

# Moving ahead with progress



**Astra Microwave Products Limited**



## Astra Microwave Products Limited

### Vision

To be at the forefront of the telecommunication revolution through research and development.

Investing in technologies that can lead to leadership.

Employing the finest talent to reach the top through excellence.

## What's Inside

<b>Contents</b>	<b>Page No.</b>
Quick Information	4
Notice	6
Directors' Report	11
Auditor's Report	31
Balance Sheet	34
Profit & Loss Account	35
Cash Flow Statement	36
Significant Accounting Policies	38

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## QUICK INFORMATION

- Board of Directors** : Dr. Shibani K Koul, Chairman  
Mr. B. Malla Reddy, Managing Director  
Mr. P.A. Chitrakar, COO  
Mrs. C. Prameelamma, Director (Technical)  
Mr. Atim Kabra  
Mr. J. Venkatadas  
Mr. S. Gurunatha Reddy (w.e.f. 29.04.2013)  
Mr. Maram Venkateshwar Reddy (w.e.f. 29.04.2013)
- Company Secretary** : Mr. T. Anjaneyulu
- Auditors** : M/s. Amar & Raju  
Chartered Accountants  
Flat No: 201, KOR Residency,  
H.No:8-3-966/16, Road No:3,  
Nagarjuna Nagar, Srinagar Colony,  
Hyderabad – 500 073.
- Bankers** : Canara Bank, Prime Corporate Branch,  
Secunderabad  
  
HDFC Bank Ltd.  
Lakdikapul, Hyderabad.  
  
State Bank of India  
Overseas Branch, Hyderabad.
- Registered Office** : ASTRA Towers, Survey No.12(P),  
Kothaguda Post, Kondapur,  
HITECHCITY, Hyderabad – 500 084.  
Phone: 040-30618000 / 8001  
**Website: [www.astramp.com](http://www.astramp.com)**

**Factories**

: **Unit I**  
Plot No.12, ANRICH Industrial Estate,  
Miyapur, IDA Bollarum,  
Medak (District) – 502 325 A.P.

**Unit II**  
Plot No.56A, 56B and 57A,  
ANRICH Industrial Estate,  
Miyapur, IDA Bollarum,  
Medak (District) – 502 325 A.P.

**Unit III**  
Survey No.1/1, Imarat Kancha,  
Raviryala Village, Maheswaram Mandal,  
Rangareddy (District) – 500 010 A.P.

**Unit IV**  
Plot No: 18, 19, 20 & 21 (Part)  
Hardware Park, Sy.No: 1/1,  
Imarat Kancha of Ravirayal Village,  
Maheswaram Mandal, R.R.Dist.

**Registrars**

: Purva Sharegistry (India) Pvt. Ltd.,  
Shiv Shakti Industrial Estate,  
Unit No.9 , Ground Floor,  
7 B J R Boricha Marg,  
Lower Parel, Mumbai - 400 011  
Tele:91-022-23016761  
Email:busicomp@vsnl.com

**Listing**

: The Bombay Stock Exchange Ltd.,  
The National Stock Exchange of India Ltd.

# NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty Second Annual General Meeting of the Members of Astra Microwave Products Limited will be held at Swagath-De-Royal Hotel, 2-36, Kothaguda X Roads, Kondapur, Hyderabad on Monday, the 30th September, 2013 at 11.30 A.M. for the transaction of the following business:-

## ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2013, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of Mrs.C.Prameelamma, Director who retires by rotation and being eligible offers herself for reappointment.
4. To appoint a Director in place of Mr. J.Venkatadas, Director who retires by rotation and being eligible offers himself for reappointment.
5. To appoint M/s Amar & Raju, Chartered Accountants, Registration No.000092S the retiring Auditors of the Company, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

## SPECIAL BUSINESS

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

To regularise Mr. S. Gurunatha Reddy as Director of the Company

“RESOLVED that Mr. S. Gurunatha Reddy, who was appointed as an additional director of the Company by the board of directors, in terms of Section 260 of the Companies Act, 1956 with effect from April 29, 2013 who holds office as such up to the date of the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956 proposing his candidature for the office of the Director, together with a deposit of Rs. 500 (Rupees Five hundred) be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

To regularise Mr. Maram Venkateshwar Reddy as Director of the Company

“RESOLVED that Mr. Maram Venkateshwar Reddy, who was appointed as an additional director of the Company by the board of directors, in terms of Section 260 of the Companies Act, 1956 with effect from April 29, 2013 who holds office as such up to the date of the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956 proposing his candidature for the office of the Director, together with a deposit of Rs. 500 (Rupees Five hundred) be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

To appoint Mr. S. Gurunatha Reddy as Whole Time Director designated as Director – Finance

“RESOLVED that pursuant to the recommendations of the Remuneration Committee and in accordance with the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and subject to the approval of the Central Government, if any, the approval of the members of the Company be and is hereby accorded to the appointment of Mr. S. Gurunatha Reddy as Whole Time Director and designated as Director-Finance of the Company for a period of 5 years effective from April 29, 2013 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary the terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or reenactment thereof.

RESOLVED further that the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**  
To appoint Mr. Maram Venkateshwar Reddy as Whole Time Director designated as Director – (Mktg & Operations)

“RESOLVED that pursuant to the recommendations of the Remuneration Committee and in accordance with the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the



Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and subject to the approval of the Central Government, if any, the approval of the members of the Company be and is hereby accorded to the appointment of Mr.Maram Venkateshwar Reddy as Whole Time Director and designated as Director – (Mktg & Operations) of the Company for a period of 5 years effective from April 29, 2013 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (here in after referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary the terms and conditions of appointment and /or remuneration, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or reenactment thereof.

RESOLVED further that the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By order of the Board  
For **Astra Microwave Products Limited**

Hyderabad  
29<sup>th</sup> April, 2013

**B.Malla Reddy**  
Managing Director

## NOTES:

1. A Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote in the meeting and the proxy need not be a member of the Company.
2. The instrument appointing the proxy must be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.
3. Members / proxies should bring duly filled Attendance Slips sent herewith to attend the meeting.
4. The Authorised Representatives of the Corporate Members are requested to bring a certified true copy of the Board Resolution pursuant to Section 187 of the Companies Act, 1956 duly authorizing them to attend and vote at the Annual General Meeting.
5. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the special business to be transacted at the meeting is annexed hereto.
6. The register of members and share transfer books of the Company will remain closed from 23rd September, 2013 to 30th September, 2013 (both days inclusive).
7. The dividend of Rs.0.80/- per share for the year ended March 31, 2013 as recommended by the Board, if sanctioned at the Annual General Meeting, will be payable to those members whose names appear on the Company's register of members on 30th September, 2013. In respect of shares held in electronic form, dividend will be payable on the basis of beneficial ownership as per details furnished by NSDL and CDSL for this purpose.
8. Members whose shareholding is in the electronic mode are requested to inform change of address and updates of savings bank account details to their respective depository participants. Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends. While members holding shares in physical form, may write to the Registrar and Transfer Agent for any change in their addresses immediately so as to enable the Company to dispatch dividend warrants at their correct addresses.
9. Members wishing to claim dividends, which remain unclaimed are requested to correspond with the Company Secretary, at the Company's registered office. Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 205A of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund.
10. Members are requested to send their queries, if any, on the accounts and operations of the Company to the Company Secretary at least 7 days before the meeting.
11. A Member or his/her proxy is requested to bring the annual report to the meeting as extra copies will not be distributed.
12. Astra is concerned about the environment and utilizes natural resources in a sustainable way. The Ministry of Corporate Affairs (MCA), Government of India, has by its Circular Nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively, permitted companies to send official documents to their shareholders electronically as part of its green initiatives in corporate governance.

Recognizing the spirit of the circular issued by the MCA, we are sending documents like the Notice convening the general meetings, Financial Statements, Directors' Report, Auditors' Report, etc, to the email address provided by you with your depositories.

We request you to update your email address with your depository participant to ensure that the annual report and other documents reach you on your preferred email account.

#### **EXPLANATORY STATEMENT**

As required by Section 173(2) of the Companies Act, 1956, the following Explanatory Statement sets out material facts relating to the business under items 6, 7, 8 and 9 of the accompanying notice dated 29th April, 2013.

#### **Item: 6 & 8**

Mr. S. Gurunatha Reddy was appointed as Whole Time Director by Resolution passed by the Board of Directors at their meeting held on 29th April, 2013 subject to the consent of Members at the ensuing Annual General Meeting and subject to the approval of the Central Government, if any, for a period of five (5) years from 29th April, 2013 to 29th April, 2018 including payment of his remuneration which shall be an aggregate of the following:

Basic Salary: Rs. 1,50,000/- per month

HRA : Rs. 60,000/- per month

Performance Bonus: 1% of profits of the Company calculated as per the provisions of Section 349 of the Companies Act, 1956. PF, LTA, Leave encashment, Gratuity and Medical : As per rules of the Company.

Further Mr. S. Gurunatha Reddy's appointment and terms of remuneration is pursuant to the provisions of Section 198, 269, 309, 310 and 311 read with schedule XIII and other applicable provisions, if any, of the Companies Act, 1956.

Mr. S. Gurunatha Reddy is a Chartered Accountant by profession and was working with this company from April 25, 1993 and presently he was working as the Sr. General Manager (Finance). During his tenure he played a key role in the growth of the company. Keeping in view of his expertise and management skills, the Board, recommends that the Resolution set out in Item No. 6&8 of the Notice convening the meeting be approved and passed.

Except Mr .S. Gurunatha Reddy, none of the other Directors of the Company is in any way concerned or interested in the resolution.

#### **Item: 7 & 9**

Mr. Maram Venkateshwar Reddy was appointed as Whole Time Director by Resolution passed by the Board of Directors at their meeting held on 29th April, 2013 subject to the consent of Members at the ensuing Annual General Meeting and subject to the approval of the Central Government, if any, for a period of five (5) years from 29th April, 2013 to 29th April, 2018 including payment of his remuneration which shall be an aggregate of the following:

Basic Salary: Rs.1,50,000/- per month

HRA : Rs.60,000/- per month

Performance Bonus: 1% of profits of the Company calculated as per the provisions of Section 349 of the Companies Act, 1956. PF, LTA, Leave encashment, Gratuity and Medical : As per rules of the Company.

Further Mr. Maram Venkateshwar Reddy's appointment and terms of remuneration is pursuant to the provisions of Section 198, 269, 309, 310 and 311 read with schedule XIII and other applicable provisions, if any, of the Companies Act, 1956.

Mr .Maram Venkateshwar Reddy is a Graduate in Engineering (Electronics) and a Post Graduate in Business Administration, Mr. M. V. Reddy has 23 years of experience in handling Marketing and Business operations in the domain of Defense, Space and Telecom segment in India and Overseas Market. He was working with this company from February 23, 1998 and presently he was working as the Sr. General Manager (Marketing). During his tenure he played a key role in the growth of the company. Keeping in view of his expertise and management skills, the Board, recommends that the Resolution set out in Item No. 7&9 of the Notice convening the meeting be approved and passed.

Except Mr. M. V. Reddy, none of the other Directors of the Company is in any way concerned or interested in the resolution.

By order of the Board  
For **Astra Microwave Products Limited**

Hyderabad  
29<sup>th</sup> April, 2013

**B.Malla Reddy**  
Managing Director



**DETAILS OF DIRECTORS SEEKING APPOINTMENT /  
RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING  
PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT**

<b>1. Name of Director</b>	<b>Mr. S. Gurunatha Reddy</b>
Date of Birth	15.02.1959
Qualification	B.Sc, FCA
Expertise	Worked in private sector industry and gained over 27 years of experience in accounting, finance, taxation, secretarial etc.,
Name(s) of other Companies in which Directorships held	Nil
Name(s) of other Companies in which Committee Membership(s)/Chairmanship(s) held	Nil
Total shares held by him in the Company	1,46,890 equity shares of Rs.2/- each
Relationship with other directors	Mr. S.Gurunatha Reddy is not related to any Director of the Company
<b>II. Name of Director</b>	<b>Mr.Maram Venkateshwar Reddy</b>
Date of Birth	01.05.1967
Qualification	B.E.(Electronics), MBA
Expertise	A Graduate in Engineering (Electronics) and a Post Graduate in Business Administration, Mr. M. V. Reddy has 23 years of experience in handling Marketing and Business operations in the domain of Defense, Space and Telecom segment in India and Overseas Market. As most of his experience has been working for the Indian Private industry meeting the needs of the Strategic Electronics sector in India and abroad, he has a good understanding of the requirements and knows the challenges and opportunities for the private companies in this business segment.
Name(s) of other Companies in which Directorships held	Nil
Name(s) of other Companies in which Committee Membership(s)/Chairmanship(s) held	Nil
Total shares held by him in the Company	79,850 equity shares of Rs.2/- each
Relationship with other directors	Mr. Maram Venkateshwar Reddy is not related to any Director of the Company

<b>III.Name of Director</b>	<b>Mrs.C.Prameelamma</b>
Date of Birth	19.01.1949
Qualification	M.E (Instrumentation & Control Systems)
Expertise	A Post Graduate in Engineering (Instrumentation and Control Systems) who was with Electronics Research and Development Establishment, and later with Defence Electronics Research Laboratories (DLRL) for a period in excess of 20 years. Has had considerable exposure in the use of Computer Aided Design work Stations, in the manufacturing processes and testing of microwave components.
Name(s) of other Companies in which Directorships held	Nil
Name(s) of other Companies in which Committee Membership(s)/Chairmanship(s) held	Nil
Total shares held by him in the Company	14,93,702 equity shares of Rs.2/- each
Relationship with other directors	Mrs.C.Prameelamma is not related to any Director of the Company
<b>IV. Name of Director</b>	<b>Mr.J.Venkatadas</b>
Date of Birth	27.04.1942
Qualification	B.E (Mechanical)
Expertise	Mr.J.Venkatadas is a technocrat,distinguished banker and freelance financial adviser. He was with Canara Bank and Canbank Venture Capital Fund before starting his own advisory services.
Name(s) of other Companies in which Directorships held	KRISHNA SAA FABS (P) Ltd.,
Name(s) of other Companies in which Committee Membership(s)/Chairmanship(s) held	Nil
Total shares held by him in the Company	42,600 equity shares of Rs.2/- each
Relationship with other directors	Mr.J.Venkatadas is not related to any Director of the Company

By order of the Board  
For **Astra Microwave Products Limited**

**B.Malla Reddy**  
Managing Director

Hyderabad  
29<sup>th</sup> April, 2013

## DIRECTORS' REPORT

**To the members,**

We are delighted to present the report on our business and operations for the year ended March 31, 2013.

