(a) Advances from customers	8,709.04	8,782.77
	(b) Statutory Liabilities	2,977.15	861.64
	(c) Income Tax (assessed) payable	-	737.37
	(d) Income received in advance	-	22,869.49
	(e) Creditors for Expenses	567.94	1,163.61
	(f) Creditors for Other Liabilities	508.12	1,152.23
		<b>12,762.25</b>	<b>35,567.11</b>
<b>F</b>	<b>SHORT TERM PROVISIONS:</b>		
	(a) Provision for Leave Encashment	1.50	1.50
	(b) Provision for Gratuity	0.48	0.35
	(c) Provision for Proposed Dividend	4,300.00	4,112.00
	(d) Provision for Tax on Distributed Profit	875.38	837.13
		<b>5,177.36</b>	<b>4,950.98</b>
<b>G</b>	<b>TANGIBLE ASSETS:</b>		
	(i) (a) Building	1,237.21	1,297.86
	(b) Furniture and fixtures	171.10	189.14
	(c) Computer and Peripherals	7.52	14.81
	(d) Office Equipment	13.72	20.29
	(e) Networking Equipment	0.78	1.12
		<b>1,430.33</b>	<b>1,523.22</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	2.32	4.21
	(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	5,013.99
	(b) Advances to employees	0.59	0.26
	(c) Accrued interest on Advances to employees	0.05	0.13
	(d) Advances for Project Expenses	1.23	1.11
	(e) Taxes Refund Due	11,289.65	15,482.78
	(f) Taxes paid under protest	13,660.43	8,845.09
	(g) Advances to trade creditors	37,274.14	39,392.72
	(h) Advances for Expenses	5.21	5.30
		<b>67,245.29</b>	<b>68,741.38</b>
<b>J</b>	<b>CURRENT INVESTMENTS:</b>	-	-

<b>K</b>	<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	1,107.89	708.28	
	(ii) Unsecured - Considered Good	24,377.85	24,838.54	
	(iii) Considered doubtful	4,841.91	4,625.55	
		<b>30,327.65</b>	<b>30,172.37</b>	
	Less: Provision for Doubtful Debts	(4,841.91)	(4,625.55)	
		<b>25,485.74</b>	<b>25,546.82</b>	
	(b) Other debts			
	(i) Secured - Considered Good	8,041.01	9,678.44	
	(ii) Unsecured - Considered Good	16,559.43	31,921.89	
		24,600.44	41,600.33	
		<b>50,086.18</b>	<b>67,147.14</b>	
<b>L</b>	<b>CASH AND BANK BALANCES:</b>			
	<b>(i) CASH AND CASH EQUIVALENTS:</b>			
	(a) Balances with banks	8,795.94	9,843.68	
	(b) Cash on hand	0.17	0.13	
	(c) Imprest Cash with Employees	0.09	0.09	
	<b>(ii) OTHER BANK BALANCES:</b>			
	(a) Bank deposits for more than 3 months but with 12 months or less maturity	84,200.00	1,17,000.00	
	(b) Bank deposits with more than 12 months maturity	55,670.00	3,700.00	
	(c) Balance with a bank earmarked for Dividend Payment	0.05	0.05	
	(d) Balance with a bank earmarked for CSR & SA	411.58	195.84	
	(e) Bank deposits held as security against Guarantee issued and in lieu of security deposit	2,812.52	3,589.16	
		<b>1,51,890.35</b>	<b>1,34,328.95</b>	
<b>M</b>	<b>SHORT TERM LOANS AND ADVANCES:</b>			
	(Unsecured-Considered Good)			
	(a) Advances for Expenses	81.41	58.49	
	(b) Advances for Project Expenses	8,863.48	16,284.59	
	(c) Other Recoverables	38.49	57.39	
		<b>8,983.38</b>	<b>16,400.47</b>	
<b>N</b>	<b>OTHER CURRENT ASSETS</b>			
	(Unsecured-Considered Good)			
	(a) Accrued Interest on Deposits with banks	6,887.34	7,452.39	
	(b) Input Service Tax	2,710.63	3,677.18	
		<b>9,597.97</b>	<b>11,129.57</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 31.03.15	Component value transfer in	Additions	Disposal/ Discarded/ Adjustment	Component value transfer out	As at 31.03.16	Upto 31.03.15	Value for Component transfer in	For the year	For Pr year	Adjustment in Opening Retained Earning (ORE)	For Disposal/ Discarded/ Adjustment	Value for Component transfer out	Upto 31.03.16	As at 31.03.16	As at 31.03.15
1	Building																
(i)	Building- RCC Frame Structure	1,445.97	-	4.39	1.67	515.61	933.08	149.42	-	14.47	-	-	0.17	53.28	110.44	822.64	1,296.55
(ii)	Building- Air Conditioning System	-	95.20	-	-	-	95.20	-	9.84	6.92	-	-	-	-	16.76	78.44	-
(iii)	Building- Electrical System	-	294.40	-	-	-	294.40	-	30.42	36.25	-	-	-	-	66.67	227.73	-
(iv)	Building- Elevators	-	37.10	-	-	-	37.10	-	3.83	2.70	-	-	-	-	6.53	30.57	-
(v)	Building- Water System	-	64.46	-	-	-	64.46	-	6.66	4.68	-	-	-	-	11.34	53.12	-
(vi)	Building- Wooden Flooring System	-	24.45	5.61	-	-	30.06	-	2.53	3.57	-	-	-	-	6.10	23.96	-
(vii)	Building (Fence)-Compound Gate	1.63	-	-	-	-	1.63	0.51	-	0.41	-	-	-	-	0.92	0.71	1.12
(viii)	Building Temporary Structure (Wooden Sec Cabinet)	2.71	-	-	-	-	2.71	2.52	-	0.15	-	-	-	-	2.66	0.05	0.19
	Sub Total	1,450.31	515.61	10.00	1.67	515.61	1,458.64	152.45	53.28	69.15	-	-	0.17	53.28	221.42	1,237.22	1,297.86
2	Furniture and Fixures	298.39	-	7.95	-	-	306.34	109.25	-	25.99	-	-	-	-	135.25	171.09	189.13
3	Computers and Peripherals	76.37	-	1.16	-	-	77.53	61.55	-	8.46	-	-	-	-	70.01	7.52	14.82
4	Office Equipments	42.17	-	0.81	-	-	42.98	21.89	-	7.37	-	-	-	-	29.26	13.72	20.28
5	Networking Equipment	1.61	-	-	-	-	1.61	0.49	-	0.34	-	-	-	-	0.83	0.78	1.12
	Total	1,868.85	515.61	19.92	1.67	515.61	1,887.10	345.63	53.28	111.31	-	-	0.17	53.28	456.77	1,430.33	1,523.22
	Previous Years' Figures	1,854.41	-	120.64	106.19	-	1,868.86	355.27	-	73.05	8.14	3.28	94.11	-	345.63	1,523.22	1,499.14

