

# *Towards new Frontiers*



A N N U A L   R E P O R T   2 0 1 4 - 1 5



**Astra Microwave Products Limited**  
On A Winning Wavelength

[www.astramwp.com](http://www.astramwp.com)

EXPLORE  
INNOVATE  
INVENT



**Astra Microwave Products Limited**

RF & Microwave Solutions for Strategic Applications

## Vision

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

Investing in technologies that can lead to leadership.

Employing the finest talent to reach the top through excellence.

---

## INDEX

Contents	Page No.
Quick Information	4
Notice	6
Directors' Report	17
Auditor's Report	71
Balance Sheet	74
Profit & Loss Account	75
Cash Flow Statement	76
Significant Accounting Policies	78
<b>Consolidated Financial Statements of Astra Microwave Products Limited</b>	<b>104</b>

---

## QUICK INFORMATION

- Board of Directors**
- : Dr. Shibhan K Koul, Chairman & Independent Director
  - Mr. B.Malla Reddy, CEO and Managing Director
  - Mr. P.A.Chitrakar, COO
  - Mrs. C.Prameelamma, Director (Technical)
  - Mr. Atim Kabra, Non-Executive Director
  - Mr. J.Venkatadas, Independent Director
  - Mr. S.Gurunatha Reddy, Whole Time Director and CFO
  - Mr. M.Venkateshwar Reddy, Director – (Mktg & Operations)
  - Mr. T.Ramachandru, IAS, Independent Director
  - Mr. U.K.Kalyanaramudu, Non-Executive Director
  - Mr. G.S. Sabarinathan, Independent Director (w.e.f.31.01.2015)
- 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.
  
  - ICICI Bank Ltd.,  
Gachibowli, Hyderabad.
  
  - Axis Bank Ltd.,  
G.Pullareddy Bldg. Green Lands,  
Hyderabad.
- Registered Office**
- : ASTRA Towers, Survey No.12 (P),  
Kothaguda Post, Kondapur,  
HITECHCITY, Hyderabad – 500 084  
Phone: 040-30618000 / 8001  
Website: www.astramwp.com  
CIN: L29309TG1991PLC013203

**Factories**

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

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

**Unit III**  
Survey No.1/1, Imarat Kancha,  
Raviryala Village,  
Maheswaram Mandal,  
Rangareddy (District), Telangana-500005.

**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. Telangana-500005

**Unit V**  
Y.D.Chambers  
#327, 5th Cross,  
Ombr Layout,  
Bangalore.

**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@gmail.com

# NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty Fourth 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 Thursday, the 30th July, 2015 at 12.30 P.M for the transaction of the following business:-

## ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2015 including audited Balance Sheet as at 31st March, 2015 and the Statement of 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 Mr. Prakash Anand Chitrakar (holding DIN 00003213), who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Mr. Atim Kabra (holding DIN 00003366), who retires by rotation and being eligible offers himself for reappointment.
5. To appoint Auditors and fix their remuneration and in this regard, to consider and if though fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT M/s Amar & Raju, Chartered Accountants (Registration No.000092S), be and is hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company.”

## SPECIAL BUSINESS

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modifications or enactments thereof from time to time and pursuant to the recommendation of Nomination and Remuneration Committee, consent of the Shareholders be and is hereby accorded to the reappointment of Mr. B.Malla Reddy, (DIN: 00003154) as Managing Director of the Company for a further period of five years with effect from 1st April, 2015 on the terms and conditions as follows:

- a. Basic salary: Rs.2,00,000/- per month.
- b. Performance bonus: 2% of profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013.
- c. Perquisites and allowances:
  - i) Housing: House rent allowance of 40% of basic salary.
  - ii) Medical reimbursement: Reimbursement of actual expenses for self and Family and / or allowance subject to a maximum of one basic salary per year.
  - iii) Leave Travel allowance of one basic salary per year.
  - iv) Club fees: Fees payable subject to maximum of two clubs.
- d. Earned / privilege leave: As per the rules of the Company.
- e. Company's contribution to provident fund to the extent is not taxable under the Income tax Act.

- f. Gratuity: Payable at a rate of fifteen days salary for each completed year of service.
- g. The Aggregate of salary, performance bonus, perquisites, allowances, and contribution towards provident fund taken together in respect of payment to Mr. B.Malla Reddy, Managing Director shall always be subject to the overall ceilings fixed under Schedule V part 2 sections I and II of the Companies Act, 2013 amended from time to time.

Minimum Remuneration:

In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of service, the payment of salary, commission, perquisites and other allowances shall be governed under Section II, Part II of Schedule V to the Companies Act, 2013, including any statutory modifications or re-enactment thereof, as may, for the time being, be in force.

RESOLVED FURTHER THAT the Board be and is hereby authorized to alter and vary the terms and conditions of appointment and / or remuneration subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force)”

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modifications or enactments thereof from time to time and pursuant to the recommendation of Nomination and Remuneration Committee, consent of the Shareholders be and is hereby accorded to the reappointment of Mr. P.A.Chitrakar, (DIN: 00003213) as Whole Time Director designated as Chief Operating Officer (COO) of the Company for a further period of five years with effect from 1st April, 2015 on the terms and conditions as follows:

- a. Basic salary: Rs.2,00,000/- per month.
- b. Performance bonus: 2% of profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013.
- c. Perquisites and allowances:
  - i) Housing: House rent allowance of 40% of basic salary.
  - ii) Medical reimbursement: Reimbursement of actual expenses for self and family and / or allowance subject to a maximum of one basic salary per year.
  - iii) Leave Travel allowance of one basic salary per year.
  - iv) Club fees: Fees payable subject to maximum of two clubs.
- d. Earned / privilege leave: As per the rules of the Company.
- e. Company's contribution to provident fund to the extent is not taxable under the Income tax Act.
- f. Gratuity: Payable at a rate of fifteen days salary for each completed year of service.
- g. The Aggregate of salary, performance bonus, perquisites, allowances, and contribution towards provident fund taken together in respect of payment to Mr. P.A.Chitrakar, Whole Time Director designated as Chief Operating Officer (COO) shall always be subject to the overall ceilings fixed under Schedule V part 2 sections I and II of the Companies Act, 2013 amended from time to time.

Minimum Remuneration:

In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of service, the payment of salary, commission, perquisites and other allowances shall be governed under Section II, Part II of Schedule V to the Companies Act, 2013, including any statutory modifications or re-enactment thereof, as may, for the time being, be in force.

RESOLVED FURTHER THAT the Board be and is hereby authorized to alter and vary the terms and conditions of appointment and / or remuneration subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force)”

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modifications or enactments thereof from time to time and pursuant to the recommendation of Nomination and Remuneration Committee, consent of the Shareholders be and is hereby accorded to the reappointment of Mrs. C.Prameelamma, (DIN: 00003243) as Whole Time Director designated as Director (Technical) of the Company for a further period of five years with effect from 1st April, 2015 on the terms and conditions as follows:

- a. Basic salary: Rs.2,00,000/- per month.
- b. Performance bonus: 2% of profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013.
- c. Perquisites and allowances:
  - i) Housing: House rent allowance of 40% of basic salary.
  - ii) Medical reimbursement: Reimbursement of actual expenses for self and family and / or allowance subject to a maximum of one basic salary per year.
  - iii) Leave Travel allowance of one basic salary per year.
  - iv) Club fees: Fees payable subject to maximum of two clubs.
- d. Earned / privilege leave: As per the rules of the Company.
- e. Company’s contribution to provident fund to the extent is not taxable under the Income tax Act.
- f. Gratuity: Payable at a rate of fifteen days salary for each completed year of service.
- g. The Aggregate of salary, performance bonus, perquisites, allowances, and contribution towards provident fund taken together in respect of payment to Mrs. C. Prameelamma, Whole Time Director designated as Director (Technical) shall always be subject to the overall ceilings fixed under Schedule V part 2 sections I and II of the Companies Act, 2013 amended from time to time.

Minimum Remuneration:

In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of service, the payment of salary, commission, perquisites and other allowances shall be governed under Section II, Part II of Schedule V to the Companies Act, 2013, including any statutory modifications or re-enactment thereof, as may, for the time being, be in force.

RESOLVED FURTHER THAT the Board be and is hereby authorized to alter and vary the terms and conditions of appointment and / or remuneration subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force)”



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

“RESOLVED THAT pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013 and pursuant to the Companies (Incorporation) Rules, 2014 and subject to all the applicable laws and regulations, including but not limited to Listing Agreement entered with Stock Exchanges, the approval of the Members be and is hereby granted for alteration of the Incidental Objects Clause of the Memorandum of Association of the Company by inserting New Clause no. 1A after the existing Clause no. 1 under “THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE ABOVE MAIN OBJECTS” as follows:

Clause III (B):

- 1A. “To invest in solar, wind and other renewable energy resources for Captive consumption and also to sell the surplus power to the State grid”

RESOLVED FURTHER THAT Mr. B. Malla Reddy, Managing Director of the Company be and is hereby authorised to sign all such forms and returns and other documents and to do all such acts, deeds and things as may be necessary to give effect to the above resolution.”

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

“RESOLVED that the decision to pay a Remuneration of Rs.1,40,000/- (Rupees One Lakh Forty Thousand only) to M/s. DZR & Co, the Cost Auditors of the Company for the year 2015-16, as recommended by the Audit Committee and approved by the Board of Directors, be and is hereby ratified.”

“RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized 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**

**Mr. B. Malla Reddy**  
Managing Director  
DIN: 00003154

Place: Hyderabad  
Date: 30.04.2015

## 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 113 of the Companies Act, 2013 duly authorizing them to attend and vote at the Annual General Meeting.
5. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 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 23.07.2015 to 30.07.2015 (both days inclusive).
7. The dividend of Rs.1.20/- per share for the year ended March 31, 2015 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 July, 2015. 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 125 of the Companies Act, 2013, 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. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices etc., from the Company electronically.
13. The Board of Directors in their meeting held on 30th April 2015 appointed Mr. L. Dhanamjay Reddy, Practicing Company Secretary Hyderabad of M/s. L.D. Reddy & Co., as a Scrutinizer to the voting process (e-voting, postal ballot and poll) in a fair and transparent manner.
14. E-VOTING: In compliance with the provisions of Section 108, 110 of the Companies Act, 2013 and Rules 20, 22 of the Companies (Management & Administration) rules, 2014 and clause 35B of the Equity Listing Agreement, the Company is pleased to provide e-voting facility for the members to enable them to cast their votes electronically.

**The instructions for shareholders voting electronically are as under:**

- i) The voting period begins on 27th July, 2015 (i.e. 10:00 A.M. IST) and ends on 29th July, 2015. (i.e. 5:00 P.M. IST). During this period shareholders of the Company, holding shares either in physical form or in

dematerialized form, as on the cut-off date of 24th July, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iii) Click on Shareholders.
- iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v) Next enter the Image Verification as displayed and Click on Login.
- vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>• Please enter the DOB or Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- viii) After entering these details appropriately, click on "SUBMIT" tab.
- ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company

on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi) Click on the EVSN for the relevant ASTRA MICROWAVE PRODUCTS LIMITED on which you choose to vote.
- xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii) Note for Non-Individual Shareholders & Custodians:
  - Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates and Custodians respectively.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s) / folio numbers on which they wish to vote.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

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

**Mr. B. Malla Reddy**  
 Managing Director  
 DIN: 00003154

Place: Hyderabad  
 Date: 30.04.2015

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 6

Mr. B. Malla Reddy was reappointed as Managing Director of the Company by the Board of Directors for a further period of five years in their meeting held on 31st January, 2015. The resolution is put for members approval as per the provisions of Sections 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013.

Save and except Mr. B. Malla Reddy and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board commends the Special Resolution set out at item No.6 of the Notice for approval by the shareholders.

### Item No.7

Mr. P.A.Chitrakar was reappointed as Whole Time Director designated as Chief Operating Officer (COO) of the Company by the Board of Directors for a further period of five years in their meeting held on 31st January, 2015. The resolution is put for members approval as per the provisions of Sections 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013.

Save and except Mr. P.A.Chitrakar and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

The Board commends the Special Resolution set out at item No.7 of the Notice for approval by the shareholders.

### Item No.8

Mrs. C. Prameelamma was reappointed as Whole Time Director designated as Director (Technical) of the Company by the Board of Directors for a further period of five years in their meeting held on 31st January, 2015. The resolution is put for members approval as per the provisions of Sections 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013.

Save and except Mrs. C. Prameelamma and her relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board commends the Special Resolution set out at item No.8 of the Notice for approval by the shareholders.

### Item No.9

The Management of your Company is proposing to invest in Solar Power, Wind power and other renewable energy resources which would be used mainly for captive consumption. Any excess power generated and remaining unutilized by the Company would be sold to the State Power Grid. To enable the management to carry on above objects, it is proposed to change the "The Objects incidental or ancillary to the attainment of the above main Objects" of the Company. It is proposed to insert the new Ancillary objects clause (III)(B) 1A after the existing Clause no. 1 as mentioned in the Item No. 9 of the Notice.

Amendment of incidental objects requires the approval of shareholders by way of special resolution.

The Board commends the Special Resolution set out at item No.9 of the Notice for approval by the shareholders.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

**Item No.10**

At the Board Meeting held on the 30th April, 2015, after considering the recommendation of the Audit Committee, the Director have appointed M/s. DZR & Co, as the Cost Auditors of the company for the year 2015-16 on a remuneration of Rs.1,40,000/- (Rupees One Lakh Forty Thousand only) Pursuant to the provisions of Section 148 read with the Companies (Audit and Auditors) Rules, 2014, the aforesaid remuneration approved by the Board of Directors is required to be ratified by the Shareholders.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

The Board commends the Ordinary Resolution set out at item No.10 of the Notice for approval by the members.

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

Place: Hyderabad  
Date: 30.04.2015

**Mr. B. Malla Reddy**  
Managing Director  
DIN: 00003154

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

<b>I. Name of Director</b>	<b>Mr. B. Malla Reddy</b>
Date of Birth	01.08.1947
Qualification	ME (Automation)
Expertise	Mr. B. Malla Reddy is a Post Graduate in Engineering (Automation) from Indian Institute of Science, Bangalore with over 30 years' experience in Defence Research and Development Laboratory as Scientist (Grades B, C&D) and in private sector industries.
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 Relationship with other directors	23,96,941 equity shares of Rs. 2/- each Mr. B.Malla Reddy is not related to any Director of the Company.

<b>II. Name of Director</b>	<b>Mr. P. A. Chitrakar</b>
Date of Birth	24.01.1951
Qualification	M. Tech (Advanced Electronics)
Expertise	Mr. P.A.Chitrakar is a Post Graduate in Engineering, has been associated with the Company as Director since 1994 and has an expert knowledge in the design aspects of wide range 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 Relationship with other directors	14,14,386 equity shares of Rs.2/- each Mr. P.A.Chitrakar 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)
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 Relationship with other directors	16,18,461 equity shares of Rs.2/- each Mrs. C.Prameelamma is not related to any Director of the Company

<b>IV. Name of Director</b>	<b>Mr. Atim Kabra</b>
Date of Birth	05.09.1968
Qualification	BA Hons (Economics) and MBA (Finance)
Expertise	Founding Partner of Frontline Strategy Limited, among India's earliest independent private equity advisory firms, Atim Kabra has worked for over 17 years with global institutions such as ABN AMRO Bank and ANZ Grindlays Bank in portfolio management, equity sales, and equity research.
Name(s) of other Companies in which Directorships held	1. Krishnasaa Fabs (P) Ltd 2. Himpushp Agriculture & Allied Services Private Limited 3. Shriram SEPL Composites Pvt Ltd 4. DTL Ancillaries Limited
Name(s) of other Companies in which Committee Membership(s)/Chairmanship(s) held	Nil
Total shares held by him in the Company Relationship with other directors	33,21,211 equity shares of Rs.2/- each Mr. Atim Kabra is not related to any Director of the Company

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

**Mr. B. Malla Reddy**  
Managing Director  
DIN: 00003154

Place: Hyderabad  
Date: 30.04.2015



## DIRECTORS' REPORT

### Dear Members,

Your Directors have pleasure in presenting the 24th Annual Report and the Audited Financial Statements for the financial year ended March 31, 2015.

### FINANCIAL RESULTS

#### A) STANDALONE:

The Standalone performance for the Financial Year ended March 31, 2015 is as under:

### The Financial Summary

Particulars	As of March 31 (Amount ₹)	
	2015	2014
Total Revenue	6,441,786,700	5,442,448,542
Profit before finance cost, depreciation and tax expense	1,124,596,558	912,771,699
Finance cost	94,829,127	67,308,431
Profit before depreciation and tax expense	1,029,767,431	845,463,268
Depreciation	215,385,153	147,953,095
Profit before tax expense	814,382,278	697,510,173
Tax expense	207,130,798	188,239,359
<b>Net Profit for the year</b>	<b>607,251,480</b>	<b>509,270,814</b>
Profit brought forward from earlier year	* 1,813,382,877	1,462,443,444
<b>Profit available for appropriation</b>	<b>2,420,634,357</b>	<b>1,971,714,258</b>
<b>Appropriations:</b>		
Dividend (Including Tax on Dividend)	117,822,550	105,304,565
Transfer to general reserve	60,000,000	51,000,000
Transfer to capital redemption reserve	0	0
<b>Surplus in Statement of Profit and Loss</b>	<b>2,242,811,807</b>	<b>1,815,409,693</b>

**\*After adjusting the carrying amount of Assets Rs.(20,26,815/-)where the remaining useful life of the asset is Nil**

**B) CONSOLIDATED:**

The Consolidated performance for the Financial Year ended March 31, 2015 is as under:

**The Financial Summary**

Particulars	As of March 31 (Amount ₹)	
	2015	2014
Total Revenue	6,434,059,924	5,442,448,542
Profit before finance cost, depreciation and amortization, impairment loss, exceptional items and tax expense	1,168,000,411	914,018,827
Finance cost	99,679,290	67,308,431
Profit before depreciation and amortization, impairment loss, exceptional items and tax expense	1,068,321,121	846,710,396
Depreciation and amortisation	220,467,308	148,115,248
Profit before impairment loss, exceptional items and tax expense	847,853,813	698,595,146
Impairment loss	0	0
Profit before exceptional items, tax expense, share of loss of Associates and Minority Interest	847,853,813	698,595,148
Exceptional items	6,36,927	2,396,613
Profit before tax expense, share of loss of Associates and Minority interest	847,216,886	696,198,535
Tax expense	219,510,353	187,834,063
Profit after tax expense and before share of loss of Associates and Minority interest	627,706,533	508,364,472
Share of Loss of Associates	(124,636)	0
Minority Interest(profit/loss)	(510)	18
<b>Net Profit for the year</b>	<b>627,581,387</b>	<b>508,354,490</b>
Profit brought forward from earlier year	1,811,085,656 *	1,462,443,444
<b>Profit available for appropriation</b>	<b>2,438,667,043</b>	<b>1,970,807,934</b>
<b>Appropriations:</b>		
Dividend (Including Tax on Dividend)	117,822,550	105,304,565
Transfer to general reserve	60,000,000	51,000,000
Transfer to capital redemption reserve	0	0
<b>Surplus in Statement of Consolidated Profit and Loss</b>	<b>2,260,844,493</b>	<b>1,814,503,369</b>

**\*After adjusting the carrying amount of Assets (Rs.20,26,815/-) where the remaining useful life of the asset is Nil and Accumulated surplus (Rs.13,90,898) of Associate company.**

**State of the Company's Affairs:**

During the period under review, the Company has achieved revenue of Rs.6,441,786,700/- and net profit of Rs.607,251,480/- on a standalone basis. During the same period, the Company has achieved revenue of Rs.6,434,059,924/- and net profit of Rs.627,581,387/- on a consolidated basis.

**Listing of Equity Shares**

The Company's Equity shares are listed at the following Stock Exchanges:

- (i) BSE Limited, Phiroze JeeJeebhoy Towers, Dalal Street, Mumbai-400 001; and
- (ii) National Stock Exchange of India Limited, Exchange Plaza, Floor 5, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400051.

The Company has paid the Annual Listing Fees to the said Stock Exchanges for the financial year 2014-15.

**Awards**

Your Company was awarded for outstanding performance in Research & Development for the year 2013-14 from ELCINA Electronic Industries Association of India, New Delhi.

**Performance and financial position of the subsidiary and associate company**

Report on the performance and financial position of the subsidiary and associate company of the Company is prepared and same is enclosed as Annexure -1 to this Report.

**Subsidiary Companies**

As per the provisions of Section 129 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the financial statements of the subsidiary Company is prepared in Form AOC-1 and same is enclosed to this Report.

**Consolidated Financial Statements**

Consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standards 21 issued by Institute of Chartered Accountants of India (ICAI) and as per the provisions of Companies Act, 2013. The audited consolidated financial statement is provided in the Annual Report.

**Number of Meetings of the Board of Directors**

During the year ended March 31, 2015, four Board Meetings were held.

The dates on which the Board meetings were held are April 28, 2014, July 31, 2014, October 30, 2014, and January 31, 2015.

**Directors Responsibility Statement**

Pursuant to the requirement under Section 134 of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, the Board of Directors of the Company hereby confirms:

- i) that in the preparation of the Annual Accounts, the applicable accounting standards have been followed;
- ii) that the Directors 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 as at March 31, 2015 and of Profit and Loss Account of the Company for that period;
- iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- iv) that the Directors have prepared the Annual Accounts for the Financial Year ended March 31, 2015 on a going concern basis;
- v) that the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- vi) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **Statement on Declaration given by Independent Directors under Sub-Section (6) of Section 149**

The independent directors have submitted the declaration of independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section(6).