### FINANCIAL PERFORMANCE

Particulars	Amount in ₹	
	2012-13	2011-12
Net Sales	2,274,712,034	2,037,507,783
Profit before depreciation	637,927,498	562,559,589
Depreciation	133,548,063	124,452,665
Profit before tax	504,379,435	438,106,925
Provision for taxation	132,524,427	106,098,494
Profit after tax	371,855,008	332,008,431
EPS	4.54	4.06
Paid up Equity Share capital	163,650,450	163,650,450
Reserves	1,845,173,280	1,549,397,730
Dividend ( in percentage)	40	35

For detailed analysis of the performance, please refer to management's discussion and analysis section of the annual report.

### DIVIDEND

Your Directors are pleased to recommend a dividend of ₹ 0.80/- per equity share of ₹ 2/- for the financial year 2012-13. The dividend, if approved at the ensuing Annual General Meeting, will be paid to those shareholders whose name appear on the register of members of the Company as on 30th September, 2013.

### TRANSFER TO RESERVES

As stipulated under the provisions of the Companies Act, 1956 read with Companies (Transfer to Reserves) Rules, 1975, your Directors have proposed to transfer Rs.400 lacs to the General Reserve out of the profits earned by the Company. A sum of Rs.2558 lacs is proposed to be retained as surplus.

### TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 205A read with Section 205C of the Companies Act, 1956, an amount of Rs.3,42,239/- being unclaimed dividend pertaining to the financial year 2004-05 was transferred to the Investor Education and Protection fund (IEPF) on August 3, 2012.

### FIXED DEPOSITS

Your Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

### AWARDS AND RECOGNITIONS

Your company was awarded TOP INDIAN SME in the 2nd edition of the Aerospace and Defense Awards 2013 organized by International Aerospace magazine.

### CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As per Clause 49 of the Listing Agreements entered into with the Stock Exchanges, Corporate Governance Report with auditor's certificate thereon and a management Discussion and Analysis Report are attached and form part of this report.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement of Section 217(2AA) of the Companies Act, 1956, the Directors hereby confirm that:

- (i) In the preparation of the annual accounts for the financial year 2012-13, the applicable accounting standards have been followed and there are no material departures;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are 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 financial year ;
- (iii) they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the annual accounts on a going concern basis.

## **DIRECTORS**

In accordance with the provisions of the Companies Act, 1956, Mrs. C. Prameelamma and Mr. J. Venkatas, Directors retire by rotation and being eligible, offer themselves for re-appointment.

Mr. S. Gurunatha Reddy was appointed as an additional director and as Whole Time Director designated as Director - Finance with effect from April 29, 2013 and will hold office upto the date of the ensuing annual general meeting.

Mr. M. V. Reddy was appointed as an additional director and as Whole Time Director designated as Director -(Mktg. & Operations) with effect from April 29, 2013 and will hold office upto the date of the ensuing annual general meeting.

## **AUDITORS**

The Statutory Auditors M/s Amar & Raju, Chartered Accountants, Hyderabad, retire at this Annual General Meeting. The Company is in receipt of confirmation from the Statutory Auditors that in the event of their reappointment as Statutory Auditors of the Company at ensuing Annual General Meeting, such reappointment will be in accordance with the limits specified in sub-section (1B) of Section 224 of the Companies Act, 1956.

As regard Auditors observations, relevant notes on accounts are self explanatory and therefore, do not call for any further comments.

"Cost audit is applicable to the Company in terms of Central Government order F.No.52/26/CAB -2010 dated 24th January, 2012. Accordingly, the Board of Directors have appointed M/s. G.S. & Associates, Cost Accountants as Cost auditors of the Company for auditing costing records maintained by the Company for the financial year 2012-13."

## **DISCLOSURES**

Disclosures in terms of Companies (Disclosure of Particulars in report of the Board of Directors) Rules, 1988 in respect of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo are attached (Annexure I) and forms part of this report.

## **PARTICULARS OF EMPLOYEES**

Pursuant to the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended the names and other particulars of employees are set out in Annexure II to the Directors' Report.

## **EMPLOYEE RELATIONS**

Employee relations were cordial during the year and the Board would like to place on record its appreciation to all the employees of the Company for their dedicated services and performance in qualitative and quantitative parameters.

## **ACKNOWLEDGMENTS:**

Your Directors express their gratitude to all investors, customers, vendors, banks and regulatory and the State and the Central governmental authorities /departments for their continued support.

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

Hyderabad  
29<sup>th</sup> April, 2013

**Mr. B. Malla Reddy**  
Managing Director

**Mr. P. A. Chitrakar**  
COO

## ANNEXURE (I) TO THE DIRECTORS' REPORT

Particulars pursuant to Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

### 1. Details of Conservation of Energy

The operation of the company are not energy intensive. However, adequate measures have been taken to conserve and reduce the energy consumption.

### 2. Research & Development (R&D)

The Company's Research and Development centre is recognized by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India in the year 1994.

During the year the R&D wing of the Company has developed innovative designs useful for manufacture of cost effective products. The research and development efforts of the Company are customer need based and hence it is a continuous process. Because of its in-house R&D efforts the Company was able to deliver the best solutions to the customers in cost effective manner.

**The Company has spent the following amounts for R&D during the year.**

Particulars	Amount in ₹	
	2012-13	2011-12
a. Capital	23,887,590	16,281,791
b. Recurring	73,276,832	71,130,468
c. Total	97,164,422	87,412,259
Total R&D expenditure as percentage of total turnover	4.07%	4.15%

### 3. Technology Absorption, Adoption and Innovation

The Company works on in house technology. However, the company has one contract for Technology, Transfer, Absorption and adoption with a foreign company for a specific program which enables us to supply sub-systems for a Radar program of DRDO labs.

### 4. Particulars of foreign exchange earnings and outgo

The Company did well in exports due to Defence Offset opportunities and has bright prospects for the future also. Foreign Exchange outgo and earnings

Particulars	Amount in ₹	
	2012-13	2011-12
Foreign Exchange outgo	601,984,849	660,102,031
Foreign Exchange Earnings	541,288,694	156,510,459

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

Hyderabad  
29<sup>th</sup> April, 2013

**Mr. B. Malla Reddy**  
Managing Director

**Mr. P. A. Chitrakar**  
COO

## ANNEXURE (II) TO THE DIRECTORS' REPORT

Particulars required under the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

Name of the Employee	Age	Designation	Gross Remuneration	Qualification	Experience in years	Date of Commencement in employment]	Particulars of last employment
Mr.B.Malla Reddy	66	CEO & M.D	12028360	M.E (Automation)	29	13.09.1991	Head (R&D) OMC Computers Ltd
Mrs.C.Prameelamma	64	Director (Technical)	12006500	M.E (Instrumentation & Control Systems)	23	13.09.1991	Scientist "C" DRDO Labs, Hyderabad
Mr.PA.Chitrakar	62	Chief Operating Officer	12209060	M.Tec (Advanced Electronics)	41	01.09.1994	Scientist `E` Defense Electronics Research Laboratory, Hyderabad

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

Place : Hyderabad  
Date: 29<sup>th</sup> April, 2013

**Mr. B. Malla Reddy**  
Managing Director

**Mr. P. A. Chitrakar**  
COO

## REPORT ON CORPORATE GOVERNANCE

The detailed report on Corporate Governance, for the Financial Year 1st April, 2012 to 31st March, 2013 as per the format prescribed by SEBI and incorporated in clause 49 of the Listing Agreement is set out below:

**Astra Microwave Products Limited (AMPL)** is committed to the highest standards of corporate governance in all its activities.

### Company's Philosophy on code of governance:

Your company believes in providing highest transparency and ethical value in Corporate Governance. Your company also believes in taking into confidence all the stakeholders viz Shareholders, Employees, Creditors, Customers etc. Your company is committed to take the torch of Corporate Governance forward, so that every stakeholder of the company synchronizes and synergies their efforts in their growth along with the growth of their company.

### I. BOARD COMPOSITION AND MEETINGS.

The Board consists of both Promoter Directors and External Directors. External Directors include the nominees of strategic investors and professional Independent Directors. Presently the Board has six Directors with three Promoters Directors.

**Table 1 gives the composition of the company's Board, their category, designation, other Directorships and memberships of Committees held by each of them.**

**Table 1: Composition of AMPL's Board as on March 31, 2013**

Number of the Director	Category	Designation	No. of Director Ships in other public companies	Committee Memberships in other public companies	Chairmanship in Committees in other public companies
Dr. Shibban K Koul	Independent Director	Chairman	Nil	Nil	Nil
Mr. B. Malla Reddy	Promoter and Executive Director	Managing Director	Nil	Nil	Nil
Mr. P. A. Chitrakar	Promoter and Executive Director	Chief Operating Officer	Nil	Nil	Nil
Mrs. C. Prameelamma	Promoter and Executive Director	Director (Technical)	Nil	Nil	Nil
Mr. J. Venkatadas	Independent Director	Director	Nil	Nil	Nil
Mr. Atim Kabra	Non-Executive Director	Director	4	Nil	Nil

### Shareholding in the Company

Table 2 gives details of the shares held by each of the Directors as on March 31, 2013.

**Table 2: Shares held by Directors in the Company**

Name of the Director	No. of shares held
Dr. Shibban K Koul	48,500
Mr. B. Malla Reddy	22,63,819
Mr. P. A. Chitrakar	13,74,404
Mrs. C. Prameelamma	14,93,702
Mr. J. Venkatadas	42,600
Mr. Atim Kabra	26,96,211

## Meetings

The Company holds at least four Board meetings in a year, one in each quarter inter-alia to review the financial results of the Company. The gap between the two Board meetings does not exceed four calendar months. Apart from the four scheduled Board meetings, additional Board meetings are also convened to address the specific requirements of the Company. Urgent matters are also approved by the Board by passing resolutions through circulation. Every Director on the Board is free to suggest any item for inclusion in the agenda for the consideration of the Board.

During the year five Board meetings were held respectively on April 26, 2012, June 11, 2012, July 30, 2012, October 29, 2012 and January 30, 2013.

### The attendance of the Directors at the Board Meeting and the Annual General Meeting held during the year 2012-13 was as follows:

Name of the Director	Meetings held in Director's tenure	Number of Board meetings attended	Attendance in last AGM on July 30, 2012
Dr. Shibhan K Koul	5	4	Present
Mr. B. Malla Reddy	5	5	Present
Mr. P. A. Chitrakar	5	3	No
Mrs. C. Prameelamma	5	5	Present
Mr. J. Venkatadas	5	4	Present
Mr. Atim Kabra	5	3	No

## Information given to the Board

Necessary information as mentioned in Annexure IA to Clause 49 of the Listing Agreement has been placed before the Board for their consideration.

## Directors Remuneration

The remuneration including performance allowance payable to the Directors during the year under review was in conformity with the applicable provisions of the Companies Act, 1956 and duly approved by the Board and the shareholders.

The remuneration paid to the Directors for the services rendered during 2012-13 is given in Table 3 below:

**Table 3: Remuneration paid to the Directors for the financial year 2012-13**

Amount in Rs.

Name	Sitting Fee (includes for committee meetings)	Salary & Perks	Performance allowance & commission	Total amount paid ₹	Total Eligible amount ₹
Dr. Shibhan K Koul	15618	0	898880	914498	1986714
Mr. B. Malla Reddy	0	1845860	10182500	12028360	19867142
Mr. P. A. Chitrakar	0	2026560	10182500	12209060	19867142
Mrs. C. Prameelamma	0	1824000	10182500	12006500	19867142
Mr. J. Venkatadas	21236	0	898880	920116	1986714
Mr. Atim Kabra	16236	0	898880	915116	1986715



## Code of Business Conduct and Ethics

The Company has adopted a Code of Business Conduct and Ethics for the Board members and Senior Management Personnel. The same has also been posted on the website of the company. A declaration by the Managing Director affirming the compliance on the Code of Conduct applicable to the Board members and the Senior Management Personnel for the financial year 2012-13 forms part of this report.

## II. Committees of the Board

The Company has four Committees, namely:

- A) Audit Committee.
- B) Compensation Committee / Remuneration Committee.
- C) Investor Grievance Committee.
- D) Share Transfer Committee.

### A) Audit Committee:

The Audit Committee consists of three Directors, majority of them are independent Directors. The committee is headed by Mr. J. Venkatas, non-executive and an independent Director. All the members of the Audit committee are financially literate.

#### a) Audit Committee charter:

The Audit Committee provides the Board with additional Assurance as to the adequacy of the Company's internal control systems and financial disclosures. The Audit Committee acts as a link between the Management, Statutory Auditors, Internal Auditors and the Board of Directors. The composition, powers and functions of the Audit committee meet the requirements of the Listing Agreement and Section 292A of the Companies Act, 1956.

#### b) Meetings:

The Audit Committee met four times during the year under review on April 26, 2012, July 30, 2012, October 29, 2012 and January 30, 2013. Table 4 gives the composition and attendance record of Audit Committee.

**Table 4 Audit Committee attendance during the financial year 2012-13.**

Name of the Director	Position held	No. of Meetings held	No. of Meetings attended
Mr. J. Venkata Das	Chairman	4	4
Dr. Shibam K Koul	Member	4	4
Mr. Atim Kabra	Member	4	3

#### c) Attendees:

The Audit Committee invites such of the executives, as it considers appropriate to be present at its meetings. The Statutory Auditors and Internal Auditors are also invited to these meetings. The Company Secretary acts as the Secretary of the Committee.

#### d) The Terms of Reference of the Audit Committee :

The terms of reference and the role of the audit committee is to overview the accounting systems, financial reporting and internal controls of the company. The powers and role of audit committee are as set out in the Listing Agreement and Section 292A of the Companies Act, 1956.