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) As per amendment made in the Schedule II to the Companies Act, 2013 which is mandatory for financial statements in respect of financial years commencing on or after the 1st April, 2015, component accounting is implemented during the year for Building and such components are furnished under broad head of Building. The component values of Building are based on break-up given by Construction and Maintenance Division, ISRO Headquarters.

## 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 31.03.15	Additions	Disposal/ Discarded/ Adjustment	As at 31.03.16	Upto 31.03.15	For the year	For Pr year	Adjustment in Opening Retained Earning (ORE)	For Disposal/ Discarded/ Adjustment	Upto 31.03.16	As at 31.03.16	As at 31.03.15
	Computer Software	13.49	2.15	-	15.64	9.28	4.04	-	-	-	13.32	2.32	4.21
	<b>Total</b>	<b>13.49</b>	<b>2.15</b>	<b>-</b>	<b>15.64</b>	<b>9.28</b>	<b>4.04</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.32</b>	<b>2.32</b>	<b>4.21</b>
	<b>Previous Years' Figures</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>

# NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2016

(₹ in Lakhs)

Note No	Particulars	Unit	For the current reporting period ended 31.03.2016	For the previous reporting period ended 31.03.2015
1	<b>Revenue from Operations:</b>			
	(a) Sale of products:			
	(i) Exports		897.87	1,343.42
	Net gain/(loss) on foreign currency transaction and translation relating to Export		12.50	(3.35)
			<b>910.37</b>	<b>1,340.07</b>
	(ii) Inland Sales		<b>16,785.30</b>	<b>20,991.55</b>
	(b) Sale of services:			
	(i) Foreign Consultancy Services Receipts		13.07	210.16
	Net gain/(loss) on foreign currency transaction and translation relating to FCS		(0.10)	-
			<b>12.97</b>	<b>210.16</b>
	(ii) Inland Consultancy Services Receipts		<b>811.28</b>	<b>2,806.42</b>
	(c) Other operating revenues:			
	(1) Foreign Receipts:			
	(i) Access Fees and Royalty Receipts		1,597.84	1,330.03
	Net gain/(loss) on foreign currency transaction and translation relating to AFR		30.05	9.59
			<b>1,627.89</b>	<b>1,339.62</b>
	(ii) Host Facility Receipts		23,076.77	25,776.16
	Net gain/(loss) on foreign currency transaction and translation relating to HFR		236.87	2,108.19
			<b>23,313.64</b>	<b>27,884.35</b>
	(iii) Space Segment Capacity Charges Receipts		8.03	10.05
	Net gain/(loss) on foreign currency transaction and translation relating to SSCCR		(0.02)	0.14
			<b>8.01</b>	<b>10.19</b>
	(iv) Performance Incentive		0.39	60.80
	(2) Inland Receipts:			
	(i) Space Segment Capacity Charges Receipts		1,36,038.87	1,17,112.53
			<b>1,79,508.72</b>	<b>1,71,755.69</b>
2	<b>Other Income:</b>			
	(a) Interest Income			
	(i) On Deposits with Banks		11,247.86	11,523.51
	(ii) On Advances to employees		0.01	0.02
	(iii) On Trade Receivables		130.00	1,432.81
	(iv) On Prepaid Taxes		439.65	469.55
	(b) Net gain/(loss) on sale of investments		-	-