#### **Nomination and Remuneration Committee**

The Nomination and Remuneration Committee consists of the following Directors namely Mr. J.Venkatadas, Chairman, Dr.Shiban K Koul, Mr. U. K. Kalyanaramudu and Mr. G.S. Sabarinathan.

#### **Brief description of terms of reference:**

- a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- b. Formulation of criteria for evaluation of Independent Directors and the Board.
- c. Devising a policy on Board diversity.
- d. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

#### **Nomination and Remuneration policy**

##### **The objectives of the Policy**

- 1. To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- 2. To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies.
- 3. To carry out evaluation of the performance of Directors.
- 4. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

#### **Particulars of Loans, Guarantees or Investments under Section 186**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in Note 2.35 and 2.36 of the Notes to the financial statements.

#### **Related Party transactions**

All transactions entered by the Company with Related Parties were in the ordinary course of business and at Arm's Length pricing basis. The audit committee granted omnibus approval for the transactions (which are repetitive in nature) and the same was reviewed by the audit committee and the Board of Directors.

Your Directors draw attention of the members to Note 2.36 to the financial statement which sets out related party disclosures.

### **Transfer of Amount to Reserves**

Your Directors have proposed to transfer Rs.600 lacs to the General Reserve for the Financial Year ended 31st March, 2015.

### **Dividend**

The Board of Directors of the Company at its meeting held on April 30, 2015 have declared Final Dividend @ 60% on the paid up Equity share capital of the Company i.e., Rs.1.20 per Equity share on face value of Rs.2 each.

### **Extracts of Annual Return**

Extract of Annual Return of the Company is annexed herewith as Annexure - 2 to this Report.

### **Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo as required to be disclosed under the Act, are provided in Annexure - 3 to this Report.

### **Risk Management Committee**

Risk Management Committee consists of the following persons namely Mrs. C. Prameelamma, Director (Technical) as Chairman Mr. S. Gurunatha Reddy, Whole Time Director & CFO, Mr.M.V.Reddy, Director (Mktg.& Operations), Mrs. Tanuja Vijaya Kumar, Sr. G. M, and Mr.G. V. N.Rao, Sr.G.M as members of the Committee.

### **Corporate Social Responsibility (CSR) initiatives**

Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, your company approved a Policy on CSR and the policy was hosted on the website of the Company.

The Board of Directors of the Company have constituted Corporate Social Responsibility Committee consisting of following persons namely Mrs. C.Prameelamma, Chairman, Mr. J.Venkatadas, and Mr. M. V. Reddy, as Members.

Report on CSR activities is enclosed as Annexure - 4 to this Report.

### **Mechanism for Evaluation of Board**

Evaluation of all Board members is done on an annual basis. The evaluation is done by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

### **Directors and Key Managerial Personnel**

Mr. P.A. Chitrakar and Mr. Atim Kabra, Directors of the Company retire by rotation and being eligible offer themselves for re-appointment.

Mr. G. S. Sabarinathan was appointed as Additional Director (Independent) on the Board with effect from January 31, 2015.

At the Board meeting held on April 28, 2014, Mr. B.Malla Reddy, Managing Director, Mr. P.A.Chitrakar – COO (Whole Time Director), Mrs. C.Prameelamma – Director (Technical), Mr. S.Gurunatha Reddy – Whole Time Director and Chief Financial Officer, Mr. M.V.Reddy – Director (Mktg.& Operations) and Mr. T.Anjaneyulu, Company Secretary were designated as “Key Managerial Personnel” of the Company pursuant to Section 2(51) and 203 of the Companies act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**Deposits**

The Company has not accepted any deposits from the public in terms of Section 73 of the Companies Act, 2013.

**Auditors**

The Shareholders of the Company at the Annual General Meeting held on July 31, 2014 have appointed M/s. Amar & Raju, Chartered Accountants as Statutory Auditors of the Company.

The term of M/s. Amar & Raju, Chartered Accountants, Statutory Auditors shall hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual general Meeting of the Company.

It is proposed to re-appoint them as Statutory Auditors of the Company for a period of one consecutive year. The members are requested to consider their re-appointment and authorize the Board of Directors to fix their remuneration.

M/s. Amar & Raju, Chartered Accountants (ICAI Registration No: 000092S) have confirmed that their appointment, if made, shall be in accordance with the provisions of Section 139 of the Companies Act, 2013.

**Auditors Report**

M/s. Amar & Raju, Chartered Accountants (ICAI Registration No: 000092S) has issued Auditors Report for the Financial Year ended 31st March, 2015 and there are no qualifications in Auditors' Report.

**Internal Auditors**

The Board of Directors of the Company have appointed M/s. PricewaterhouseCoopers Private Limited, to conduct Internal Audit of the Company for the Financial Year ended 31st March, 2015.

**Audit Committee**

Audit Committee consists of the following Directors namely Mr. J.Venkatadas, Chairman, Dr. Shiban K Koul, Mr. Atim Kabra, Mr. U. K. Kalyanaramudu and Mr. G.S Sabarinathan as members of the committee. All the members of the Audit Committee are Non-Executive Directors and majority Independent Directors.

There is no such incidence where Board has not accepted the recommendation of the Audit Committee during the year under review.

**Corporate Governance**

A separate report on Corporate Governance and Management Discussion and Analysis is annexed as part of the Annual Report along with the Auditor's Certificate on its compliance.

**Vigil Mechanism**

The Board of Directors have adopted Whistle Blower Policy. The Whistle Blower Policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. All permanent employees of the Company are covered under the Whistle Blower Policy.

A mechanism has been established for employees to report concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Chairman of the audit committee in exceptional cases.

**Secretarial Auditor Report**

As per the provisions of Section 204 of the Companies Act, 2013, the Board of Directors have appointed Mr. L. Dhanamjay Reddy, Practising Company Secretary (C.P.No: 3752) as Secretarial Auditor to conduct Secretarial audit of the company for the Financial year ended on March 31, 2015.

Secretarial Audit Report issued by Mr. L. Dhanamjay Reddy, Practising Company Secretary in form MR-3 is enclosed as Annexure - 5 to this Annual Report.

There are no qualifications in Secretarial Audit Report.

### **Statement of particulars of appointment and remuneration of managerial personnel**

The Statement of particulars of Appointment and Remuneration of Managerial personnel as per Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as Annexure - 6 to this Annual Report.

### **Insurance**

All properties and insurable interests of the Company including building, plant and machinery and stocks have been fully insured.

### **Internal Financial Controls**

The company has in place adequate internal financial controls with reference to financial statements. The Company maintains all its records in SAP System and the work flow and approvals are routed through SAP.

### **The names of companies which have become or ceased to be Company's Subsidiary, companies during the year**

During the Financial Year M/s AELIUS SEMICONDUCTORS PTE LTD. (Singapore) has become Company's wholly owned subsidiary company.

### **Change in the nature of business**

There is no change in the nature of business of the Company.

### **The details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future**

No Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

### **Material changes and commitments**

There are no Material changes and commitments in the business operations of the Company from the financial year ended 31st March, 2015 to the date of signing of the Director's Report.

### **Policy on Sexual Harassment**

The Company has adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the financial year ended 31st March, 2015, the Company has not received any Complaints pertaining to Sexual Harassment.

### **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**

Place: Hyderabad  
Date: 30.04.2015

**Mr. B. Malla Reddy**  
Managing Director  
DIN : 00003154

**Mr. P. A.Chitrakar**  
COO  
DIN : 00003213

## ANNEXURE (1) TO THE DIRECTORS' REPORT

Performance and Financial Position of each of the Subsidiaries, Associates  
(Persuant to Rule-8 of Companies (Accounts) Rules, 2014)

### **Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	M/S Bhavyabhanu Electronics Pvt.Ltd.,
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
4.	Share capital	Rs. 10,00,000
5.	Reserves & surplus	Rs. 2,44,47,470
6.	Total assets	Rs. 57,53,00,287
7.	Total Liabilities	Rs. 57,53,00,287
8.	Investments	0
9.	Turnover	Rs.162,40,29,154
10.	Profit before taxation	Rs. 3,77,33,367
11.	Provision for taxation	Rs. 1,23,79,555
12.	Profit after taxation	Rs. 2,53,53,812
13.	Proposed Dividend	0
14.	% of shareholding	99.998%

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: NIL
- Names of subsid

### **Part "B": Associates**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Company**

Name of associate	M/s Traana Technologies Pvt.Ltd.,	-	-
1. Latest audited Balance Sheet Date	31.03.2015	-	-
2. Shares of Associate held by the company on the year end	Equity Shares		
No.	2,60,000		
Amount of Investment in Associates/Joint Venture	Rs.26,00,000		
Extend of Holding%	26%		



3. Description of how there is significant influence	Since there is 26% investment and also representing the Board, there is significant influence in the Associate		
4. Reason why the associate/joint venture is not consolidated	Consolidated		
5. Net worth attributable to shareholding as per latest audited Balance Sheet	Rs.10,84,466		
6. Profit/Loss for the year (LOSS)	Rs. -4,79,369		
i. Considered in Consolidation	Rs. -1,24,636		
ii. Not Considered in Consolidation	NIL		

1. Names of associates or joint ventures which are yet to commence operations: NIL

2. Names of associates or joint ventures which have been liquidated or sold during the year: NIL

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

Place: Hyderabad  
Date: 30.04.2015

**Mr. B. Malla Reddy**  
Managing Director  
DIN : 00003154

**Mr. P. A. Chitrakar**  
COO  
DIN : 00003213

**ANNEXURE (2) TO THE DIRECTORS' REPORT**  
**FORM NO. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

**I REGISTRATION & OTHER DETAILS:**

i	CIN	L29309TG1991PLC013203
ii	Registration Date	13th September, 1991
iii	Name of the Company	Astra Microwave Products Limited
iv	Category/Sub-category of the Company	Company Limited by Shares/ Public Company
v	"Address of the Registered office & contact details"	"Astra Towers, Survey 12 (P), Kothaguda Post, Kondapur, Hitech City, Hyderabad, Telangana-500 084, India. Tel: +91-40-30618000, 30618001 Fax: +91-40-30618048 Email: info@astramp.com web: www.astramp.com"
vi	Whether listed company	Yes BSE Limited National Stock Exchange of India Limited
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Purva Sharegistry (India) Pvt Ltd Shiv Shakti Industrial Estate, Unit No.9, Ground Floor, 7 B J R Boricha Marg, Lower Parel, Mumbai-400011 Tel: 91-022-23016761 Email Id: busicomp@gmail.com

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Name & Description of main products/services	"NIC Code of the Product /service"	"% to total turnover of the company"
1 To carry on the Business to manufacture, produce, assemble, repair, maintain, import, export, buy, sell or otherwise deal in all kinds of electronic items and components including all kinds of filters, power dividers, directional couplers amplifiers, circulators, isolators, power Combiners, Antennae, Sources, Voltage Controlled Oscillators, Terminations, Loads etc. Systems and subsystems, Very High Frequency (VHF) Ultra High Frequency (UHF) and Microwave bands for all kinds of applications.	3652	100

### III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN / GLN	"HOLDING / SUBSIDIARY / ASSOCIATE"	"% OF SHARES HELD"	"APPLICABLE SECTION"
1	<p>BHAVYABHANU ELECTRONICS PRIVATE LIMITED</p> <p>Add: West Block, G.Floor, Plot No.18 to 21, Imarath Kancha, Hardware Park, Raviryala (V), Maheshwaram Mandal-500 005</p>	U32209TG2013PTC089834	Subsidiary	99.98	Section 2(87)
2	<p>TRAANA TECHNOLOGIES PRIVATE LIMITED</p> <p>Add: No 208-C, I Main, 2nd Block, 1st Stage, H B R Layout, Bangalore, Karnataka - 560 043</p>	U72200KA2012PTC063829	Associate	26	Section 2 (6)

## IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

### (i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% of Change during the year
	Demat	Physical	Total	Demat	Physical	Total	
<b>A. Promoters</b>							
<b>(1) Indian</b>							
(a) Individuals/ HUF	0	0	0	0	0	0	0.00
(b) Central Govt	0	0	0	0	0	0	0.00
(c) State Govt(s)	0	0	0	0	0	0	0.00
(d) Bodies Corp.	0	0	0	0	0	0	0.00
(e) Banks / FI	0	0	0	0	0	0	0.00
(f) Any Other....							
* PROMOTER	0	0	0	0	0	0	0.00
* PROMOTER RELATIVES	0	0	0	0	0	0	0.00
* DIRECTORS	5388913	0	5388913	5429788	0	5429788	6.64
* DIRECTORS RELATIVES	9916892	0	9916892	8024540	0	8024540	9.81
* PERSON ACTING IN CONCERN	1719000	0	1719000	0	0	0	-2.10
* CORPORATE PROMOTER UNDER SAME MANAGEMENT	0	0	0	0	0	0	0.00
<b>Sub Total (A)(1):-</b>	<b>17024805</b>	<b>0</b>	<b>17024805</b>	<b>13454328</b>	<b>0</b>	<b>13454328</b>	<b>16.44</b>
<b>(2) Foreign</b>							
(a) NRI Individuals	870000	0	870000	870000	0	870000	1.06
(b) Other Individuals	0	0	0	0	0	0	0.00
(c) Bodies Corp.	0	0	0	0	0	0	0.00
(d) Banks / FI	0	0	0	0	0	0	0.00
(e) Any Other....	0	0	0	0	0	0	0
<b>Sub Total (A)(2):-</b>	<b>870000</b>	<b>0</b>	<b>870000</b>	<b>870000</b>	<b>0</b>	<b>870000</b>	<b>1.06</b>
<b>Total shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>17894805</b>	<b>0</b>	<b>17894805</b>	<b>14324328</b>	<b>0</b>	<b>14324328</b>	<b>17.51</b>
<b>B. Public Shareholding</b>							
<b>(1) Institutions</b>							
(a) Mutual Funds	3670000	0	3670000	22456724	0	22456724	27.44
(b) Banks FI	40273	0	40273	108322	0	108322	0.13
(c) Central Govt	0	0	0	0	0	0	0.00
(d) State Govt(s)	0	0	0	0	0	0	0.00
(e) Venture Capital Funds	0	0	0	0	0	0	0.00
(f) Insurance Companies	0	0	0	0	0	0	0.00

## (i) Category-wise Shareholding (Contd.)

(g) Flis	373521	0	373521	0.46	653208	0	653208	0.80	0.34
(h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0	0.00
(i) Others (specify)									
* L.I.C.	0	0	0	0.00	0	0	0	0	0.00
* U.T.I.	0	0	0	0.00	0	0	0	0	0.00
* FINANCIAL INSTITUTIONS	0	0	0	0.00	0	0	0	0	0.00
* I.D.B.I.	0	0	0	0.00	0	0	0	0	0.00
* I.C.I.C.I.	0	0	0	0.00	0	0	0	0	0.00
* G.I.C.	0	0	0	0.00	0	0	0	0	0.00
* GOVERNMENT COMPANIES	0	0	0	0.00	0	0	0	0	0.00
* STATE FINANCIAL CORPORATION	0	0	0	0.00	0	0	0	0	0.00
* BODIES CORPORATE	0	0	0	0.00	0	0	0	0	0.00
* QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0	0.00
* ANY OTHER	0	0	0	0.00	0	0	0	0	0.00
* OTC DEALERS (BODIES CORPORATE)	0	0	0	0.00	0	0	0	0	0.00
* NATIONALISED BANKS	0	0	0	0.00	0	0	0	0	0.00
<b>Sub-total (B)(1):-</b>	<b>4083794</b>	<b>0</b>	<b>4083794</b>	<b>4.99</b>	<b>23218254</b>	<b>0</b>	<b>23218254</b>	<b>28.37</b>	<b>23.38</b>
<b>(2) Non-Institutions</b>									
(a) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
(i) Indian	21279557	85250	21364807	26.11	15299860	85250	15385110	18.80	-7.31
(ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
(b) Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	14469832	824607	15294439	18.69	14398250	701257	15099507	18.45	-0.24
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	6649498	640494	7289992	8.91	3986129	471744	4457873	5.45	-3.46
(c) Others (specify)									
* N.R.I. (NON-REPAT)	1015047	0	1015047	1.24	224511	0	224511	0.27	-0.97
* N.R.I. (REPAT)	7466505	0	7466505	9.12	5745627	0	5745627	7.02	-2.10
* FOREIGN CORPORATE BODIES	3878658	0	3878658	4.74	2059597	0	2059597	2.52	-2.22
* TRUST	1769100	0	1769100	2.16	61395	0	61395	0.08	-2.09
* HINDU UNDIVIDED FAMILY	806149	0	806149	0.99	773255	0	773255	0.95	-0.04
* EMPLOYEE	0	0	0	0.00	0	0	0	0.00	0.00
* CLEARING MEMBERS	961929	0	961929	1.18	475768	0	475768	0.58	-0.59
* DEPOSITORY RECEIPTS	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(2):-</b>	<b>58296275</b>	<b>1550351</b>	<b>59846626</b>	<b>73.14</b>	<b>43024392</b>	<b>1258251</b>	<b>44282643</b>	<b>54.12</b>	<b>-19.02</b>
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>62380069</b>	<b>1550351</b>	<b>63930420</b>	<b>78.13</b>	<b>66242646</b>	<b>1258251</b>	<b>67500897</b>	<b>82.49</b>	<b>4.36</b>
C. Total Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0	0
<b>Grand Total (A + B + C)</b>	<b>80274874</b>	<b>1550351</b>	<b>81825225</b>	<b>100.00</b>	<b>80566974</b>	<b>1258251</b>	<b>81825225</b>	<b>100.00</b>	<b>0.00</b>
Other	0	0	0	0	0	0	0	0	0

## IV (ii) SHARE HOLDING OF PROMOTERS

S. No	Shareholders Name	Shareholding at the beginning of the year		Shareholding at the end of the year			% change in Share in holding during the year
		No. of Shares	% of total Shares of the company	% of Shares pledged encumbered to total Shares	No. of Shares	% of Total Shares of the Company	
1	BHUMI REDDY MALLA REDDY	2383966	2.91	-	2396941	2.93	0.02
2	P A CHITRAKAR	1414386	1.73	-	1414386	1.73	0.00
3	CHENNA REDDY PRAMEELAMMA	1590561	1.94	-	1618461	1.98	0.04
4	RAMYA CHITRAKAR	1805837	2.21	-	1705837	2.08	-0.12
5	ASTRA INFONETS LIMITED	1719000	2.10	-	-	-	-2.10
6	RASHMI CHITRAKAR	1700952	2.08	-	1711552	2.09	0.01
7	RENUKA CHITRAKAR	1264497	1.55	-	1264497	1.55	0.00
8	B K KISHORE REDDY	1165405	1.42	1.42	-	-	-1.42
9	T.SITARAMA REDDY	870000	1.06	-	870000	1.06	0.00
10	K MURALI MOHAN	840000	1.03	-	821500	1.00	-0.02
11	PRASANNA LAKSHMI .B	789559	0.96	-	824759	1.01	0.04
12	A S R REDDY	492727	0.60	-	492727	0.60	0.00
13	B VENKATA LAKSHMI	381300	0.47	-	381300	0.47	0.00
14	LAKSHMI REDDY CHITTEPU	255450	0.31	-	205450	0.25	-0.06
15	P. RAMAKRISHNA REDDY	226893	0.28	-	96893	0.12	-0.16
16	PADMAVATHI CHITTEPU	192000	0.23	-	161780	0.20	-0.04
17	LAKSHMI DEVI CHITTEPU	180000	0.22	-	-	-	-0.22
18	BHUMIREDDY LAKSHMI	112500	0.14	-	112500	0.14	0.00
19	VENKATAMMA CHITTEPU	112426	0.14	-	10700	0.01	-0.12
20	PRATHAP REDDY. C	90750	0.11	-	90750	0.11	0.00
21	NARAPU REDDY C V .	75750	0.09	-	50	0.00	-0.09
22	VARADA REDDY BHUMIREDDY	75500	0.09	-	53000	0.06	-0.03
23	VARADAMMA V .	62409	0.08	-	-	-	-0.08
24	CHANDRASEKARA REDDY G	50100	0.06	-	49500	0.06	0.00
25	SUBRAMANYAM J	30000	0.04	-	29995	0.04	0.00
26	G THULASI DEVI	12750	0.02	-	11750	0.01	0.00
27	LAKSHMI.K	87	0.00	-	-	-	0.00
	<b>Total</b>	<b>17894805</b>	<b>21.87</b>		<b>14324328</b>	<b>17.51</b>	<b>-4.36</b>

