

ANNUAL REPORT
1997-98



ANTRIX CORPORATION LIMITED

ANTRIX CORPORATION LIMITED

BOARD OF DIRECTORS

Dr. K Kasturirangan

Shri Ratan Tata

Shri Jamshyd N Godrej

Shri S Prabhakaran

Shri P Ravindra Reddy

EXECUTIVE DIRECTOR

Shri N Sampath

COMPANY SECRETARY

Shri S Viswanathan

AUDITORS

M/s. J Srinivasan
Chartered Accountants
Bangalore

BANKERS

Canara Bank, RMV Branch
Bangalore

REGISTERED OFFICE

Antariksh Complex
Near New BEL Road
Bangalore 560 094

DIRECTORS' REPORT

To

The Members,

I have pleasure in presenting to you, on behalf of the Board of Directors, the Sixth Annual Report along with the Audited Statement of Accounts and Auditors' Report for the year ended 31st March 1998.

PERFORMANCE HIGHLIGHTS

The year under review has witnessed substantial progress, both in terms of diversified activities and financial performance.

As in the previous year, global marketing of Indian Remote Sensing (IRS) satellite data through Space Imaging, formerly known as EOSAT (Earth Observation Satellite Company), USA, continues to be a major activity of the Company. A network of international ground stations is being set up in different countries to receive, process and market IRS data products. Apart from the four international ground stations at Norman, Oklahoma, USA, Neustalitz, Germany, Bangkok, Thailand and Dubai, additional ground stations being set up at Korea, Japan and Saudi Arabia are in various stages of completion of the access arrangements.

Proposals for more IRS reception stations at Alaska and Ecuador are in the evaluation stage. A ground station in Australia is also in the offing. It is hoped that a target of 10 international ground stations would be reached by early 1999.

Substantial progress has been made in execution of export orders received from major spacecraft/satellite manufacturers for spacecraft/satellite sub-systems, assemblies and components. A wide range of products covered under these export orders have been shipped and well received by the buyers. The attempt to execute these orders provided valuable experience of fabricating products to match international technical specifications and stringent test procedures and created an awareness of our capabilities and facilities among other leading international spacecraft/satellite manufacturers.

A Sounding Rocket (RH 300 Mk-II) was supplied during the year to the Norwegian Space Centre for scientific experiment purposes. The Rocket was successfully launched with technical assistance from the Company. Repeat orders for such rockets are expected.

A major achievement during the year was the successful establishment and operation of a Telemetry, Command and Ranging (TCR) Station for Worldspace (an Afristar Broadcast Satellite System) in Bangalore. The contract envisages setting up of the ground station system supplied by Worldspace and providing in-orbit TTC support of the spacecraft for a period of 5 to 10 years.

A contract for Telecommand Software package for Telespazio, Italy, was also completed during the year.

Contracts for Technical Consultancy and Services successfully completed during the year include:

- (a) IRS Data Processing Software for Thailand
- (b) Documentation package for the design of "Vertical feed Network implementation for Handheld Antenna System" for I-CO Global Communications, London.
- (c) Training in spacecraft operations and mission control areas for engineers from Electronics and Telecommunications Research Institute (ETRI) Korea.
- (d) Satellite Transponder Monitoring for Arianespace, France
- (e) Training in Theory and Concepts of Satellite Communications for engineers of ARABSAT, Saudi Arabia.

Visits from and to leading space agencies and industries were made and discussions held with them during the year. Such interactions were useful in establishing mutual cooperation and creating greater awareness among the international community of users of space products and services of the capability and facilities available with the Company and ISRO

FINANCIAL RESULTS		(Rs. in lakhs)
	Current Year ended 31.3.1998	Previous Year ended 31.3.1997
Total Income	1725.98	980.05
Total Expenditure	1136.80	576.87
Profit before tax	589.18	403.18
Less Provision for taxation	100.00	61.50
Profit after tax	489.18	341.68
Add excess provision for income tax in earlier year	10.14	-
Profit available for appropriation	499.32	341.68
	=====	=====
Transfer to General Reserves	389.00	265.00
Proposed Dividend	100.00	69.06
Corporate Dividend Tax	10.00	6.91
Surplus in P&L a/c carried to Balance sheet	0.32	0.71
Total of appropriations	499.32	341.68
	=====	=====

Export income (accrued) for the year amounted to Rs.1312.41 lakhs as against Rs.620.67 lakhs in the previous year. Export income consisted of Rs.560.56 lakhs from product exports and Rs.751.85 lakhs from Technical Consultancy and Services. Inland income during the year was Rs.185.93 lakhs (comprising product sales of Rs.21.90 lakhs and Earnings from Technical Consultancy and Services of Rs.164.03 lakhs) compared to Rs. 220.34 lakhs in the previous year. Transfer of Technology and Royalty contributed Rs.40.37 lakhs.