All the recommendations of the audit committee were accepted by the Board of Directors.

## B. Compensation Committee / Remuneration Committee.

The Committee has not met during the year.

## C. Investor Grievance Committee:

The Grievance committee consists of four Directors out of which two are non-executive Directors. The Committee is headed by Mr. Atim Kabra a Non-Executive Director.

The committee met four times during the year. The company is prompt in attending the investor grievances. Other than the legal issues, the routine investor grievances have been fully redressed.

Name of the Director	Position held	No.of Meetings attended
Mr. Atim Kabra	Chairman	3
Mr. J. Venkata Das	Member	4
Mr. B. Malla Reddy	Member	4
Mr. P. A. Chitrakar	Member	3

## D. Share Transfer Committee:

In order to enable transfer of shares, the Board had formed a Share Transfer Committee with Mr.B.Malla Reddy, M.D as the Chairman of the Committee and Mr.S.Gurunatha Reddy, Sr. G.M (F&A) as the member. The Committee has not met during the year.

## III. Disclosures

### i) Related party transactions:

There were no materially significant related party transactions, which had potential conflict with the interests of the Company at large. The transactions with related parties are disclosed in the Notes on Accounts in the financial statements as at March 31, 2013.

(ii) There have not been any Non-Compliance by the Company in general and no penalties or strictures imposed on the Company by Stock Exchanges, SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

### (iii) Risk management

We have an integrated approach to managing risks inherent in various aspect of our business.

### (iv) Management's discussion and analysis

The Management's discussion and analysis report forms part of this Annual Report and is provided elsewhere in this report.

### (v) Compliance with non-mandatory requirements of Clause 49 of the Listing Agreement

The Company has complied with all the mandatory requirements of the Clause 49 of the Listing Agreement.

We comply with the non-mandatory requirement:

### a. The Board

Independent Directors may have a tenure not exceeding, in the aggregate, a period on nine years, on our Board.

None of the independent directors on our Board have served for a tenure exceeding nine years from the date when the new Clause 49 became effective.

#### IV. Shareholders

##### A. Communication to shareholders

###### (i) Financial Results

The audited quarterly and half-yearly financial results and the annual audited financial results are published normally in The Business Line, Business Standard and The Vaartha (Telugu).

###### (ii) Other Information

The Company has its own website [www.astramwp.com](http://www.astramwp.com) wherein other related information is available. Information can be communicated through e-mail at [secretarial@astramwp.com](mailto:secretarial@astramwp.com).

##### B. Investor grievances and share transfer

We have a Board-level investor grievance committee to examine and redress shareholder's and investors' complaints. The details of nature of complaints are provided in the Additional information to shareholders section of the Annual Reports.

Share transfers in physical form are processed and returned to the shareholders within the stipulated time. Half-yearly Transfer Audit and Quarterly Secretarial Audit in terms of the Listing Agreement are regularly carried out by an independent practicing Company Secretary.

###### Designated e-mail address for investor services:

In terms of Clause 47(f) of the Listing Agreement, the designated e-mail address for investor complaints is **[secretarial@astramwp.com](mailto:secretarial@astramwp.com)**.

##### V. CEO/CFO certification

As required by Clause 49 of the Listing Agreement, the CEO/CFO certification was submitted to the Board.

##### VI. Auditors' certification on corporate governance

As required by Clause 49 of the Listing Agreement, the Auditors' certification is provided elsewhere in the Annual Report.

#### ADDITIONAL INFORMATION:

##### 1. Venue and Time of the Last Three Annual General Meetings (AGMs)

The Annual General Meetings (AGMs) of the Company have been held at the following places in the last three years.

For the year	Venue	Day & Date	Time
2010	Bhaskara Auditorium, BM Birla Museum, Hyderabad – 500 063	Thursday, 30th September, 2010	12.30 P.M
2011	Bhaskara Auditorium, BM Birla Museum, Hyderabad – 500 063	Thursday, 28th July, 2011	3.30 P.M
2012	Hotel Daspalla, Jubilee Hills, Hyderabad – 500 033	Monday 30th July, 2012	3.00 P.M

In the last AGM, there were no resolutions required to be passed through postal ballot..

## 2. Annual General Meeting

<b>Day, Date and time</b>	<b>30th September, 2013 at 11.30 a.m</b>
Venue	Swagath-De-Royal Hotel, 2-36, Kothaguda X Roads, Kondapur, Hyd.

## 3. Financial Calendar

Indicative calendar of events for the year 2013-14 (financial year) excluding Extra Ordinary General Meeting(s), if any, is as under

<b>22nd Annual General Meeting</b>	<b>30th September, 2013</b>
First Quarter financial results	24th July, 2013
Second Quarter financial results	31st October, 2013
Third Quarter financial results	31st January, 2014
Fourth Quarter & Annual results of financial year 2013-14	30th April, 2014

## 4. Book Closure

The Company's Register of Members and Share Transfer books will remain closed for the purpose of payment of dividend.	23rd September, 2013 to 30th September, 2013
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## 5. Dividend Payment Date

On or Before 15th October, 2013.

## 6. Listing on Stock Exchanges

The Company's equity shares are listed on the following stock Exchanges	Address of the Stock Exchanges
The National Stock Exchange of India	"Exchange Plaza", Bandra-Kurla Complex, Bandra (E), Mumbai-400 051.
The Bombay Stock Exchange Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001.
Listing Fee	The Company has paid till date listing fee of all the above Exchanges.
The Stock Code of the Company	ASTRAMICRO (NSE) 532493 (BSE)
The ISIN for Company's Equity Shares in Demat Form	INE386C01029
Depositories Connectivity	NSDL and CDSL

## 7. Stock Market Data

Monthly high and low quotations and volume of shares traded on The Bombay Stock Exchange Limited.

Month	BSE		
	High(Rs.)	Low(Rs.)	Volume (Nos.)
April'12	42.20	34.35	6,88,123
May'12	43.60	36.45	9,05,871
June'12	42.90	37.65	6,99,296
July'12	46.50	38.20	8,19,409
Aug'12	45.75	39.50	5,92,755
Sept'12	49.60	39.15	10,08,759
Oct'12	47.00	38.80	6,21,448
Nov,12	40.25	36.15	7,29,285
Dec'12	43.10	38.05	9,78,928
Jan'13	45.40	37.55	12,53,582
Feb'13	41.20	38.15	4,56,767
Mar'13	42.60	38.15	11,81,112

## 8. Stock performance in comparison to BSE Sensex:

MONTH	ASTRA CLOSING PRICE ( ₹ )	BSE Sensex (closing)
April'12	40.20	17,318
May'12	39.25	16,218
June'12	40.25	17,429
July'12	39.60	17,236
Aug'12	40.90	17,429
Sept'12	43.30	18,762
Oct'12	39.10	18,505
Nov,12	39.05	19,339
Dec'12	40.50	19,426
Jan'13	38.95	19,894
Feb'13	39.05	18,861
Mar'13	40.00	18,835

## 9. Registrar and Transfer Agent

M/s Purva Sharegistry (India) Pvt. Ltd.,  
Shiv Shakti Industrial Estate,  
Unit No.9 , Ground Floor,  
7 B J R Boricha Marg,  
Lower Parel,  
Mumbai - 400 011  
Tele:91-022-23016761, 2301 8261 and 2301 0771.  
Email:busicomp@vsnl.com

## 10. Investor Complaints

During the year the company has attended to most of the investor's grievances/complaints within a reasonable time of receipt of the same and aptly solved them. The delays in few cases were due to compliance of legal requirements.

### Status report of for the period 01.04.2012 To 31.03.2013.

Name of the Complaint	Received	Disposed	Pending
Non receipt of dividend warrants	3	3	Nil
Deletion/inclusion of joint name, transfer and transmission	Nil	Nil	Nil
Demat	Nil	Nil	Nil
Others	Nil	Nil	Nil
Change of Address	Nil	Nil	Nil

## 11. Distribution of shareholding and shareholding pattern as on 31.03.2013

### Distribution of shareholding

No. of shares held	No. of shareholders
Upto - 5,000	24,566
5,001 - 10,000	738
10,001 - 20,000	343
20,001 - 30,000	99
30,001 - 40,000	30
40,001 - 50,000	34
50,001 - 1,00,000	75
1,00,001 And Above	100
<b>TOTAL</b>	<b>25985</b>

### Shareholding pattern

Category	No. of shares	% shareholding
Promoters	17289129	21.13
Individuals	22469426	27.47
FIIIs/NRIs/OCBs	15377825	18.79
Bodies corporate	21331432	26.07
Trusts	1769100	2.16
Financial Institutions/ Banks/Mutual funds	3588313	4.38
<b>Total</b>	<b>81825225</b>	<b>100</b>

#### 12. Dematerialisation of shares and liquidity.

Trading of the Company's shares is compulsorily in dematerialized form for all investors. As of March 31, 2013 equity shares representing 98% have been dematerialized with the following depositories:

Description	ISIN	Depositories
Equity shares	INE386C01029	NSDL & CDSL

#### 13. Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on equity.

The Company has not issued any GDRs / ADRs. There were no outstanding convertible warrants as on March 31, 2013.

#### 14. Plant Locations.

<p><b>Unit-I</b> Plot No:12,ANRICH Industrial Estate, Miyapur,IDA Bollarum, Medak(District)-502 325. Andhra Pradesh. Tele:040-30618100 / 01</p>	<p><b>Unit-II</b> Plot No:56A, ANRICH Industrial Estate, Miyapur,IDA Bollarum, Medak(District)-502 325. Andhra Pradesh. Tele:040-30618200 / 01</p>
<p><b>Unit-III</b> Survey no:1/1,Imarat Kancha, Raviryala Village, Maheswaram Mandal, Rangareddy (District)-500 010. Andhra Pradesh. Tele:040-30618300 / 01</p>	<p><b>Unit-IV</b> Plot no: 18, 19, 20 &amp; 21 (Part) Hardware Park, Sy.No: 1/1, Imarat Kancha of Ravirayal village, Maheswaram Mandal, Rangareddy (District)-500 010. Andhra Pradesh. Tele:040-30618700 / 01</p>
<p><b>15. Queries relating to the financial statements of the Company and Investor's correspondence may be addressed to:</b> Mr.T.Anjaneyulu Company Secretary and Compliance Officer 'ASTRA TOWERS', Survey No:12 (P), Kothaguda Post, Kondapur, Hitech City, Hyderabad – 500084. Tele:040-30618000/8001 Fax:040-30618048</p>	

## **AUDITORS' CERTIFICATE (Under Clause 49 of The Listing Agreement)**

**To**

**The Members of ASTRA MICROWAVE PRODUCTS LIMITED,**

We have examined the compliance of conditions of Corporate Governance by M/s. ASTRA MICROWAVE PRODUCTS LIMITED., ("the Company") for the year ended on March 31, 2013 as stipulated in clause 49 of the Listing Agreement of the said company with the Stock Exchange(s).

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the further viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **AMAR & RAJU**  
**CHARTERED ACCOUNTANTS**  
Firm Registration No: 000092S

**(G. AMARANATHA REDDY)**  
Partner  
Membership No: 019711

Place: Hyderabad.  
Date : 29.04.2013

## **Managing Director's Declaration on Code of Business Conduct and Ethics**

**To**

**The Members of ASTRA MICROWAVE PRODUCTS LIMITED,**

This is to certify that all Board Members and Senior Management personnel have affirmed compliance with the Code of Business Conduct and Ethics applicable to them for the financial year 2012-13.

For **Astra Microwave Products Limited**

Place: Hyderabad.  
Date : 29.04.2013

**B. Malla Reddy**  
Managing Director



# MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

## Overview

Astra is engaged in designing and manufacturing of high value added RF and microwave super components and sub-systems finding applications in Defense, Space and Civil communication systems.

### A. Financial Analysis

The financial statements have been prepared in accordance with the guideline as laid out in the Companies Act, 1956 and Generally Accepted Accounting Principles (GAAP) in India. The management of Astra accepts responsibility for the integrity and objectivity of these financial statements. The financial statements reflect in a true and fair manner, the form and substance of transactions, and reasonably present the company's state of affairs and profits for the year.

#### a) Operational performance:

The Company achieved good growth both in top line (Sales) and bottom line (Profitability) for the year.

The Company has done very well in bagging export orders under Defence offset provisions. The Company's long standing credibility in terms of quality and timely supply is driving this business.

#### b) Order book

The order book position has improved significantly with export order complementing the domestic requirements. Most of these orders are executable in the next 18 to 24 months period.

Sector	₹ lacs
Defence / Public Sector Products	37,253
Space	9,974
Meteorological&Telecom Products	246
Exports	54,977
<b>Total</b>	<b>1,02,450</b>

#### c) Sales performance

Sector wise sales are as follows

Business Segment	FY 12-13		FY 11-12	
	₹ Lacs	%	₹ Lacs	%
Defense	17,168	72	17,822	85
Space	736	3	1,351	6
Metrology	341	1	98	1
Civil Telecom	171	1	212	1
Exports	5,413	23	1,565	7
<b>Total</b>	<b>23,829</b>	<b>100</b>	<b>21,048</b>	<b>100</b>

Defense segment is the major contributor with more than half of the total revenues coming in from this market. Production programs in Missiles and Radars sub-systems are driving this business. The business potential from this segment likely to improve further in the coming years.

Space segment has gone down during the year. Delays in order placement has contributed to this negative growth. The Company has bagged major order during the month of April'13 and this segment will again turn positive in the coming year.

The Company has performed very well on exports through Defence Offsets program and will keep improving in the coming years.

Metrology and Communication sector has done steady business, the same trend is likely to continue.

**d) Expansion plans**

The Company has budgeted to spend close to Rs.25 cr during the year to set-up solar power (1 MW) plant for captive consumption, EMI/EMC Test facility and to augment capacity for Development and Production functions. The budgeted amount will be met out of internal accruals and term loans.

**e) Risks & Concerns**

The Company's main source of revenues lies in Defence market . Most of these projects are initiated, designed and developed by DRDO labs and driven by Govt., policies and priorities. Though technically we can project and complete the product development on the time lines indicated, conversion of that to a recognizable quantum of orders lies mainly on the Government decisions. This results in an uneven and skewed pattern of sales for the Company, which is beyond the control of the Company.