#### IV (iii) CHANGE IN PROMOTERS' SHAREHOLDING (Please specify, if there is no changes)

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	<b>At the beginning of the year</b>	<b>17894805</b>	<b>21.87</b>		
1	Buy on 04/04/2014	8600	0.01	17903405	21.88
2	Sold on 11/04/2014	-30000	-0.04	17873405	21.84
3	Buy on 18/04/2014	5000	0.01	17878405	21.85
4	Buy on 25/04/2014	-9000	-0.01	17869405	21.84
5	Sold on 02/05/2014	-35000	-0.04	17834405	21.80
6	Sold on 16/05/2014	-12220	-0.01	17822185	21.78
7	Sold on 23/05/2014	-13087	-0.02	17809098	21.76
8	Sold on 30/05/2014	-8940	-0.01	17800158	21.75
9	Sold on 06/06/2014	-949950	-1.16	16850208	20.59
10	Sold on 13/06/2014	-633600	-0.77	16216608	19.82
11	Sold on 20/06/2014	-30400	-0.04	16186208	19.78
12	Sold on 30/06/2014	-32371	-0.04	16153837	19.74
13	Sold on 04/07/2014	-1163044	-1.42	14990793	18.32
14	Buy on 18/07/2014	1064	0.00	14991857	18.32
15	Buy on 23/07/2014	8936	0.01	15000793	18.33
16	Buy on 01/08/2014	35200	0.04	15035993	18.38
17	Sold on 08/08/2014	-20000	-0.02	15015993	18.35
18	Sold on 22/08/2014	-55934	-0.07	14960059	18.28
19	Sold on 29/08/2014	-161771	-0.20	14798288	18.09
20	Sold on 12/09/2014	-30000	-0.04	14768288	18.05
21	Buy on 17/10/2014	2200	0.00	14770488	18.05
22	Sold on 31/10/2014	-20626	-0.03	14749862	18.03
23	Sold on 07/11/2014	-1500	0.00	14748362	18.02
24	Sold on 21/11/2014	-21671	-0.03	14726691	18.00
25	Sold on 28/11/2014	-194720	-0.24	14531971	17.76
26	Buy on 05/12/2014	189563	0.23	14721534	17.99
27	Buy on 12/12/2014	6828	0.01	14728362	18.00
28	Sold on 31/12/2014	-6823	-0.01	14721539	17.99
29	Sold on 02/01/2015	-2715	0.00	14718824	17.99
30	Sold on 09/01/2015	-106247	-0.13	14612577	17.86
31	Sold on 16/01/2015	-139962	-0.17	14472615	17.69
32	Sold on 23/01/2015	-78394	-0.10	14394221	17.59
33	Sold on 13/02/2015	-10893	-0.01	14383328	17.58
34	Sold on 20/02/2015	-62000	-0.08	14321328	17.50
35	Buy on 06/03/2015	1900	0.00	14323228	17.50
36	Buy on 13/03/2015	600	0.00	14323828	17.51
37	Sold on 20/03/2015	-900	0.00	14322928	17.50
38	Buy on 27/03/2015	1400	0.00	14324328	17.51
	<b>At the end of the year</b>			<b>14324328</b>	<b>17.51</b>

#### IV (iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (other than Directors, Promoters & Holders of GDRs & ADRs)

S. No.	Particulars	Share Holding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	<b>LARSEN AND TOUBRO LIMITED - NSDL</b>	<b>7950045</b>	<b>9.72</b>		
	31/03/2015			7950045	9.72

2	<b>SKANDA AEROSPACE PRIVATE LIMITED - CDSL</b>	<b>7734501</b>	<b>9.45</b>		
	25/04/2014	-161532	-0.20	7572969	9.26
	02/05/2014	-647798	-0.79	6925171	8.46
	09/05/2014	-844174	-1.03	6080997	7.43
	16/05/2014	-5465547	-6.68	615450	0.75
	23/05/2014	-314536	-0.38	300914	0.37
	30/05/2014	-210914	-0.26	90000	0.11
	28/11/2014	-90000		0	0.00
	31/03/2015			0	0.00

3	<b>RELIANCE CAPITAL TRUSTEE CO LTD-REL - NSDL</b>	<b>3670000</b>	<b>4.49</b>		
	09/05/2014	-1640	0.00	3668360	4.48
	16/05/2014	-50000	-0.06	3618360	4.42
	23/05/2014	-44800	-0.05	3573560	4.37
	30/05/2014	-5200	-0.01	3568360	4.36
	06/06/2014	-175000	-0.21	3393360	4.15
	11/07/2014	-100000	-0.12	3293360	4.02
	06/03/2015	-196258	-0.24	3097102	3.79
	13/03/2015	-103742	-0.13	2993360	3.66
	31/03/2015			2993360	3.66

4	<b>STRATEGIC VENTURES FUND (MAURITIUS) - NSDL</b>	<b>3308658</b>	<b>4.04</b>		
	11/07/2014	-111722	-0.14	3196936	3.91
	01/08/2014	-58583	-0.07	3138353	3.84
	08/08/2014	-164920	-0.20	2973433	3.63
	22/08/2014	-473640	-0.58	2499793	3.06
	07/11/2014	-546384	-0.67	1953409	2.39
	12/12/2014	-13812	-0.02	1939597	2.37
	16/01/2015	-100000	-0.12	1839597	2.25
	23/01/2015	-50000	-0.06	1789597	2.19
	31/03/2015			1789597	2.19



**(iv) Shareholding pattern of top ten shareholders (Contd.)**

<b>5</b>	<b>SRIHARI RAO MALEMPATI . - CDSL</b>	<b>2272970</b>	<b>2.78</b>		
	11/04/2014	-272970	-0.33	2000000	2.44
	02/05/2014	-379000	-0.46	1621000	1.98
	16/05/2014	-21000	-0.03	1600000	1.96
	23/05/2014	-103828	-0.13	1496172	1.83
	30/05/2014	-396172	-0.48	1100000	1.34
	06/06/2014	-20358	-0.02	1079642	1.32
	13/06/2014	-102979	-0.13	976663	1.19
	04/07/2014	-106663	-0.13	870000	1.06
	20/02/2015	-60000	-0.07	810000	0.99
	31/03/2015			810000	0.99

<b>6</b>	<b>GANDHI SECURITIES AND INVESTMENT PR - NSDL</b>	<b>1292902</b>	<b>1.58</b>		
	02/05/2014	-1000	0.00	1291902	1.58
	09/05/2014	2500	0.00	1294402	1.58
	16/05/2014	-7500	-0.01	1286902	1.57
	23/05/2014	-74500	-0.09	1212402	1.48
	30/05/2014	-50000	-0.06	1162402	1.42
	13/06/2014	-50000	-0.06	1112402	1.36
	11/07/2014	-37500	-0.05	1074902	1.31
	18/07/2014	-51000	-0.06	1023902	1.25
	05/09/2014	4000	0.00	1027902	1.26
	12/09/2014	4800	0.01	1032702	1.26
	19/09/2014	-500	0.00	1032202	1.26
	30/09/2014	-5000	-0.01	1027202	1.26
	31/10/2014	-18500	-0.02	1008702	1.23
	07/11/2014	18000	0.02	1026702	1.25
	21/11/2014	2000	0.00	1028702	1.26
	28/11/2014	-2000	0.00	1026702	1.25
	20/02/2015	-3300	0.00	1023402	1.25
	13/03/2015	1000	0.00	1024402	1.25
	20/03/2015	-1000	0.00	1023402	1.25
	31/03/2015			1023402	1.25

<b>7</b>	<b>KOTAK MAHINDRA PRIME LIMITED - NSDL</b>	<b>999900</b>	<b>1.22</b>		
	06/06/2014	-900000	-1.10	99900	0.12
	30/06/2014	-99900	-0.12	0	0.00
	31/03/2015			0	0.00

<b>8</b>	<b>JYOTHI KOTHA - NSDL</b>	<b>798600</b>	<b>0.98</b>		
	01/08/2014	-5000	-0.01	793600	0.97
	20/02/2015	-5000	-0.01	788600	0.96
	31/03/2015			788600	0.96

**(iv) Shareholding pattern of top ten shareholders (Contd.)**

<b>9</b>	<b>VAIBHAV RAO</b>	<b>753179</b>	<b>0.92</b>		
	11/04/2014	-89764	-0.11	663415	0.81
	25/04/2014	30000	0.04	693415	0.85
	02/05/2014	-220000	-0.27	473415	0.58
	09/05/2014	-65311	-0.08	408104	0.50
	16/05/2014	-308104	-0.38	100000	0.12
	23/05/2014	-20000	-0.02	80000	0.10
	30/05/2014	30000	0.04	110000	0.13
	06/06/2014	100000	0.12	210000	0.26
	30/06/2014	7500	0.01	217500	0.27
	04/07/2014	-17755	-0.02	199745	0.24
	19/09/2014	10000	0.01	209745	0.26
	30/09/2014	74542	0.09	284287	0.35
	24/10/2014	20000	0.02	304287	0.37
	31/10/2014	-167054	-0.20	137233	0.17
	07/11/2014	-75000	-0.09	62233	0.08
	05/12/2014	-25000	-0.03	37233	0.05
	31/12/2014	5458	0.01	42691	0.05
	09/01/2015	30000	0.04	72691	0.09
	16/01/2015	-50000	-0.06	22691	0.03
	31/03/2015			22691	0.03

<b>10</b>	<b>RELIANCE CAPITAL LIMITED</b>	<b>720000</b>	<b>0.88</b>		
	09/05/2014	-220000	-0.27	500000	0.61
	16/05/2014	-100000	-0.12	400000	0.49
	23/05/2014	-400000	-0.49	0	0.00
	31/03/2015			0	0.00

#### IV (v) SHAREHOLDING OF DIRECTORS & KMP

S. No.	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>1</b>	<b>Mr. B. Malla Reddy</b>				
	At the beginning of the year	2,383,966	2.91	-	-
	increase/decrease in Promoters Share holding during the year	12,975	0.02	-	-
	At the end of the year	2,396,941	2.93	2,396,941	2.93
<b>2</b>	<b>Mr. P.A. Chitrakar</b>				
	At the beginning of the year	1,414,386	1.72	-	-
	increase/decrease in Promoters Share holding during the year	-	-	-	-
	At the end of the year	1,414,386	1.72	1,414,386	1.72
<b>3</b>	<b>Mrs. C. Prameelamma</b>				
	At the beginning of the year	1,590,561	1.94	-	-
	increase/decrease in Promoters Share holding during the year	27,900	0.04	-	-
	At the end of the year	1,618,461	1.98	1,618,461	1.98
<b>4</b>	<b>Dr. Shiban K Koul (Independent Director)</b>				
	At the beginning of the year	82,639	0.10	-	-
	increase/decrease in Promoters Share holding during the year	-44,610	-0.06	-	-
	At the end of the year	38,029	0.04	38,029	0.04
<b>5</b>	<b>Mr. J. Venkatas (Independent Director)</b>				
	At the beginning of the year	42,600	0.05	-	-
	increase/decrease in Promoters Share holding during the year	-32,600	-0.04	-	-
	At the end of the year	10,000	0.01	10,000	0.01
<b>6</b>	<b>Mr. Atim Kabra (Non-Executive Director)</b>				
	At the beginning of the year	3,321,211	4.05	-	-
	increase/decrease in Promoters Share holding during the year	-	-	-	-
	At the end of the year	3,321,211	4.05	3,321,211	4.05
<b>7</b>	<b>Mr. S. Gurunatha Reddy (Whole Time Director &amp; CFO)</b>				
	At the beginning of the year	158,890	0.19	-	-
	increase/decrease in Promoters Share holding during the year	-99,952	-0.12	-	-
	At the end of the year	58,938	0.07	58,938	0.07
<b>8</b>	<b>Mr.M. Venkateshwar Reddy (Whole Time Director)</b>				
	At the beginning of the year	83,850	0.10	-	-
	increase/decrease in Promoters Share holding during the year	-30,000	-0.04	-	-
	At the end of the year	53,850	0.06	53,850	0.06
<b>9</b>	<b>Mr.T. Ramachandru IAS (Independent Director)</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	increase/decrease in Promoters Share holding during the year	-	-	-	-
	At the end of the year	-	-	-	-
<b>10</b>	<b>Mr. Ganapathi Subramani Sabarinathan (Additional director)</b>				
	At the beginning of the year	15,000	0.01	-	-
	increase/decrease in Promoters Share holding during the year	-	-	-	-
	At the end of the year	15,000	0.01	15,000	0.01
<b>11</b>	<b>Mr. Umayi Kuppusamy Kalyanaramudu (Independent Director)</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	increase/decrease in Promoters Share holding during the year	-	-	-	-
	At the end of the year	-	-	-	-
<b>12</b>	<b>Mr.T.Anjaneyulu (Company Secretary)</b>				
	At the beginning of the year	10,000	0.01	-	-
	increase/decrease in Promoters Share holding during the year	-10,000	-	-	-
	At the end of the year	0	0.00	-	-

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

Amount in ₹

Particulars	"Secured Loans excluding deposits"	"Unsecured Loans"	Deposits	"Total Indebtedness"
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	589,782,466	18,502,558	0	608,285,024
ii) Interest due but not paid	5,317,281	0	0	5,317,281
iii) Interest accrued but not due	0	0	0	0
				0
<b>Total (i+ii+iii)</b>	<b>595,099,747</b>	<b>18,502,558</b>	<b>0</b>	<b>613,602,305</b>
				0
<b>Change in Indebtedness during the financial year</b>				<b>0</b>
Additions	254,048,338	0	0	254,048,338
Additions-Net increase in WC Borrowings	218,883,587			218,883,587
Reduction	186,712,183	1,134,646	0	187,846,829
<b>Net Change</b>	<b>286,219,742</b>	<b>(1,134,646)</b>	<b>-</b>	<b>285,085,096</b>
<b>Indebtedness at the end of the financial year</b>				<b>0</b>
i) Principal Amount	874,703,157	17,367,912	0	892,071,069
ii) Interest due but not paid	6,616,332	-	0	6,616,332
iii) Interest accrued but not due	-	-	0	0
				0
<b>Total (i+ii+iii)</b>	<b>881,319,489</b>	<b>17,367,912</b>	<b>0</b>	<b>898,687,401</b>

Unsecured Loan is pertaining to the Sales Tax loan to the Govt.of Telengana

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole Time Director and/or Manager:

S. No	Particulars of Remuneration	Name of MD/WTD/Manager						Total ₹.
		Mr. B. Malla Reddy	Mr. P.A. Chitrakar	Mrs. C. Prameelamma	Mr. S. Gurunatha Reddy	Mr. M. Venkateshwar Reddy		
1	<b>Gross salary</b> (a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961	12,604,000	12,720,328	12,559,547	7,739,125	7,796,686		53,419,686
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0					0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0	0		0
2	Stock option	0	0	0	0	0		0
3	Sweat Equity	0	0	0	0	0		0
4	Commission	0						
	as % of profit		0	0	0	0		0
	others specify		0	0	0	0		0
5	Others, please specify-PF company Contribution	216000	216000	216000	216000	216000		1,080,000
	<b>Total (A)</b>	<b>12,820,000</b>	<b>12,936,328</b>	<b>12,775,547</b>	<b>7,955,125</b>	<b>8,012,686</b>		<b>54,499,686</b>
	Ceiling as per the Act	17,492,178	17,492,178	17,492,178	17,492,178	17,492,178		87,460,890

**B. Remuneration to other Directors:**

S. No.	Particulars of Remuneration	Name of the Directors				
		Dr. Shibhan K Koul	Mr. J. Venkatadas	Mr. T. Ramachandru IAS	Mr. G.S.Sabarinathan	Total ₹.
1	<b>Independent Directors</b>					
	(a) Fee for attending board committee meetings	20,000	20,000	20,000	-	60,000
	(b) Commission	1,180,000	1,180,000	1,180,000	-	3,540,000
	(c ) Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	<b>1,200,000</b>	<b>1,200,000</b>	<b>1,200,000</b>	<b>-</b>	<b>3,600,000</b>
2	<b>Other Non Executive Directors</b>			<b>Mr. Atim Kabra</b>	<b>Mr. U.K.Kalyanaramudu</b>	
	"(a) Fee for attending board committee meetings"			10,000	10,000	20,000
	(b) Commission			590,000	880,000	1,470,000
	(c ) Others, please specify.			-	-	-
	<b>Total (2)</b>			<b>600,000</b>	<b>890,000</b>	<b>1,490,000</b>
	<b>Total (B)=(1+2)</b>					<b>5,090,000</b>
	Total Managerial Remuneration					59,589,686
	Overall Ceiling as per the Act.					96,206,978

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

S. No.	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary	Total
		<b>Mr. T. Anjaneyulu</b>	
1	<b>Gross Salary</b>		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	1,198,568	1,198,568
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission		0
	as % of profit	0	0
	others, specify	0	0
5	Others, please specify	0	0
	<b>Total</b>	<b>1,198,568</b>	<b>1,198,568</b>

## VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

<b>B. DIRECTORS</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

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

Place: Hyderabad  
Date: 30.04.2015

**Mr. B. Malla Reddy**  
Managing Director  
DIN : 00003154

**Mr. P. A. Chitrakar**  
COO  
DIN : 00003213

## ANNEXURE (3) TO THE DIRECTORS' REPORT

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014.

### 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	As of March 31 (Amount ₹)	
	2015	2014
a. Capital	61,186,703	46,088,201
b. Recurring	174,551,043	108,339,734
Total	235,737,746	154,427,935
Total R&D expenditure as Percentage of total turnover	3.66%	2.84%

### 3. Technology Absorption, Adoption and Innovation

The Company works on in house technology.

### 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	As of March 31 (Amount ₹)	
	2015	2014
Foreign Exchange outgo	549,197,378	1,133,455,715
Foreign Exchange Earnings	3,829,930,344	3,419,420,846

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

Place: Hyderabad

Date: 30.04.2015

**Mr. B. Malla Reddy**  
Managing Director  
DIN : 00003154

**Mr. P. A. Chitrakar**  
COO  
DIN : 00003213



## ANNEXURE (4) TO THE DIRECTORS' REPORT

### Report on Corporate Social Responsibility as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.
  - The CSR Committee decided to spend amount under promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.;
  - Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socioeconomic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
  - web link: [www.astramp.com](http://www.astramp.com)

#### 2. Composition of CSR Committee:

Name of the Director	Designation
Mrs. C. Prameelamma	Chairman
Mr. J. Venkatas	Member
Mr. M. V. Reddy	Member

#### 3. Average Net profit for last three Financial Years:

Net Profit	For the Financial Year ended 31st March (Amount ₹)		
	2011-12	2012-13	2013-14
	41,65,11,484	50,61,68,404	69,93,93,729
Average Net Profit for the preceding three Financial Years	<b>54,06,91,206</b>		

4. Prescribed CSR expenditure (2% of Average Net Profit) : **Rs. 1,08,13,824/-**
5. Details of CSR spend for the financial year:
  - a. Total amount spent for the financial year: **Rs.1,08,17,394/-**
  - b. Amount unspent, if any: **Nil**

**(c) Manner in which the amount spent during the financial year is detailed below:**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR Project or activity identified	Sector in which the Project is Covered	Projects or programs 1) Local area Or other 2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct on projects or programs 2) Overheads:	Cumulative Expenditure upto the reporting Period	Amount spent Direct or through implementing Agency.
1	Promoting Education, Contribution to PMNRF	Education, Contribution to PMNRF	1. Other area 2. Andhra Pradesh / Srikakulam	134.22 Lakhs	1)104.39 Lakhs 2) 3.78 Lakhs	108.17 Lakhs	Direct
<b>Total</b>				<b>134.22 Lakhs</b>	<b>108.17 Lakhs</b>	<b>108.17 Lakhs</b>	

6. The Company has spent two percent of average net profits of the last three financial years.
7. We hereby confirm that the Implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

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

Place: Hyderabad  
Date: 30.04.2015

**Mr. B. Malla Reddy**  
Managing Director  
DIN : 00003154

**Mr. P. A.Chitrakar**  
COO  
DIN : 00003213

# ANNEXURE (5) TO THE DIRECTORS' REPORT

## Secretarial Audit Report

For the Financial Year Ended 31-03-2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Board of Directors  
ASTRA MICROWAVE PRODUCTS LIMITED  
Astra Towers, Survey No:12 (Part)  
Opp. CII Green Building, Hitech City, Kondapur  
Hyderabad, Telangana

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ASTRA MICROWAVE PRODUCTS LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in my opinion, the Company has, during the audit period ended on 31-03-2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by **ASTRA MICROWAVE PRODUCTS LIMITED ("The Company")** for the financial year ended on 31-03-2015 according to the provisions of:
  - i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder;
  - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :
    - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
    - c. The Securities and Exchange Board of India (Issue of capital and Disclosure Requirements) Regulations, 2009;
    - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi. The following other laws are specifically applicable in the view of the management
- i) The Payment of Wages Act, 1936
  - ii) The Minimum Wages Act, 1948
  - iii) Employees Provident Fund And Misc. Provisions Act, 1952
  - iv) Employees State Insurance Act, 1948
  - v) Income Tax Act, 1961
  - vi) Payment of Gratuity Act, 1972
  - vii) Water (Prevention & Control of Pollution) Act 1974 and rules thereunder
  - viii) Telangana Value added tax
  - ix) Finance Act, 1944 (Service Tax)
  - x) The Payment of Bonus Act, 1965
2. We have also examined the compliance with the applicable clauses of the Listing Agreements entered into by the Company with the BSE Limited, National Stock Exchange of India Limited.
3. We further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
  - The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act
  - The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;
4. We further report that:
- The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited;

- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2013; including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
- The Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
- The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.
- There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Companies Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

5. We Further Report That:

- The Company is paying wages to all employees as per the provisions of Minimum Wages Act, 1948 and The Payment of Wages Act, 1936.
- The Company is paying bonus to all employees as per the provisions of The Payment of Bonus Act, 1965
- The Company has obtained consent of Telangana State Pollution Control Board, as per the provision of Water (Prevention & Control of Pollution) Act, 1974 and ;
- The Company is regular in paying all statutory dues like PF, ESI, Sales tax, VAT, Service tax, etc.
- The Company is regular in payment of gratuity as per the rules of the Payment of Gratuity Act, 1972 and has provided 100% provision in the books of accounts.