An amount of Rs.39.04 lakhs has been included in the total income as Miscellaneous Income. This amount represents the notional gain derived from adopting the method prescribed in the Revised Accounting Standard (AS) 11 issued by the Institute of Chartered Accountants of India with effect from 01-04-1995, on reporting

and accounting for the effect of changes in foreign exchange rates subsequent to initial recognition. As reported in the previous year's Directors Report, the Directors have been advised that it is not mandatory under the Companies and Income Tax Acts to comply with the Revised AS-11 issued by the Institute of Chartered Accountants of India whose guidelines do not have the force of law unlike in the case of an Act of Parliament or rules framed thereunder.

DIVIDEND

In compliance with the instructions issued by the Government of India vide Office Memorandum No.F/1 (16)-E II (A) dated 17-01-1996 of the Ministry of Finance (Department of Expenditure), your Directors are pleased to recommend a higher dividend of **100%** on the paid up equity share capital of Rs.100 lakhs., which represents 20% of the post-tax profits, for the year ended 31.3.1998. A 10% Corporate Dividend Tax on the dividend amount is payable to the Income Tax Department.

FUTURE OUT LOOK

The future outlook for the Company appears encouraging with prospects of steady growth.

Established in September 1992 to promote Indian Space Products and Services, the Company has been successful in creating an awareness of the capability and facilities built up by Indian Space Research Organization in the field of Space Technology, covering a comprehensive and wide variety of activities from conceptualisation to implementation, in terms of technical services and manpower training, software subsystems and components for satellites, fabrication of satellite for user requirements, launch services and tracking facilities.

With the establishment of 10 international ground stations, the company hopes to achieve a higher share of the remote sensing market and consolidate its position as one of the leading players on the international satellite remote sensing market.

Having succeeded in supplying satellite sub-systems and components to leading spacecraft manufactures, plans are afoot to tap the market for telecommunication satellites for private sector telecommunication service providers. As a first step in this direction, a contract has been signed with an Indian private company for providing Consultancy Services for its satellite project aimed at its owning and launching a private

satellite as part of the Indian registered satellite system in an Indian orbital slot.

Negotiations are also underway for marketing of medium telecom satellites jointly with leading spacecraft manufacturers.

The Company has entered the field of Launch Services too. In addition to the agreement with Satellite Technology Research Centre of the Republic of Korea for the launch of their small satellite (KITSAT-3) weighing about 100 kgs, an agreement has been signed with DLR, Germany, for the launch of their satellite DLR TUBSAT, weighing about 50 kgs, in piggy-back mode on ISRO'S next PSLV Mission (PSLV-PROBA) for launch of IRS-P4. A memorandum of understanding has been reached with Arianespace, France for jointly marketing Launch services for small Satellites.

Technical Consultancy and Training form a regular feature of Company's activities. Mission support activities are also steadily growing through existing and new customers. Besides the ongoing operation of the Telemetry, Command and Ranging (TCR) station of Worldspace, USA, for in orbit support of the Digital audio Broadcasting Satellite - Afristar, contracts were concluded with Space Systems/Loral, USA, for Transfer orbit TTC services and In-orbit Test support services.

These diversified and increasing activities are expected to sustain the steady growth of the Company in future years.

DIRECTORS

Shri R. Aravamudan tendered his resignation from the Directorship of the Company with effect from 1st November 1997 consequent on his retirement from Government service.

Your Directors record their appreciation of the valuable guidance given and contribution made by Shri R. Aravamudan during his tenure as Director of the Company.

AUDITORS

The Company Law Board, Department of Company Affairs, Government of India, reappointed M/s. J. Srinivasan, Chartered Accountants, as Statutory Auditors to conduct the audit of the Annual Accounts of the Company for the year ended 31.3.1998.

Their Audit Report dated 6th July 1998 is annexed. The Company's clarifications/explanations to their observations in paras 7 (a) and 7 (b) of the Annexure to their Audit Report are given in Annexure-I.

FIXED DEPOSITS

The Company has not invited or accepted any deposits from the public

PARTICULARS OF EMPLOYEES

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

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

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

Foreign exchange earnings and outgo (actuals) for the year ended 31-03-1998 are as follows.

(i)	Foreign Exchange Earnings	Rupees in lakhs	Amount in US \$
(a)	On a/c of Exports	440.34	1177,432
(b)	On a/c of Technical Consultancy	965.31	2594,071
	Total	1405.65	

=====			
(ii)	Foreign Exchange Outgo	Rupees in lakhs	Amount in US \$
(a)	On a/c of Travel	32.34	86,916
(b)	On a/c of Membership & Subscription	0.03	90
(c)	On a/c of Import of Materials for ISRO Centres	50.73	139,710
(d)	On a/c of Professional Fee & Expenses.	0.48	1,234
(e)	On a/c of Advertisement	6.90	17,805
	Total	90.48	
=====			

ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation of the support given and contribution made by the officers and staff members of Department of Space and ISRO Units at all levels to the successful operations of the Corporation during the period under report.

The Directors also wish to place on record their appreciation of the cooperation extended to the Company by other Government Departments and Agencies, Bankers and Industries.

The Directors also thank the Company's clients and users of its products and services.