3	(i) Long Term Capital Gain on Mutual Fund Investments	-	536.02
	(ii) Short Term Capital Gain on Mutual Fund Investments	-	95.98
	(c) Dividend receipts on Mutual Fund Investments	635.84	804.14
	(d) Net gain/(Loss) on foreign currency translation relating to outstanding Liabilities and Assets	(47.57)	(1,005.52)
	(e) Foreign currency conversion Gain	114.89	-
	(f) Liabilities written back	194.56	16.22
	(g) Provision for Doubtful Debt written back	139.04	432.59
	(h) Miscellaneous Income	0.35	9.99
		<b>12,854.63</b>	<b>14,315.31</b>
	<b>Cost of Revenue from operation</b>		
	(a) Cost of Sales		
	(i) Cost of Exports	673.12	1,046.78
	(ii) Cost of Inland Sales	14,260.35	21,031.29
	(b) Cost of Services		
	(i) Cost of Foreign Consultancy Receipts	7.90	151.77
	(ii) Cost of Inland Consultancy Receipts	753.48	2,481.06
	(c) Cost of Other Revenues		
4	For Foreign Receipts		
	(i) Cost of Access Fees and Royalty receipts	989.73	639.50
	(ii) Cost of Host Facility receipts	19,188.25	19,009.51
	(iii) Cost of Space Segment Capacity Charges receipts	6.83	8.54
	For Inland Receipts		
	(i) Cost of Space Segment Capacity Charges receipts	1,22,043.82	1,04,386.72
		<b>1,57,923.48</b>	<b>1,48,755.17</b>
	<b>Employees benefits expenses</b>		
	Remuneration to CMD	20.24	19.56
	Remuneration to ED (Operations)	18.07	9.31
	Directors sitting fees	2.23	2.41
	Salaries	48.78	41.66
	Staff Welfare	14.99	13.54
	Leave Travel concession	2.77	2.87
	Leave Encashment paid	0.20	0.17
	Leave Encashment provision	10.85	3.99
	Gratuity Provision	8.48	6.12
	Establishment Expenses	276.59	236.97
	Personnel Training Expenses	0.75	0.05
		<b>403.95</b>	<b>336.65</b>
5	<b>Other Expenses:</b>		
	Travelling Expenses	43.51	61.94
	Conveyance and Taxi Hire	30.83	25.60

	Printing and Stationery	8.05	7.62
	Communication Expenses	27.03	32.36
	Legal fees and expenses	604.96	2,208.92
	Professional fees	39.89	28.61
	Rates and Taxes	0.35	0.71
	Swachh Bharat Cess	149.95	-
	Advertisement and Publicity	7.14	14.98
	Membership and Subscription	3.32	3.49
	Seminar, Conference and Meeting Expenses	4.77	11.06
	Exhibition and Trade Fair	-	46.56
	Loss on Sale of Fixed Assets	-	1.10
	Fixed Assets discarded	1.50	15.05
	Land 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	72.37	211.32
	Bank Charges	19.33	12.25
	Bank Guarantee and LC charges	32.74	26.75
	Repairs and Maintenance - Others	32.80	16.44
	Payment to Auditors:		
	- As Auditors	3.20	2.15
	- For service Tax	0.50	0.27
	- For Reimbursement of Expenses	0.30	0.23
	Payment to Previous Year's Auditors:		
	- For Reimbursement of Expenses	-	0.46
	Corporate Social Responsibility Activities Expenditure:		
	- Contribution to Clean Ganga Fund	50.00	-
	- Expenditure towards Sanitation in Rural Government Schools - 'Swach Vidhyalaya Abhiyan'	61.90	-
	- Contribution to National Foundation of Communal Harmony under Ministry of Home Affairs	30.00	30.00
	- Expenditure towards Appliances and Aids for differently abled persons	28.28	-
	- Contribution to Jammu and Kashmir Chief Minister's Relief Fund for Flood Relief and Rehabilitation measure	-	50.00
	Miscellaneous Expenses	20.75	102.39
	Provision for Doubtful Debts	355.40	1,351.52
		<b>1,628.97</b>	<b>4,396.63</b>
6	<b>Prior period items</b>		
	<i>CREDITED TO PRIOR PERIOD ITEMS</i>		
	Space Segment Capacity Charges receipts	-	297.50

7	Cost of Inland Sales reversed	11.16	-
	Cost of Space Segment Charges reversed	-	10.16
	Cost of Consultancy Receipts reversed	6.31	-
	Cost of Access Fee and Royalty Receipts reversed	4.67	-
	Cost of Host Facility Receipts reversed	4.30	29.59
		<b>26.44</b>	<b>337.25</b>
	<i>DEBITED TO PRIOR PERIOD ITEMS</i>		
	Space Segment Capacity Charges Receipts accounted in earlier years reversed	310.21	-
	Access Fee Receipts accounted in earlier years reversed	7.79	264.20
	Inland Sales accounted in earlier years reversed	18.46	-
	Consultancy Receipts accounted in earlier years reversed	6.97	-
	Cost of Inland Sales	8.55	-
	Cost of Space Segment charges Receipts	40.85	-
	Cost of Host Facility Receipt	8.11	2.09
	Cost of Access Fee Receipt	-	5.06
	Business Promotion Expenses	84.69	-
	Traveling Expenses	-	2.62
	Interest Receipts excess accounted in previous year reversed	50.30	-
	Legal charges	-	2.50
	Service Tax on launch optional service	-	12.05
	Loss on sale of Fixed Assets	-	2.24
		-	-
		<b>535.93</b>	<b>290.76</b>
	Net Credit	-	<b>46.49</b>
	Net Debit	<b>509.49</b>	-
	<b>Tax Expenses:</b>		
	(i) Deferred Tax		
	Deferred Tax originating during the year (Savings)	66.95	319.23
	Deferred Tax reversing during the year (Savings/ Expenses)	(0.52)	(2,744.39 )
		<b>66.43</b>	<b>(2,425.16)</b>

**1) General:**

Financial Statements are prepared under the historical cost convention in accordance with fundamental accounting assumptions and Generally Accepted Accounting Principles (GAAP) in India and the relevant provisions of the Companies Act, 2013 including Accounting Standards notified thereunder.

**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 stated at historical cost less depreciation/ amortization.

**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 Rupees 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 closing rates 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.