6. We further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

7. We further Report that during the audit Period there were no specific events/actions having major bearing on the company affairs in pursuance of the above referred laws, rules, regulations, guidelines, standard, etc., referred to above

**For L. D. Reddy & Co.,**  
Company Secretaries

**L. Dhanamjay Reddy**  
(Proprietor)  
CP. No.3752

Place: Hyderabad  
Date: 24.04.2015

## ANNEXURE (6)(i) TO THE DIRECTORS' REPORT

### Statement of particulars as per Rule 5 of Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014

#### (i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

Sl. No.	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1.	Dr. Shibhan K Koul (Chairman) Independent Director	25.66
2.	Mr. B.Malla Reddy (Managing Director)	2.40
3.	Mr. P.A.Chitrakar (COO)	2.38
4.	Mrs. C.Prameelamma, Director (Technical)	2.41
5.	Mr. J.Venkatadas (Independent Director)	25.66
6.	Mr. Atim Kabra (Non-Executive Director)	51.32
7.	Mr. S.Gurunatha Reddy (Whole-time Director & CFO)	3.87
8.	Mr. M.Venkateshwar Reddy, Director(Mktg.& Operations)	3.84
9.	Mr. T.Ramachandru, IAS (Independent Director)	25.66
10.	Mr. U.K. Kalyanaramudu (Non-Executive Director)	34.60
11.	Mr. G.S. Sabarinathan (Independent Director)*	Nil

\* Mr. Ganapathi Subramani Sabarinathan was appointed as an Additional Director (Independent Director) on the Board of the Company with effect from January 31, 2015.

#### (ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year

Sl. No.	Name of the Director	Percentage Increase in Remuneration
1.	Dr. Shibhan K Koul (Chairman) Independent Director	-9.43 %
2.	Mr. B.Malla Reddy (Managing Director)	9.23%
3.	Mr. P.A.Chitrakar (COO)	8.34 %
4.	Mrs. C.Prameelamma, Director (Technical)	6.83 %
5.	Mr. J.Venkatadas (Independent Director)	-9.43 %
6.	Mr. Atim Kabra (Non-Executive Director)	-54.71 %
7.	Mr. S.Gurunatha Reddy (Whole-time Director & CFO)	8.36 %
8.	Mr. M.Venkateshwar Reddy (Whole-time Director)	6.30 %
9.	Mr. T.Ramachandru, IAS (Independent Director)	-8.39%
10.	Mr. U.K. Kalyanaramudu (Non-Executive Director) @	N.A
11.	Mr. G.S. Sabarinathan (Independent Director)*	Nil
12.	Mr. T. Anjaneyulu	9.58 %

@ Mr. U.K. Kalyanaramudu was appointed as Director of the company w.e.f. 28.04.2014.

\* Mr. Ganapathi Subramani Sabarinathan was appointed as an Additional Director (Independent Director) on the Board of the Company with effect from January 31, 2015.

**(iii) The percentage increase in the median remuneration of employees in the financial year.**  
8%

**(iv) The number of permanent employees on the rolls of Company.**

There are 885 permanent employees on the rolls of the Company.

**(v) The explanation on the relationship between average increase in remuneration and Company performance**

Average increase in remuneration	Company performance
7.90 %	Net profit of the Company is increased by 19%

**(vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company**

Remuneration of Key Managerial Personnel	Performance of the Company for the year ended 31st March, 2015
Rs.5,56,98,254/-	Rs. 60,72,51,480 (Net Profit)

**(vii) Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer.**

Particulars	As of March 31 (Amount ₹)			
	2015		2014	
Market Capitalisation	BSE	Rs.12,06,92,20,687	BSE	Rs.418,37,23,754
	NSE	Rs.12,06,92,20,687	NSE	Rs.414,44,47,646
Price Earnings Ratio	BSE	19.87	BSE	8.14
	NSE	19.87	NSE	8.16

**Market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:**

The Company came with an Initial Public Offer in 1994 at the price of Rs.10/- at premium of Rs.50/- per equity share.

As on 31st March, 2015 the Market Quotation of the Company Share Price (Closing Price) is as follows:

- BSE Limited: Rs. 147.50
- The National Stock Exchange of India Limited: Rs. 147.50

**(viii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.**

There are five Whole Time Directors in the company. There was no exceptional increase in Remuneration paid to the Whole Time Directors during the Financial Year ended 31st March, 2015.

**(ix) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company.**

Sl. No.	Name of the KMP	Remuneration of Key Managerial Personnel	Performance of the Company for the year ended March 31, 2015
1.	Mr. B.Malla Reddy (MD)	Rs.1,28,20,000	Rs. 60,72,51,480 (Net Profit)
2.	Mr. P.A.Chitrakar (COO)	Rs.1,29,36,328	Rs. 60,72,51,480 (Net Profit)
3.	Mrs. C.Prameelamma Director (Technical)	Rs.1,27,75,547	Rs. 60,72,51,480 (Net Profit)
4.	Mr. S. Gurunatha Reddy (CFO)	Rs.79,55,125	Rs. 60,72,51,480 (Net Profit)
5. 6.	Mr. M.Venkateshwar Reddy Director(Mktg.& Operations)	Rs.80,12,686	Rs. 60,72,51,480 (Net Profit)
7.	Mr. T. Anjaneyulu (C.S)	Rs.11,98,568	Rs. 60,72,51,480 (Net Profit)

**(x) The key parameters for any variable component of remuneration availed by the directors**

Only performance bonus is payable in addition to monthly Remuneration. The performance bonus is paid on the performance of the Company upon recommendation of Nomination and Remuneration Committee.

**(xi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year. -N.A.-**

**(xii) The Remuneration paid to Key Managerial Personnel is as per the Remuneration policy of the Company.**

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

Place: Hyderabad  
Date: 30.04.2015

**Mr. B. Malla Reddy**  
Managing Director  
DIN : 00003154

**Mr. P. A.Chitrakar**  
COO  
DIN : 00003213



## ANNEXURE (6) (ii) TO THE DIRECTORS' REPORT

Statement of particulars of Employees pursuant of provisions of Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sl. No.	Name & Designation	Remuneration Received (Rs.)	Nature of Employment	Qualification and experience of the employee	Date of Commencement in employment	Age	Particulars of last employment	The percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) of Rule 5	Whether is a relative of any director or manager of the company
1.	Mr.B.Malla Reddy Managing Director	12,820,000	Contractual	M.E (Automation) 45 years	13.09.1991	68	Head (R&D) OMC Computers Ltd	N.A	N.A
2.	Mrs.C.Prameelamma Director (Technical)	12,775,547	Contractual	M.E (Instrumentation & Control Systems) 43 years	13.09.1991	66	Scientist 'C' DRDO Labs, Hyderabad	N.A	N.A
3.	Mr.PA.Chitrakar Chief Operating Officer	12,936,328	Contractual	M.Tec (Advanced Electronics) 43 years	01.09.1994	64	Scientist 'E' Defense Electronics Research Laboratory, Hyderabad	N.A	N.A
4.	Mr.S.Gurunatha Reddy Whole Time Director & CFO	7,955,125	Contractual	BSc, FCA 28 years	25.04.1993	56	Accounts Manager in Era Software Systems Limited	N.A	N.A
5.	Mr.M.V.Reddy Director (Mktg. & Operations)	8,012,686	Contractual	B.E(Electronics), MBA 24 years	23.02.1998	48	Deputy Manager in ARM Limited	N.A	N.A

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

Place: Hyderabad  
Date: 30.04.2015

**Mr. B. Malla Reddy**  
Managing Director  
DIN : 00003154

**Mr. P. A.Chitrakar**  
COO  
DIN : 00003213

## REPORT ON CORPORATE GOVERNANCE

The detailed report on Corporate Governance, for the Financial Year 1st April, 2014 to 31st March, 2015 as per the format prescribed by SEBI and incorporated in clause 49 of the Listing Agreement is set out below:

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

### 1. 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.

### 2. BOARD COMPOSITION AND MEETINGS:

The Board consists of both Promoter Directors, External Directors and professional Independent Directors. Presently the Board has Eleven 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, 2015**

Name of the Director	Category	Designation	Number of Director Ships in other public companies	Committee Memberships in other public companies	Chairman ship in Committees in other public companies
Dr. Shibana 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	1	Nil	Nil
Mr. S. Gurunatha Reddy	Executive Director	Whole Time Director & CFO	Nil	Nil	Nil
Mr. M. Venkateshwar Reddy	Executive Director	Director (Mktg & Operations)	Nil	Nil	Nil
Mr. T. Ramachandru, IAS	Independent Director	Director	Nil	Nil	Nil
Mr. U. K. Kalyanaramudu	Non-Executive Director	Director	Nil	Nil	Nil
Mr. G. S. Sabarinathan*	Independent Director	Director	Nil	Nil	Nil

\* Mr. Ganapathi Subramani Sabarinathan was appointed as an Additional Director (Independent Director) on the Board of the Company with effect from January 31, 2015.

## Shareholding in the Company

Table 2 gives details of the shares held by each of the Directors as on March 31, 2015.

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

Name of the Director	No. of shares held
Dr. Shibani K Koul	38,029
Mr. B. Malla Reddy	23,96,941
Mr. P. A. Chitrakar	14,14,386
Mrs. C. Prameelamma	16,18,461
Mr. J. Venkatadas	10,000
Mr. Atim Kabra	33,21,211
Mr. S. Gurunatha Reddy	58,938
Mr. M. Venkateshwar Reddy	53,850
Mr. T. Ramachandru, IAS	Nil
Mr. U. K. Kalyanaramudu	Nil
Mr. G. S. Sabarinathan*	15,000

\* Mr. Ganapathi Subramani Sabarinathan was appointed as an Additional Director (Independent Director) on the Board of the Company with effect from January 31, 2015.

## 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. Apart from the four scheduled Board meetings, additional Board meetings are also convened to address the specific requirements of the Company.

During the year four Board meetings were held respectively on April 28, 2014, July 31, 2014, October 30, 2014, and January 31, 2015.

**The attendance of the Directors at the Board Meeting and the Annual General Meeting held during the financial year 2014-15 was as follows:**

Name of the Director	Meetings held in Director's tenure	Number of Board meetings attended	Attendance in last AGM on July 31, 2014
Dr. Shibani K Koul	4	4	Present
Mr.B.Malla Reddy	4	4	Present
Mr.P.A.Chitrakar	4	4	Present
Mrs.C.Prameelamma	4	4	Present
Mr.J.Venkatadas	4	4	Present
Mr.Atim Kabra	4	2	Absent
Mr.S.Gurunatha Reddy	4	4	Present
Mr.M.Venkateshwar Reddy	4	4	Present
Mr.T.Ramachandru, IAS	4	4	Present
Mr. U.K. Kalyanaramudu	4	2	Absent
Mr. G.S. Sabarinathan*	1	Nil	N.A

\* Mr. Ganapathi Subramani Sabarinathan was appointed as an Additional Director (Independent Director) on the Board of the Company with effect from January 31, 2015.

### Code of Business Conduct and Ethics

The Company has adopted a policy on Code of 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 2014-15 forms part of this report.

### 3. Committees of the Board

The Company has Four Committees, namely:

- A) Audit Committee
- B) Nomination and Remuneration Committee
- C) Stakeholders Relationship Committee
- D) Share Transfer Committee.

#### A) Audit Committee:

The Audit Committee consists of Four Directors, majority of them are independent Directors. The committee is headed by Mr. J. Venkatadas, 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 177 of the Companies Act, 2013.

##### b) Meetings:

The Audit Committee met four times during the year under review on April 28, 2014, July 31, 2014, October 30, 2014 and January 31, 2015. Table 4 gives the composition and attendance record of Audit Committee.

**Table 4 Audit Committee attendance during the financial year 2014-15**

Name of the Director	Position held	No.of Meetings held	No.of Meetings attended
Mr.J.Venkatadas	Chairman	4	4
Dr.Shiban K Koul	Member	4	4
Mr.Atim Kabra	Member	4	2
Mr.T.Ramachandru, IAS*	Member	2	2

\* Mr. T. Ramachandru, IAS has ceased to be member of audit committee with effect from 31.01.2015.

##### 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 177 of the Companies Act, 2013.

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

## B. Nomination and Remuneration Committee:

### Composition:

The Nomination and Remuneration Committee was constituted by the Board with 3 Independent Directors and 1 Non-executive Director. Mr. J. Venkatadas, Independent Director as its Chairman.

The Company Secretary acts as the Secretary of the Committee.

The minutes of the meetings of the Nomination and Remuneration Committee are circulated to all the members of the Board.

### Composition of the Committee is given below:

Name of the Director	Designation
Mr. J. Venkatadas	Chairman
Dr. Shibani K Koul	Member
Mr. U. K. Kalyanaramudu	Member
Mr. G.S. Sabarinathan*	Member

\*Mr. G.S. Sabarinathan was appointed as an Additional Director on the Board of the Company and Member of Nomination and Remuneration Committee with effect from April 30, 2015.

### Brief description of terms of reference

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on Board diversity.
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

### Nomination and Remuneration Committee meetings

The Committee has met one time during the year.

### Composition of the Nomination and Remuneration Committee and the details of meetings held and attended by its members are given below:

Name of the Director	Designation	Number of Meetings	
		Held	Attended
Mr. J. Venkatadas	Chairman	1	1
Dr. Shibani K Koul	Member	1	1
Mr. U. K. Kalyanaramudu	Member	1	0

### Nomination and Remuneration policy

The compensation of the executive directors comprises of fixed component and performance bonus. The compensation is determined based on the remuneration prevailing in the industry and the performance of the Company. The remuneration package of the executive directors is periodically reviewed and suitable revision is recommended to the Board by the committee.

The Non-executive directors are paid Commission & sitting fees for attending meetings of Board/Committee.

### Details of remuneration to all the Directors

Following are the details of Commission & sitting fees paid to the Directors for attending Board and Committee Meetings for the year ended March 31, 2015:

Name of the Non-Executive Director	Amount ₹.
Dr. Shibhan K Koul	12,00,000
Mr. J. Venkatadas	12,00,000
Mr. Atim Kabra	6,00,000
Mr. T. Ramachandru, IAS	12,00,000
Mr. U.K. Kalyanaramudu	8,90,000
Mr. G.S. Sabarinathan	NA

### The Remuneration paid to the Whole-time Directors during the year is as follows:

Name of the Director and Designation	Salary	Benefits	Performance Bonus	Pension	Commis-sion	Service contracts	Notice period	Total
Mr. B. Malla Reddy (CEO/ Managing Director)	28,20,000	---	1,00,00,000	---	---	Appointed for a period of 5 years	As per the Rules of the Company	1,28,20,000
Mr. P.A. Chitrakar (COO)	29,36,328	---	1,00,00,000	---	---	--Do--	--Do--	1,29,36,328
Mrs. C. Prameelamma, Director (Technical)	27,75,547	---	1,00,00,000	---	---	--Do--	--Do--	1,27,75,547
Mr. S. Gurunatha Reddy (Whole Time Director& CFO)	29,55,125	---	50,00,000	---	---	--Do--	--Do--	79,55,125
Mr. M. Venkateshwar Reddy, Director (Mktg.& Operations)	30,12,686	---	50,00,000	---	---	--Do--	--Do--	80,12,686

There were no severance fees or stock option plan for the Executive/ Non-Executive Directors. The appointment of Whole Time Directors is made for a period of five years on the terms and conditions contained in the respective resolutions passed by the Members in the General Meetings.

### C. Stakeholders relationship committee:

#### Composition

The Committee consists of the following Directors:

Name of the Director	Designation
Mr. J. Venkatadas	Chairman
Mr. P.A.Chitrakar	Member
Mr. S. Gurunatha Reddy	Member
Mr. M. V. Reddy	Member

### Stakeholders relationship committee meetings

During the period from April 1, 2014 to March 31, 2015, Stakeholders relationship committee Meetings were held on April 28, 2014, July 31, 2014, October 30, 2014, and January 31, 2015.

Composition of the Stakeholders relationship committee and the details of meetings held and attended by its members are given below:

Name of the Director	Designation	Number of Meetings	
		Held	Attended
Mr. J.Venkatadas	Chairman	4	4
Mr. P.A.Chitrakar	Member	4	4
Mr. S. Gurunatha Reddy	Member	4	4
Mr. M. V. Reddy	Member	4	4

### Name and Designation of Compliance Officer:

Mr. T. Anjaneyulu, Company Secretary

Email-id for Investor Grievances: [secretarial@astramp.com](mailto:secretarial@astramp.com).

### 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, Whole Time Director and CFO as the member. The Committee has met 9 times during the year.

### 4. GENERAL BODY MEETINGS:

#### 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
2012	Hotel Daspalla, Jubilee Hills, Hyderabad-500 033	Monday 30th July, 2012	3.00 P.M
2013	Swagath-De-Royal Hotel, Kondapur, Hyderabad	Monday 30th September, 2013	11.30 A.M
2014	Swagath-De-Royal Hotel, Kondapur, Hyderabad	Thursday 31st July, 2014	12.30 P.M

### Special Resolutions passed during the previous three Annual General Meetings:

- i) 23rd Annual General Meeting – July 31, 2014
  - a) Payment of Remuneration to Non-Executive Directors.
  - b) Special Resolution under Section 180(1)(c) of the Companies Act, 2013 for borrowing money up to Rs.1,000 Crores.
  - c) Special Resolution under Section 180(1)(a) of the Companies Act, 2013 for creation of charge / mortgage on the properties of the company to secure the borrowing up to Rs.1,000 Crores.
  - d) Increase of Authorised Capital from Rs.20 Crores to Rs.30 Crores.

- e) Alteration of Clause IV of the Memorandum of Association.
- f) Alteration of Clause 4 of the Articles of Association.
- g) Deletion of certain Clauses in the Articles of Association.
- ii) 22nd Annual General Meeting – September 30, 2013.
  - a) To appoint Mr.S.Gurunatha Reddy as Whole Time Director Designated as Director - Finance.
  - b) To appoint Mr.Maram Venkateshwar Reddy as Whole Time Director Designated as Director – (Mktg & Operations).
- iii) 21st Annual General Meeting – July 30, 2012 – No special resolutions were passed.
- iv) In the last AGM, there were no resolutions required to be passed through postal ballot.

## 5. 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, 2015.

### (ii) Details of non-compliance etc.,

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) Disclosure of Accounting Treatment

The Company has followed the accounting standards in the preparation of its financial statements.

### (iv) Whistle Blower policy

The Board of Directors of the Company had adopted the Whistle Blower policy and appointed a designated person. Employees can report to the Management concerned unethical behavior, act or suspected fraud or violation of the Company's Code of Conduct policy.

The Audit Committee reviews periodically the functioning of Whistle Blower mechanism.

No employee has been denied access to the Audit committee. A copy of the Whistle Blower policy is also hosted on the website of the Company: [www.astramwp.com](http://www.astramwp.com).

The designated person had not received any complaint during the Financial year ended 31st March, 2015.

Email-id for designated person: [whistleblower@astramwp.com](mailto:whistleblower@astramwp.com)

### (v) Risk management

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

### (vi) Subsidiary Companies

The Company does not have any material unlisted subsidiaries in India.

### (vii) CEO and CFO certification

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



**(viii) Proceeds from public issues, rights issues, preferential issues etc.**

During the year ended March 31, 2015, there were no proceeds from public issues, rights issues, preferential issues, etc.

**(ix) 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.

**x) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause**

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

Separate persons to the post of Chairman and Managing Director and Reporting of Internal Auditors to the Audit Committee have been adopted from non-mandatory requirements.

**xi) Details about familiarization of programme**

Senior management personnel of the Company make presentations to the Board Members on a periodical basis, briefing them on the operations of the Company, plans, strategy, risks involved, new initiatives, etc. and seek their opinions and suggestions on the same. Also, the Directors are briefed on their specific responsibilities and duties that may arise from time to time. Any new Director who joins the Board is presented with a brief background of the Company, its operations and is informed of the important policies of the Company including the Code of Conduct for Directors and Senior Management Personnel and the Code of Conduct for Prevention of Insider Trading, Policy on Related Party Transactions, Policy on Remuneration, Policy on material events as per Clause 36 of the Listing Agreement, Policy on material subsidiaries, Whistle blower policy, Risk Management Policy and Corporate Social Responsibility policy.

**xii) Policy on Material Subsidiaries**

In terms of Clause 49 of the listing agreement, the Board of Directors have adopted a policy with regard to determination of Material Subsidiaries.

The policy is placed on the website of the company [www.astramp.com](http://www.astramp.com)

**xiii) Related Party Transactions policy**

In terms of Clause 49 of the listing agreement, the Board of Directors of the Company have adopted a policy to determine Related Party Transactions.

The policy is placed on the website of the company [www.astramp.com](http://www.astramp.com)

**6. MEANS OF COMMUNICATION:****(i) Quarterly results**

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

**(ii) Other Information**

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

## 7. GENERAL SHAREHOLDER INFORMATION:

### i Annual General Meeting.

<b>Day, Date and time</b>	<b>Thursday, 30th July, 2015 at 12.30 P.M.</b>
Venue	<b>Swagath-De-Royal Hotel, Kondapur, Hyderabad</b>

### ii. Financial Calendar

Indicative calendar of events for the year 2015-16 (financial year) excluding Extra Ordinary General Meeting(s), if any, is as under

24th Annual General Meeting	30th July, 2015
First Quarter financial results	30th July, 2015
Second Quarter financial results	30th October, 2015
Third Quarter financial results	29th January, 2016
Fourth Quarter & Annual results of financial year 2015 -16	29th April, 2016

### iii. Book Closure

The Company's Register of Members and Share Transfer books will remain closed for the purpose of payment of dividend.	23rd July, 2015 to 30th July, 2015 (Both days inclusive)
---	--

### iv. Dividend Payment Date

On or Before 15th August, 2015.