For and on behalf of the Board

Bangalore
September 18, 1998

K. Kasturirangan
Chairman

ANNEXURE-1

Observation of Statutory Auditors	Company's clarifications/explanations
<p>Para 7(a)</p> <p>According to information and explanations given to us, the company was formed as a corporate marketing entity of ISRO and hence procurement of goods and services are mostly from them.</p>	<p>This is a factual statement. In terms of Notification No. 8/1(4)87-III (Vol.III) dated 8.09.1992 of Government of India, referred to in Note No.1 of Notes on Accounts (Schedule 16), Antrix Corporation Ltd., was formed as a Corporate Front of Indian Space Research Organisation (ISRO) to promote spinoffs from Indian Space Technology and exploit international market for space products and services. Hence, it is appropriate that most of the Company's space products and services are procured from ISRO Centres.</p>
<p>Para 7(b)</p> <p>The Company is entitled to receive 10% commission on sale of IRS Data products by EOSAT by virtue of the agreement dated 21.10.1993 and the amendments made thereafter. In the absence of some of the sales data yet to be received from EOSAT we are unable to vouch for such commission receipts. The Company has accounted for such commission on intimation.</p>	<p>The Company has accounted for royalty payable by EOSAT on sale of IRS Data products as and when intimation and payments were made by them. The question of EOSAT furnishing periodical sales data for purposes of vouching royalty receipts has been taken up with them.</p>

AUDITORS' REPORT

To
The Share Holders,
Antrix Corporation Limited
BANGALORE.

We have audited the attached Balance Sheet of M/s. Antrix Corporation Limited, as at 31st March, 1998 and the Profit and Loss Account for the year ended on that date, annexed thereto and report that:

1. As required by the Manufacturing and other Companies (Auditors Report) Order, 1988 issued by the Company Law Board in terms of section 227(4A) of Companies Act 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the annexure referred to in paragraphs 4 & 5 of the said order:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purpose of our audit.
 - b. In our opinion proper books of account as required by Law have been kept by the Company, so far as appears from our examination of such books.
 - c. The Balance Sheet and the Profit and Loss Account referred in this Report are in agreement with the books of account.
 - d. In our opinion and to the best of our information and according to the explanations given to us, the said balance Sheet and Profit & Loss account subject to the notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
 1. In the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March, 1998.
 11. In the case of the Profit and Loss Account, of the Profit for the year ended on that date.

for J. Srinivasan
Chartered Accountants

Bangalore
July 06, 1998

S. Jayaram
S. Jayaram
Partner.



ANNEXURE TO AUDITORS' REPORT

1. The Company has maintained proper records showing full particulars including quantitative details and location of fixed assets. The management have physically verified these fixed assets at reasonable intervals and we were informed that no material discrepancies were noticed on such verification.
2. None of the fixed assets have been revalued during the year.
3. The Management has conducted physical verification of the finished stocks, stores, spare parts and raw materials at reasonable intervals. The procedure followed by the Management for such physical verification in our opinion, were reasonable and adequate in relation to the size of the company and the nature of its business.
4. The company does not hold the finished goods, work in progress or raw materials as on the date of Balance Sheet, hence the valuation of such stocks does not arise.
5. The company has neither taken nor granted any secured/unsecured loans from companies, firms and other parties listed in the register maintained under Section 301 of the Companies Act, 1956, and or from the companies under the same Management as defined under Section 370(1B) of the Companies Act, 1956.
6. As the company did not advance any monies as loans to any party including its employees the recovery of such loans does not arise.
7. (a) According to the information and explanations given to us, the company was formed as a corporate marketing entity of ISRO and hence procurement of goods and services are mostly from them.
(b) The Company is entitled to receive 10% commission on sale of IRS Data products by EOSAT by virtue of the agreement dated 21.10.1993 and the amendments made thereafter. In the absence of some of the sales data yet to be received from EOSAT we are unable to vouch for such commission receipts. The Company has accounted for such commission on intimation.

Subject to the above, there are adequate internal control procedure commensurate with the size of the company and its nature of business for purchase of raw materials, stores including components, plant and machinery, equipment and other assets and for the sale of goods.

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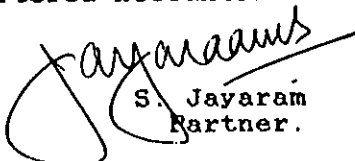
ANNEXURE TO AUDITORS' REPORT


-2-

8. In our opinion and according to the information and explanations given to us, there have been purchases and sale of goods, materials, services or components aggregating to Rs.50,000 in value from each the parties, made in pursuance of contracts or arrangements entered in the registers maintained under Section 301 of the Companies Act, 1956. Such contracts are not prima facie prejudicial to the interest of the Company.
9. The Company has no unserviceable or damaged stores, raw materials or finished goods.
10. According to the information and explanations given to us the Company has not accepted any deposits from public.
11. The company's operations do not generate any by products or scrap.
12. In our opinion the company has an internal audit system commensurate with the size and nature of its business.
13. We were informed that The Central Government has not prescribed for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956.
14. According to the information and explanation given to us, the provisions of Provident Fund and Employees State Insurance Act are not applicable to the Company.
15. According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax, Sales Tax, Customs Duty and excise duty were outstanding on the date of Balance Sheet for a period of more than six months from the date on which they became payable.
16. In our opinion and according to the information and explanations furnished to us, no personal expenses have been charged to revenue accounts other than those payable under contractual obligations or in accordance with generally accepted business practices.
17. In our opinion, the Company is not a Sick Industrial Company within the meaning of Clause (i) of Sub-section(1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.