(₹ in Lakhs)

		Figures as at the end of current reporting period 31.03.2016	Figures as at the end of previous reporting period 31.03.2015
1	<b>CONTINGENT LIABILITIES AND COMMITMENTS:</b> (to the extent not provided for) i) <b>Contingent Liability:</b> (a) <i>Claims against the company not acknowledged as debt on account of :-</i> (i) <i>Karnataka Value Added Tax and Central Sales Tax including interest and penalty up to the date of demands.</i> <i>Against these demands, (applicable for both current and previous reporting periods) sum of ₹912.47 Lakhs paid under protest and deposited a sum of ₹5,000 lakhs as per the directions of the Hon'ble Supreme Court of India in its Interim Order dated 12.03.2010.</i> (ii) <i>Service Tax (previous year including interest and penalty) upto the date of demands</i> <i>Against these demands, a sum of ₹7,177.78 Lakhs (applicable for both current and previous reporting periods) was paid under protest.</i> (iii) <i>Against the claim of M/s Devas Multimedia Pvt. Ltd for non-performance of agreement due to annulment by Government of India as awarded by International Chamber of Commerce during the year inclusive of Liquidated damages of ₹2,189 Lakhs (US\$ 562.50 million @ ₹43.78 which is forex rate applicable as per agreement) excluding interest from 25.02.2011 to the date of Award at the rate of 3-month Libor + 4%, plus interest at the rate of 18% per annum from the date of Award till the date of full payment</i>	<p style="text-align: right;">1,44,440.44</p> <p style="text-align: right;">7,471.80</p> <p style="text-align: right;">2,46,262.50</p>	<p style="text-align: right;">37,321.41</p> <p style="text-align: right;">5,626.01</p> <p style="text-align: right;">2,189.00</p>
	<b>Total</b>	<b>3,98,174.74</b>	<b>45,136.42</b>
	(b) Guarantees:	Company has not issued any Guarantee to another person on behalf of third party to result in contingent liability	Company has not issued any Guarantee to another person on behalf of third party to result in contingent liability
	(c) Other money for which the Company is contingently liable:-		
	1. Against the Show Cause Notices:		
	(i) Service Tax	235.19	5,964.16
	Against this, a sum of ₹233.31 Lakhs (Previous year-₹5,670.13 Lakhs) was paid under protest		
	(ii) Interest and penalty on Service Tax upto the date of payment of disputed Service Tax Under Protest	18,343.50	15,316.77

	2. Interest on voluntary payment of Service Tax under protest from due date until date of payment of tax	43.24	43.24
	<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)	1,12,064.58	1,14,401.62
2	(i) The amount of Dividend proposed to be distributed to Equity Shareholders for the period (Against provision for current year, a sum of ₹2,000.00 Lakhs was distributed during the year as Interim Dividend)	6,300.00	4,112.00
	(ii) Related amount per Share :	0.02	0.01
3	Opinion of the Board about any of the assets other than fixed assets and non-current investments do not have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated	Board is of the opinion that such assets will have a value on 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	<p>a) Consumption of stores and spare parts:</p> <p>i) Imported</p> <p>ii) Indigenously Procured</p> <p>b) Value of imports calculated on C.I.F basis by the Company during the financial year in respect of:-</p> <p>I. Raw Materials;</p> <p>II. Components and spare parts;</p> <p>III. Capital goods;</p> <p>c) Expenditure in foreign currency during the financial year on account of royalty, know-how, professional and consultation fees, interest, and other matters;</p> <p>d) Total value of all imported raw materials, Spare parts &amp; Components consumed during the financial year and the total value of all indigenous raw materials, spare parts &amp; components similarly consumed and the percentage of each to the total consumption.</p> <p>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.</p>	<p>Exempted vide Ministry of Corporate Affairs, Govt. of India Notification F.No.1/19/2013-CL-V-Part dated 04.09.2015</p> <p>-do-</p> <p>-do-</p> <p>-do-</p> <p>-Not Applicable-</p>	<p>Applied to Ministry of Corporate Affairs, Govt. of India, for exemption of disclosure</p> <p>-do-</p> <p>-do-</p> <p>-do-</p> <p>-Not Applicable-</p>

f) Earnings in foreign exchange classified under the following heads, namely:- (i) Export of goods calculated on F.O.B. basis;  (ii) Royalty, know-how, professional and consultation fees; (iii) Interest and dividend; (iv) Other income, indicating the nature thereof	Exempted vide Ministry of Corporate Affairs, Govt. of India Notification F.No.1/19/2013-CL-V-Part dated 04.09.2015  -do-  -NIL-  -NIL-	Applied to Ministry of Corporate Affairs, Govt. of India, for exemption of disclosure  -do-  -NIL-  -NIL-
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#### 5. Details of Disputes:

SI No.	Nature of Dispute	Forum / Authority where the case / dispute is pending	Amount involved in Dispute as on 31.03.2016 (₹ in Lakhs)	Status of Dispute
1	KVAT & CST demand for the period from 01.04.2005 to 31.07.2008	Hon'ble Supreme Court	20,595.56	The proceedings are ongoing at the Hon'ble Supreme Court, The Hon'ble court has ordered "no recovery will be made till further orders"
2	KVAT & CST for the period from 01.08.2008 to 31.03.2010 (for the year 2009-10, KVAT re-assessed and hence shown separately)	Hon'ble High Court of Karnataka	7,109.80	The company has filed a Writ Petition in the Hon'ble High Court of Karnataka and the proceedings are ongoing.
3	KVAT for FY-2009-10 vide Order No. 221736837 / 05.01.16	Hon'ble High Court of Karnataka	20,320.02	The company has filed a Writ Petition in the Hon'ble High Court of Karnataka
4	KVAT for FY-2010-11 vide Order No. 259709721 / 24.02.16	Hon'ble High Court of Karnataka	20,577.15	The company has filed a Writ Petition in the Hon'ble High Court of Karnataka
5	KVAT for FY-2011-12 vide Order No. 251709773 / 24.02.16	Hon'ble High Court of Karnataka	23,325.87	The company has filed a Writ Petition in the Hon'ble High Court of Karnataka
6	KVAT for FY-2012-13 vide Order No. 275709811 / 24.02.16	Hon'ble High Court of Karnataka	26,183.62	The company has filed a Writ Petition in the Hon'ble High Court of Karnataka
7	KVAT for FY-2013-14 vide Order No. 232709848 / 24.02.16	Hon'ble High Court of Karnataka	26,328.42	The company has filed a Writ Petition in the Hon'ble High Court of Karnataka
8	Service tax demand on Supply & Installation of Tele-Education and VSAT equipment under "Installation and commissioning services"	CESTAT, Bangalore (Central Excise and Service Tax Appellant Tribunal)	53.00	Appeal is pending before CESTAT, Bangalore
9	Service tax demand on leasing of foreign satellites to Indian customers for the period from 01.10.2003 to 15.05.2008	CESTAT, Bangalore (Central Excise and Service Tax Appellant Tribunal)	3,058.00	Appeal is pending before CESTAT, Bangalore

10	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"	CESTAT, Bangalore (Central Excise and Service Tax Appellant Tribunal)	1,687.95	Appeal is pending before CESTAT, Bangalore
11	Service Tax demand on provision of launch services to foreign satellites	Bangalore (Central Excise and Service Tax Department)	2,672.85	Pending before CEST Department, Bangalore
12	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	Court of Additional City Civil Judge, Bengaluru / High Court of Delhi / Paris Court of Appeal	2,46,262.50 (Equivalent to US\$ 562.50 Million @ Contracted forex rate of ₹ 43.78 which includes Liquidated damage of ₹ 2,189 lakhs as disclosed in 1 (I) (a) (iii) and (iv) above)	<p>The Company had 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. The Company 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. After receipt of ICC award dated 14.09.2015, when the matter came up for hearing on 09.10.2015, the Company filed an amendment petition informing the Court of the Award passed by ICC Tribunal and its proposal to challenge it. Devas filed their objections to this amendment petition and the Company is to file its rejoinder. The matter posted for next hearing on July 30, 2016.</p> <p>The Company filed an Arbitration Suit before the Court of Additional City Civil Judge, Bangalore for setting aside the ICC Award. Devas filed an interim application questioning the jurisdiction of the Bangalore City Civil Court. The Company filed its reply and Devas its rejoinder. The matter is now posted for hearing on August 06, 2016.</p> <p>The ICC Tribunal had rendered an Award dated 14.09.2015 against the Company, awarding Devas US\$ 562.50 million in damages plus interest from 25.02.2011 to the date of Award at the rate of 3-month Libor+4%, plus interest at the rate of 18% per annum from the date of Award until the date of full payment.</p>

				<p>After receipt of the ICC award, Devas filed a petition u/s 9 of the Arbitration and Conciliation Act, 1996 before the Delhi High Court, seeking, inter-alia, directions to the Company to secure the amount awarded by the Arbitral Tribunal by the Award dated 14.09.2015. Until the date of full payment, the security by furnishing a Bank Guarantee, or attaching all bank accounts, receivables, all other moveable assets and all immovable assets of the Company. Devas completed their arguments on jurisdiction and the Company is to commence its arguments on 22.07.2016, when the case is next listed.</p> <p>Devas has filed an enforcement petition in Paris converting the ICC Award as a Notification for enforcement of Award by the Court. The Company filed its appeal before the Paris Court of Appeal on 09.02.2016. A detailed appeal is to be filed before 11.07.2016.</p>
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6. 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	47.57	Dr.	Debited to Other Income
	(1,005.52)	Dr.	(Debited to Other Income)

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

7. Bank Deposits with more than 12 months maturity held as security against Guarantee issued and in lieu of security deposit includes a Fixed Deposit with Canara Bank for a sum of ₹0.40 Lakhs (Previous year ₹0.37 Lakhs) under lien with "Assistant Commissioner of Commercial Taxes, District - "V" Circle, Bangalore" in lieu of security Deposit.
8. Against the Bank Guarantees issued by State Bank of India on behalf of the company for Euro 4,45,500 and USD 90,000 in aggregate equivalent to ₹389.71 Lakhs (Previous year Euro 13,00,000 USD 90,000 and Euro 26,00,000 equivalent to ₹2,725.13 Lakhs), the Company has pledged a fixed deposit for ₹2812.12 Lakhs with them (Previous Year - ₹3,588.79 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.
9. The Ministry of Corporate Affairs, Government of India vide Notification F No.1/19/2013-CL-V-Part dated 04.09.2015 has exempted disclosure of additional information 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.
10. The provision for Gratuity & Leave Encashment are made on the basis of Actuary valuation as per Accounting Standard (AS) – 15 (Revised) and the following are the disclosures:-

**A. Gratuity****(i) Assets and Liability (Balance Sheet Position)**

Particulars	Figures as at the end of current reporting period 31.03.2016 (₹ in Lakhs)	Figures as at the end of previous reporting period 31.03.2015 (₹ in Lakhs)
Present Value of Obligation	21.46	12.98
Fair Value of Plan Assets	-	-
Unrecognized Past service Cost	-	-
Effects of Asset Ceiling	-	-
Net Asset / (Liability)	(21.46)	(12.98)