### v. Listing on Stock Exchanges

<b>The Company's equity shares are listed on the following Stock Exchanges</b>	<b>Address of the Stock Exchanges</b>
The National Stock Exchange of India	"Exchange Plaza", Bandra-Kurla Complex, Bandra (E), Mumbai-400 051.
BSE 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

## vi. Stock Market Data

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

Month	BSE		
	High(₹)	Low(₹)	No. of Shares Traded
April, 2014	69.50	50.20	60,47,027
May, 2014	111.65	68.55	1,70,73,108
June, 2014	128.80	105.55	1,10,00,005
July, 2014	156.45	115.00	1,36,45,435
August, 2014	145.45	120.55	54,23,845
September, 2014	134.95	102.75	70,04,639
October, 2014	134.25	103.00	61,00,248
November, 2014	129.90	108.15	44,27,573
December, 2014	137.80	104.50	71,43,072
January, 2015	145.60	111.10	79,80,936
February, 2015	165.90	115.00	81,23,297
March, 2015	152.00	132.00	31,64,238

## vii. Registrar and Transfer Agent

M/s Purva Shareregistry (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@gmail.com

## viii. Share Transfer System

Share transfers are processed and share certificates duly endorsed are delivered within a period of seven days from the date of receipt, subject to documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission, etc. of the Company's securities to the Share Transfer Committee. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement and files a copy of the said certificate with Stock Exchanges.

## ix). Distribution of shareholding and shareholding pattern as on 31.03.2015

### Distribution of shareholding

No. of shares held	No. of shareholders
Upto - 5,000	32,088
5,001 - 10,000	759
10,001 - 20,000	304
20,001 - 30,000	95
30,001 - 40,000	47
40,001 - 50,000	34
50,001 - 1,00,000	63
1,00,001 And Above	100
<b>TOTAL</b>	<b>33,490</b>

**Shareholding pattern**

<b>Category</b>	<b>No. of shares</b>	<b>% shareholding</b>
Promoters	14324328	17.51
Individuals	20806403	25.43
FIIIs/NRIs/OCBs	8682943	10.61
Bodies corporate	15385110	18.80
Trusts	61395	0.08
Financial Institutions/ Banks/Mutual funds	22565046	27.57
<b>Total</b>	<b>81825225</b>	<b>100.00</b>

**x). Dematerialization of shares and liquidity.**

Trading of the Company's shares is compulsorily in dematerialized form for all investors. As of March 31, 2015 equity shares representing 98.46% have been dematerialized with the following depositories:

<b>Description</b>	<b>ISIN</b>	<b>Depositories</b>
Equity shares	INE386C01029	NSDL & CDSL

**xi). 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, 2015.

**xii) Plant Locations.**

<p><b>Unit-I</b> Plot No: 12, ANRICH Industrial Estate, Miyapur, IDA Bollaram, Medak(District)-502 325. Telangana Tele: 040-30618100 / 01</p>	<p><b>Unit-II</b> Plot No: 56A, ANRICH Industrial Estate, Miyapur, IDA Bollaram, Medak(District)-502 325, Telangana Tele: 040-30618200 / 01</p>
<p><b>Unit-III</b> Survey no: 1/1, Imarat Kancha, Raviryala Village, Maheswaram Mandal, Rangareddy (District)-500 010. Telangana 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. Telangana, Tele: 040-30618700 / 01</p>
<p><b>Unit-V</b> Y.D.Chambers #327,5th Cross, Ombr Layout, Bangalore.</p>	

**xiii) Queries relating to the financial statements of the Company and Investor's correspondence may be addressed to:**

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  
CIN:L29309TG1991PLC013203  
E-mail: secretarial@astramp.com  
Website: www.astramp.com

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

Place: Hyderabad  
Date: 30.04.2015

**Mr. B. Malla Reddy**  
Managing Director  
DIN : 00003154

**Mr. P. A.Chitrakar**  
COO  
DIN : 00003213

## **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 2014-15.

**For Astra Microwave Products Limited**

Place: Hyderabad  
Date: 30.04.2015

**Mr. B. Malla Reddy**  
Managing Director  
DIN : 00003154

## CEO AND CFO CERTIFICATE

We hereby certify that:

- a) we have reviewed financial statements and the cash flow statement for the Financial Year ended 31st March, 2015 and that to the best of our knowledge and belief:
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that there are no:
  - i) significant changes in internal control over financial reporting during the year;
  - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal control system over financial reporting.

For **Astra Microwave Products Limited**

Place: Hyderabad  
Date: 30.04.2015

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

**Mr. S. Gurunatha Reddy**  
Whole Time Director and CFO

## **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, 2015 as stipulated in clause 49 of the Listing Agreement of the company with the Stock Exchanges.

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 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: 30.04.2015

# 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, 2013 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 maintained steady growth during the year with exports contributing in a major way. The Company exported critical sub-systems for Radars under Defence offset obligations and fully completed two contracts well within the agreed delivery schedules. The Company's wholly-owned subsidiary has supplied critical inputs required for exports which were hitherto outsourced from third parties thereby retaining major value of export business within the overall entity.

In the domestic defence segment, the Company has derived revenues through supply of major sub-systems for multiple Radar programs and Aakash missile program. In the space segment the Company has successfully delivered very high end sub-systems for a SHAR program which was well appreciated by the customer.

### b) Order Book

At the end of the year the order book position is healthy with a good mix of domestic and export business. Most of these orders are executable in the next 18 months period.

Sector	₹ lacs
Defence/Public Sector Products	34089
Space	4823
Meteorological & Telecom Products	911
Exports	11973
<b>Total</b>	<b>51796</b>

### c) Sales Performance:

Sector wise sales are as follows

Business Sector	FY 14-15		FY 13-14	
	₹ Lacs	%	₹ Lacs	%
Defense	19,525	30	14,437	27
Space	6,345	10	5,699	10
Metrology/Civil Telecom	170	0	94	0
Exports	38,299	60	34,194	63
Other Operating Revenue	78	0	-	-
<b>Total</b>	<b>64,417</b>	<b>100</b>	<b>54,424</b>	<b>100</b>



Defence sector both domestic and exports put together is the major contributor of sales with more than 90% of total revenues coming in from this market. While production programs in Missiles and Radars sub-systems are driving the domestic business, defence offset requirements is driving the export business. The business potential from this Sector is likely to improve further in the coming years.

Other business comprising of Space, metrology and communication sector has performed creditably.

**d) Business Outlook**

India's defense Industry, which has grown substantially in recent years, seems headed for even better days. Growth in the domestic demand should continue to be robust, the Government has a clear vision for an indigenous defense industry, the country's attractiveness to global defense companies is rising due to shrinking global defense budgets.,

As the Government emphasizes on indigenous defense capabilities and gives impetus to the Make in India initiative, companies with a strong technology background and proven track record are bound to have a strong case for further growth.

We believe that we are poised to see very high compounded annual growth rates with multiple avenues of growth. Being a 24 year old organization and well established as Tier 2 supplier in the critical technology areas of RF and Microwave domain, our company is poised to leverage growth in the sub-system and component market as an important supplier of critical products to DRDO and DPSU's. All new Private Sector Tier 1's will also have to utilize this expertise and integrate companies like us into their supply chain if they have to be competitive and to stay in this sector for the long term and achieve self-reliance for the country as a whole. Apart from this, our company is also very well positioned to move up the value chain by starting to build small systems and supply solutions directly to the Indian armed forces, homeland security establishments and exporting our products to the Global OEM's eyeing the Indian business and thereafter to the same Global OEM's for their Global requirements. The fact that our company has been working in the offset domain and has proven its merit in the Global Market means that it is possible for us to work on different modes of partnership and leverage our growth through multiple avenues from such Global OEM's.

**e) Expansion Plans**

The company is planning to raise about Rs.170 cr through a mix of debt and equity to expand in the product chain, setting-up of joint venture companies with foreign OEMs and setting-up of own R&D facilities in Bangalore. The members will be kept informed of the developments at regular intervals as we progress towards implementing these expansion plans.

**f) 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 specialized 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 31.03.2015 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. ₹)	
	2015	2014
<b>Working capital loans:</b>		
<b>Open cash credit</b>		
Sanctioned amount	125,00,00,000	103,00,00,000
Outstanding amount	47,56,40,358	3,67,56,771
<b>PCFC Loan:</b>		
Sanctioned amount	-	59,74,93,890
Outstanding amount	-	22,00,00,000
<b>Long term loans:</b>		
Outstanding at the beginning of the year	32,96,92,088	15,73,35,817
Additions during year	15,61,74,344	22,42,11,257
Repaid during the year	87,415,343	5,18,54,986
Amount outstanding at the end of the year	39,84,51,089	32,96,92,088
<b>Hire purchase loans:</b>		
Outstanding at the beginning of the year	33,33,607	68,16,347
Addition during year	-	-
Repaid during the year	27,21,897	34,82,740
Amount outstanding at the end of the year	6,11,710	33,33,607

Unsecured loan pertains to the sales tax deferment availed by the company. During the year the Company repaid ` 11,34,646/- 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 the year
2003	21,53,923	2016
2004	47,39,206	2017
2005	1,04,74,783	2018
<b>Total</b>	<b>1,73,67,912</b>	

#### 4. Deferred Tax

The deferred tax liability pertains to difference in the depreciation claimed in the books and tax purposes.

#### 5. Fixed Assets

Particulars	As of March 31 (Amount ` )	
	2015	2014
Original cost		
Land	190,159,983	190,159,983
Buildings	523,887,006	501,251,722
Plant & machinery	1,360,924,098	1,239,648,079
Electrical installation	38,532,347	38,091,842
Air conditioners	55,803,219	51,275,019
Office equipment	13,921,655	11,343,322
Furniture and fixtures	69,045,079	61,703,878
Computers	156,441,359	115,438,747
Vehicles	23,142,182	20,779,997
Solar Power Generating System	84,374,060	82,248,354
Wind Electric Generating System	145,777,032	-
Less: Accumulated depreciation	1,269,890,509	1,055,403,159
Net block	1,392,117,513	1,256,537,784
Net fixed assets	1,392,117,513	1,256,537,784
Depreciation as % of total revenue	3.35	2.72
Accumulated depreciation as a % of gross block	47.70	45.65

During the year the company added assets (net) worth ` 35 crores to the gross block. Most of the plant and machinery additions pertain to cost of Test equipment's, EMI/EMC Test facility and 2MW Wind Turbine Generator. Addition of these equipment and facilities have improved the productivity of the Company directly and indirectly.

#### 6. Investments

Investments represents amount invested in equity share capital of its associate Company engaged in digital electronics and wholly owned subsidiary company engaged in Automatic Assembly Services (SMT).

#### 7. Sundry Debtors

Sundry debtors amounts to ` 111.86cr at the end of the year as compared to ` 131.30cr for the previous year. They are at 17.38% of revenue for the year as compared to 24.12% for the previous year representing an outstanding of 88 days and 220 days of revenues for the respective years.

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	2015	2014
Cash and cash equivalents as a % of total assets	1.12	10.09
Cash and cash equivalents as a % of revenues	0.46	4.28

## 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, and TDS deducted less provision for tax.

## 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 @ ₹ 1.20 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. To achieve full effectiveness, the scope of the internal audit function has an unrestricted range of coverage of the organisations operations and the internal auditor was given sufficient authority to access such records, assets and personnel as are necessary for proper fulfilment of his responsibilities. 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 Rs.lacs (except otherwise stated)

<b>Particulars</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
Gross sales	16,490	21,048	23,829	54,424	<b>64,417</b>
Net Sales	16,114	20,375	22,747	53,116	<b>63,433</b>
Other income including accretion to stock	505	1,748	691	5,124	<b>1,118</b>
Expenditure	12,248	15,952	16,634	49,112	<b>53,300</b>
Operating Profit (EBDIT)	4,371	6,171	6,804	9,128	<b>11,251</b>
Interest	692	545	412	673	<b>948</b>
Profit before depreciation and tax(PBDT)	3,679	5,626	6,392	8,455	<b>10,303</b>
Depreciation	1,242	1,245	1,335	1,480	<b>2,154</b>
Profit before tax(PBT)	2,437	4,381	5,057	6,975	<b>8,149</b>
Tax including Deferred Tax	578	1,061	1,325	1,882	<b>2,072</b>
Profit after Tax(PAT)	1,859	3,320	3,732	5,093	<b>6,077</b>
Equity share Capital	16,366	16,366	16,366	16,366	<b>16,366</b>
No.of shares (Rs. 2/- each)	81,825,225	81,825,225	81,825,225	81,825,225	<b>81,825,225</b>
Gross Fixed Assets	15,634	16,764	19,880	23,119	<b>26,621</b>
Net Fixed Assets	9,032	8,933	10,792	12,565	<b>13,921</b>
Raw material consumed	7,807	8,807	9,534	39,181	<b>43,839</b>
Man power cost	2,424	2,731	2,798	3,749	<b>3,949</b>
Sundry debtors	8,149	8,753	14,337	13,131	<b>11,187</b>
Networth	14,476	17,130	20,088	24,128	<b>29,100</b>
Capital Employed	18,096	19,110	21,895	27,081	<b>47,709</b>
EBDIT to Sales(%)	27.13	30.29	29.91	17.19	<b>17.74</b>
EBDT to Sales(%)	22.83	27.61	28.10	15.92	<b>16.24</b>
PBT to Sales(%)	15.12	21.50	22.23	13.13	<b>12.85</b>
PAT to Sales(%)	11.54	16.30	16.41	9.59	<b>9.58</b>
Sales to Net fixed Assets	1.78	2.28	2.11	4.23	<b>4.56</b>
Raw materials to Sales(%)	48.45	43.22	41.91	73.76	<b>69.11</b>
Man power cost to Sales(%)	15.04	13.40	12.30	7.06	<b>6.23</b>
Sundry debtors to Sales(%)	49.42	41.59	60.17	24.13	<b>17.37</b>
Return on Networth(%)	12.85	19.38	18.58	21.11	<b>20.88</b>
Return on Capital Employed(%)	10.28	17.37	17.04	18.81	<b>12.74</b>
Cash Earnings per share(CEPS)(Rs.)	4.50	6.88	7.81	10.33	<b>12.59</b>
Earnings per share(EPS)(Rs.)	2.27	4.06	4.56	6.22	<b>7.43</b>
Book value of the share(Rs.)	17.69	20.93	24.55	29.49	<b>35.56</b>

## INDEPENDENT AUDITOR'S REPORT

TO The Members of

### **ASTRA MICROWAVE PRODUCTS LIMITED**

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

We have audited the accompanying standalone financial statements of **ASTRA MICROWAVE PRODUCTS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 2015, 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 Standalone Financial Statements:**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility:**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

#### **Opinion:**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31st March, 2015, and its profit and its 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, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2 As required by section 143(3) of the Act, we report that:
  - a we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.

- f With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No: 2.28 to the financial statements.
  - ii. There are no material foreseeable losses on long-term contracts including derivative contracts, under any law or notified accounting standards.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

Place: Hyderabad  
Date: 30.04.2015

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)
  - 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.
- ii)
  - 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) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained U/Sec.189 of the Act.
- 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) According to the information and explanations given to us, the Company has not accepted any deposits from the public.
- vi) According to the information and explanations given to us, maintenance of cost records under Section 148 (1) of the Companies Act, 2013 is not applicable to the Company for the year under audit.
- vii)
  - a) The Company is regular in depositing with appropriate authorities undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Sales tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues applicable to it.  
According to the information and explanations given to us no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income Tax, Wealth Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess were in arrears, as at 31st March 2015 for a period of more than six months from the date they became payable.



- b) According to the information and explanations given to us, there are no dues of Income Tax, Wealth Tax, Sales Tax, Service Tax, Duty of Customs, Value Added Tax and Cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to the information and explanations given to us there is one dispute pending before Central Excise & Service Tax Appellate Tribunal under the Central Excise Act, 1944 in respect of Duty of Excise relating to the periods 2009-2010 and 2010-2011 aggregating Rs.2,48,18,566/- (excluding interest, which is not yet determined). In respect of the said dispute the Company has deposited Rs.1,23,95,318/- and the balance amount has not been deposited.
- c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.
- viii) 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
- ix) 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.
- x) The Company has given guarantee for loans taken by Subsidiary Company from Bank. According to the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not prima facie prejudicial to the interest of the Company.
- xi) 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.
- xii) 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 course of audit.

Place: Hyderabad  
Date: 30.04.2015

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

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

**BALANCE SHEET AS AT 31st MARCH, 2015**

Amount in ₹

Particulars	Note No	As at 31-03-2015		As at 31-03-2014	
<b>I. EQUITY AND LIABILITIES</b>					
<b>(1) Shareholder's Funds</b>					
(a) Share Capital	2.1	163,650,450		163,650,450	
(b) Reserves and Surplus	2.2	2,736,541,644	2,900,192,094	2,249,139,530	2,412,789,980
<b>(2) Non-Current Liabilities</b>					
(a) Long-term Borrowings	2.3	315,221,186		261,508,748	
(b) Deferred Tax Liabilities (Net)	2.4	108,164,921		83,706,903	
(c) Long-term Provisions	2.5	32,843,034	456,229,141	24,129,440	369,345,091
<b>(3) Current Liabilities</b>					
(a) Short-term Borrowings	2.6	475,640,358		256,756,771	
(b) Trade Payables	2.7	669,618,175		2,208,330,220	
(c) Other Current Liabilities	2.8	167,806,717		198,408,364	
(d) Short-term Provisions	2.9	126,700,321	1,439,765,571	166,096,501	2,829,591,856
<b>Total</b>			<b>4,796,186,806</b>		<b>5,611,726,927</b>
<b>II.Assets</b>					
<b>(1) Non-Current Assets</b>					
(a) Fixed Assets					
Tangible Assets	2.10	1,392,117,513		1,256,537,784	
(b) Non-Current Investments	2.11	3,599,980		3,599,980	
(c) Long-term Loans and Advances	2.12	21,646,647	1,417,364,140	70,358,415	1,330,496,179
<b>(2) Current Assets</b>					
(a) Current investments	2.13	-		20,000,000	
(b) Inventories	2.14	1,336,383,304		1,464,942,284	
(c) Trade Receivables	2.15	1,118,674,543		1,313,078,353	
(d) Cash and Bank Balances	2.16	277,244,993		610,029,220	
(e) Short-term Loans and Advances	2.17	639,587,202		862,308,916	
(f) Other Current Assets	2.18	6,932,624	3,378,822,666	10,871,975	4,281,230,748
<b>Total</b>			<b>4,796,186,806</b>		<b>5,611,726,927</b>
Significant Accounting Policies	1				
Notes on Accounts	2				

As per our report of even date

For and on behalf of the Board

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

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

Place : HYDERABAD  
 Date : 30-04-2015

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

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

**(J. VENKATA DAS)**  
 Director

**(U.K. KALYANARAMUDU)**  
 Director

**(M.VENKATESHWAR REDDY)**  
 Director - (Mktg., & Operations)

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

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

**(T. RAMACHANDRU)**  
 Director

**(S. GURUNATHA REDDY)**  
 Whole-Time Director & CFO

**(T. ANJANEYULU)**  
 Company Secretary

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2015

Amount in ₹

Particulars	Note No	Year ended 31-03-2015	Year ended 31-03-2014
<b>I Revenue from Operations</b>	2.19	6,441,786,700	5,442,448,542
Less: Excise Duty		(98,414,421)	(130,817,970)
		<b>6,343,372,279</b>	<b>5,311,630,572</b>
<b>II Other Income</b>	2.20	<b>61,393,475</b>	<b>78,014,500</b>
<b>III Total Revenue (I + II)</b>		<b>6,404,765,754</b>	<b>5,389,645,072</b>
<b>IV Expenses:</b>			
(a) Cost of Materials Consumed	2.21	4,383,871,651	3,918,065,833
(b) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	2.22	(50,452,974)	(434,383,240)
(c) Employee Benefit Expense	2.23	394,883,268	374,944,383
(d) Financial Costs	2.24	94,829,127	67,308,431
(e) Depreciation and Amortization Expense	2.10	215,385,153	147,953,095
(f) Other Expenses	2.25	551,230,324	615,849,784
<b>Total Expenses</b>		<b>5,589,746,549</b>	<b>4,689,738,286</b>
<b>V Profit Before Exceptional and Extraordinary Items and Tax (III - IV)</b>		<b>815,019,205</b>	<b>699,906,786</b>
<b>VI Exceptional Items</b>	2.26	(636,927)	(2,396,613)
<b>VII Profit Before Extraordinary Items and Tax (V - VI)</b>		<b>814,382,278</b>	<b>697,510,173</b>
<b>VIII Extraordinary Items</b>		-	-
<b>IX Profit Before Tax (VII - VIII)</b>		<b>814,382,278</b>	<b>697,510,173</b>
<b>X Tax Expense:</b>			
(1) Current Tax		(182,672,780)	(160,502,952)
(2) Deferred Tax	2.4	(24,458,018)	(27,736,407)
<b>XI Profit / (Loss) for the Period from Continuing Operations (IX - X)</b>		<b>607,251,480</b>	<b>509,270,814</b>
<b>XII EPS: (In Rupees) (Face Value Rs.2/-)</b>			
Basic and Diluted before extraordinary items	2.27	7.42	6.22
Basic and Diluted after extraordinary items		7.42	6.22
Significant Accounting Policies	1		
Notes on Accounts	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 : 30-04-2015