for J. Srinivasan
Chartered Accountants

Bangalore
July 06, 1998


S. Jayaram
Partner.

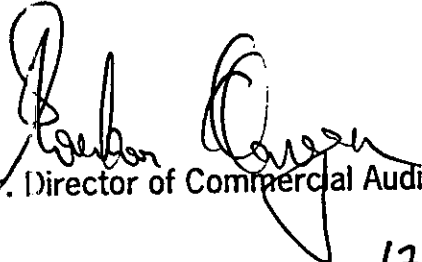


COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA UNDER
SECTION 619 (4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF
ANTRIX CORPORATION LIMITED, BANGALORE
FOR THE YEAR ENDED 31st MARCH 1998

Profit and Loss Account:

Direct Expenditure - Rs.1095.81 lakhs .

The Direct expenditure represents amounts paid/payable to ISRO and its Centres at mutually agreed upon predetermined rates against sales (shown as earnings amounting to Rs.1498.34 lakhs). As no inventory/cost records are maintained by the Company, the material and other elements of cost included in direct expenditure are not susceptible for verification in audit.


Pr. Director of Commercial Audit

Bangalore
Dated : 17th September 1998

17.9.98

ANTRIX CORPORATION LIMITED
BALANCE SHEET AS AT 31 MARCH 1998

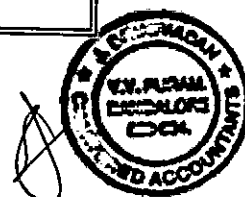
PARTICULARS	SCH NO.	As at 31st MARCH 1998	As at 31st MARCH 1997
SOURCES OF FUNDS		Rupees	Rupees
Shareholders' Funds			
Capital	1	1,00,00,000	1,00,00,000
Reserves and Surplus	2	12,73,97,723	8,84,65,207
TOTAL		<u>13,73,97,723</u>	<u>9,84,65,207</u>
APPLICATION OF FUNDS			
Fixed Assets			
Furniture and Fixtures			
Gross Block (Cost)		2,478	2,478
Less: Depreciation to date (WDV method)		<u>2,478</u>	<u>2,478</u>
Net Block (WDV)		Nil	Nil
Investments	3	5,000	5,000
Current Assets, Loans & Advances			
Sundry Debtors	4	3,20,57,655	1,85,38,400
Cash and Bank Balances	5	22,40,63,482	12,92,69,024
Loans and Advances	6	<u>1,91,50,234</u>	<u>53,30,569</u>
		27,52,71,371	15,31,37,993
Less: Current Liabilities and Provisions			
Liabilities	7	12,68,78,648	4,69,13,387
Provisions	8	<u>1,10,00,000</u>	<u>77,64,399</u>
Net Current Assets		13,73,92,723	9,84,60,207
TOTAL		<u>13,73,97,723</u>	<u>9,84,65,207</u>
Accounting Policies	15		
Notes on Accounts	16		
Schedules 1 to 8, 15 & 16 form an integral part of this Balance Sheet			
As per our report attached hereto		For and on behalf of the Board	
For J. Srinivasan Chartered Accountants		K. Kasturirangan Chairman	S. Prabhakaran Director
S. Jayaram Partner		N. Sampath Executive Director	S. Viswanathan Company Secretary
Bangalore Date: July 6, 1998		Bangalore Date: June 29, 1998	

ANTRIX CORPORATION LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 1998

PARTICULARS	SCH NO.	Year Ended 31st MARCH 1998	Year Ended 31st MARCH 1997
INCOME		Rupees	Rupees
Foreign Earnings	9	13,12,41,012	6,20,67,263
Inland Earnings	10	1,85,93,335	2,20,34,200
Other Income	11	<u>2,27,64,103</u>	<u>1,39,03,563</u>
TOTAL		<u>17,25,98,450</u>	<u>9,80,05,026</u>
DIRECT EXPENDITURE			
On Foreign Earnings	12	9,46,65,086	3,67,17,476
On Inland Earnings	13	<u>1,49,16,193</u>	<u>1,71,99,361</u>
TOTAL		<u>10,95,81,279</u>	<u>5,39,16,837</u>
Income after Direct Expenditure		<u>6,30,17,171</u>	<u>4,40,88,189</u>
Less: Administrative and Other Expenditure	14	<u>40,99,274</u>	<u>37,70,296</u>
Profit Before Tax		<u>5,39,17,897</u>	<u>4,03,17,893</u>
Less: Provision for Income Tax		1,00,00,000	61,50,000
Add: Excess Provision for IT in earlier years		<u>10,14,619</u>	<u>---</u>
Net Profit After Tax		<u>4,99,32,516</u>	<u>3,41,67,893</u>
Less: Transfer to General Reserve		3,89,00,000	2,65,00,000
Provision for proposed dividend		1,00,00,000	69,06,301
Corporate Dividend Tax thereon		<u>10,00,000</u>	<u>6,90,630</u>
Surplus carried to Balance Sheet		<u>32,516</u>	<u>70,962</u>
Accounting Policies	15		
Notes on Accounts	16		
Schedules 9 to 16 form an integral part of this Profit and Loss Account			
As per our report attached hereto		For and on behalf of the Board	
For J. Srinivasan Chartered Accountants	K. Kasturirangan Chairman	S. Prabhakaran Director	
S. Jayaram Partner	N. Sampath Executive Director	S. Viswanathan Company Secretary	
Bangalore Date: July 6, 1998	Bangalore Date: June 29, 1998		