Defence export business driven by offset provisions of Govt., of India is controlled by export regulations where time delays could happen in granting necessary permissions. This export business is also high precision and skilled job involving specialised inputs from across the globe which has a bearing on timely execution and uniform billing.

**B. Financial Condition:**

**1. Share Capital**

At present, the company has only one class of shares-equity shares of Rs.2 each, par value. The paid up capital as on 31.03.2013 is Rs.16.36 cr.

**2. Reserves and surplus**

The change in reserves and surplus represents transfers from the profits derived during the year after making provisions for taxation and equity dividend.

**3. Loan Funds**

The company has taken long terms loans during the year to implement its capital expenditure budget. Following are the details of secured loans maintenance during the year.

Particulars	As of March 31 (Amount. ₹)	
	2013	2012
<b>Working capital loans:</b>		
<b>Open cash credit</b>		
Sanctioned amount	65,00,00,000	65,00,00,000
Outstanding amount	-	9,98,12,181
<b>Short-term loan</b>	-	25,15,46,577
<b>PCFC Loan:</b>		
Sanctioned amount	40,00,00,000	-
Outstanding amount	27,20,00,000	-
<b>Long term loans:</b>		
Outstanding at the beginning of the year	10,98,96,151	10,64,36,215
Additions during year	15,62,19,239	6,51,62,759
Repaid during the year	10,87,79,573	6,17,02,823
Amount outstanding at the end of the year	15,73,35,817	10,98,96,151
<b>Hire purchase loans:</b>		
Outstanding at the beginning of the year	53,08,940	33,33,647
Addition during year	46,24,200	39,62,160
Repaid during the year	31,16,793	19,86,867
Amount outstanding at the end of the year	68,16,347	53,08,940

Unsecured loan pertains to the sales tax deferment availed by the company. During the year the Company repaid ₹18,36,075/- which pertains to the deferment availed in the year 1999. The liability position and repayment schedule for the remaining periods is shown below.

Deferment availed during the year	Amount(₹)	Payable during during the year
2001	10,12,027	2014
2002	11,34,646	2015
2003	21,53,923	2016
2004	47,39,206	2017
2005	1,04,74,783	2018
<b>Total</b>	<b>1,95,14,585</b>	

#### 4. Deferred tax

The company has accounted for full tax liability.

## 5. Fixed Assets

Particulars	As of March 31 (Amount ₹)	
	2013	2012
Original cost		
Land	190,159,983	91,094,397
Buildings	495,725,345	481,792,960
Plant & machinery	1,032,587,164	852,485,500
Electrical installation	36,578,717	32,100,077
Air conditioners	49,583,885	49,288,681
Office equipment	9,903,913	9,357,120
Furniture and fixtures	54,449,540	49,058,028
Computers	98,548,179	90,209,822
Vehicles	20,469,024	21,041,778
<b>Total</b>	<b>1,988,005,750</b>	<b>167,64,28,363</b>
Less: Accumulated depreciation	908,830,379	78,31,76,370
Net block	107,91,75,371	89,32,51,993
Net fixed assets	107,91,75,371	89,32,51,993
Depreciation as % of total revenue	5.60	5.91
Accumulated depreciation as a % of gross block	45.72	46.72

During the year the company added assets (net) worth ₹31crores to the gross block. Most of the plant and machinery additions pertain to cost of Test equipment's, AAD and Laser welding facility, environmental chambers etc.,. Addition of these equipment and facilities have improved the productivity of the Company.

The company has budgeted to spend ₹25 crores during the year towards capital expenditure which will be met out of internal cash accruals and borrowed funds.

## 6. Investments

Investments represents amount invested in equity share capital of its associate Company engaged in digital electronics.

## 7. Sundry Debtors

Sundry debtors amounts to ₹143.37cr at the end of the year as compared to ₹ 87.15cr for the previous year. They are at 60.16% of revenue for the year as compared to 41.4%for the previous year representing an outstanding of 220days and151days of revenues for the respective years. Since most of billing is skewed towards last part of fourth quarter, the debtors ratio with reference to total sales appears to be on higher side which is not true.

The company has the policy of writing off debts as bad after the review and recommendation by the management review committee. The committee before recommending considers various factors including the collect ability of specific dues, risk perception of the industry and the customer's ability to settle.

## 8. Cash and cash equivalents

The company is operating with multiple banks and the surplus funds if any are parked with them or with their associates. For meeting certain statutory requirements the company is maintaining current accounts with couple of other nationalized banks. The company's cash and cash equivalents is as follows.

Particulars	2013	2012
Cash and cash equivalents as a % of total assets	32.02	12.41
Cash and cash equivalents as a % of revenues	26.72	9.89

## 9. Loans and Advances

The advances paid for supplies, services and expenses represent the amount paid to both domestic and foreign vendors for supply of materials and services. The advances also include un-availed mod vat credit both on capital goods and raw materials.

The amount of income-tax paid represents the advance tax, self assessment tax paid and TDS deducted.

## 10. Current liabilities

Sundry creditors for capital works, supplies represents the amount due at the end of the year for the capital goods and raw material supplied. Sundry creditors for services and expenses represent the amount due and payable for various expenses including the accrued salaries and other benefits of the employees.

Advances from customers represent the amount received as per the terms of purchase orders from the Defence and Space establishments for the development orders and on offset related export orders.

## 11. Provisions

Provisions represents provisions made for taxation, dividend, gratuity, leave encashment etc., Taxation provisions are shown net of advance tax for the years for which the assessments are pending.

The provision for dividend is provided @ ₹ 0.80 per share. The provision for gratuity and leave encashment is provided on the basis of actuarial valuation at the end of the financial year.

## C. Others

### Human Resources

We treat human resource as the most valuable asset. We commit to improve the quality of work life and employee satisfaction, while aligning the individual aspirations with the company objectives. Towards creating a vibrant and performance-oriented culture in the organization, several interventions are initiated. Overall employee relations are cordial and productive.

### Internal Control Systems & Adequacy

The Company is committed to maintaining an effective system of internal control. The Company is conducting all its operations on ERP-SAP system. Successful usage of ERP-SAP system has facilitated management's objective of establishment of the accurate, reliable and speedy compilation of financial information, safeguarding the assets and interest of the Company and ensuring compliance with laws and regulations.

The Company functions with well-defined budgets and has an effective management information system to enable the management to regularly review actual performance. The Company has also put in place a well-defined organization structure, clear authority levels and internal guidelines for conduction of business transactions.

M/s Price Water House Coopers conducts company's Internal audit program which supplements the Company's internal control systems. The Audit committee of the Board of Directors reviews the Internal Audit Reports at regular intervals and suggests implementation of best practices based on observations therein.

## SELECT FINANCIAL DATA

Amount in Lacs

Particulars	2008-09	2009-10	2010-11	2011-12	2012-13
<b>Gross sales</b>	12,067	11,030	16,490	21,048	23,829
<b>Net Sales</b>	11,682	10,678	16,114	20,375	22,747
<b>Other income including accretion to stock</b>	-350	663	505	1,748	691
<b>Expenditure</b>	8,227	8,754	12,248	15,952	16,634
<b>Operating Profit (EBDIT)</b>	3,105	2,586	4,371	6,171	6,804
<b>Interest</b>	306	364	692	545	412
<b>Profit before depreciation and tax(PBDT)</b>	2,799	2,222	3,679	5,626	6,392
<b>Depreciation</b>	847	1,120	1,242	1,245	1,335
<b>Profit before tax(PBT)</b>	1,952	1,102	2,437	4,381	5,057
<b>Tax</b>	500	286	578	1,061	1,325
<b>Net Profit</b>	1,452	816	1,859	3,320	3,732
<b>Equity</b>	1,081	1,083	1,636	1,636	1,636
<b>No.of shares</b>	54,045,950	54,143,350	81,825,225	81,825,225	81,825,225
<b>Gross Fixed Assets</b>	12,492	14,920	15,634	16,764	19,880
<b>Net Fixed Assets</b>	8,142	9,474	9,032	8,933	10,792
<b>Raw material consumed</b>	4,836	5,239	7,807	8,807	9,534
<b>Man power cost</b>	1,820	1,806	2,424	2,731	2,798
<b>Sundry debtors</b>	6,151	8,259	8,149	8,753	14,337
<b>Networth</b>	12,378	12,912	14,476	17,130	20,088
<b>Capital Employed</b>	15,611	17,817	18,096	19,110	21,895
<b>EBDIT to Sales(%)</b>	26.58	24.22	27.13	30.29	29.91
<b>EBDT to Sales(%)</b>	23.96	20.81	22.83	27.61	28.10
<b>PBT to Sales(%)</b>	16.71	10.32	15.12	21.50	22.23
<b>PAT to Sales(%)</b>	12.43	7.64	11.54	16.30	16.41
<b>Tax to Profits(%)</b>	25.60	25.97	23.70	24.22	26.20
<b>Sales to Net fixed Assets</b>	1.43	1.13	1.78	2.28	2.11
<b>Raw materials to Sales(%)</b>	41.40	49.06	48.45	43.22	41.91
<b>Man power cost to Sales(%)</b>	15.58	16.91	15.04	13.40	12.30
<b>Sundry debtors to Sales(%)</b>	50.97	74.88	49.42	41.59	60.17
<b>Return on Networth(%)</b>	11.73	6.32	12.85	19.38	18.58
<b>Return on Capital Employed(%)</b>	9.30	4.58	10.28	17.37	17.04
<b>Cash Earnings per share(CEPS)(Rs.)</b>	5.18	4.10	4.50	6.88	7.81
<b>Earnings per share(EPS)*</b>	2.69	1.51	2.27	4.06	4.56
<b>Book value of the share(Rs.)#</b>	22.90	23.85	17.69	20.93	24.55

\*Face value Rs.2 from 10-11 onwards.

# No.of shares gone up due to Bonus issue (1:2)in 10-11

# INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF ASTRA MICROWAVE PRODUCTS LIMITED**

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

We have audited the accompanying financial statements of ASTRA MICROWAVE PRODUCTS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

## **Auditor's Responsibility:**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **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 March 31, 2013;
- (b) In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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

1. **As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.**
2. **As required by section 227(3) of the Act, we report that:**
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

Place: Hyderabad  
Date: 29.04.2013

For **AMAR & RAJU**  
**CHARTERED ACCOUNTANTS**  
Firm Registration No: 000092S

**(G. AMARANATHA REDDY)**  
Partner  
Membership No: 019711

**Annexure to Auditor's Report**  
**ASTRA MICROWAVE PRODUCTS LIMITED**  
Referred to in Paragraph 1 of our report of even date

**i) In respect of its fixed assets:**

- a) The Company has maintained proper records, showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
- b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.
- c) In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.

**ii) In respect of its inventories:**

- a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.

**iii) In respect of loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:**

The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained U/Sec.301 of the Act. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained U/Sec.301 of the Act. Hence the provisions of clause (b), (c), (d), (f) and (g) of paragraph 4(iii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

**iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.**

**v) In respect of the contracts or arrangements referred to in section 301 of the Companies Act, 1956:**

In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements that needed to be entered into in the register maintained under section 301 of the Companies Act, 1956.

**vi) According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.**

**vii) In our opinion the Company has an internal audit system commensurate with the size and nature of its business.**



- viii)** The Central Government has prescribed maintenance of cost records under Section 209 (1) (d) of the Companies act, 1956. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, carried out a detailed examination of the same.
- ix) In respect of statutory dues:**
- a) The Company is regular in depositing with appropriate authorities undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues applicable to it.
- b) According to the information and explanations given to us no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Wealth Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Cess were in arrears, as at 31st March 2013 for a period of more than six months from the date they became payable.
- c) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess, which have not been deposited on account of any dispute.
- x)** The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
- xi)** Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.
- xii)** In our opinion and according to the explanations given to us and based on the information available no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- xiii)** In our opinion, the Company is not a Chit Fund / Nidhi / Mutual Benefit Fund / Society.  
Therefore, the provisions of Clause 4(xiii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiv)** The Company has maintained proper records of the transactions and contracts in respect of dealing or trading in Mutual funds and timely entries have been made therein. All the said investments have been held by the Company in its own name.
- xv)** The Company has not given any guarantee for loans taken by others from banks and financial institutions. Therefore, the provisions of Clause 4(xv) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xvi)** The Company has raised new term loans during the year. The term loans outstanding at the beginning of the year and those raised during the year have been applied for the purpose for which they were raised.
- xvii)** According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we are of the opinion that there are no funds raised on short-term basis that have been used for long-term investment.
- xviii)** The Company has not made any preferential allotment of shares to the parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix)** The Company has not issued any debentures. Therefore, the provisions of Clause 4(xix) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xx)** The Company has not raised any monies by way of public issue during the year.
- xxi)** In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **AMAR & RAJU**  
**CHARTERED ACCOUNTANTS**  
Firm Registration No: 000092S