For and on behalf of the Board

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

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

**(J. VENKATA DAS)**  
 Director

**(U.K. KALYANARAMUDU)**  
 Director

**(M.VENKATESHWAR REDDY)**  
 Director - (Mktg., & Operations)

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

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

**(T. RAMACHANDRU)**  
 Director

**(S. GURUNATHA REDDY)**  
 Whole-Time Director & CFO

**(T. ANJANEYULU)**  
 Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015**

Amount in ₹

Particulars	31-03-2015		31-03-2014	
	₹	₹	₹	₹
<b>A) Cash Flow from Operating Activities:</b>				
Net Profit Before Tax, Extra-ordinary & Exceptional Items		815,019,205		699,906,786
Adjustments for:				
Depreciation	215,385,153		147,953,095	
Interest Paid	94,829,127		67,308,431	
Prior Period adjustments	-		(59,987)	
Interest Received	(32,811,719)		(59,237,090)	
Dividend received on current investments	-		(2,834,918)	
Income Tax Paid	(208,062,738)		(156,241,770)	
		<b>69,339,823</b>		<b>(3,112,239)</b>
Operating Profit Before Working Capital Changes		<b>884,359,028</b>		<b>696,794,547</b>
Adjustments for:				
Trade & Other Receivables	541,272,217		(286,289,597)	
Trade Payable	(1,574,070,225)		26,145,731	
Inventories	128,558,980		(726,592,272)	
		<b>(904,239,028)</b>		<b>(986,736,138)</b>
Net Cash from Operating Activities		<b>(19,880,000)</b>		<b>(289,941,591)</b>
<b>B) Cash Flow from Investing Activities:</b>				
Purchase of Fixed Assets	(328,085,515)		(394,043,331)	
Proceeds from Disposal of Assets	543,000		441,439	
Investment in Equity Shares	-		(999,980)	
Dividend received on Mutual Fund Units	-		2,834,918	
Interest received on deposits	36,751,070		61,332,833	
Proceeds from Disposal of MF Units	22,099,500		212,571,528	
Net Cash Used in Investing Activities		<b>(268,691,945)</b>		<b>(117,862,593)</b>

# CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

Amount in ₹

Particulars	31-03-2015		31-03-2014	
	₹	₹	₹	₹
<b>C) Cash Flow from Financing Activities:</b>				
Increase / (decrease) in Working				
Capital Borrowings	218,883,587		(25,290,825)	
Term Loans Taken	156,174,345		224,211,257	
Term Loans Repaid	(91,271,886)		(54,723,970)	
Interest Paid	(93,297,911)		(63,050,229)	
Dividend Paid	(90,007,748)		(65,460,180)	
Dividend Tax Paid	(15,296,817)		(11,124,958)	
Net Cash Used in Financing Activities		85,183,570		4,561,095
Net Increase in Cash & Cash Equivalents (A-B-C)		(203,388,375)		(403,243,089)
<b>Cash &amp; Cash Equivalents at the Beginning</b>				
Cash on Hand	272,594		218,027	
Balance with Sch., Banks	233,167,104	233,439,698	636,464,760	636,682,787
Cash & Cash Equivalents at the End				
Cash on Hand	241,888		272,594	
Balance with Sch., Banks	29,809,435	30,051,323	233,167,104	233,439,698

As per our report of even date

For and on behalf of the Board

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

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

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

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

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

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

**(J. VENKATA DAS)**  
 Director

**(T. RAMACHANDRU)**  
 Director

**(U.K. KALYANARAMUDU)**  
 Director

**(S. GURUNATHA REDDY)**  
 Whole-Time Director & CFO

Place : HYDERABAD  
 Date : 30-04-2015

**(M.VENKATESHWAR REDDY)**  
 Director - (Mktg., & Operations)

**(T. ANJANEYULU)**  
 Company Secretary

# SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FORMING PART OF THE BALANCE SHEET AND STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2015

## 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 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 basing on the useful life of the assets prescribed under Schedule II of the Companies Act, 2013. In respect of solar power generating plant the management has decided the useful life as 25 years basing on the useful life estimated by the vendor.

### 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.

Dividend income is recognised when the right to receive is established

Operating lease rental income is recognised in the Statement of Profit & Loss on a straight line basis over the lease term

### 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.

**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. The deferred tax assets are recognised only to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

**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 rent 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 31-03-2015	As at 31-03-2014
<b>A) Authorised Share Capital :</b>		
Equity Shares, Rs.2/- Par Value 15,00,00,000 ( Previous year 10,00,00,000) Equity Shares	<b>300,000,000</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>	163,650,450
<b>Disclosure pursuant to Note no. 6(A)(d) of Part I of Schedule III to the Companies Act, 2013</b>		
<b>Reconciliation of the Number of Shares Outstanding:</b>	<b>As at</b>	<b>As at</b>
	<b>31.03.2015</b>	<b>31.03.2014</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 III to the Companies Act, 2013

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

- a) 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
- b) 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.
- c) 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 III to the Companies Act, 2013

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

	As at	
	31-03-2015 No. of shares %	31-03-2014 No. of shares %
1) Skanda Aerospace Private Limited	-	7,734,501
	-	9.45%
2) Larsen & Toubro Limited	7,950,045	7,950,045
	9.72%	9.72%
3) HDFC Trustee Company Limited	7,124,213	-
	8.71%	-
<b>Disclosure pursuant to Note no. 6(A)(h) of Part I of Schedule III to the Companies Act, 2013</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 III to the Companies Act, 2013</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	27,478,475	27,527,175
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 III to the Companies Act, 2013</b>		
Securities convertible into equity / preference shares issued	NIL	NIL

## 2.2 RESERVES &amp; SURPLUS

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>A) General Reserve:</b>		
Opening balance	383,279,695	332,279,695
-Add : Transferred from Profit and Loss Account	60,000,000	51,000,000
-Balance in General Reserve (A)	<u>443,279,695</u>	<u>383,279,695</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>		
Opeing balance	1,815,409,693	1,462,443,444
-Less: Carrying amount of assets, where the remaining useful life of an asset is nil	(2,026,815)	-
-Add / (Less): Net Profit / (Loss) after Tax transferred from Statement of Profit & Loss	<u>607,251,480</u>	<u>509,270,814</u>
-Amount Available for Appropriation	2,420,634,358	1,971,714,258
-Less: Appropriations		
-Amount Transferred to General Reserve	(60,000,000)	(51,000,000)
-Proposed Dividend	(98,190,270)	(90,007,748)
-Dividend Tax	(19,632,280)	(15,296,817)
-Balance in Profit & Loss Account (.C)	<u>2,242,811,807</u>	<u>1,815,409,693</u>
<b>Total (A+B+C)</b>	<u>2,736,541,644</u>	<u>2,249,139,530</u>

## 2.3 LONG-TERM BORROWINGS

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>A) Secured Long-Term Borrowings:</b>		
<b>1) Term Loans: From Banks:</b>		
<b>a) Term loan from HDFC Bank #</b>	<b>259,686,236</b>	243,547,332
Repayment terms:		
a) Loan No. 1: 7 Installments (quarterly) of Rs.1,35,82,424/- each		
b) Loan No. 2: 14 Installments (quarterly) of Rs.1,10,28,549/- each		
c) Loan No. 3: 20 Instalments (quarterly) of Rs.54,32,669/- each		
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 alongwith other term lenders and personal guarantee of the Managing Director and Chief Operating Officer.		
<b>b) Term Loan from AXIS Bank #</b>	<b>40,320,961</b>	-
Repayment terms:		
Partially disbursed		
Rate of Interest:12.25%		
Nature of security:		
Term loan from AXIS Bank is secured by First exclusive charge on the Fixed Assets funded by this term loan..		
Pari Passu first charge on entire unencumbered fixed assets of the company alongwith term lenders and WC lenders except assets financed by other term lenders including 5 EW of 5 properties.		
Second pari passu on the entire current assets of the company and pari passu second charge on the fixed assets of the company funded by other Term lenders &WC lenders and Personal Guarantee of the Managing Director and Chief Operating Officer.		
<b>c) Vehicle Loan from HDFC Bank #</b>	-	502,332
Repayable in EMI as per the specific agreement.		
Sesecured by hypothecation of specified assets acquired under agreement.		

Particulars	As at 31-03-2015	As at 31-03-2014
<b>2) Other Long-Term Borrowings:</b>		
Vehicle Loan from M/s. Kotak Mahindra Prime Ltd., # Repayable in EMI as per the specific agreement. Sesecured by hypothecation of specified assets acquired under agreement.	-	91,172
<b>Total Secured Long-Term Borrowings (A)</b>	<b>300,007,197</b>	244,140,836
Aggregate amount of loans Guaranteed by Managing Director and Chief Operating Officer	<b>398,451,089</b>	329,692,088
Amount of continuing default as on the balance sheet date in repayment of loans and interest there on	<b>NIL</b>	NIL
<b>B) Unsecured Long-Term Borrowings:</b>		
Deferred Payment Liabilities:		
Sales Tax Loan from Government of Telangana Repayable on or before: March 2018 Number of installments (yearly) due as on 31/03/2015: 3 # Rate of interest: Interest free	<b>15,213,989</b>	17,367,912
<b>Total Unsecured Long-Term Borrowings (B)</b>	<b>15,213,989</b>	17,367,912
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: 2.8)		
<b>Total Long-Term Borrowings (A + B)</b>	<b>315,221,186</b>	261,508,748

## 2.4 DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31-03-2015	As at 31-03-2014
Deferred Tax Liability	119,328,268	91,908,500
Less: Deferred tax Asset	(11,163,347)	(8,201,597)
Closing balance of Net Deferred Tax Liability	108,164,921	83,706,903
Less: Opening balance of Net Deferred Tax Liability	83,706,903	55,970,496
Effect on Profit and Loss Statement	(24,458,018)	(27,736,407)
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 31-03-2015	As at 31-03-2014
Provision for Employee Benefits:		
Unavailed Leave	14,685,081	11,604,386
Gratuity Obligation	18,157,953	12,525,054
<b>Total</b>	<b>32,843,034</b>	<b>24,129,440</b>

## 2.6 SHORT TERM BORROWINGS

Particulars	As at 31-03-2015	As at 31-03-2014
<b>A) Secured Short-Term Borrowings :</b> Repayable on Demand From Banks:		
<b>a) Working Capital Finance from Canara Bank</b> Nature of security: <b>Prime Security:</b> Pari Passu first charge on stocks and receivables and other chargeable current assets of the Company alongwith other WC lenders <b>Collateral Security :</b> Pari Passu first charge on entire unencumbered Fixed Assets of the company (other than those financed by term lenders) alongwith 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. <b>Personal Guarantee :</b> Personal Guarantee of the Managing Director and Chief Operating officer	18,629,800	415,621
<b>b) Working Capital Finance from HDFC Bank Limited</b> Nature of security: <b>Prime Security:</b> Pari Passu first charge on stocks and receivables and other chargeable current assets of the Company alongwith other WC lenders <b>Collateral Security:</b> Pari Passu first charge on entire unencumbered Fixed Assets of the company (other than those financed by term lenders) alongwith 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. <b>Personal Guarantee:</b> Personal Guarantee of the Managing Director and Chief Operating Officer	438,804,744	11,869,706
<b>c) Working Capital Finance from State Bank of India</b> Nature of security: <b>Prime Security:</b> Pari Passu first charge on stocks and receivables and other chargeable current assets of the Company alongwith other WC lenders <b>Collateral Security :</b> Pari Passu first charge on entire unencumbered Fixed Assets of the company (other than those financed by term lenders) alongwith 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. <b>Personal Guarantee :</b> Personal Guarantee of the Managing Director and Chief Operating Officer	-	220,000,000

Particulars	As at 31-03-2015	As at 31-03-2014
<p><b>d) Working Capital Finance from AXIS Bank Limited</b>            Nature of security:  <b>Prime Security:</b>            Pari Passu first charge on stocks and receivables and other chargeable current assets of the Company alongwith other WC lenders  <b>Collateral Security :</b>            Pari Passu first charge on entire unencumbered Fixed Assets of the company (other than those financed by term lenders) alongwith 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.  <b>Personal Guarantee :</b>            Personal Guarantee of the Managing Director and Chief Operating Officer</p>	16,705,291	24,471,444
<p><b>e) Working Capital Finance from ICICI Bank Limited</b>            Nature of security:  <b>Prime Security:</b>            Pari Passu first charge on stocks and receivables and other chargeable current assets of the Company alongwith other WC lenders  <b>Collateral Security :</b>            Pari Passu first charge on entire unencumbered Fixed Assets of the company (other than those financed by term lenders) alongwith 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.  <b>Personal Guarantee:</b>            Personal Guarantee of the Managing Director and Chief Operating Officer</p>	1,500,523	-
<b>Total Secured Short-Term Borrowings</b>	<b>475,640,358</b>	256,756,771
Aggregate amount of loans Guaranteed by Managing Director and Chief Operating Officer	<b>475,640,358</b>	256,756,771
Amount of default as on the balance sheet date in repayment of loans and interest there on	<b>NIL</b>	NIL

## 2.7 TRADE PAYABLES

Particulars	As at 31-03-2015	As at 31-03-2014
<b>Accrued Salaries and other benefits</b>		
Salaries & Directors Remuneration	38,850,014	37,064,559
<b>For Other Liabilities</b>		
For Supplies	96,820,820	184,748,178
Advances from Customers	533,947,341	1,986,517,483
<b>Total</b>	<b>669,618,175</b>	<b>2,208,330,220</b>

## 2.8 OTHER CURRENT LIABILITIES

Particulars	As at 31-03-2015	As at 31-03-2014
Current maturities of long term borrowings	101,190,977	89,768,792
Interest accrued and due on borrowings	6,616,333	5,317,282
Unclaimed Dividends	5,709,582	5,132,538
For Services & Expenses	14,954,909	29,710,530
PF & ESI payable	2,831,527	2,558,076
Withholding and Other Taxes Payable	31,110,497	31,750,608
Creditors for capital goods/works	5,392,892	34,170,538
<b>Total</b>	<b>167,806,717</b>	<b>198,408,364</b>

## 2.9 SHORT-TERM PROVISIONS

Particulars	As at 31-03-2015	As at 31-03-2014
<b>a) Provision for Employee Benefits:</b>		
Bonus and Incentives	8,806,894	37,756,388
<b>b) Others:</b>		
Proposed Dividend	98,190,270	90,007,748
Provision for Tax on Dividend	19,632,280	15,296,817
Income Taxes	70,877	23,035,548
<b>Total</b>	<b>126,700,321</b>	<b>166,096,501</b>



## 2.10 FIXED ASSETS

DESCRIPTION	GROSS BLOCK					DEPRECIATION				NET BLOCK		
	As on 01.04.2014 Rs.	Additions Rs.	Deletions Rs.	As on 31.03.2015 Rs.	Up to 01.04.2014 Rs.	For the Period Rs.	Adjusted against Retained Earnings Rs.	Deletions Rs.	Up to 31.03.2015 Rs.	As on 31.03.2015 Rs.	As on 31.03.2014 Rs.	
<b>Tangible Assets</b>												
Land	190,159,983	-	-	190,159,983	-	-	-	-	-	190,159,983	190,159,983	
Buildings	483,869,382	22,635,284	-	506,504,666	208,870,975	24,893,626	52,053	-	233,816,654	272,688,012	274,998,407	
Plant & Machinery	1,171,992,302	122,374,871	1,098,852	1,293,268,321	616,976,809	119,582,927	-	580,517	735,979,219	557,289,102	555,015,493	
Electrical Installations	37,411,640	440,506	-	37,852,146	21,384,928	5,647,588	280,264	-	27,312,780	10,539,366	16,026,712	
Solar Power Plant	82,248,354	2,125,706	-	84,374,060	540,811	9,345,261	-	-	9,886,072	74,487,988	81,707,543	
Air Conditioners	51,212,619	4,528,200	-	55,740,819	29,765,327	8,326,057	343,317	-	38,434,701	17,306,118	21,447,292	
Office Equipment	11,243,544	2,578,334	-	13,821,878	5,979,076	3,266,662	1,070,896	-	10,316,634	3,505,244	5,264,468	
Furniture & Fixtures	60,263,333	7,341,201	-	67,604,534	38,522,517	7,740,008	210,629	-	46,473,154	21,131,380	21,740,816	
Computers	115,013,917	41,002,612	-	156,016,529	99,142,231	18,459,658	9,672	-	117,611,561	38,404,968	15,871,686	
Vehicles	20,779,997	5,042,091	2,679,906	23,142,182	10,816,772	3,928,704	59,984	2,344,101	12,461,359	10,680,823	9,963,225	
Wind Electric Generator	-	145,777,032	-	145,777,032	-	2,999,820	-	-	2,999,820	142,777,212	-	
<b>Leased Assets:</b>												
Buildings	17,382,340	-	-	17,382,340	6,590,060	1,017,138	-	-	7,607,198	9,775,142	10,792,280	
Plant & Machinery	67,655,777	-	-	67,655,777	15,817,477	9,658,416	-	-	25,475,893	42,179,884	51,838,300	
Electrical Installations	680,202	-	-	680,202	165,946	144,065	-	-	310,011	370,191	514,256	
Air Conditioners	62,400	-	-	62,400	15,463	13,169	-	-	28,632	33,768	46,937	
Office Equipment	99,778	-	-	99,778	25,480	40,908	-	-	66,388	33,390	74,298	
Computers	424,830	-	-	424,830	331,704	52,558	-	-	384,262	40,568	93,126	
Furniture & Fixtures	1,440,545	-	-	1,440,545	457,583	268,588	-	-	726,171	714,374	982,962	
<b>Total</b>	<b>2,311,940,943</b>	<b>353,845,837</b>	<b>3,778,758</b>	<b>2,662,008,022</b>	<b>1,055,403,159</b>	<b>215,385,153</b>	<b>2,026,815</b>	<b>2,924,618</b>	<b>1,269,890,509</b>	<b>1,392,117,513</b>	<b>1,256,537,784</b>	
Pre., Year Total	1,988,005,750	325,828,179	1,892,986	2,311,940,943	908,830,380	147,953,095	-	1,380,316	1,055,403,159	1,256,537,784	1,079,175,370	

Note: Adjusted against retained earnings represents, the carrying amount of the assets (after retaining the residual value) as on 1st April, 2014, where the remaining useful life of an asset is nil

## 2.11 NON-CURRENT INVESTMENTS

Particulars	As at 31-03-2015	As at 31-03-2014
Other Investments - Unquoted - At Cost		
a) 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	2,600,000
b) Investments in equity instruments of Subsidiaries		
99,998 Equity Shares of Rs.10/- each fully paid up in M/s. Bhavyabhanu Electronics Private Limited	999,980	999,980
<b>Total</b>	<b>3,599,980</b>	<b>3,599,980</b>
Aggregate amount of unquoted investments	<b>3,599,980</b>	<b>3,599,980</b>

## 2.12 LONG-TERM LOANS AND ADVANCES

Particulars	As at 31-03-2015	As at 31-03-2014
Unsecured Considered Good		
Advances for capital goods/works	3,966,782	58,504,750
Security Deposits	13,497,589	8,367,202
Pre paid expenses	4,182,276	3,486,463
<b>Total</b>	<b>21,646,647</b>	<b>70,358,415</b>

## 2.13 CURRENT INVESTMENTS:

Particulars	As at 31-03-2015	As at 31-03-2014
<b>Investments in Mutual funds :</b>		
Valued at lower of cost and quoted value		
20,00,000 Units of SBI Debt Fund (Series - 1 and15) - Growth	-	20,000,000
<b>Total</b>	<b>-</b>	<b>20,000,000</b>
Aggregate amount of Quoted Investments	-	20,000,000
Market Value of Quoted Investments	-	21,982,700
Aggregate provision made for diminution in value of investments	-	-

## 2.14 INVENTORIES

Particulars	As at 31-03-2015	As at 31-03-2014
Raw Materials	543,246,419	721,752,469
Packing Material	3,568,122	4,074,026
Stores & Spares	292,343	292,343
Work-in-progress	782,629,622	734,143,240
Finished Goods	6,646,798	4,680,206
<b>Total</b>	<b>1,336,383,304</b>	<b>1,464,942,284</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 31-03-2015	As at 31-03-2014
Unsecured Considered Good Outstanding for a period exceeding six months from the date they are due for payment	196,449,289	290,492,271
Others	922,225,254	1,022,586,082
<b>Total</b>	<b>1,118,674,543</b>	<b>1,313,078,353</b>

## 2.16 CASH AND BANK BALANCES

Particulars	As at 31-03-2015	As at 31-03-2014
<b>A) Cash and Cash Equivalents:</b>		
- Balances with Banks	29,809,435	233,167,104
- Cheques, Drafts on hand	-	-
- Cash on Hand	241,888	272,594
<b>Total Cash and Cash Equivalents (A)</b>	<b>30,051,323</b>	<b>233,439,698</b>
<b>B) Other Bank Balances :</b>		
- Balances with Banks	247,193,670	376,589,522
<b>Total Other Bank Balances (B)</b>	<b>247,193,670</b>	<b>376,589,522</b>
<b>Total Cash and Bank Balances (A + B)</b>	<b>277,244,993</b>	<b>610,029,220</b>
Other Bank Balances includes:		
a) Earmarked balances with banks ( for unclaimed dividend)	5,709,582	5,132,538
b) Deposit accounts with more than 12 months maturity	-	-
c) Held as margin money deposits against guarantees	241,484,088	371,456,984

## 2.17 SHORT TERM LOANS AND ADVANCES

Particulars	As at 31-03-2015	As at 31-03-2014
Unsecured Considered Good Others		
- Advances for Supplies	52,594,564	608,098,657
Amounts due from Related Parties:		
- Advance for supplies to Subsidiary Company	422,559,852	153,979,413
- Advances for Services and Expenses	4,590,018	14,005,197
- Balance with Revenue Authorities (cenvat credit)	72,585,543	31,518,626
- Deposits made against disputed tax liabilities	12,395,318	12,395,318
- Amount (refund) due from Excise Department	46,062,586	5,880,286
- Advance income tax (Net of provision)	4,583,839	3,091,918
- Prepaid Expenses	24,215,482	33,339,501
<b>Total</b>	<b>639,587,202</b>	<b>862,308,916</b>