ANTRIX CORPORATION LIMITED
SCHEDULES TO BALANCE SHEET AS AT 31ST MARCH 1998

PARTICULARS	As at 31st MARCH 1998	As at 31st MARCH 1997
SCHEDULE 1 : SHARE CAPITAL	Rupees	Rupees
Authorised 5,00,000 Equity shares of Rs.100/- each	<u>5,00,00,000</u>	<u>5,00,00,000</u>
Issued, Subscribed and Paid up 1,00,000 Equity shares of Rs.100/- each	<u>1,00,00,000</u>	<u>1,00,00,000</u>
SCHEDULE 2: RESERVES AND SURPLUS		
Capital Reserve Per Last Balance Sheet	<u>40,12,034</u>	<u>40,12,034</u>
General Reserve Per Last Balance Sheet	<u>8,39,00,000</u>	<u>5,74,00,000</u>
Transfer from Profit and Loss Account	<u>3,89,00,000</u>	<u>2,65,00,000</u>
	<u>12,28,00,000</u>	<u>8,39,00,000</u>
Surplus Per Last Balance Sheet	<u>5,53,173</u>	<u>4,82,211</u>
Transfer from Profit and Loss Account	<u>32,516</u>	<u>70,962</u>
	<u>5,85,689</u>	<u>5,53,173</u>
	<u>12,73,97,723</u>	<u>8,84,65,207</u>
SCHEDULE 3 : INVESTMENTS (At cost - Non-Trade - Unquoted)		
In Government Securities: National Savings Certificate (Deposited with State Govt. Commercial Tax Authorities as Security)	<u>5,000</u>	<u>5,000</u>
SCHEDULE 4 : SUNDRY DEBTORS (Unsecured - Considered good) Debts outstanding for a period exceeding six months	<u>37,44,974</u>	-
Other debts	<u>2,83,12,681</u>	<u>1,85,38,400</u>
	<u>3,20,57,655</u>	<u>1,85,38,400</u>
SCHEDULE 5 : CASH AND BANK BALANCES		
Cash balance on hand	<u>3,165</u>	<u>326</u>
Bank balances with Scheduled banks: In Current accounts	<u>10,42,577</u>	<u>87,13,260</u>
In Deposit accounts	<u>22,30,17,740</u>	<u>12,05,55,438</u>
	<u>22,40,63,482</u>	<u>12,92,69,024</u>



ANTRIX CORPORATION LIMITED
SCHEDULES TO BALANCE SHEET AS AT 31st MARCH 1998

PARTICULARS	As at 31st MARCH 1998	As at 31st MARCH 1997
	Rupees	Rupees
SCHEDULE 6 : LOANS AND ADVANCES (Unsecured - Considered Good)		
Advances recoverable in cash or in kind or for value to be received	<u>1,91,50,234</u>	<u>53,30,569</u>
SCHEDULE 7 : LIABILITIES		
Current Liabilities:		
Sundry Creditors	9,49,41,639	3,71,10,208
Other Liabilities	<u>3,19,37,009</u>	<u>98,03,179</u>
	<u>12,68,78,648</u>	<u>4,69,13,387</u>
SCHEDULE 8 : PROVISIONS		
For Proposed Dividend	1,00,00,000	69,06,301
For Corporate Dividend Tax	10,00,000	6,90,630
For Income-tax (Net of Advance Tax Paid)	<u>-</u>	<u>1,67,468</u>
	<u>1,10,00,000</u>	<u>77,64,399</u>

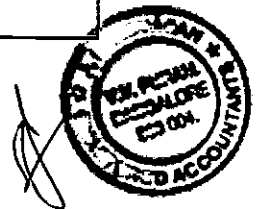


ANTRIX CORPORATION LIMITED
SCHEDULES TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 1998