**(G. AMARANATHA REDDY)**  
Partner  
Membership No: 019711

Place: Hyderabad  
Date: 29.04.2013

## BALANCE SHEET AS AT 31st MARCH, 2013

Amount in ₹

Particulars	Note No	As at 31-03-2013		As at 31-03-2012	
<b>I. EQUITY AND LIABILITIES</b>					
<b>1. Shareholder's Funds</b>					
a. Share Capital	2.1	<b>163,650,450</b>		163,650,450	
b. Reserves and Surplus	2.2	<b>1,845,173,280</b>	<b>2,008,823,730</b>	1,549,397,730	1,713,048,180
<b>2. Non-Current Liabilities</b>					
a. Long-term Borrowings	2.3	<b>135,206,111</b>		179,883,544	
b. Deferred Tax Liabilities (Net)	2.4	<b>55,970,496</b>		48,215,792	
c. Long-term Provisions	2.5	<b>22,064,559</b>	<b>213,241,166</b>	16,993,906	245,093,242
<b>3. Current Liabilities</b>					
a. Short-term Borrowings	2.6	<b>282,047,595</b>		358,471,331	
b. Trade Payables	2.7	<b>2,193,834,948</b>		481,627,708	
c. Other Current Liabilities	2.8	<b>161,141,673</b>		136,660,950	
d. Short-term Provisions	2.9	<b>128,764,212</b>	<b>2,765,788,428</b>	128,906,954	1,105,666,943
<b>Total</b>			<b>4,987,853,324</b>		<b>3,063,808,365</b>
<b>II. Assets</b>					
<b>1. Non-Current Assets</b>					
a. Fixed Assets					
Tangible Assets	2.10	<b>1,079,175,370</b>		893,251,991	
b. Non-Current Investments	2.11	<b>2,600,000</b>		-	
c. Long-term Loans and Advances	2.12	<b>29,985,771</b>	<b>1,111,761,141</b>	47,628,592	940,880,583
<b>2. Current Assets</b>					
a. Current investments	2.13	<b>233,013,354</b>		-	
b. Inventories	2.14	<b>738,350,012</b>		746,571,901	
c. Trade Receivables	2.15	<b>1,433,725,574</b>		875,307,165	
d. Cash and Bank Balances	2.16	<b>1,132,664,863</b>		344,547,273	
e. Short-term Loans and Advances	2.17	<b>325,370,662</b>		150,757,171	
f. Other Current Assets	2.18	<b>12,967,718</b>	<b>3,876,092,183</b>	5,744,272	2,122,927,782
<b>Total</b>			<b>4,987,853,324</b>		<b>3,063,808,365</b>
<b>Significant Accounting Policies</b>	1		-		-
<b>Notes on Accounts</b>	2				

As per our report of even date

For **AMAR & RAJU**  
**CHARTERED ACCOUNTANTS**  
Firm Registration No: 000092S

**(G. AMARANATHA REDDY)**  
Partner  
Membership No: 019711

**Place:** HYDERABAD  
**Date :** 29-04-2013

For and on behalf of the Board

**(Dr.SHIBAN K. KOUL)**  
Chairman

**( P. A. CHITRAKAR )**  
Chief Operating Officer

**(J. VENKATADAS)**  
Director

**(S. GURUNATHA REDDY)**  
Sr. General Manager ( F & A)

**( B. MALLA REDDY )**  
Managing Director

**(C. PRAMEELAMMA)**  
Director (Technical)

**(ATIM KABRA)**  
Director

**(T. ANJANEYULU)**  
Company Secretary



## PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH, 2013

Amount in ₹

Particulars	Note No	Year ended 31-03-2013	Year ended 31-03-2012
<b>I. Revenue from Operations</b>	2.19	<b>2,382,903,392</b>	2,104,831,649
Less: Excise Duty		<b>(108,191,358)</b>	(67,323,866)
		<b>2,274,712,034</b>	2,037,507,783
<b>II. Other Income</b>	2.20	<b>69,117,448</b>	14,817,897
<b>III. Total Revenue (I +II)</b>		<b>2,343,829,482</b>	2,052,325,680
<b>IV. Expenses:</b>			
a. Cost of Materials Consumed	2.21	<b>953,353,358</b>	880,704,322
b. Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	2.22	<b>50,983,609</b>	(135,524,992)
c. Employee Benefit Expense	2.23	<b>279,817,984</b>	273,062,758
d. Financial Costs	2.24	<b>41,250,183</b>	54,291,801
e. Depreciation and Amortization Expense	2.10	<b>133,548,063</b>	124,452,665
f. Other Expenses	2.25	<b>379,178,455</b>	438,867,532
<b>Total Expenses</b>		<b>1,838,131,652</b>	1,635,854,086
<b>V. Profit Before Exceptional and Extraordinary Items and Tax (III - IV)</b>		<b>505,697,830</b>	416,471,594
<b>VI. Exceptional Items</b>	2.26	<b>(1,318,395)</b>	(2,910,330)
<b>VII. Profit Before Extraordinary Items and Tax (V - VI)</b>		<b>504,379,435</b>	413,561,264
<b>VIII. Extraordinary Items</b>	2.27	-	24,545,661
<b>IX. Profit Before Tax (VII - VIII)</b>		<b>504,379,435</b>	438,106,925
<b>X. Tax Expense:</b>			
(1) Current Tax		<b>(124,769,723)</b>	(101,595,895)
(2) Deferred Tax	2.4	<b>(7,754,704)</b>	(4,502,601)
<b>XI. Profit / (Loss) for the Period from Continuing Operations (IX - X)</b>		<b>371,855,008</b>	332,008,429
<b>XII. EPS: (In Rupees) (Face Value Rs.2/-)</b>			
Basic and Diluted before extraordinary items	2.28	<b>4.54</b>	3.76
Basic and Diluted after extraordinary items		<b>4.54</b>	4.06
<b>Significant Accounting Policies</b>	1		
<b>Notes on Accounts</b>	2		

As per our report of even date

For **AMAR & RAJU**  
**CHARTERED ACCOUNTANTS**  
 Firm Registration No: 000092S  
**(G. AMARANATHA REDDY)**  
 Partner  
 Membership No: 019711

Place: HYDERABAD  
 Date : 29-04-2013

For and on behalf of the Board

**(Dr.SHIBAN K. KOUL)**  
 Chairman

**( P. A. CHITRAKAR )**  
 Chief Operating Officer

**(J. VENKATADAS)**  
 Director

**(S. GURUNATHA REDDY)**  
 Sr. General Manager ( F & A)

**( B. MALLA REDDY )**  
 Managing Director

**(C. PRAMEELAMMA)**  
 Director (Technical)

**(ATIM KABRA)**  
 Director

**(T. ANJANEYULU)**  
 Company Secretary

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2013

Amount in ₹

Particulars	31-03-2013		31-03-2012	
	₹	₹	₹	₹
<b>A. Cash Flow from Operating Activities:</b>				
Net Profit Before Tax, Extra-ordinary & Exceptional Items		<b>505,697,830</b>		416,471,594
<b>Adjustments for:</b>				
- Depreciation	<b>133,548,063</b>		124,452,665	
- Interest Paid	<b>41,250,183</b>		54,291,801	
- Prior Period adjustments	<b>3,382</b>		295,404	
- Interest Received	<b>(38,445,423)</b>		(11,809,529)	
- Dividend received on current investments	<b>(3,019,565)</b>		-	
- Income Tax Paid	<b>(114,339,995)</b>		(92,858,338)	
		<b>18,996,645</b>		74,372,003
Operating Profit Before Working Capital Changes		<b>524,694,475</b>		490,843,597
<b>Adjustments for:</b>				
- Trade & Other Receivables	<b>(1,106,572,022)</b>		(56,694,086)	
- Trade Payable	<b>1,711,745,950</b>		(135,391,972)	
- Inventories	<b>8,221,889</b>		(216,189,286)	
		<b>613,395,817</b>		(408,275,344)
<b>Net Cash from Operating Activities</b>		<b>1,138,090,292</b>		82,568,253
<b>B) Cash Flow from Investing Activities:</b>				
- Purchase of Fixed Assets	<b>(270,931,907)</b>		(149,870,488)	
- Proceeds from Disposal of Assets	<b>1,780,536</b>		455,000	
- Investment in Equity Shares	<b>(2,600,000)</b>		-	
- Investment in Mutual Funds	<b>(233,019,565)</b>		-	
- Dividend received on Mutual Fund Units	<b>3,019,565</b>		-	
- Interest received on deposits	<b>31,221,977</b>		8,419,268	
- Proceeds from Disposal of investments	-		50,000,000	
- Net Cash Used in Investing Activities		<b>(470,529,394)</b>		(90,996,220)



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2013

Amount in ₹

Particulars	31-03-2013		31-03-2012	
	₹	₹	₹	₹
<b>C) Cash Flow from Financing Activities:</b>				
- Working Capital Borrowings from Banks	<b>(76,423,736)</b>		150,691,055	
- Term Loans Taken during the year	<b>155,710,034</b>		164,046,180	
- Borrowings through commercial paper	-		97,242,600	
- Repayment of commercial paper borrowings	-		(100,000,000)	
- Hire Purchase Finance Taken	<b>3,904,000</b>		3,255,684	
- Term Loans Repaid	<b>(210,615,648)</b>		(61,598,059)	
- Hire Purchase Finance Repaid	<b>(3,116,793)</b>		(1,986,867)	
- Interest Paid	<b>(41,892,805)</b>		(49,753,809)	
- Dividend Paid	<b>(57,277,158)</b>		(40,912,613)	
- Dividend Tax Paid	<b>(9,291,868)</b>		(6,637,049)	
- Net Cash Used in Financing Activities		<b>(239,003,974)</b>		154,347,122
<b>Net Increase in Cash &amp; Cash Equivalents (A-B-C)</b>		<b>428,556,924</b>		<b>145,919,155</b>
Cash & Cash Equivalents at the Beginning				
- Cash on Hand	<b>193,641</b>		120,073	
- Balance with Sch., Banks	<b>207,932,222</b>	<b>208,125,863</b>	62,086,635	62,206,708
Cash & Cash Equivalents at the End				
- Cash on Hand	<b>218,027</b>		193,641	
- Balance with Sch., Banks	<b>636,464,760</b>	<b>636,682,787</b>	207,932,222	208,125,863

As per our report of even date

For **AMAR & RAJU**  
**CHARTERED ACCOUNTANTS**  
Firm Registration No: 000092S

**(G. AMARANATHA REDDY)**  
Partner  
Membership No: 019711

**Place:** HYDERABAD  
**Date :** 29-04-2013

For and on behalf of the Board

**(Dr.SHIBAN K. KOUL)**  
Chairman

**( P. A. CHITRAKAR )**  
Chief Operating Officer

**(J. VENKATADAS)**  
Director

**(S. GURUNATHA REDDY)**  
Sr. General Manager ( F & A)

**( B. MALLA REDDY )**  
Managing Director

**(C. PRAMEELAMMA)**  
Director (Technical)

**(ATIM KABRA)**  
Director

**(T. ANJANEYULU)**  
Company Secretary

# **SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS STATEMENT FOR THE YEAR ENDING 31st MARCH, 2013**

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## **1. SIGNIFICANT ACCOUNTING POLICIES:**

### **a) Basis of preparation of Financial Statements:**

The Financial Statements have been prepared under the historical cost convention in accordance with generally accepted accounting principles in India and comply in all material aspects with the applicable Accounting Standards notified under section 211 (3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956 as adopted consistently by the Company.

Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles followed by the Company.

### **b) Fixed Assets:**

Fixed Assets are valued at historical cost less depreciation. Attributable costs (excluding CENVAT & VAT) and expenses including borrowing costs for bringing the respective assets to working condition for their intended use are capitalized.

### **c) Depreciation:**

Depreciation is provided on written down value method as per the rates prescribed under Schedule XIV of the Companies Act, 1956. However, where rates prescribed under Income Tax Act 1961, are higher than the rates prescribed by the Companies Act, then depreciation has been provided as per Income Tax rates. However 100% depreciation has been provided in respect of assets costing Rs. 5,000/- and below.

### **d) Valuation of Inventories:**

Closing stock of raw materials, finished and semi-finished goods are valued at lower of cost and net realisable value. Cost has been ascertained on Weighted Average basis.

### **e) Revenue Recognition:**

Sale is recognized on dispatch of products and is inclusive of Excise Duty, Sales Tax and Packing & forwarding charges

Service Charges are recognized as income as and when the services are performed and inclusive of service tax.

Interest income is recognized on accrual basis.

### **f) Foreign Exchange transactions:**

All foreign currency transactions were initially recognized at the rate on the date of transaction.

Exchange differences arising on the settlement of monetary items were recognized as income/expense.

Monetary items and contingent liabilities as on the date of Balance Sheet are stated at the closing rate/realistic rate.

### **g) Employee Benefits:**

Short-term employee benefits are recognised as a expense at the undiscounted amount in the Profit and Loss Statement of the year in which the related service is rendered.

Post employment and other long term employee benefits are recognised as an expense in the Profit and Loss Statement for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Profit and Loss Statement.

In respect of employee stock options, the excess of fair price on the date of grant over the exercise price is recognised as deferred compensation cost amortised over the vesting period.

**h) Investments:**

Un-quoted long term Investments are valued at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

Current investments are carried at lower of cost and quoted / fair value, computed category wise.

**i) R & D Expenditure:**

Capital expenditure is included in the fixed assets and depreciated as per Company's policy.

Research costs are charged to profit & loss statement of the year in which they are incurred and is included in the respective heads of expenditure.

**j) Borrowing Costs:**

Borrowing costs that are directly attributable to the acquisition of qualifying assets are capitalized as part of cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

**k) Cash Flow Statement:**

The Cash Flow Statement has been compiled from and is based on the Balance Sheet and the related Profit and Loss Account for the year ended on that date. The Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard - 3 on Cash Flow Statement issued by ICAI.

Cash and cash equivalents in the cash flow statement comprise cash at bank, cash/cheques in hand and short term investments with an original maturity of three months or less.

**l) Accounting for Taxes on Income:**

**Current Tax:** Provision for Current Income Tax is made on the basis of the taxable income for the year as determined in accordance with the provisions of Income Tax Act, 1961.

**Deferred Tax:** Deferred income tax is recognized, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The tax effect is calculated on the accumulated timing differences at the year end based on tax rates and laws, enacted or substantially enacted as of the Balance Sheet date.

**m) Impairment of Assets:**

The Management assesses using external and internal sources whether there is any indication that an asset may be impaired. Impairment of an asset occurs where the carrying value exceeds the present value of cash flow expected to arise from the continuing use of the asset and its eventual disposal. The provision for impairment loss is made when recoverable amount of the asset is lower than the carrying amount.

**n) Provisions and Contingent Liabilities and Contingent Assets:**

Provisions in respect of present obligations arising out of past events are made in the accounts when reliable estimate can be made of the amount of obligations and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but if material, are disclosed in the notes to accounts. Contingent assets are not recognized or disclosed in the financial statements.

**o) Operating Lease:**

Operating Lease payments are recognized as an expense in the Profit and Loss Account of the year to which they relate.