## 2.18 OTHER CURRENT ASSETS

Particulars	As at 31-03-2015	As at 31-03-2014
Interest accrued but not due on Deposits	6,932,624	10,871,975
<b>Total</b>	<b>6,932,624</b>	<b>10,871,975</b>

## 2.19 REVENUE FROM OPERATIONS

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
<b>A) From Sale of Products</b>		
Domestic	2,532,187,197	1,994,903,877
Export	3,829,930,344	3,418,531,443
<b>TOTAL (A)</b>	<b>6,362,117,541</b>	<b>5,413,435,320</b>
<b>B) From Sale of Services</b>		
Domestic	71,777,787	28,123,819
Export	-	889,403
<b>TOTAL (B)</b>	<b>71,777,787</b>	<b>29,013,222</b>
<b>C) Sale of Power:</b>		
Wind Electric Power Charges	164,596	-
<b>D) Other Operating Revenue :</b>		
Operating Lease Rent	7,726,776	-
<b>TOTAL (A+B+C+D)</b>	<b>6,441,786,700</b>	<b>5,442,448,542</b>

## 2.20 OTHER INCOME

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
Interest Income	32,811,719	59,237,090
Miscellaneous Receipts	2,166,311	229,519
Customs Duty Refund	3,878,067	2,521,870
Export Incentives	22,537,378	13,191,103
Dividend received on Current Investments (Mutual Fund)	-	2,834,918
<b>Total</b>	<b>61,393,475</b>	<b>78,014,500</b>

## 2.21 COST OF MATERIALS CONSUMED

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
<b>A) Indigenous Raw Material:</b>		
Opening stock of Raw Material	125,140,874	108,821,872
Add: Purchases during the year	3,746,655,661	3,212,799,106
	<b>3,871,796,535</b>	<b>3,321,620,978</b>
Less: Closing Stock of Raw Material	93,121,168	125,140,874
Raw Material consumed (A)	<b>3,778,675,367</b>	<b>3,196,480,104</b>
<b>B) Imported Raw Material:</b>		
Opening stock of raw material	596,611,595	323,070,707
Add: Purchases during the year	458,709,940	995,126,617
	<b>1,055,321,535</b>	<b>1,318,197,324</b>
Less: Closing Stock of Raw Material	450,125,251	596,611,595
Raw Material Consumed (B)	<b>605,196,284</b>	<b>721,585,729</b>
<b>Total Raw Material Consumed (A + B)</b>	<b>4,383,871,651</b>	<b>3,918,065,833</b>
Percentage of imported raw materials consumed to the total consumption	13.81	18.42
Percentage of indigenous raw materials consumed to the total consumption	86.19	81.58

## 2.22 CHANGES IN INVENTORIES

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
Inventories at the end of the period		
- Finished Goods	6,646,798	4,680,206
- Work-in-progress	782,629,622	734,143,240
<b>Total (A)</b>	<b>789,276,420</b>	<b>738,823,446</b>
Inventories at the beginning of the period		
- Finished Goods	4,680,206	4,190,596
- Work-in-progress	734,143,240	300,249,610
<b>Total (B)</b>	<b>738,823,446</b>	<b>304,440,206</b>
<b>Change in Inventories (A - B)</b>	<b>(50,452,974)</b>	<b>(434,383,240)</b>

## 2.23 EMPLOYEE BENEFIT EXPENSES

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
Salaries, Wages & Other Benefits	304,112,951	294,634,526
Directors Remuneration	54,499,686	50,513,612
Contribution to Provident Fund & ESI	16,875,763	15,721,647
Staff Welfare Expenses	19,394,868	14,074,598
<b>Total</b>	<b>394,883,268</b>	<b>374,944,383</b>

## 2.24 FINANCIAL COSTS

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
Interest on Term Loans	38,241,294	26,869,759
Interest on Working Capital borrowings	56,355,668	39,871,968
Interest on Vehicle Loan	232,165	566,704
<b>Total</b>	<b>94,829,127</b>	<b>67,308,431</b>

## 2.25 OTHER EXPENSES

<b>Particulars</b>	<b>Year ended 31-03-2015</b>	<b>Year ended 31-03-2014</b>
Machinery maintenance	42,937,892	38,452,612
Power and Fuel	22,085,995	28,544,744
Excise Duty (Includes Difference between Excise Duty on Opening & Closing Stock of FG )	600,347	709,910
Testing Charges	10,499,555	10,101,480
Carriage Inwards	1,720,162	1,375,121
Installation & Commissioning of AWS	2,175,454	2,741,307
Travelling and Conveyance	27,665,849	24,055,722
Printing and Stationery	6,211,386	6,700,607
Communication Costs	5,887,046	3,140,261
Operating Lease Rent	2,909,185	489,593
Insurance	9,732,137	7,513,766
Rates and Taxes excluding taxes on income	5,622,119	3,736,457
Auditors Remuneration	1,123,600	949,442
Legal & Professional Charges	24,096,630	20,776,906
Technology Transfer Charges	1,800,000	30,357,299
Repairs to Building	5,322,271	6,869,911
Computer & Software Maintenance	6,629,820	11,519,248
Vehicle Maintenance	1,148,751	1,394,202
Factory & Garden Maintenance	5,523,361	8,295,774
Office Electricity Charges	2,712,604	2,136,290
Repairs & Maintenance of Other Assets	7,775,627	6,140,705
Vehicle Hire Charges	17,918,014	14,335,692
Miscellaneous Expenses	11,858,348	10,499,361
Books, Periodicals & Subscriptions	910,664	391,660
Conference & Seminar Expenses	2,290,731	31,344
Advertisement	2,708,041	1,585,895
Entertainment & Business Promotion	7,900,763	7,636,812
Sponsorship expenses	1,258,600	1,533,070
Donations	1,695,000	600,000
CSR Expenditure	10,817,394	-
Security Charges	8,913,053	8,327,806
Staff Recruitment & Training	1,524,575	765,455
Performance Allowance to Non-Whole Time Directors	5,010,000	4,550,000
Bank Charges and Commission	50,606,513	51,366,321
Carriage Outwards	1,180,423	747,793
Packing Material	10,691,840	10,304,577
Sales Tax / VAT	104,789,736	75,777,251

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
Service Tax	8,290,391	3,674,557
Late Delivery Charges	61,202,270	74,931,284
Rebates and discounts	-	3,972,593
Order Booking Commission	-	221,887
Foreign Travel and Exhibition Expenses	7,825,556	5,782,649
Foreign Exchange Fluctuations	39,658,621	122,812,420
<b>Total</b>	<b>551,230,324</b>	<b>615,849,784</b>

## 2.26 EXCEPTIONAL ITEMS

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
Profit / (Loss) on disposal of assets	(311,140)	(71,231)
Profit / (Loss) on disposal of investments	2,099,500	(441,826)
Prior Period Adjustments	(2,425,287)	(1,883,556)
<b>Total</b>	<b>(636,927)</b>	<b>(2,396,613)</b>
Prior period tax adjustments represents income tax and other adjustments relating to earlier years.		

## 2.27 EARNINGS PER SHARE

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
No. of Equity Shares outstanding at the beginning of the year	81,825,225	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)	81,825,225	81,825,225
Profit before extraordinary items available to share holders (used as numerator for calculating EPS)	607,251,480	509,270,814
Profit after extraordinary items available to share holders (used as numerator for calculating EPS)	607,251,480	509,270,814
Basic & Diluted Earnings Per Share before extraordinary items in Rs. (Face Value Rs.2/-)	7.42	6.22
Basic & Diluted Earnings Per Share after extraordinary items in Rs. (Face Value Rs.2/-)	7.42	6.22



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

Particulars	Year ended 31-03-2015	Yearended 31-03-2014
<b>A) Raw-material consumed:</b>		
Semi Conductor devices and other materials	4,383,871,651	3,918,065,833
<b>B) Turnover:</b>		
a) Microwave components and sub systems	6,362,117,541	5,413,435,320
b) Installation charges	71,777,787	29,013,222
c) Wind Electric power charges	164,596	-
d) Operating Lease Rent	7,726,776	-
Total	6,441,786,700	5,442,448,541
<b>C) Opening Stock-in trade:</b>		
Microwave components and sub systems		
a) Finished goods	4,680,206	4,190,596
b) Work-in-progress	734,143,240	300,249,610
<b>D) Closing Stock-in-trade:</b>		
Microwave components and sub systems		
a) Finished goods	6,646,798	4,680,206
b) Work-in-progress	782,629,622	734,143,240

## 2.29 RESEARCH AND DEVELOPMENT EXPENSES

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
Expenditure at Department of Scientific and Industrial Research (DSIR) approved R&D centres		
<b>A) Eligible for weighted deduction:</b>		
a) Revenue Expenditure	174,551,043	108,339,734
b) Capital Expenditure	36,232,561	46,088,201
<b>B) Other R&amp;D Expenditure:</b>		
a) Revenue Expenditure	-	-
b) Capital Expenditure	24,954,142	-
<b>Total R&amp;D Expenditure</b>	<b>235,737,746</b>	<b>154,427,935</b>
Revenue expenditure is shown under respective heads of expenditure. Capital expenditure is shown in respective Fixed Assets. The weighted tax deduction is equal to 200% of such expenditure incurred.		

## 2.30 BORROWING COSTS

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
Borrowing cost capitalized during the period	3,277,032	-

### 2.31 FOREIGN EXCHANGE FLUCTUATIONS

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
As per the accounting policy, the amount of Foreign Exchange Fluctuations (debited) / credited to Profit and Loss Account during the period	(39,658,621)	(122,812,420)

### 2.32 AUDITORS REMUNERATION

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
Audit Fee	700,000	575,000
Tax Audit Fee	150,000	120,000
For Certification, Taxation and other matters	150,000	150,000
Service Tax	123,600	104,442
<b>Total</b>	<b>1,123,600</b>	<b>949,442</b>

### 2.33 FOREIGN EXCHANGE TRANSACTIONS

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
Value of imported raw-materials on CIF basis	434,071,000	915,231,875
Value of imported capital goods on CIF basis	109,994,828	180,873,721
CIF value of other imports	2,476,766	8,690,824
Expenditure in foreign currency on account of:		
Travel	2,412,894	2,627,438
Technology Transfer Charges	-	23,623,500
Books & Periodicals	84,998	-
Exhibitions & Conferences	156,892	48,094
Order Booking Commission	-	221,887
Earnings in foreign currency:		
FOB Value of Exports	3,829,930,344	3,418,531,443
For Services Rendered	-	889,403
Remittances in foreign currency:		
On account of Dividend:		
Amount Remitted	-	2,138,376
No. of Non-Resident Share Holders	-	2
No. of Shares held by them	-	2,672,970
Year of Dividend	-	2012-2013

## 2.34 CONTINGENT LIABILITIES

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
a) Letters of credit	-	-
b) Bank Guarantees :		
1) Performance Guarantees	873,116,553	642,030,708
2) Advance payment Guarantees	933,267,878	2,565,274,800
3) Guarantee in lieu of EMD/Security Deposit/Bid Security	127,816,637	75,610,496
4) Guarantee for Materials	65,330,600	17,419,600
5) Corporate Guarantee on behalf of wholly owned Subsidiary Company to HDFC bank Limited	200,000,000	-
c) Claims against the Company not acknowledged as debt in respect of: Disputed Excise Duty matters in respect of which the company has gone in appeal # excluding interest, which is not yet determined	# 2,48,18,566	12,409,283

## 2.35 DISCLOSURE UNDER CLAUSE 32 OF THE LISTING AGREEMENT

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
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. 186 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	-	-

## 2.36 RELATED PARTY DISCLOSURES

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
<b>Transactions with Related parties: (Excluding reimbursements)</b>		
<b>a) Associate Company :</b> Traana Technologies Private Limited		
Services received from Associate Company	5,346,291	3,167,110
Balance as at 31st March, 2015:		
Investment in shares	2,600,000	2,600,000
Balance payable to Associate Company	3,033,720	-
<b>b) Subsidiary Company :</b> Bhavyabhanu Electronics Private Limited		
Purchase of Raw materials	1,624,029,154	-
Rent received	7,726,776	-
Balance as at 31st March, 2015:		
Investment in shares	999,980	999,980
Advance to subsidiary company for supply of materials	422,559,852	153,979,413
Corporate Guarantee given to HDFC Bank	200,000,000	-
<b>c) Remuneration paid to Directors :</b>		
<b>Executive Directors :</b>		
Mr. B. Malla Reddy, Managing Director	12,820,000	11,736,000
Mr. P.A. Chitrakar, Chief Operating Officer	12,936,328	11,939,947
Mrs. C. Prameelamma, Director (Technical)	12,775,547	11,958,602
Mr. S. Gurunatha Reddy, Whole-Time Director & CFO	7,955,125	7,341,311
Mr. M. Venkateshwar Reddy, Director - Marketing & Operations	8,012,686	7,537,752
<b>Non-Executive Directors : (includes sitting fee &amp; net of service tax)</b>		
Dr. Shibhan K. Koul, Chairman	1,200,000	1,325,000
Mr. J. Venkata Das, Director	1,200,000	1,325,000
Mr. Atim Kabra, Director	600,000	1,325,000
Mr. T. Ramachandru, Director	1,200,000	655,000
Mr. U. K. Kalyanaramudu, Director	890,000	-
<b>d) Remuneration to Company Secretary:</b>		
T. Anjaneyulu, Company Secretary	1,198,568	1,083,722
<b>e) Salary and other benefits paid to Relative of Director:</b>		
Brother of Mr. S. Gurunatha Reddy		
Mr. S. Krishna Reddy, Manager Information Technology	1,316,532	1,219,030

## 2.37 RETIREMENT BENEFIT PLANS

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
<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>	<p><u>13,719,272</u></p>	<p><u>12,498,890</u></p>
<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 statements</p>		

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
<b>A) Change in benefit obligations :</b>		
- Present value of the obligation as at beginning of year	47,007,220	42,228,944
- Interest cost	4,230,650	3,479,665
- Current Service Cost	8,452,630	6,318,191
- Benefits Paid	(6,523,229)	(5,251,552)
- Actuarial (gain) / loss on obligations	6,146,300	231,972
- Present value of obligation at year end	59,313,571	47,007,220
<b>B) Change in plan assets :</b>		
- Fair value of plan assets at beginning of year	22,877,783	20,164,385
- Expected return on plan assets	1,847,385	1,837,140
- Employer contribution	3,155,450	2,019,547
- Benefits paid	(1,410,075)	(1,143,289)
- Fair value of plan assets at year end	26,470,543	22,877,783
<b>C) Reconciliation of fair value of assets and obligations :</b>		
- Present value of obligation	59,313,571	47,007,220
- Fair value of plan assets	26,470,543	22,877,783
- Amount recognised in Balance Sheet	32,843,028	24,129,437
<b>C) Expenses recognized during the year :</b>		
- Current Service cost	8,452,630	6,318,191
- Interest cost	4,230,650	3,479,665
- Expected return on plan assets	(1,847,385)	(1,837,140)
- Net actuarial (gain) / loss recognized in the year	6,146,300	231,972
- Net cost	16,982,195	8,192,688
<b>D) Actuarial Assumptions used in accounting :</b>		
- Discount rate (per annum)	7.80%	9.00%
- Salary escalation rate (per annum)	5.00%	5.00%

- 2.38** During the year the company has incurred Rs.1,08,17,394/- as CSR Expenditure under Corporate Social Responsibility Policy of the Company as approved by the Board of Directors of the Company, the details of the same are included in the Baord's Report
- 2.39 Segment Reporting :** The Company operates in the same segment of manufacture and sale of Microwave Products which are subject to similar risks and returns.
- 2.40** 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, 2015. 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 wherever necessary.
- 2.42** Balances under sundry debtors, sundry creditors, deposits, loans and advances payable / receivable are subject to confirmation and reconciliation.
- 2.43** The figures have been rounded off to the nearest rupee

As per our report of even date

For and on behalf of the Board

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

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

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

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

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

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

**(J. VENKATA DAS)**  
 Director

**(T. RAMACHANDRU)**  
 Director

**(U.K. KALYANARAMUDU)**  
 Director

**(S. GURUNATHA REDDY)**  
 Whole-Time Director & CFO

Place : HYDERABAD  
 Date : 30-04-2015

**(M.VENKATESHWAR REDDY)**  
 Director - (Mktg., & Operations)

**(T. ANJANEYULU)**  
 Company Secretary

Consolidated Financial Statements of  
Astra Microwave Products Limited



---

## INDEX

Contents	Page No.
Independent Auditor's Report	106
Balance Sheet	107
Profit & Loss Account	108
Cash Flow Statement	109
Significant Accounting Policies	111

---

# INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To

**The Board of Directors**  
**Astra Microwave Products Limited**

## Report on Consolidated Financial Statements:

We have audited the accompanying Consolidated Financial Statements of **Astra Microwave Products Limited** ('the Company') and its Subsidiary (the Company and its subsidiary constitute 'the Group') which comprise of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21 – Consolidated Financial Statements and AS 23 – Accounting for Investments in Associates in Consolidated Financial Statements, as specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated 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 consolidated 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 consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated 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 consolidated 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 Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2015;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

## Other Matters :

We further report that in respect of associate, we did not carry out the audit. The consolidated financial statements include the net carrying cost of investment of Rs. 10,84,466/- and current year share of net loss of Rs. 1,24,636/- in respect of the associate. These financial statements have been audited by other auditor whose report have been furnished to us, and our opinion on the consolidated financial statements, to the extent they have been derived from such financial statements is based solely on the report of such auditor. Our opinion is not qualified in respect of this matter.

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

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

Place: Hyderabad  
Date: 30.04.2015

## CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2015

Amount in ₹

Particulars	Note No	As at 31-03-2015		As at 31-03-2014	
<b>I. EQUITY AND LIABILITIES</b>					
<b>(1) Shareholder's Funds</b>					
(a) Share Capital	2.1	163,650,450		163,650,450	
(b) Reserves and Surplus	2.2	2,754,574,330	2,918,224,780	2,248,233,206	2,411,883,656
<b>(2) Minority Interest</b>					
(a) Share Capital		20		20	
(b) Reserves and Surplus		492	512	(18)	2
<b>(3) Non-Current Liabilities</b>					
(a) Long-term Borrowings	2.3	326,332,306		261,508,748	
(b) Deferred Tax Liabilities (Net)	2.4	109,030,157		83,301,607	
(c) Long-term Provisions	2.5	34,332,666	469,695,129	24,129,440	368,939,795
<b>(4) Current Liabilities</b>					
(a) Short-term Borrowings	2.6	488,899,901		256,756,771	
(b) Trade Payables	2.7	752,278,944		2,241,761,586	
(c) Other Current Liabilities	2.8	184,168,171		200,625,770	
(d) Short-term Provisions	2.9	128,245,537	1,553,592,553	166,383,103	2,865,527,230
<b>Total</b>			<b>4,941,512,974</b>		<b>5,646,350,683</b>
<b>II. Assets</b>					
<b>(1) Non-Current Assets</b>					
(a) Fixed Assets					
Tangible Assets	2.10	1,416,039,251		1,260,509,852	
(b) Non-Current Investments	2.11	1,084,466		2,600,000	
(c) Long-term Loans and Advances	2.12	21,980,025	1,439,103,742	86,929,261	1,350,039,113
<b>(2) Current Assets</b>					
(a) Current investments	2.13	-		20,000,000	
(b) Inventories	2.14	1,732,143,882		1,584,717,478	
(c) Trade Receivables	2.15	1,118,674,543		1,313,078,353	
(d) Cash and Bank Balances	2.16	290,519,263		636,718,567	
(e) Short-term Loans and Advances	2.17	353,044,876		730,844,684	
(f) Other Current Assets	2.18	8,026,668	3,502,409,232	10,952,488	4,296,311,570
<b>Total</b>			<b>4,941,512,974</b>		<b>5,646,350,683</b>
<b>Significant Accounting Policies</b>	1		-		-
<b>Notes on Accounts</b>	2				