**(ii) Experience adjustments on Present Value of Obligation and Plan Assets**

Particulars	Figures as at the end of current reporting period 31.03.2016 (₹ in Lakhs)	Figures as at the end of previous reporting period 31.03.2015 (₹ in Lakhs)
(Gain)/Loss on Plan Liabilities	4.36	1.51
% of Opening Plan Liabilities	33.6%	22.0%
(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

**(iii) 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 monthly emoluments for each completers 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 Lakhs whichever is less	

Limit on benefit in case of death	Maximum of 33 times of monthly emoluments or ₹10 Lakhs whichever is less
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#### (iv) Financial Assumptions

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

Discount rate (per annum)	8.00%	7.80%
Salary growth rate (per annum)	11% for first four years and 7% thereafter	11% for first four years and 7% thereafter
Rate of increase of Dearness Pay (per annum)	6.40%	N/A
Expected rate of return on plan assets (per annum)	-	-

#### (v) 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%

#### (vi) Summary of Membership Status

Number of Employees	7	7
Total monthly salary (₹ in Lakhs)	3.20	2.82
Average past service (years)	8.14	7.14
Average age (years)	38.86	37.86
Average remaining working life (years)	21.14	22.14
Number of completed years valued	57	50

#### (vii) Changes in the Present Value in Obligation (₹ in Lakhs)

Present Value of Obligation as at the beginning	12.98	6.86
Interest cost	1.02	0.64
Current service Cost	3.27	1.12
Benefit Paid	0	0
Actuarial (Gain)/Loss on the Obligation	4.19	4.36
<b>Present Value of Obligation as at the End</b>	<b>21.46</b>	<b>12.98</b>

#### (viii) 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	

#### (ix) Expenses recognized in the Profit and Loss Account (₹ in Lakhs)

Current Service cost	3.27	1.12
Interest cost	1.02	0.64
Net Actuarial (Gain) / Loss recognised in the period	4.19	4.36
Expenses recognised in the statement of Profit and Loss	<b>8.48</b>	<b>6.12</b>

#### (x) Amount for the Current period (₹ in Lakhs)

Actuarial (Gain)/Loss for the period-Present Value of Obligation	<b>4.19</b>	<b>4.36</b>
% of Opening Present Value of Obligation	32.3%	63.5%
Actuarial (Gain)/Loss for the period-Fair Value of Plan Assets	-	-

% of Opening Fair Value of Plan Assets	-	-
<b>Total Actuarial (Gain)/Loss for the period</b>	<b>4.19</b>	<b>4.36</b>
Actuarial (Gain)/Loss recognised in the period	4.19	4.36
<b>Experience Adjustment on Present value of Obligation–Loss/ (gain)</b>	<b>4.36</b>	<b>1.51</b>

**(i) Movement in the Liability recognized in the Balance Sheet (₹ in Lakhs)**

Present Value of Obligation as at the beginning	12.98	6.86
Expenses recognised in statement of Profit and Loss	8.48	6.12
Benefit Paid	-	-
Actual returns on Plan assets	-	-
<b>Present Value of Obligation as at the end</b>	<b>21.46</b>	<b>12.98</b>

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

Investment/Securities	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**(xi) 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)	0.48	0.35
Non-Current Liability(Long Term)	20.98	12.63
<b>Total</b>	<b>21.46</b>	<b>12.98</b>

**(xii) Windup Liability /Discontinuance Liability (₹ in Lakhs)**

Particulars	Figures as at the end of current reporting period 31.03.2016	Figures as at the end of previous reporting period 31.03.2015
Discontinuance Liability *	15.10	11.68
Present value of Obligation	21.46	12.98
Ratio (Present Value of Obligation /Discontinuance Liability)	142%	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.

**11. The details of Corporate and Social Responsibility:-**

(a) Gross amount required to be spent by the Company during the year ₹ 584.00 Lakhs (Previous year ₹ 530.10 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
	2015-16	725.10	584.00	170.18	1,138.92

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

12. (a) The break-up of Deferred Tax Assets into major components as required under AS-22 is as under:-

		As on 31st March 2016 (₹ in Lakhs)	As on 31st March 2015 (₹ in Lakhs)
	<b><u>DEFERRED TAX ASSETS:</u></b>		
(i)	Provision for Doubtful Debts	1,675.79	1,600.90
(ii)	Provision for Gratuity	7.43	4.49
(iii)	Provision for Leave Encashment	10.28	6.53
	<b>Total</b>	<b>1,693.50</b>	<b>1,611.92</b>
	<b><u>DEFERRED TAX LIABILITIES:</u></b>		
(i)	Accumulated Depreciation	33.94	18.80
(ii)	Service Tax paid under protest not debited in the statement of Profit and Loss but claimed as deduction in the Income Tax computation statement of previous year under Section 43 B	2,745.48	2,745.47
	<b>Total</b>	<b>2,779.42</b>	<b>2,764.27</b>
	<b>Net Deferred Tax Liabilities</b>	<b>1,085.92</b>	<b>1152.35</b>

(b) Deferred tax liability of ₹ 2745.48 Lakhs recognized on Service tax paid under protest on the service value of Launch services, Foreign satellite Transponder providers service, Installation and commissioning services and Telecommunication services amounting to ₹ 7932.62 Lakhs is being carried as such during this year also and accordingly Net Profit after tax is arrived at for appropriation.