**p) Earnings Per Share:**

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

**q) Use of Estimates:**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

## 2. NOTES ON ACCOUNTS:

### 2.1 SHARE CAPITAL

Amount in ₹

Particulars	As at 31-03-2013	As at 31-03-2012
<b>A) Authorised Share Capital:</b>		
- Equity Shares, Rs.2/- Par Value 10,00,00,000 Equity Shares	<b>200,000,000</b>	200,000,000
<b>B) Issued, Subscribed and Fully Paid-up Share Capital:</b>		
- Equity Shares, Rs.2/- Par Value 8,18,25,225 Equity Shares fully paid-up	<b>163,650,450</b>	163,650,450
<b>Total</b>	<b>163,650,450</b>	<b>163,650,450</b>
<b>Disclosure pursuant to Note no. 6(A)(d) of Part I of Schedule VI to the Companies Act, 1956</b>		
<b>Reconciliation of the Number of Shares Outstanding:</b>	<b>As at 31-03-2013</b>	<b>As at 31-03-2012</b>
Shares outstanding at the beginning of the year	<b>81,825,225</b>	81,825,225
- Add: Shares Issued during the year	-	-
- Add: Shares Issued on Exercise of Employee Stock Options	-	-
Add: Bonus Shares Issued	-	-
Less: Shares bought back during the year	-	-
Shares outstanding at the end of the year	<b>81,825,225</b>	81,825,225



**Disclosure pursuant to Note no. 6(A)(e) of Part I of Schedule VI to the Companies Act, 1956**

**The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital;**

- The Company has only one class of shares referred to as equity shares having a par value of Rs.2/-. Each holder of equity shares is entitled to one vote per share.
- The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule VI to the Companies Act, 1956**

**Shares in the Company held by each Share Holder holding more than 5% shares**

	As at	
	31-03-2013 No. of shares %	31-03-2012 No. of shares %
1) Strategic Ventures Fund (Mauritius)	9,578,940 11.71%	12,586,740 15.38%
2) L & T Capital Company Limited	- -	7,950,045 9.72%
3) Skanda Aerospace Private Limited	7,381,417 9.02%	5,781,360 7.07%
4) Larsen & Toubro Limited	7,950,045 9.72%	- -
<b>Disclosure pursuant to Note no. 6(A)(h) of Part I of Schedule VI to the Companies Act, 1956</b>		
Shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment;	NIL	NIL
<b>Disclosure pursuant to Note no. 6(A)(i) of Part I of Schedule VI to the Companies Act, 1956</b>		
a) Aggregate number of equity shares allotted as fully paid up pursuant to contract(s) without payment being received in cash in the last five years immediately preceding the Balance Sheet date	NIL	NIL
b) Aggregate number of bonus shares (Equity) issued in the last five years immediately preceding the Balance Sheet date	27,672,225	27,826,775
c) Aggregate number of equity shares bought back in the last five years immediately preceding the Balance Sheet date	NIL	NIL
<b>Disclosure pursuant to Note no. 6(A)(j) of Part I of Schedule VI to the Companies Act, 1956</b>		
Securities convertible into equity / preference shares issued	NIL	NIL

## 2.2 RESERVES & SURPLUS

Amount in ₹

Particulars	As at 31-03-2013	As at 31-03-2012
<b>A) General Reserve:</b>		
- Opening balance	292,279,695	257,279,695
- Add: Transferred from Profit and Loss Account	40,000,000	35,000,000
- Balance in General Reserve (A)	<u>332,279,695</u>	<u>292,279,695</u>
<b>B) Securities Premium Reserve:</b>		
- Opening balance	50,450,142	50,450,142
- Add: Addition during the year	-	-
- Less: Capitalised during the year	-	-
- Balance in Securities Premium Reserve (B)	<u>50,450,142</u>	<u>50,450,142</u>
<b>C) Surplus:</b>		
- Opening balance	1,206,667,893	976,228,990
- Add / (Less): Net Profit / (Loss) after Tax transferred from Statement of Profit & Loss	371,855,008	332,008,429
- Amount Available for Appropriation	<u>1,578,522,901</u>	<u>1,308,237,419</u>
- Less: Appropriations		
Amount Transferred to General Reserve	(40,000,000)	(35,000,000)
Proposed Dividend	(65,460,180)	(57,277,658)
Dividend Tax	(10,619,278)	(9,291,868)
- Balance in Profit & Loss Account (C)	<u>1,462,443,443</u>	<u>1,206,667,893</u>
<b>Total (A+B+C)</b>	<b>1,845,173,280</b>	<b>1,549,397,730</b>

## 2.3 LONG-TERM BORROWINGS

Amount in ₹

Particulars	As at 31-03-2013	As at 31-03-2012
<b>A) Secured Long-Term Borrowings:</b>		
<b>1) Term Loans: From Banks:</b>		
<b>a) Term Loan from Canara Bank</b>	-	57,579,573
Repayable on or before: Dec., 2014		
Number of installments due as on 31/03/13: NIL		
Installment (quarterly) amount: Rs.95,00,000/-		
Rate of interest: 13.75%		
Nature of security:		
Exclusive charge on the Machinery / equipments to be purchased out of the Term loan and Pari-passu second charge on the remaining Fixed Assets of the company present and future excluding vehicles and including capital work in progress along with SBI and personal guarantee of the Managing Director and the Chief Operating Officer		
<b>b) Term Loan from HDFC Bank (Partly Disbursed)</b>	<b>114,187,358</b>	-
Repayable on or before: Oct., 2016		
Number of installments due as on 31/03/13: 15 #		
Installment (quarterly) amount: Rs.1,03,80,669/-		
Rate of interest: 12.20%		
Nature of security: Term loan from HDFC Bank is secured by First exclusive charge on the Fixed Assets funded by this term loan. Second pari passu charge on entire unencumbered fixed assets of the company alongwith term lenders. Pari Passu second charge on the current assets of the company along with other term lenders and personal guarantee of the Managing Director and Chief Operating Officer.		
<b>c) Vehicle Loan from HDFC Bank #</b>	<b>2,149,177</b>	2,789,386
Repayable in EMI as per the specific agreement.		
Hire purchase finance is secured by hypothecation of specified assets acquired under Hire Purchase Agreement.		
<b>2) Other Long-Term Borrowings:</b>		
<b>a) Long-Term Working Capital Facility from</b>		
M/s. L&T Finance Limited	-	100,000,000
Repayable on or before: Nov., 2014		
Number of installments due as on 31/03/13: NIL		
Rate of interest: 12.50%		

Particulars	As at 31-03-2013	As at 31-03-2012
Nature of security: Subservient charge on entire movable fixed and current assets of the company and personal guarantee of Managing Director of the company		
<b>b) Vehicle Loan from M/s. Kotak Mahindra Prime Ltd., #</b>	<b>367,018</b>	-
Repayable in EMI as per the specific agreement.		
Hire purchase finance is secured by hypothecation of specified assets acquired under Hire Purchase Agreement.		
<b>Total Secured Long-Term Borrowings (A)</b>	<b>116,703,553</b>	160,368,959
Aggregate amount of loans Guaranteed by		
- Managing Director and Chief Operating Officer	<b>155,710,034</b>	208,779,573
Amount of continuing default as on the balance sheet date in repayment of loans and interest there on	<b>NIL</b>	NIL
# Amount repayable with in next one year is shown separately under the head "Other Current Liabilities" (Note No: 2.9)		
<b>B) Unsecured Long-Term Borrowings:</b>		
Deferred Payment Liabilities:		
Sales Tax Loan from Government of AP	<b>18,502,558</b>	19,514,585
Repayable on or before: March 2018		
Number of installments (yearly) due as on 31/03/2013: 5 #		
Rate of interest: Interest free		
<b>Total Unsecured Long-Term Borrowings (B)</b>	<b>18,502,558</b>	19,514,585
Aggregate amount of loans Guaranteed by Directors	<b>NIL</b>	NIL
Amount of continuing default as on the balance sheet date in repayment of loans and interest there on	<b>NIL</b>	NIL
# Amount repayable with in next one year is shown separately under the head "Other Current Liabilities" (Note No: 2.9)		
<b>Total Long-Term Borrowings (A + B)</b>	<b>135,206,111</b>	179,883,544

#### 2.4 DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31-03-2013	As at 31-03-2012
Deferred Tax Liability	<b>63,129,342</b>	53,729,465
Less: Deferred tax Asset	<b>(7,158,846)</b>	(5,513,673)
Closing balance of Net Deferred Tax Liability	<b>55,970,496</b>	48,215,792
Less: Opening balance of Net Deferred Tax Liability	<b>48,215,792</b>	43,713,191
Effect on Profit and Loss Statement	<b>(7,754,704)</b>	(4,502,601)
Deferred Tax Liability represents timing differences in depreciation on fixed assets		
Deferred Tax Assets represents Provision for Gratuity and Leave Encashment, which are allowed on payment basis as per the provisions of the Income Tax Act		

## 2.5 LONG TERM PROVISIONS

Particulars	As at 31-03-2013	As at 31-03-2012
Provision for Employee Benefits:		
- Unavailed Leave	9,593,925	8,054,428
- Gratuity Obligation	12,470,634	8,939,478
<b>Total</b>	<b>22,064,559</b>	<b>16,993,906</b>

## 2.6 SHORT TERM BORROWINGS

Particulars	As at 31-03-2013	As at 31-03-2012
<b>A) Secured Short-Term Borrowings:</b>		
Repayable on Demand- From Banks:		
<b>a) Working Capital Finance from Canara Bank</b>	-	99,812,181
Nature of security:		
Prime Security:		
Pari Passu first charge on stocks and receivables and other chargeable current assets of the Company along with other WC lenders		
Collateral Security:		
Pari Passu first charge on entire unencumbered Fixed Assets of the company (other than those financed by term lenders) along with other WC lenders, including EM of company's properties offered as collateral security.		
Pari Passu second charge on the fixed assets of the company funded by other term lenders.		
Personal Guarantee:		
Personal Guarantee of the Managing Director and Chief Operating officer		
<b>b) Working Capital Finance from HDFC Bank Limited-</b>	-	-
Nature of security:		
Prime Security:		
Pari Passu first charge on stocks and receivables and other chargeable current assets of the Company along with other WC lenders		
Collateral Security:		
Pari Passu first charge on entire unencumbered Fixed Assets of the company (other than those financed by term lenders) along with other WC lenders, including EM of company's properties offered as collateral security		
Pari Passu second charge on the fixed assets of the company funded by other term lenders.		
Personal Guarantee:		

Particulars	As at 31-03-2013	As at 31-03-2012
Personal Guarantee of the Managing Director and Chief Operating Officer		
<b>c) Working Capital Finance from State Bank of India</b>	<b>272,000,000</b>	250,000,000
Nature of security:		
Prime Security:		
Pari Passu first charge on stocks and receivables and other chargeable current assets of the Company along with other WC lenders		
Collateral Security:		
Pari Passu first charge on entire unencumbered Fixed Assets of the company (other than those financed by term lenders) along with other WC lenders, including EM of company's security		
Pari Passu second charge on the fixed assets of the company funded by other term lenders.		
Personal Guarantee:		
Personal Guarantee of the Managing Director and Chief Operating Officer		
<b>Total Secured Short-Term Borrowings (A)</b>	<b>272,000,000</b>	349,812,181
Aggregate amount of loans Guaranteed by Managing Director and Chief Operating Officer	<b>272,000,000</b>	349,812,181
Amount of default as on the balance sheet date in repayment of loans and interest there on	<b>NIL</b>	NIL
<b>B) Unsecured Short-Term Borrowings:</b>		
Repayable on Demand		
From Banks:		
Bills Discounting facility with SIDBI	<b>10,047,595</b>	8,659,150
<b>Total Unsecured Short-Term Borrowings (B)</b>	<b>10,047,595</b>	8,659,150
Aggregate amount of loans Guaranteed by Directors	<b>NIL</b>	NIL
Amount of default as on the balance sheet date in repayment of loans and interest there on	<b>NIL</b>	NIL
<b>Total Short-Term Borrowings (A + B)</b>	<b>282,047,595</b>	358,471,331

## 2.7 TRADE PAYABLES

Particulars	As at 31-03-2013	As at 31-03-2012
Accrued Salaries and other benefits		
- Salaries & Directors Remuneration	<b>29,227,785</b>	28,180,973
For Other Liabilities		
- For Supplies	<b>302,769,707</b>	108,689,663
- Advances from Customers	<b>1,861,837,456</b>	344,757,072
<b>Total</b>	<b>2,193,834,948</b>	481,627,708

## 2.8 OTHER CURRENT LIABILITIES

Particulars	As at 31-03-2013	As at 31-03-2012
Current maturities of long term borrowings	<b>46,017,438</b>	54,756,465
Interest accrued but not due on borrowings	-	307,197
Interest accrued and due on borrowings	<b>1,625,783</b>	2,663,156
Unclaimed Dividends	<b>4,178,521</b>	3,685,932
For Services & Expenses	<b>27,611,927</b>	14,025,694
PF & ESI payable	<b>2,309,614</b>	1,706,822
Withholding and Other Taxes Payable	<b>30,019,355</b>	26,989,449
Creditors for capital goods/works	<b>49,379,035</b>	32,526,235
<b>Total</b>	<b>161,141,673</b>	136,660,950

## 2.9 SHORT-TERM PROVISIONS

Particulars	As at 31-03-2013	As at 31-03-2012
a) Provision for Employee Benefits:		
Bonus and Incentives	<b>32,249,128</b>	55,000,000
b) Others:		
Proposed Dividend	<b>65,460,180</b>	57,277,658
Provision for Tax on Dividend	<b>10,619,278</b>	9,291,868
Income Taxes	<b>20,435,626</b>	7,337,428
<b>Total</b>	<b>128,764,212</b>	128,906,954