PARTICULARS	YE 31st MARCH 1998	YE 31st MARCH 1997
	Rupees	Rupees
SCHEDULE 9 : FOREIGN EARNINGS		
Export	5,61,55,612	2,08,02,948
Technical Consultancy and Services	<u>7,58,400</u>	<u>4,12,64,315</u>
	<u>13,19,41,012</u>	<u>6,20,67,263</u>
SCHEDULE 10 : INLAND EARNINGS		
Sales	2,90,595	1,94,99,200
Technical Consultancy and Services	<u>1,60,274</u>	<u>25,35,000</u>
	<u>1,80,93,335</u>	<u>2,20,34,200</u>
SCHEDULE 11 : OTHER INCOME		
Transfer of Technology and Royalty	40,37,118	10,07,129
Miscellaneous Income	39,20,626	24,60,005
Interest receipts:		
(Gross; TDS - Rs.28,45,004 previous year Nil)		
on FD with Bank	1,45,32,203	1,04,35,542
on NSC	1,003	887
on Bills	2,103	
on Prepaid IT	<u>2,71,050</u>	
	<u>2,27,64,103</u>	<u>1,39,03,563</u>
SCHEDULE 12 : DIRECT EXPENDITURE ON FOREIGN EARNINGS		
Relating to Export	3,50,50,825	1,44,78,071
Relating to Technical Consultancy and services	<u>5,96,14,261</u>	<u>2,22,39,405</u>
	<u>9,46,65,086</u>	<u>3,67,17,476</u>
SCHEDULE 13 : DIRECT EXPENDITURE ON INLAND EARNINGS		
Relating to Sales	17,40,001	1,55,99,361
Relating to Technical Consultancy and services	<u>1,31,76,192</u>	<u>16,00,000</u>
	<u>1,49,16,193</u>	<u>1,71,99,361</u>
SCHEDULE 14 : ADMINISTRATIVE AND OTHER EXPENDITURE		
Salaries	1,08,658	59,875
Establishment charges	13,8,385	9,30,801
Publicity and exhibition	7,0,146	3,84,055
Business Promotion expenses	4,090	2,33,439
Travelling expenses	8,7,636	13,13,011
Printing and stationery	1,224	1,03,835
Legal and Professional fees	5,000	30,500
Rates and Taxes	6,312	3,19,375
Conveyance and Taxi hire	2,09,094	1,68,292
Board Meeting expenses	5,400	17,034
Membership and Subscription	5,308	24,309
Directors' sitting fees	9,000	6,500
Auditors' remuneration for audit	5,000	25,000
Bank Guarantee Commission	3,9,200	-
Books & Periodicals	1,449	8,427
Miscellaneous expenses	1,03,372	43,017
Preliminary Expenses written off	-	<u>1,02,826</u>
	<u>40,99,274</u>	<u>37,70,296</u>

SCHEDULE 15: ACCOUNTING POLICIES

1. The company follows fundamental accounting assumption namely consistency and accrual method of accounting, except as stated in Clause (4) below.
2. The company is maintaining its accounts on completed work basis.
3. Investments are shown at cost.
4. The company accounts the income from ISRO and its Centres on account of Technical Consultancy and Services, Transfer of Technology and Royalty, on their receipts/intimation.
5. The outstanding balances in foreign currency at the year end in Liabilities and Assets Accounts have been translated at prevailing rate at the year end and the amount of variance has been accounted either as net Income or Expenditure, as the case may be, as suggested under AS11 (Revised) of the Institute of Chartered Accountants of India.
6. Direct Expenditure relating to Export, Inland Sale, Foreign Technical Consultancy and Services and Inland Technical Consultancy and Services including TTC Receipts, payable to ISRO Centre are accounted at cost, as mutually agreed and approved by and between ISRO and the Company.



SCHEDULE 16: NOTES ON ACCOUNTS :

1. The company in terms of Notification No.8/1(4)87-III(Vol.III) dated 18.9.1992, has been vested with the right to receive Royalties and Technical Know-how fee from ISRO and its Centres in respect of process and patents developed and transferred to Industries by them.
2. The Central Government vide order No. 46/103/98-CL.III dated 1st June 1998 of the Department of Company Affairs, have granted exemption to the Company under Section 211(4) of the Companies Act, from disclosure of information and details under paras 3(i), 3(ii), 3(iii), 3(x)(a), 3(xv), 4-C and 4-D of Part II of Schedule VI to the Companies Act, 1956, as amended vide Notification No. GSR 494(E) dated 30th October 1973, in the Statements of Accounts for the financial year ended 31st March 1998.
3. Miscellaneous Income includes a sum of Rs.39,03,859/- (previous year - Rs. 24,24,475) being the net amount of variance on account of year end currency translation of outstanding balances in Foreign currency in applicable liabilities and assets accounts at the prevailing exchange rate as at the end of financial year, as suggested in Accounting Standard "AS-11" (Revised) of the Institute of Chartered Accountants of India.
4. The Corporate dividend tax of Rs.10,00,000/- (Previous year - Rs. 6,90,630) is payable only on declaration of the proposed dividend at the ensuing Annual General meeting by members..
5. Contingent Liability on account of Bank Guarantee given is Rs. 1,09,76,089 for which 100% security has been offered to Bank by providing lien on Fixed Deposit for a sum of Rs.3,48,21,664/-.
6. Balances under Sundry Debtor, Sundry Creditor, Advances Recoverable and Other Liabilities are subject to confirmation where applicable.
7. Previous year's figures are regrouped to conform with the presentation of the current year.