13. 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	₹ 15.64 Lakhs (Previous year ₹ 13.49 Lakhs)
(f)	Accumulated amortisation	₹ 13.32 Lakhs (Previous year ₹ 9.28 Lakhs)
(g)	Accumulated impairment losses at the beginning and end of the period	NIL
(h)	Reconciliation of the carrying amount at the beginning and end of the period	As furnished in the Annexure to Note - H
(i)	Additions, indicating separately those from internal development and through amalgamation	Bought out Software of ₹ 2.15 Lakhs (Previous year ₹ 5.64 Lakhs). There is no software internally developed or through Amalgamation
(j)	Retirements and disposals	Cost – Nil (Previous Year - ₹ 18.41 Lakhs) and corresponding amortized amount - Nil (Previous Year - ₹ 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	₹ 4.04 Lakhs (Previous year ₹ 4.61 Lakhs)
(n)	Other changes in the carrying amount during the period.	Nil

14. Dr. V S Hegde, Chairman-cum-Managing Director and Shri V Raghu Venkataraman, Executive Director (Operations)(Previous Year – Shri S Parameswaran, Executive Director up to 10th July, 2014) 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 Organization (ISRO).

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

Nature of Payment	FY 2015-16 (₹ in Lakhs)	FY 2014-15 (₹ in Lakhs)
Remuneration (Salary)	20.24	19.56
Telephone	0.10	0.77
Medical reimbursement	0.10	0.20
Conveyance	3.61	3.74
<b>Total</b>	<b>24.05</b>	<b>24.27</b>

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

Nature of Payment	FY 2015-16 (₹ in Lakhs)	FY 2014-15 (₹ in Lakhs)
Remuneration (Salary)	Nil	7.89
Medical reimbursement	Nil	0.00
<b>Total</b>	<b>Nil</b>	<b>7.89</b>

(c) Shri V Raghu Venkataraman, Executive Director (Operations):

Nature of Payment	FY 2015-16 (₹ in Lakhs)	FY 2014-15 (₹ in Lakhs) (from January 2015)
Remuneration (Salary)	18.07	1.42
Medical reimbursement	0.30	0.02
<b>Total</b>	<b>18.37</b>	<b>1.44</b>

15. There are no incidents of impairment of assets as per Accounting Standard AS-28 during the financial year.
16. 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.
17. Depreciation has been charged off under useful life Straight Line Method as per Schedule II to the Companies Act 2013. As per amendment to Schedule II to the Companies Act, 2013 mandatory for financial statements commencing on or after the 1st April, 2015, component accounting for Building is implemented during the year for depreciation. As this change is statutory, quantification of difference between depreciation of previous and current method is not disclosed. No other assets have got cost of a part which is significant to total cost of the asset for adopting different useful life.
18. Note-C (b) to the Balance Sheet (Other Long term Liabilities) includes a net advance from strategic customers for projects amounting to ₹ 46,428.05 Lakhs (Previous Year - ₹29,107.86 Lakhs).
19. Other Commitments under P-Other note no.1(ii)(b) is net commitment for ₹ 1,12,064.58 Lakhs (Previous year – ₹ 1,14,401.62 Lakhs) as against gross contract value for supply and service for ₹ 2,22,574.06 Lakhs (Previous year ₹ 2,27,231.35 Lakhs) being executed and advance received from customers against these contract is ₹ 33,081.76 Lakhs (Previous year ₹ 35,077.57 Lakhs).
20. Performance incentive of ₹ 0.39 Lakhs (Previous year ₹ 60.47 Lakhs) under Other Operating Revenue –Foreign Receipts is received from a customer for satisfactory performance of Hylas satellite exported to them.
21. The Company has requested confirmation of balance as on 31<sup>st</sup> December 2015 from all customers, except the customers with whom the contracts are closed and responses were received only from very few customers. Reconciliation of customer accounts with difference is in progress.
22. The Company has requested for confirmation of balance by Department of Space, Government of India as on 31<sup>st</sup> March 2016. The Company is yet to receive the confirmation. In the opinion of the Management, such non-confirmation does not have any material impact on the profit for the year.
23. The Contingent liability of ₹1,44,440.44 Lakhs relating to KVAT and CST demanded by the Commercial Taxes Department, Government of Karnataka for the period from 01.04.2005 to 31.03.2014 disclosed vide Note P-No.1(i)(a)(i) does not include interest and penalty from the date of demand upto the Balance Sheet date.

24. Contingent Asset that may arise on account of levying penal interest for delayed receipt of service charges/dues from customers, of ₹ 3,484.53 Lakhs is not recognized in the Books as per clause 30 of Accounting Standard – AS 29 in view of uncertainty of realization of such debits and also in view of the Accounting policy-Note-O No.2(v)(a).
25. In respect of long pending dues of ₹9,701.72 lakhs from Government Departments/ Organizations namely Ministry of Human Resource, DEAL (Ministry of Defence), Doordharshan and BSNL, discussions are in progress for recovery of dues by Department of Space (DOS) / ISRO HQ who are one of the parties to the agreements. Upon the outcome of the discussions and on the advice of DOS / ISRO HQ, necessary action will be taken.
26. 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 were received are detailed below:-