## 2.10 FIXED ASSETS

DESCRIPTION	Rate of Dep.,	GROSS BLOCK					DEPREICIATION					NET BLOCK		
		AS ON 1/4/2012 Rs.	ADDITIONS Rs.	DELETIONS Rs.	AS ON 31/03/2013 Rs.	UP TO 1/4/2012 Rs.	FOR THE PERIOD Rs.	DELETIONS Rs.	UP TO 31/03/2013 Rs.	AS ON 31/03/2013 Rs.	AS ON 31/03/2012 Rs.			
<b>Tangible Assets</b>														
Land	0%	91,094,397	99,065,586	-	190,159,983	-	-	-	-	-	-	-	190,159,983	91,094,397
Buildings	10%	481,792,959	13,932,386	-	495,725,345	150,209,603	33,883,772	-	184,093,375	311,631,970	-	184,093,375	311,631,970	331,583,356
Plant & Machinery Electrical	15%	852,485,501	180,101,663	-	1,032,587,164	472,076,808	72,936,070	-	545,012,878	487,574,286	-	545,012,878	487,574,286	380,408,693
Installations	15%	32,100,077	4,478,640	-	36,578,717	16,177,954	2,874,939	-	19,052,893	17,525,824	-	19,052,893	17,525,824	15,922,123
Air Conditioners	15%	49,288,681	295,204	-	49,583,885	21,959,325	4,124,137	-	26,083,462	23,500,423	-	26,083,462	23,500,423	27,329,356
Office Equipment	15%	9,357,120	546,793	-	9,903,913	4,433,351	780,809	-	5,214,160	4,689,753	-	5,214,160	4,689,753	4,923,769
Furniture & Fixtures	18.10%	49,058,027	5,391,513	-	54,449,540	29,213,363	4,777,956	-	33,991,319	20,458,221	-	33,991,319	20,458,221	19,844,664
Computers	60%	90,209,822	8,338,357	-	98,548,179	76,504,409	10,963,458	-	87,467,867	11,080,312	-	87,467,867	11,080,312	13,705,413
Vehicles	25.89%	21,041,778	8,625,052	9,197,806	20,469,024	12,601,558	3,206,922	7,894,054	7,914,426	12,554,598		7,914,426	12,554,598	8,440,220
<b>Total</b>		1,676,428,362	320,775,194	9,197,806	1,988,005,750	783,176,371	133,548,063	7,894,054	908,830,380	1,079,175,370		908,830,380	1,079,175,370	893,251,991
<b>Pre., Year Total</b>		1,563,434,153	114,952,192	1,957,981	1,676,428,364	660,266,514	124,452,665	1,542,874	783,176,305	893,252,059		783,176,305	893,252,059	903,167,639



## 2.11 NON-CURRENT INVESTMENTS

Particulars	As at 31-03-2013	As at 31-03-2012
Other Investments - Unquoted - At Cost		
- Investments in Equity Instruments		
- Investments in equity instruments of Associates 2,60,000 Equity Shares of Rs.10/- each fully paid up in M/s. Traana Technologies Private Limited	2,600,000.00	-
<b>Total</b>	<b>2,600,000.00</b>	-
Aggregate amount of unquoted investments	2,600,000.00	-

## 2.12 LONG-TERM LOANS AND ADVANCES

Particulars	As at 31-03-2013	As at 31-03-2012
Unsecured Considered Good		
Advances for capital goods/works	5,498,094	38,488,581
Security Deposits	6,616,136	3,664,466
Pre paid expenses	17,871,541	5,475,545
<b>Total</b>	<b>29,985,771</b>	<b>47,628,592</b>

## 2.13 CURRENT INVESTMENTS:

Particulars	As at 31-03-2013	As at 31-03-2012
<b>Investments in Mutual funds:</b>		
Valued at lower of cost and quoted value		
a) 20,00,000.000 Units of SBI Debt Fund (Series - 1 and15) - Growth	20,000,000	-
b) 87,968.971 Units of SBI Magnum Monthly Income Plan - Growth		
c) 9,52,277.470 Units of SBI Short Term Debt Fund - Dividend Reinvest	2,093,344 10,046,674	- -
d) 6,90,213.790 Units of SBI Magnum Income Fund - Growth	20,000,000	-
e) 1,80,284.310 Units of SBI Premier Liquid Fund - Direct Plan - Dividend Reinvest	180,870,238	-
f) 3.090 Units of SBI Premier Liquid Fund - Regular Plan - Dividend Reinvest	3,098	-
<b>Total</b>	<b>233,013,354</b>	-
Aggregate amount of Quoted Investments	233,013,354	-
Market Value of Quoted Investments	233,278,315	-
Aggregate provision made for diminution in value of investments	6,211	-

## 2.14 INVENTORIES

Particulars	As at 31-03-2013	As at 31-03-2012
Raw Materials	431,892,579	389,821,085
Packing Material	1,521,789	831,563
Stores & Spares	495,438	495,438
Work-in-progress	300,249,610	353,360,300
Finished Goods	4,190,596	2,063,515
<b>Total</b>	<b>738,350,012</b>	<b>746,571,901</b>
Mode of valuation of Inventories:		
- Inventories are valued at lower of cost or net realisable value.		
- Cost has been arrived on weighted average basis		

## 2.15 TRADE RECEIVABLES

Particulars	As at 31-03-2013	As at 31-03-2012
Unsecured Considered Good		
- Outstanding for a period exceeding six months	206,707,771	136,380,565
- Others	1,227,017,803	738,926,600
<b>Total</b>	<b>1,433,725,574</b>	<b>875,307,165</b>

## 2.16 CASH AND BANK BALANCES

Particulars	As at 31-03-2013	As at 31-03-2012
<b>A) Cash and Cash Equivalents:</b>		
- Balances with Banks	636,464,760	207,932,222
- Cheques, Drafts on hand	-	-
- Cash on Hand	218,027	193,641
<b>Total Cash and Cash Equivalents(A)</b>	<b>636,682,787</b>	<b>208,125,863</b>
<b>B) Other Bank Balances:</b>		
- Balances with Banks	495,982,076	136,421,410
<b>Total Other Bank Balances (B)</b>	<b>495,982,076</b>	<b>136,421,410</b>
<b>Total Cash and Bank Balances (A + B)</b>	<b>1,132,664,863</b>	<b>344,547,273</b>
<b>Other Bank Balances includes:</b>		
a) Earmarked balances with banks ( for unpaid dividend)	4,178,521	3,686,432
b) Deposit accounts with more than 12 months maturity	-	-
c) Held as margin money deposits against guarantees	491,803,555	132,734,978

## 2.17 SHORT TERM LOANS AND ADVANCES

Particulars	As at 31-03-2013	As at 31-03-2012
Unsecured Considered Good		
Others		
Advances for Supplies	<b>246,857,585</b>	89,408,904
Advances for Services and Expenses	<b>18,311,240</b>	9,474,564
Balance with Revenue Authorities (cenvat credit)	<b>21,298,312</b>	24,844,801
Amount (refund) due from Revenue Authorities	<b>9,784,297</b>	7,921,665
Prepaid Expenses	<b>29,119,228</b>	19,107,237
<b>Total</b>	<b>325,370,662</b>	150,757,171

## 2.18 OTHER CURRENT ASSETS

Particulars	As at 31-03-2013	As at 31-03-2012
Interest accrued but not due on Deposits	<b>12,967,718</b>	5,744,272
<b>Total</b>	<b>12,967,718</b>	5,744,272

## 2.19 REVENUE FROM OPERATIONS

Particulars	As at 31-03-2013	As at 31-03-2012
<b>From Sale of Products</b>		
Domestic	<b>1,776,646,397</b>	1,807,708,344
Exports	<b>540,515,854</b>	150,449,770
	<b>2,317,162,251</b>	1,958,158,114
<b>From Sale of Services</b>		
Domestic	<b>64,968,301</b>	142,462,772
Exports	<b>772,840</b>	4,210,763
	<b>65,741,141</b>	146,673,535
<b>Total</b>	<b>2,382,903,392</b>	2,104,831,649

## 2.20 OTHER INCOME

Particulars	As at 31-03-2013	As at 31-03-2012
Interest Income	38,445,423	11,809,529
Miscellaneous Receipts	5,250	287,271
Customs Duty Refund	12,296,881	2,721,097
Export Incentives	4,067,338	-
Foreign Exchange Fluctuations	11,282,991	-
Dividend received on Current Investments (Mutual Fund)	3,019,565	-
<b>Total</b>	<b>69,117,448</b>	<b>14,817,897</b>

## 2.21 COST OF MATERIALS CONSUMED

Particulars	As at 31-03-2013	As at 31-03-2012
<b>A) Indigenous Raw Material:</b>		
Opening stock of Raw Material	55,813,323	38,724,836
Add: Purchases during the year	536,398,460	359,240,948
	<b>592,211,783</b>	<b>397,965,784</b>
Less: Closing Stock of Raw Material	108,821,872	55,813,323
Raw Material consumed (A)	<b>483,389,911</b>	<b>342,152,461</b>
<b>B) Imported Raw Material:</b>		
Opening stock of raw material	334,007,761	271,202,613
Add: Purchases during the year	459,026,393	601,357,009
	<b>793,034,154</b>	<b>872,559,622</b>
Less: Closing Stock of Raw Material	323,070,707	334,007,761
Raw Material Consumed (B)	<b>469,963,447</b>	<b>538,551,861</b>
<b>Total Raw Material Consumed (A + B)</b>	<b>953,353,358</b>	<b>880,704,322</b>
Percentage of imported raw materials consumed to the total consumption	<b>49.30</b>	61.15
Percentage of indigenous raw materials consumed to the total consumption	<b>50.70</b>	38.85

## 2.22 CHANGES IN INVENTORIES

Particulars	As at 31-03-2013	As at 31-03-2012
Inventories at the end of the period		
- Finished Goods	4,190,596	2,063,515
- Work-in-progress	300,249,610	353,360,300
<b>Total (A)</b>	<b>304,440,206</b>	<b>355,423,815</b>
Inventories at the beginning of the period		
- Finished Goods	2,063,515	1,641,924
- Work-in-progress	353,360,300	218,256,899
<b>Total (B)</b>	<b>355,423,815</b>	<b>219,898,823</b>
Change in Inventories (A - B)	<b>50,983,609</b>	<b>(135,524,992)</b>

## 2.23 EMPLOYEE BENEFIT EXPENSES

Particulars	As at 31-03-2013	As at 31-03-2012
Salaries, Wages & Other Benefits	217,415,882	218,054,269
Directors Remuneration	36,243,920	34,981,359
Contribution to Provident Fund & ESI	13,799,568	10,190,985
Staff Welfare Expenses	12,358,614	9,836,145
<b>Total</b>	<b>279,817,984</b>	<b>273,062,758</b>

## 2.24 FINANCIAL COSTS

Particulars	As at 31-03-2013	As at 31-03-2012
Interest on Term Loans	13,547,267	13,655,418
Interest on Working Capital borrowings	27,000,969	37,588,041
Interest on Vehicle Loan	701,947	290,942
Discount allowed on Borrowings through issuance of Commercial Paper	-	2,757,400
<b>Total</b>	<b>41,250,183</b>	<b>54,291,801</b>

## 2.25 OTHER EXPENSES

Particulars	Year Ended 31-03-2013	Year Ended 31-03-2012
- Repairs to Machinery	<b>36,508,385</b>	29,713,161
- Power and Fuel	<b>19,967,750</b>	15,387,525
- Excise Duty (Includes Difference between Excise Duty on Opening & Closing Stock of FG )	<b>767,729</b>	88,436
- Testing Charges	<b>15,132,207</b>	12,148,783
- Carriage Inwards	<b>1,452,208</b>	1,416,311
- Installation & Commissioning of AWS	<b>1,830,180</b>	5,258,468
- Travelling and Conveyance	<b>21,277,518</b>	18,648,357
- Printing and Stationery	<b>5,776,150</b>	4,966,830
- Communication Costs	<b>2,821,850</b>	2,771,503
- Rent	<b>265,000</b>	253,000
- Insurance	<b>5,404,527</b>	4,372,188
- Rates and Taxes excluding taxes on income	<b>2,970,781</b>	3,224,932
- Auditors Remuneration	<b>814,610</b>	724,722
- Legal & Professional Charges	<b>10,711,018</b>	21,107,370
- Technology Transfer Charges	<b>41,326,520</b>	63,529,783
- Repairs to Building	<b>6,295,420</b>	2,269,663
- Computer & Software Maintenance	<b>6,477,305</b>	6,366,316
- Vehicle Maintenance	<b>1,123,395</b>	1,777,928
- Factory & Garden Maintenance	<b>4,246,062</b>	4,421,300
- Office Electricity Charges	<b>1,530,811</b>	1,331,336
- Repairs & Maintenance of Other Assets	<b>4,882,368</b>	4,694,604
- Vehicle Hire Charges	<b>12,649,534</b>	10,315,655
- Miscellaneous Expenses	<b>8,910,609</b>	4,989,475
- Books, Periodicals & Subscriptions	<b>286,008</b>	185,644
- Conference & Seminar Expenses	<b>206,234</b>	103,276
- Advertisement	<b>2,238,965</b>	2,833,011
- Entertainment & Business Promotion	<b>4,891,821</b>	4,534,458
- Sponsorship Expenses	<b>533,710</b>	365,000
- Security Charges	<b>8,472,176</b>	3,078,366
- Staff Recruitment & Training	<b>390,527</b>	255,128
- Performance Allowance to Non-Executive Directors	<b>2,696,640</b>	1,600,000
- Bank Charges and Commission	<b>32,775,721</b>	24,660,644

<b>Particulars</b>	<b>Year Ended 31-03-2013</b>	<b>Year Ended 31-03-2012</b>
- Carriage Outwards	<b>649,277</b>	1,785,763
- Packing Material	<b>3,054,539</b>	1,433,383
- Sales Tax / VAT	<b>65,372,696</b>	71,148,274
- Service Tax	<b>7,396,192</b>	13,534,036
- Foreign Exchange Fluctuations	-	2,941,990
- Late Delivery Charges	<b>25,004,137</b>	60,076,985
- Bad debts written off	<b>2,556,698</b>	26,314,438
- Order Booking Commission	-	419,909
- Foreign Travel and Exhibition Expenses	<b>9,511,177</b>	3,819,581
<b>Total</b>	<b>379,178,455</b>	438,867,532

## 2.26 EXCEPTIONAL ITEMS

<b>Particulars</b>	<b>Year Ended 31-03-2013</b>	<b>Year Ended 31-03-2012</b>
Profit / Loss on disposal of assets	<b>476,784</b>	39,892
Provision on Current Investments	<b>(6,211)</b>	-
Prior Period Adjustments	<b>(1,788,968)</b>	(2,950,222)
<b>Total</b>	<b>(1,318,395)</b>	(2,910,330)
Prior period tax adjustments represents income tax and other adjustments relating to earlier years.		