As per our report attached hereto

For and on behalf of the Board

For J. Srinivasan
Chartered Accountants

S. Jayaram
Partner



Bangalore

Date:

July 6, 1998

K. Kasturirangan
Chairman

N. Sampath
Executive Director

Bangalore
June 29, 1998

S. Prabhakaran
Director

S. Viswanathan
Company Secretary

ANTRIX CORPORATION LIMITED
BALANCE SHEET ABSTRACT AND COMPANY GENERAL BUSINESS PROFILE

I. Registration Details

Registration No. : 08/13570 of 1992 State Code: 08
 Balance Sheet Date: 31st March 1998

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

Public Issue : Nil Right Issue : Nil
 Bonus Issue : Nil Private Placement: Nil

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

Total Liabilities :	137398	Total Assets :	137398
Sources of Funds:		Applications of Funds:	
Paid up Capital :	10000	Net Fixed Assets :	Nil
Secured Loans :	Nil	Net Current Assets :	137393
Reserve & Surplus :	127398	Investments :	5
Unsecured Loans :	Nil	Misc Expenditure :	
		Accumulated Losses :	Nil

IV. Performance of Company (Amount in Rs. Thousand)

Turnover (including other income) :	172598	Total Expenditure :	122665
Profit before Tax :	58918	Profit after Tax :	49933
Earning per Share in Rs. :	499.33	Dividend Rate :	100 %

V. Generic Names of Three Products

Item Code No (ITC Code) :	852790 01.10
Product Description :	Frame Synchronizer
Item Code No. (ITC Code) :	880390 00.90
Product Description :	Beryllium Windows
Item Code No. (ITC Code) :	852910 09.20
Product Description :	Antenna

As per our report attached hereto

For and on behalf of the Board

For J. Srinivasan
Chartered Accountants

S. Jayaram
Partner



K. Kasturirangan
Chairman

N. Sampath
Executive Director

S. Prabhakaran
Director

S. Viswanathan
Company Secretary

Bangalore
Date: July 8, 1998

Bangalore
Date: June 29, 1998

ANTRIX CORPORATION LIMITED
GROUPINGS TO BALANCE SHEET AS AT 31ST MARCH 1998

ADVANCES RECOVERABLE

	Rs.
General Advance	6,000.00
Travel Advance (Foreign)	3,68,036.00
Accrued Interest (EEFC)	9,73,426.00
Accrued Interest (Rupee FD)	64,19,204.00
Accrued Interest (NSC)	4,105.00
Accrued Income (TTE)	34,34,213.00
Prepaid Expenses -	9,68,655.00
Deposits with MTAR	22,19,400.00
Income Tax payment (Net)	29,73,081.43
IISU, Thiruvananthapuram	17,84,114.00

1,91,50,234.43

SUNDRY CREDITORS

VSSC, Thiruvananthapuram	86,83,321.65
MCF, Hassan	20,14,495.00
NRSA, Hyderabad	2,47,63,316.00
SAC, Ahmedabad	86,31,811.00
ISAC, Bangalore	1,90,23,108.50
ISTRAC	1,96,34,592.38
ISTRAC, DLR	86,23,659.00
LPSC, Bangalore	10,02,585.00
SHAR, Shriharikota	5,23,006.00
LEOS, Bangalore	13,43,931.00
Selco International	1,17,743.00
NDT Engineers	5,000.00
MTAR	5,75,071.00

9,49,41,639.53

OTHER LIABILITIES

CABE	32,50,000.00
ETRI	32,65,392.00
HUGHES	3,80,072.50
CVRDE	18,65,000.00
SATRAC/KITSAT	1,53,06,525.00
SS/L, USA	19,62,375.00
DLR, Germany	47,09,700.00
HTL, New Delhi	5,00,000.00
Outstanding expenses	1,88,878.84
Directors' sitting fees payable	1,500.00
Cancard	11,018.66
ITDS payable (97-98)	16,769.00
KST payable	75,624.00
Cess on KST Payable	3,781.00
TOT Payable	43,812.00
Balmer Lawrie & Co.Ltd.	3,53,963.00
Travelling Expenses payable	945.00
IT Payable FY 95-96	48,560.00
Less: IT Payment FY 95-96	46,906.63
	1,653.37

3,19,37,009.37



GROUPINGS TO BALANCE SHEET AS AT 31ST MARCH 1998

SUNDRY DEBTORS

Rs.