Financial Year	IT Refund as per Books (₹ in Lakhs)	Status
2007-08	1,287.30	To be received. Filed also Rectification application u/s 154 and petition u/s 119(2)(b) is pending before CBDT.
2008-09	1,727.33	To be received. Filed also Rectification application u/s 154.
2009-10	437.51	To be received. Filed also Rectification application u/s 154.
2010-11	9.14	To be received. Filed also Rectification application u/s 154.
2012-13	1,107.86	To be received. Filed also Rectification application u/s 154.
2013-14	1,709.29	To be received and Scrutiny assessment is pending
2014-15	3,792.68	To be received and Assessment is not taken up
2015-16	2,102.97	To be received and Assessment is not taken up
<b>Total</b>	<b>12,174.08</b>	

The Income Tax refund due is accounted based on the TDS certificates and payment advices/information received from the customers. Rectification application u/s 154 of the Income Tax Act, 1961, wherever applicable, have been filed before the Assessing Officer for short payments of Refund Claims. Reconciliation between the refund due as per books and the amount admitted by IT Department 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. Company is of the opinion that there will not be any effect in the Statement of Profit and Loss Account, on account of this reconciliation.

27. The changes in Accounting policy – Note-O No.1, 4 and 7 are only on account of re-wording and does not have any impact on the profitability of the current year operations.
28. 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.

**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.A.S.P Ranga)**

Partner

ICAI Membership No.22649

Sd/-

**(V Raghu Venkataraman)**

Executive Director (Operations)

Sd/-

**(Rakesh Sasibhushan)**

Chairman-cum-Managing Director

Place : Bangalore

Date : 19-07-2016

Place : Bangalore

Date : 19-07-2016

# CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2015

## (Under Indirect Method)

(₹ in lakhs)

PARTICULARS	For the current reporting period ended 31.03.2016		For the previous reporting period ended 31.03.2015	
<b>A. Cash flow from operating activities:</b>				
Net Profit before taxation		31,782.11		32,539.95
Add / (less) adjustments for:				
Depreciation and amortisation expenses	115.35		89.08	
Fixed Assets discarded	1.50		15.05	
Loss on sale of Fixed Assets	-		1.09	
Provisions for expenses (net of written back) made	235.69		929.05	
Year end Foreign currency translation Loss	47.57		1,005.52	
Dividend income from Mutual Funds	(635.84)		(804.14)	
Interest received on Deposits with Banks	(11,247.87)		(11,523.51)	
Liability no longer required W /b			(16.22)	
Capital Gain from Mutual Funds		(11,483.60)	(632.00)	(10,936.08)
<b>Operating Profit Before working capital changed</b>		<b>20,298.51</b>		<b>21,603.87</b>
Adjustments for:				
Decrease/(Increase) in Long Term Loan and Advances	(503.91)		3,673.83	
Decrease/(Increase) in Trade Receivables	17,060.96		(6,330.93)	
Decrease/(Increase) in Short Term Loans and Advances	8,453.51		-	
Decrease/(Increase) in Other Current Assets	1,531.61		-	
Increase/(Decrease) in Reserves and Surplus	(179.64)			
Increase/(Decrease) in Long term liabilities	(32,175.22)		(33,676.44)	
Increase/(Decrease) in Long-term provisions	19.20		-	
Increase/(Decrease) in Trade payables	14,809.63		26,655.03	
Increase/(Decrease) in Current liabilities	(22,804.86)		-	
Increase/(Decrease) in Short-term provisions	18,720.93	4,932.21	-	(9,678.51)
Cash generated from operations		<b>25,230.72</b>		<b>11,925.36</b>
Less: Income tax Paid		12,136.42		11,686.00
<b>Net cash from/(used in) operating activities</b>		<b>13,094.30</b>		<b>239.36</b>
<b>B. Cash flow from Investing activities</b>				
Purchase of Fixed Assets	(22.06)		(126.28)	
Proceeds from sale of Fixed Assets	-		0.58	
Year end Foreign currency translation variance	-		(1,005.52)	
Capital Gain from Mutual Fund	-		632.00	
Dividend income from Mutual Funds	635.84		804.14	
Decrease in Investments	-		14,815.97	
Increase in Accrued Interest on Deposits with Banks	-		(1,720.72)	

Interest received on Deposits with Banks	11,247.85		11,523.51	
<b>Net cash from / (used in) investing activities</b>		<b>11,861.63</b>		<b>24,923.68</b>
<b>C. Cash flow from Financing activities</b>				
Dividend including Interim Dividend Paid	(6,112.00)		(4,010.00)	
Dividend Distribution Tax Paid	(1,282.53)		(681.50)	
<b>Net cash from / (used in) Financing activities</b>		<b>(7,394.53)</b>		<b>(4,691.50)</b>
<b>Net Increase /(Decrease) in Cash and Cash equivalents (A+B+C)</b>		<b>17,561.40</b>		<b>20,471.54</b>
Opening Balance of Cash and Cash equivalents		<b>1,34,328.95</b>		<b>1,13,857.41</b>
Closing Balance of Cash and Cash equivalents		<b>1,51,890.35</b>		<b>1,34,328.95</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 INR 584 lakhs (Previous year - INR 530.10 lakhs), an amount of INR 170.18 lakhs (Previous year-INR 80 lakhs) was spent during the year towards CSR activities, other than construction and acquisition of Assets, and the cumulative balance unspent amount of INR 1138.92 lakhs (Previous year INR 725.10) as on year end is carried forward.

**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.A.S.P Ranga)**

Partner

ICAI Membership No.22649

Sd/-

**(V Raghu Venkataraman)**

Executive Director (Operations)

Sd/-

**(Rakesh Sasibhushan)**

Chairman-cum-Managing Director

Place : Bangalore

Date : 19-07-2016

Place : Bangalore

Date : 19-07-2016



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