## 2.27 EXTRAORDINARY ITEMS

<b>Particulars</b>	<b>Year Ended 31-03-2013</b>	<b>Year Ended 31-03-2012</b>
Profit on disposal of shares of Subsidiary Company	-	28,242,500
Less: Tax there on	-	(3,696,839)
<b>Total</b>	-	24,545,661

## 2.28 EARNINGS PER SHARE

Particulars	Year Ended 31-03-2013	Year Ended 31-03-2012
No. of Equity Shares outstanding at the beginning of the year	<b>81,825,225</b>	81,825,225
No. of Equity Shares issued during the year	-	-
Number of Bonus Shares issued	-	-
Total number of Shares outstanding at the end of the year (used as denominator for calculating EPS)	<b>81,825,225</b>	81,825,225
Profit before extraordinary items available to share holders (used as numerator for calculating EPS)	<b>371,855,008</b>	307,462,768
Profit after extraordinary items available to share holders (used as numerator for calculating EPS)	<b>371,855,008</b>	332,008,429
Basic & Diluted Earnings Per Share before extraordinary items in Rs. (Face Value Rs.2/-)	<b>4.54</b>	3.76
Basic & Diluted Earnings Per Share after extraordinary items in Rs. (Face Value Rs.2/-)	<b>4.54</b>	4.06

## 2.29 VALUE OF RAW MATERIAL CONSUMED, TURNOVER, OPENING & CLOSING STOCK-IN-TRADE:

Particulars	Year Ended 31-03-2013	Year Ended 31-03-2012
<b>A) Raw-material consumed:</b>		
- Semi Conductor devices and other materials	<b>953,353,358</b>	880,704,322
<b>B) Turnover:</b>		
a) Microwave components and sub systems	<b>2,317,162,251</b>	1,958,158,114
b) Installation charges	<b>65,741,141</b>	146,673,535
<b>C) Opening Stock-in trade:</b>		
- Microwave components and sub systems		
a) Finished goods	<b>2,063,515</b>	1,641,924
b) Work-in-progress	<b>353,360,300</b>	218,256,899
<b>D) Closing Stock-in-trade:</b>		
- Microwave components and sub systems		
a) Finished goods	<b>4,190,596</b>	2,063,515
b) Work-in-progress	<b>300,249,610</b>	353,360,300



### 2.30 RESEARCH AND DEVELOPMENT EXPENSES

Particulars	Year Ended 31-03-2013	Year Ended 31-03-2012
Revenue Expenditure	73,276,832	71,130,468
Capital Expenditure	23,887,590	16,281,791
<b>Total</b>	<b>97,164,422</b>	<b>87,412,259</b>
Revenue expenditure is shown under respective heads of expenditure. Capital expenditure is shown in respective Fixed Assets.		

### 2.31 BORROWING COSTS

Particulars	Year Ended 31-03-2013	Year Ended 31-03-2012
Borrowing cost capitalized during the period	-	-

### 2.32 FOREIGN EXCHANGE FLUCTUATIONS

Particulars	Year Ended 31-03-2013	Year Ended 31-03-2012
As per the accounting policy, the amount of Foreign Exchange Fluctuations (debited) / credited to Profit and Loss Account during the period	11,282,991	(2,941,990)

### 2.33 AUDITORS REMUNERATION

Particulars	Year Ended 31-03-2013	Year Ended 31-03-2012
Audit Fee	475,000	425,000
Tax Audit Fee	100,000	70,000
For Certification, Taxation and other matters	150,000	150,000
Service Tax	89,610	79,722
<b>Total</b>	<b>814,610</b>	<b>724,722</b>

## 2.34 FOREIGN EXCHANGE TRANSACTIONS

Particulars	Year Ended 31-03-2013	Year Ended 31-03-2012
Value of imported raw-materials on CIF basis	<b>404,128,558</b>	556,531,000
Value of imported capital goods on CIF basis	<b>156,913,222</b>	59,949,593
CIF value of other imports	<b>2,958,755</b>	3,456,453
<b>Expenditure in foreign currency on account of:</b>		
- Travel	<b>3,881,748</b>	1,246,896
- Technology Transfer Charges	<b>31,774,500</b>	38,390,390
- Advertisement	<b>101,111</b>	-
- Exhibitions & Conferences	<b>355,876</b>	-
- Order Booking Commission	-	377,699
<b>Earnings in foreign currency:</b>		
- FOB Value of Exports	<b>540,515,854</b>	152,299,696
- For Services Rendered	<b>772,840</b>	4,210,763
<b>Remittances in foreign currency:</b>		
- On account of Dividend:		
- Amount Remitted	<b>1,871,079</b>	150,000
- No. of Non-Resident Share Holders	<b>2</b>	1
- No. of Shares held by them	<b>2,672,970</b>	300,000
- Year of Dividend	<b>2011-2012</b>	2010-2011

## 2.35 CONTINGENT LIABILITIES

Particulars	Year Ended 31-03-2013	Year Ended 31-03-2012
Foreign letter of credit	-	6,675,900
Guarantees to Banks		
1) Performance Guarantees	483,003,526	263,962,305
2) Advance payment Guarantees	2,154,521,147	770,886,716
3) Guarantee in lieu of EMD / Security Deposit	53,327,578	40,176,400
4) Guarantee for Materials	4,007,000	4,087,000

### 2.36 Disclosure under Clause 32 of the Listing Agreement

Particulars	Year Ended 31-03-2013	Year Ended 31-03-2012
a) Loans and advances in the nature of loans to Subsidiary Company:	-	-
b) Loans and advances in the nature of loans to Associate Company:	-	-
c) Loans and advances in the nature of loans where there is:		
I. No repayment schedule or repayment beyond seven years:	-	-
II. No Interest or interest below Sec. 372A of Companies Act:	-	-
d) Loans and advances in the nature of loans to firms/companies in which Directors are interested:	-	-
e) Investments by the loanee in the shares of the parent company and subsidiary company, when the company has made a loan or advance in the nature of loan	-	-

### 2.37 RELATED PARTY TRANSACTIONS

Particulars	Year Ended 31-03-2013	Year Ended 31-03-2012
a) Associate Company: Traana Technologies Private Limited		
Services received from Associate Company	<b>720,000</b>	-
Balance payable to Associate Company	-	-
b) Remuneration paid to Directors:		
Executive Directors:		
Mr. B. Malla Reddy, Managing Director	<b>12,028,360</b>	11,987,804
Mr. P.A. Chitrakar, Chief Operating Officer	<b>12,209,060</b>	11,772,055
Mrs. C. Prameelamma, Director (Technical)	<b>12,006,500</b>	11,726,500
Non-Executive Directors:		
Dr. Shiban K. Koul, Chairman (includes sitting fee & service tax)	<b>914,498</b>	620,000
Mr. J. Venkata Das, Director (includes sitting fee & service tax)	<b>920,116</b>	620,000
Mr. Atim Kabra, Director (includes sitting fee & service tax)	<b>915,116</b>	405,000

## 2.38 RETIREMENT BENEFIT PLANS

Particulars	Year Ended 31-03-2013	Year Ended 31-03-2012
<p><b>A) Defined Contribution Plan:</b></p> <p>The Company makes contributions towards Provident Fund to a defined contribution retirement benefit plan for qualifying employees. The provident fund plan is operated by the Regional Provident fund Commissioner. Under the scheme the company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. The contributions payable to this plan by the company are at rates specified in the rules of the scheme</p> <p>Employer's Contribution to Provident fund recognised in the Profit &amp; Loss Statement</p>	<hr/> <b>10,856,741</b>	<hr/> <b>9,122,216</b>
<p><b>B) Defined benefit plan:</b></p> <p>As per the Payment of Gratuity Act lump sum payment has to be made to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part there of in excess of six months. Vesting occurs upon completion of five years of service. The employee's gratuity fund scheme is managed by a Trust (LIC)</p> <p>Leave encashment is payable as per the Rules of the Company. (Unfunded)</p> <p>The present value of the defined benefit obligation and the related current service cost were measured using Projected Unit Credit Method with actuarial valuations being carried out at each Balance Sheet date.</p> <p>The following table sets out the status of the defined benefit obligation and the amounts recognized in the Company's financial statement.</p>		

Particulars	Year Ended 31-03-2013	Year Ended 31-03-2012
<b>A) Change in benefit obligations:</b>		
- Present value of the obligation as at beginning of year	<b>33,678,365</b>	30,895,062
- Interest cost	<b>2,913,179</b>	2,471,605
- Current Service Cost	<b>5,570,404</b>	3,461,712
- Benefits Paid	<b>(2,617,491)</b>	(5,186,464)
- Actuarial (gain) / loss on obligations	<b>2,684,487</b>	2,036,450
- Present value of obligation at year end	<b>42,228,944</b>	33,678,365
<b>B) Change in plan assets:</b>		
- Fair value of plan assets at beginning of year	<b>16,684,460</b>	-
- Prior period adjustment	<b>681</b>	-
- Expected return on plan assets	<b>1,565,990</b>	62,333
- Employer contribution	<b>2,029,268</b>	16,622,127
- Benefits paid	<b>(116,014)</b>	-
- Actuarial gain / (loss) on plan assets	-	-
- Fair value of plan assets at year end	<b>20,164,385</b>	16,684,460
<b>C) Reconciliation of fair value of assets and obligations:</b>		
- Fair value of plan assets	<b>42,228,944</b>	33,678,365
- Present value of obligation	<b>20,164,385</b>	16,684,460
- Amount recognised in Balance Sheet	<b>22,064,559</b>	16,993,905
<b>D) Expenses recognized during the year:</b>		
- Current Service cost	<b>5,570,404</b>	3,461,712
- Interest cost	<b>2,913,179</b>	2,471,605
- Expected return on plan assets	<b>(1,565,990)</b>	(62,333)
- Net actuarial (gain) / loss recognized in the year	<b>2,684,487</b>	2,036,450
Net cost	<b>9,602,080</b>	7,907,434
<b>E) Actuarial Assumptions used in accounting:</b>		
- Discount rate (per annum)	<b>8.24%</b>	8.65%
- Salary escalation rate (per annum)	<b>5.00%</b>	5.00%

### 2.39 SEGMENT REPORTING

As the Company's business activities falls within single segment viz., Microwave Products the disclosure requirement of Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India is not applicable.

### 2.40 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006:

There are no Micro, Small and Medium Enterprise, to whom the company owes dues, which are outstanding for more than 45 days as at 31st March, 2012. This information as required to be disclosed under the Micro, Small Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

**2.41** The previous year's figures have been reworked / regrouped / rearranged / reclassified, where ever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

**2.42** Balances under sundry debtors, sundry creditors, deposits, loans and advances payable / receivable are subject to confirmation and reconciliation.

#### As per our report of even date

For **AMAR & RAJU**  
**CHARTERED ACCOUNTANTS**  
Firm Registration No: 000092S

**(G. AMARANATHA REDDY)**  
Partner  
Membership No: 019711

**Place:** HYDERABAD  
**Date :** 29-04-2013

#### For and on behalf of the Board

**(Dr.SHIBAN K. KOUL)**  
Chairman

**( P. A. CHITRAKAR )**  
Chief Operating Officer

**(J. VENKATADAS)**  
Director

**(S. GURUNATHA REDDY)**  
Sr. General Manager ( F & A)

**( B. MALLA REDDY )**  
Managing Director

**(C. PRAMEELAMMA)**  
Director (Technical)

**(ATIM KABRA)**  
Director

**(T. ANJANEYULU)**  
Company Secretary



**ASTRA MICROWAVE PRODUCTS LIMITED**

Regd. Office: 'ASTRA TOWERS', Survey No:12 (P), Kothaguda Post, Kondapur, Hitech City, Hyderabad – 500084.

**FORM OF PROXY**

I/we \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_  
being a Member/Members of the above named Company, hereby appoint \_\_\_\_\_  
of \_\_\_\_\_ in the district of \_\_\_\_\_ as my/our Proxy  
to vote for me/us on my/our behalf at the Twenty Second Annual General Meeting of the Company to be held on  
Monday the 30th September, 2013 at 11.30 a.m at Swagath-De-Royal Hotel, 2-36, Kothaguda X Roads, Kondapur,  
Hyderabad and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2013

Folio No./DP ID & Client ID: \_\_\_\_\_ No. of Shares held \_\_\_\_\_

Signature (s) of Member (s)

Affix Revenue  
Stamp of  
Fifteen paise

- NOTE: (A) The Proxy need not be a member.  
 (B) The Proxy form duly signed across the Revenue Stamp should reach the Company at 'ASTRA TOWERS', Survey No:12 (P), Kothaguda Post, Kondapur, Hitech City, Hyderabad – 500084. at least 48 hours before the time fixed for meeting.

**ASTRA MICROWAVE PRODUCTS LIMITED**

Regd. Office: 'ASTRA TOWERS', Survey No:12 (P), Kothaguda Post, Kondapur, Hitech City, Hyderabad – 500084.

**ATTENDANCE SLIP**

I hereby record my presence at the Twenty Second Annual General Meeting of the Company at Swagath-De-Royal Hotel, 2-36, Kothaguda X Roads, Kondapur, Hyderabad on Monday the 30th September, 2013 at 11.30 a.m.

Name of the Attending Member (in Block Letters) \_\_\_\_\_

Member's Folio No./DP ID & Client ID \_\_\_\_\_

Name of Proxy \_\_\_\_\_  
(in block letters to be filled in if the Proxy attends instead of Member)

No. of shares held \_\_\_\_\_

Member's / Proxy Signature\*

NOTE: Shareholder/Proxy holder wishing to attend the meeting must bring this Attendance slip to the meeting and hand over the same at the entrance duly signed.







ASTRA MICROWAVE PRODUCTS LIMITED  
ASTRA Towers, Survey No.12(P), Kothaguda Post,  
Hi-Tech city, Hyderabad – 500 084.

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