EOSAT	2,35,49,344.00
Nuova, Telespazio	3,92,475.00
ADA, Bangalore	37,12,600.00
ADE, Bangalore	1,63,210.00
SI, Dubai	27,473.00
Arabsat	9,81,188.00
MMS. France	30,02,434.00
Arainespace, France	2,28,931.00
	<u>3,20,57,655.00</u>

INCOME-TAX PAYMENTS

AIT (AY 1997-98) (FY 96-97)	62,78,077.43
AIT (AY 1998-99) (FY 97-98)	1,00,00,000.00
TDS by others (AY 1998-99) (FY 1997-98)	28,45,004.00
	<u>1,91,23,081.43</u>

LESS: PROVISION FOR INCOME-TAX

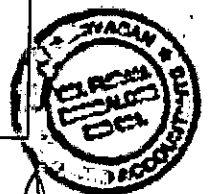
AY 1997-98 (FY 96-97)	61,50,000.00
AY 1998-99 (FY 97-98)	1,00,00,000.00
	<u>1,61,50,000.00</u>
Net Debit	<u>29,73,081.43</u>

BANK BALANCES IN CURRENT ACCOUNTS

Canara Bank Rupee A/c.	9,56,746.93
Canara Bank EEFC A/c.	85,830.00
	<u>10,42,576.93</u>

BANK BALANCES IN DEPOSIT ACCOUNTS

FD with Canara Bank (Rupee)	14,50,79,765.00
FD with Canara Bank (EEFC)	7,10,37,975.00
FD with IDBI Bank Ltd.	25,00,000.00
FD with UTI Bank Ltd.	25,00,000.00
FD with ICICI Bank Ltd.	19,00,000.00
	<u>22,30,17,740.00</u>



ANTRIX CORPORATION LIMITED
GROUPINGS TO PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 1998

INCOME

Rs.

Export	5,54,99,228.00
(+) FE Fluctuation	5,56,384.00
	<u>5,60,55,612.00</u>

FTCS	7,41,20,113.00
(+) FE Fluctuation	10,65,287.00
	<u>7,51,85,400.00</u>

MISCELLANEOUS INCOME

Liability no longer required W/B	16,767.00
Year end currency translation	
under AS11 (revised) of ICAI	39,03,858.50
	<u>39,20,625.50</u>

INTEREST RECEIPTS

On EEFC FD	25,31,412.00
On Rupee FD	1,20,00,791.00
	<u>1,45,32,203.00</u>



**GROUPINGS TO PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 1998**

TRAVELLING EXPENSES

Rs.

Foreign	6,52,993.00
Inland	1,56,535.00
Directors Travelling (Inland)	18,108.48
	<hr/> 8,27,636.48

MISCELLANEOUS EXPENSES

License and fees	860.00
Postage and Telegrams	49,794.00
Bank charges	22,308.00
General expenses	23,410.75
Personnel Training expenses	24,000.00
	<hr/> 1,20,372.75

EXCESS PROVISION FOR IT (Net) W/B

Excess Provision for IT	10,45,711.00
Less Short Provision for IT (96-97)	31,092.00
	<hr/> 10,14,619.00



**ANTRIX CORPORATION LIMITED
BANGALORE**

DETAILS OF SUNDRY DEBTORS AS ON 31.3.1998

Party	Dr.	Cr.
Hughes, USA		3,80,772.50
MMS, France	30,02,434.00	-
Nuova, Telespazio	3,92,475.00	-
EOSAT - Space Image	2,35,49,344.00	-
DLR, Germany - TUBSAT	-	47,09,700.00
SATRAC/KITSAT	-	1,53,06,525.00
SSL, USA	-	19,62,375.00
SI, Dubai	27,473.00	-
Araianespace, France	2,28,931.00	-
Arabsat, Riyadh	9,81,188.00	-
ETRI, Korea	-	32,65,392.00
ADE, Bangalore	1,63,210.00	-
CVRDE, Chennai	-	18,65,000.00
CABE, Bangalore	-	32,50,000.00
ADA, Bangalore Magnetometer	9,85,000.00	-
ADA, Bangalore - Antenna	27,27,600.00	-
HTL, New Delhi	-	5,00,000.00
Total	3,20,57,655.00	3,12,39,064.50

Dr. 8,18,590.50

ANTRIX CORPORATION LIMITED
BANGALORE

DETAILS OF SUNDRY CREDITORS AS ON 31.3.1998

Dr.	Cr. Rs.
LF 63 Selco International	1,17,743
LF 70 NDT Engineers	5,000
LF 72 MTAR. Hyderabad	5,75,071
	<u>6,97,814</u> ✓
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**ANTRIX CORPORATION LIMITED
BANGALORE**

**ISRO UNITS A/C
(Details for Outstanding Balances as on 31.3.1998)**

Sl. No.	Units	Debit	Credit
1.	NRSA, Hyderabad		2,47,63,316.00
2.	VSSC, Thiruvananthapuram		86,83,321.65
3.	IISU, Thiruvananthapuram	17,84,114.00	
4.	SHAR, Shriharikota		5,23,006.00
5.	SAC, Ahmedabad		86,31,811.00
6.	MCF, Hassan		20,14,495.00
7.	ISAC, Bangalore		1,90,23,108.50
8.	LPSC, Bangalore		10,02,585.00
9.	LEOS, Bangalore		13,43,931.00
10.	ISTRAC, Bangalore		1,96,34,592.38
11.	ISTRAC - DLR		86,23,659.00
	TOTAL	17,84,114.00	9,42,43,825.53

CR. 9,24,59,711.53