As per our report of even date

For and on behalf of the Board

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

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

Place : HYDERABAD  
 Date : 30-04-2015

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

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

**(J. VENKATA DAS)**  
 Director

**(U.K. KALYANARAMUDU)**  
 Director

**(M.VENKATESHWAR REDDY)**  
 Director - (Mktg., & Operations)

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

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

**(T. RAMACHANDRU)**  
 Director

**(S. GURUNATHA REDDY)**  
 Whole-Time Director & CFO

**(T. ANJANEYULU)**  
 Company Secretary

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2015**

Amount in ₹

<b>Particulars</b>	<b>Note No</b>	<b>Year ended 31-03-2015</b>	<b>Year ended 31-03-2014</b>
<b>I Revenue from Operations</b>	2.19	<b>6,434,059,924</b>	5,442,448,542
Less: Excise Duty		(98,414,421)	(130,817,970)
		<b>6,335,645,503</b>	5,311,630,572
<b>II Other Income</b>	2.20	<b>62,526,602</b>	78,103,958
<b>III Total Revenue (I +II)</b>		<b>6,398,172,105</b>	5,389,734,530
<b>IV Expenses:</b>			
(a) Cost of Materials Consumed	2.21	<b>4,506,822,617</b>	3,944,014,328
(b) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	2.22	<b>(272,441,185)</b>	(465,494,136)
(c) Employee Benefit Expense	2.23	<b>415,276,461</b>	377,603,735
(d) Financial Costs	2.24	<b>99,679,290</b>	67,308,431
(e) Depreciation and Amortization Expense	2.10	<b>220,467,308</b>	148,115,248
(f) Other Expenses	2.25	<b>580,513,801</b>	619,591,776
<b>Total Expenses</b>		<b>5,550,318,292</b>	4,691,139,382
<b>V Profit Before Exceptional and Extraordinary Items and Tax (III - IV)</b>		<b>847,853,813</b>	698,595,148
<b>VI Exceptional Items</b>	2.26	<b>(636,927)</b>	(2,396,613)
<b>VII Profit Before Extraordinary Items and Tax (V - VI)</b>		<b>847,216,886</b>	696,198,535
<b>VIII Extraordinary Items</b>		-	-
<b>IX Profit Before Tax (VII - VIII)</b>		<b>847,216,886</b>	696,198,535
<b>X Tax Expense:</b>			
(1) Current Tax		<b>(193,781,803)</b>	(160,502,952)
(2) Deferred Tax	2.4	<b>(25,728,550)</b>	(27,331,111)
<b>XI Profit for the Period from Continuing Operations (IX - X) before Minority Interest</b>		<b>627,706,533</b>	508,364,472
<b>XII Minority share of (profit) / loss for the current year</b>		<b>(510)</b>	18
<b>XIII Profit for the Period from Continuing Operations (XI - XII) after Minority Interest</b>		<b>627,706,023</b>	508,364,490
<b>XIV Share in Profit / (Loss) of Associate</b>		<b>(124,636)</b>	-
<b>XV Net Profit for the Period from Continuing Operations (XIII - XIV)</b>		<b>627,581,387</b>	508,364,490
<b>XVI EPS: (In Rupees) (Face Value Rs.2/-)</b>			
Basic and Diluted before extraordinary items	2.27	<b>7.67</b>	6.21
Basic and Diluted after extraordinary items		<b>7.67</b>	6.21
<b>Significant Accounting Policies</b>	1		
<b>Notes on Accounts</b>	2		

As per our report of even date

For and on behalf of the Board

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

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

Place : HYDERABAD  
 Date : 30-04-2015

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

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

**(J. VENKATA DAS)**  
 Director

**(U.K. KALYANARAMUDU)**  
 Director

**(M.VENKATESHWAR REDDY)**  
 Director - (Mktg., & Operations)

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

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

**(T. RAMACHANDRU)**  
 Director

**(S. GURUNATHA REDDY)**  
 Whole-Time Director & CFO

**(T. ANJANEYULU)**  
 Company Secretary

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

Amount in ₹

Particulars	31-03-2015		31-03-2014	
	₹	₹	₹	₹
<b>A) Cash Flow from Operating Activities:</b>				
Net Profit Before Tax, Extra-ordinary & Exceptional Items		847,853,813		698,595,146
Adjustments for:				
Depreciation	220,467,308		148,115,248	
Interest Paid	99,679,290		67,308,431	
Prior Period adjustments	-		(59,987)	
Interest Received	(33,944,846)		(59,326,548)	
Dividend received on current investments	-		(2,834,918)	
Income Tax Paid	(218,176,015)		(156,241,770)	
		<u>68,025,737</u>		<u>(3,039,544)</u>
Operating Profit Before Working Capital Changes		915,879,550		695,555,602
Adjustments for:				
Trade & Other Receivables	695,167,436		(166,473,465)	
Trade Payable	(1,514,427,003)		60,693,291	
Inventories	(147,426,404)		(846,367,465)	
		<u>(966,685,971)</u>		<u>(952,147,639)</u>
Net Cash from Operating Activities		(50,806,421)		(256,592,037)
<b>B) Cash Flow from Investing Activities:</b>				
Purchase of Fixed Assets	(337,923,474)		(413,360,083)	
Proceeds from Disposal of Assets	543,000		441,439	
Dividend received on Mutual Fund Units	-		2,834,918	
Interest received on deposits	36,870,665		61,341,778	
Proceeds from Disposal of MF Units	22,099,500		212,571,528	
Net Cash Used in Investing Activities		(278,410,309)		(136,170,420)

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

Amount in ₹

Particulars	31-03-2015		31-03-2014	
	₹	₹	₹	₹
<b>C) Cash Flow from Financing Activities :</b>				
Increase / (decrease) in Working Capital Borrowings			(25,290,825)	
Term Loans	232,143,130		224,211,257	
Term Loans Repaid	176,174,345		(54,723,970)	
Proceeds from issue of shares	(93,494,106)		20	
Interest Paid	-		(63,050,229)	
Dividend Paid	(97,955,526)		(65,460,180)	
Dividend Tax Paid	(90,007,748)		(11,124,958)	
Net Cash Used in Financing Activities		111,563,278		4,561,115
Net Increase in Cash & Cash Equivalents (A-B-C)		(217,653,452)		(388,201,342)
<b>Cash &amp; Cash Equivalents at the Beginning</b>				
Cash on Hand	380,280		218,027	
Balance with Sch., Banks	248,101,164	248,481,444	636,464,760	636,682,787
Cash & Cash Equivalents at the End				
Cash on Hand	265,493		380,280	
Balance with Sch., Banks	30,562,499	30,827,992	248,101,165	248,481,445

As per our report of even date

For and on behalf of the Board

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

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

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

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

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

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

**(J. VENKATA DAS)**  
Director

**(T. RAMACHANDRU)**  
Director

**(U.K. KALYANARAMUDU)**  
Director

**(S. GURUNATHA REDDY)**  
Whole-Time Director & CFO

Place : HYDERABAD  
Date : 30-04-2015

**(M.VENKATESHWAR REDDY)**  
Director - (Mktg., & Operations)

**(T. ANJANEYULU)**  
Company Secretary

**SIGNIFICANT ACCOUNTING POLICIES  
AND NOTES ON  
ACCOUNTS FORMING PART OF THE  
CONSOLIDATED BALANCE  
SHEET AND STATEMENT PROFIT & LOSS  
FOR THE YEAR ENDED 31st MARCH, 2015**

**Principles of Consolidation:**

The consolidated financial statements relate to Astra Microwave Products Limited ('the Company') and its subsidiary company and associate. The consolidated financial statements have been prepared on the following basis:

- a) The Consolidated Financial Statements have been prepared under historical cost convention in accordance with generally accepted accounting principles applicable in India and in accordance with the Accounting Standard (AS – 21) "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.
- b) The financial statements of the Company and its subsidiary company have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra group transactions resulting in unrealized profits or losses.
- c) The financial statements of the subsidiary company used in the consolidation are drawn up to the same reporting date as of the Company.
- d) Minority interest's share of net assets of consolidated subsidiary consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the company in the subsidiary company and further movement in their share in the equity, subsequent to the date of investment is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
- e) Minority Interest's share of net profit of consolidated subsidiary for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- f) Investment in Associate Company has been accounted under equity method as per (AS 23) - "Accounting for Investments in Associates in Consolidated Financial Statements".

- g) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements except in case of Associate Company wherein depreciation on fixed assets is provided on straight-line basis at the rates and in the manner specified in Schedule II of the Companies Act, 2013 or based on the management's estimate of the useful lives of the assets which is in variation to the method adopted by the Company.
- h) Figures pertaining to the Subsidiary Company have been recast/ reclassified wherever necessary to bring them in line with the parent Company's Financial statements.
- i) The notes and significant accounting policies to the Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide to better understanding of the consolidated position of the companies. In this respect the Company has disclosed such notes and policies which fairly present the needed disclosures. And such other notes and statutory information disclosed in the financial statements of the parent and subsidiary company which are not having any effect on the true and fair view of the Consolidated Financial Statements are excluded.
- j) Other significant accounting policies are set out under "Significant Accounting Policies" as given in the separate financial statements of the Company and its subsidiary.
- k) The companies considered in the Consolidated Financial Statements are:

<b>Name of the company</b>	<b>Country of Incorporation</b>	<b>Proportionate ownership interest / voting power</b>	<b>Reporting Date</b>
<b>Subsidiary Company :</b>			
Bhavyabhanu Electronics Private Limited	India	99.998%	31.03.2015
<b>Associate company :</b>			
Traana Technologies Private Limited	India	26%	31.03-2015



## 2. CONSOLIDATED NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2015 :

### 2.1 SHARE CAPITAL

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
A) Authorised Share Capital: Equity Shares, Rs.2/- Par Value 15,00,00,000 ( Previous year 10,00,00,000) Equity Shares	<b>300,000,000</b>	200,000,000
B) Issued, Subscribed and Fully Paid-up Share Capital: 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>	163,650,450
<b>Disclosure pursuant to Note no. 6(A)(d) of Part I of Schedule III to the Companies Act, 2013</b>		
<b>Reconciliation of the Number of Shares Outstanding:</b>	<b>As at</b>	<b>As at</b>
	<b>31.03.2015</b>	<b>31.03.2014</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 III to the Companies Act, 2013

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 III to the Companies Act, 2013**  
**Shares in the Company held by each Share Holder holding more than 5% shares**

	As at	
	31-03-2015 No. of shares %	31-03-2014 No. of shares %
1) Skanda Aerospace Private Limited	-	7,734,501
	-	9.45%
2) Larsen & Toubro Limited	7,950,045	7,950,045
	9.72%	9.72%
3) HDFC Trustee Company Limited	7,124,213	-
	8.71%	-
<b>Disclosure pursuant to Note no. 6(A)(h) of Part I of Schedule III to the Companies Act, 2013</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 III to the Companies Act, 2013</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 preceeding the Balance Sheet date	NIL	NIL
b) Aggregate number of bonus shares (Equity) issued in the last five years immediately preceeding the Balance Sheet date	27,478,475	27,527,175
c) Aggregate number of equity shares bought back in the last five years immediately preceeding the Balance Sheet date	NIL	NIL
<b>Disclosure pursuant to Note no. 6(A)(j) of Part I of Schedule III to the Companies Act, 2013</b>		
Securities convertible into equity / preference shares issued	NIL	NIL

## 2.2 RESERVES & SURPLUS

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>A) General Reserve:</b>		
Opening balance	383,279,695	332,279,695
Add: Transferred from Profit and Loss Account	60,000,000	51,000,000
Balance in General Reserve (A)	443,279,695	383,279,695
<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)	50,450,142	50,450,142
<b>C) Surplus:</b>		
Opening balance	1,814,503,369	1,462,443,444
Less: Carrying amount of assets, where the remaining useful life of an asset is nil	(2,026,815)	-
Less: Share in Accumulated Surplus of Associate Company	(1,390,898)	-
Add / (Less): Net Profit / (Loss) after Tax transferred from Statement of Profit & Loss	627,581,387	508,364,490
Amount Available for Appropriation	2,438,667,043	1,970,807,934
Less: Appropriations		
Amount Transferred to General Reserve	(60,000,000)	(51,000,000)
Proposed Dividend	(98,190,270)	(90,007,748)
Dividend Tax	(19,632,280)	(15,296,817)
Balance in Profit & Loss Account (C)	2,260,844,493	1,814,503,369
<b>Total (A+B+C)</b>	<b>2,754,574,330</b>	<b>2,248,233,206</b>

## 2.3 LONG-TERM BORROWINGS

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>A) Secured Long-Term Borrowings:</b>		
<b>1) Term Loans: From Banks:</b>		
<b>a) Term Loan from HDFC Bank #</b>	<b>259,686,236</b>	243,547,332
Repayment terms:		
a) Loan No. 1: 7 Installments (quarterly) of Rs.1,35,82,424/- each		
b) Loan No. 2: 14 Installments (quarterly) of Rs.1,10,28,549/- each		
c) Loan No. 3: 20 Instalments (quarterly) of Rs.54,32,669/- each		
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 alongwith other term lenders and personal guarantee of the Managing Director and Chief Operating Officer.		
<b>b) Term Loan from HDFC Bank #</b>	<b>11,111,120</b>	-
Repayment Terms:		
32 Installments (monthly) of Rs.5,55,555/- each		
Rate of interest: 12.60%		
Nature of security:		
First exclusive charge on the fixed assets of the Subsidiary company financed by HDFC Bank and Second Charge on the Subsidiary Company's entire current assets and Corporate Guarantee of Astra Microwave Products Ltd.,		
<b>c) Term Loan from AXIS Bank #</b>	<b>40,320,961</b>	-
Repayment terms:		
Partially disbursed		
Rate of Interest:12.25%		
Nature of security:		
Term loan from AXIS Bank is secured by First exclusive charge on the Fixed Assets funded by this term loan..		
Pari Passu first charge on entire unencumbered fixed assets of the company alongwith term lenders and WC lenders except assets financed by other term lenders including 5 EW of 5 properties.		
Second pari passu on the entire current assets of the company and pari passu second charge on the fixed assets of the company funded by other Term lenders &WC lenders and Personal Guarantee of the Managing Director and Chief Operating Officer.		

## 2.3 LONG-TERM BORROWINGS

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>d) Vehicle Loan from HDFC Bank #</b> Repayable in EMI as per the specific agreement. Sesecured by hypothecation of specified assets acquired under agreement.	-	502,332
<b>2) Other Long-Term Borrowings :</b> Vehicle Loan from M/s. Kotak Mahindra Prime Ltd., # Repayable in EMI as per the specific agreement. Sesecured by hypothecation of specified assets acquired under agreement.	-	91,172
<b>Total Secured Long-Term Borrowings (A)</b>	<b>311,118,317</b>	<b>244,140,836</b>
Aggregate amount of loans Guaranteed by Managing Director and Chief Operating Officer	<b>398,451,089</b>	329,692,088
Amount of continuing default as on the balance sheet date in repayment of loans and interest there on	<b>NIL</b>	NIL
<b>B) Unsecured Long-Term Borrowings:</b> Deferred Payment Liabilities: Sales Tax Loan from Government of Telangana Repayable on or before: March 2018 Number of installments (yearly) due as on 31/03/2015: 3 # Rate of interest: Interest free	<b>15,213,989</b>	17,367,912
<b>Total Unsecured Long-Term Borrowings (B)</b>	<b>15,213,989</b>	<b>17,367,912</b>
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 within next one year is shown separately under the head "Other Current Liabilities" (Note No: 2.8)		
<b>Total Long-Term Borrowings (A + B)</b>	<b>326,332,306</b>	<b>261,508,748</b>

## 2.4 DEFERRED TAX LIABILITIES (NET)

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
Deferred Tax Liability	120,676,815	91,973,933
Less: Deferred tax Asset	(11,646,658)	(8,672,326)
Closing balance of Net Deferred Tax Liability	109,030,157	83,301,607
Less: Opening balance of Net Deferred Tax Liability	83,301,607	55,970,496
Effect on Profit and Loss Statement	(25,728,550)	(27,331,111)
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

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>Provision for Employee Benefits:</b>		
Unavailed Leave	15,627,423	11,604,386
Gratuity Obligation	18,705,243	12,525,054
<b>Total</b>	<b>34,332,666</b>	<b>24,129,440</b>

## 2.6 SHORT TERM BORROWINGS

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>Secured Short-Term Borrowings:</b>		
<b>Repayable on Demand</b>		
<b>From Banks:</b>		
<b>a) Working Capital Finance from Canara Bank</b>	<b>18,629,800</b>	<b>415,621</b>
Nature of security:		
<b>Prime Security :</b>		
Pari Passu first charge on stocks and receivables and other chargeable current assets of the Company along with other WC lenders		
<b>Collateral Security :</b>		
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		

Particulars	As at 31-03-2015	As at 31-03-2014
by other term lenders. <b>Personal Guarantee:</b> Personal Guarantee of the Managing Director and Chief Operating officer		
<b>b) Working Capital Finance from HDFC Bank Limited</b> Nature of security: <b>Prime Security:</b> Pari Passu first charge on stocks and receivables and other chargeable current assets of the Company along with other WC lenders <b>Collateral Security :</b> 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. <b>Personal Guarantee :</b> Personal Guarantee of the Managing Director and Chief Operating Officer	438,804,744	11,869,706
<b>c) Working Capital Finance from State Bank of India</b> Nature of security: <b>Prime Security:</b> Pari Passu first charge on stocks and receivables and other chargeable current assets of the Company along with other WC lenders <b>Collateral Security :</b> 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. <b>Personal Guarantee :</b> Personal Guarantee of the Managing Director and Chief Operating Officer	-	220,000,000
<b>d) Working Capital Finance from AXIS Bank Limited</b> Nature of security : <b>Prime Security:</b> Pari Passu first charge on stocks and receivables and other chargeable current assets of the Company along with other WC lenders <b>Collateral Security :</b> Pari Passu first charge on entire unencumbered Fixed Assets of the company (other than those financed by term lenders) along with other	16,705,291	24,471,444

Particulars	As at 31-03-2015	As at 31-03-2014
<p>WC lenders, including EM of company's properties offered as collateral security</p> <p>Pari Passu second charge on the fixed assets of the company funded by other term lenders.</p> <p><b>Personal Guarantee :</b></p> <p>Personal Guarantee of the Managing Director and Chief Operating Officer</p>		
<p><b>e) Working Capital Finance from ICICI Bank Limited</b></p> <p>Nature of security:</p> <p><b>Prime Security:</b></p> <p>Pari Passu first charge on stocks and receivables and other chargeable current assets of the Company along with other WC lenders</p> <p><b>Collateral Security :</b></p> <p>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</p> <p>Pari Passu second charge on the fixed assets of the company funded by other term lenders.</p> <p><b>Personal Guarantee:</b></p> <p>Personal Guarantee of the Managing Director and Chief Operating Officer</p>	<b>1,500,523</b>	-
<p><b>f) Working Capital Finance from HDFC Bank Limited</b></p> <p>Nature of security:</p> <p>Exclusive Charge on all current assets of the Subsidiary company and Corporate Guarantee of Astra Microwave Products Ltd.,</p>		
<p><b>Total Secured Short-Term Borrowings</b></p> <p>Aggregate amount of loans Guaranteed by Managing Director and Chief Operating Officer</p>	<b>488,899,901</b>	256,756,771
<p>Amount of default as on the balance sheet date in repayment of loans and interest there on</p>	<b>NIL</b>	NIL
	<b>475,640,358</b>	256,756,771



## 2.7 TRADE PAYABLES

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>Accrued Salaries and other benefits</b>		
Salaries & Directors Remuneration	39,899,348	37,714,767
<b>For Other Liabilities</b>		
For Supplies	178,432,255	217,529,336
Advances from Customers	533,947,341	1,986,517,483
<b>Total</b>	<b>752,278,944</b>	<b>2,241,761,586</b>

## 2.8 OTHER CURRENT LIABILITIES

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
Current maturities of long term borrowings	107,857,637	89,768,792
Interest accrued and due on borrowings	6,808,881	5,317,282
Unclaimed Dividends	5,709,582	5,132,538
For Services & Expenses	15,495,914	30,359,477
PF & ESI payable	3,001,223	2,672,981
Withholding and Other Taxes Payable	39,890,706	31,816,347
Creditors for capital goods/works	5,404,228	35,558,353
<b>Total</b>	<b>184,168,171</b>	<b>200,625,770</b>

## 2.9 SHORT-TERM PROVISIONS

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>a) Provision for Employee Benefits:</b>		
Bonus and Incentives	9,356,364	38,042,990
<b>b) Others:</b>		
Proposed Dividend	98,190,270	90,007,748
Provision for		
Tax on Dividend	19,632,280	15,296,817
Income Taxes	1,066,623	23,035,548
<b>Total</b>	<b>128,245,537</b>	<b>166,383,103</b>

## 2.10 FIXED ASSETS

DESCRIPTION	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As on 01.04.2014 Rs.	Additions Rs.	Deletions Rs.	As on 31.03.2015 Rs.	Up to 01.04.2014 Rs.	For the Period Rs.	Adjusted against Retained Earnings Rs.	Deletions Rs.	Up to 31.03.2015 Rs.	As on 31.03.2015 Rs.	As on 31.03.2014 Rs.	
<b>Tangible Assets</b>												
Land	190,159,983	-	-	190,159,983	-	-	-	-	-	190,159,983	190,159,983	
Buildings	501,251,722	22,635,284	-	523,887,006	215,461,035	25,910,764	52,053	-	241,423,852	282,463,154	285,790,687	
Plant & Machinery	1,242,451,029	146,317,009	1,098,852	1,387,669,186	632,809,302	133,615,723	-	580,517	765,844,508	621,824,678	609,641,727	
Electrical Installations	38,091,842	440,506	-	38,532,348	21,550,874	5,791,653	280,264	-	27,622,791	10,909,557	16,540,968	
Solar Power Plant	82,248,354	2,125,706	-	84,374,060	540,811	9,345,261	-	-	9,886,072	74,487,988	81,707,543	
Air Conditioners	51,275,019	4,560,000	-	55,835,019	29,780,790	8,345,834	343,317	-	38,469,941	17,365,078	21,494,229	
Office Equipment	11,343,322	2,626,950	-	13,970,272	6,004,556	3,316,719	1,070,896	-	10,392,171	3,578,101	5,338,766	
Furniture & Fixtures	62,646,649	8,337,872	-	70,984,521	39,117,657	8,454,471	210,629	-	47,782,757	23,201,764	23,528,992	
Computers	115,827,247	41,015,212	-	156,842,459	99,483,515	18,758,359	9,672	-	118,251,546	38,590,913	16,343,732	
Vehicles	20,779,997	5,042,091	2,679,906	23,142,182	10,816,772	3,928,704	59,984	2,344,101	12,461,359	10,680,823	9,963,225	
Wind Electric Generator	-	145,777,032	-	145,777,032	-	2,999,820	-	-	2,999,820	142,777,212	-	
<b>Total</b>	<b>2,316,075,164</b>	<b>378,877,662</b>	<b>3,778,758</b>	<b>2,691,174,068</b>	<b>1,055,565,312</b>	<b>220,467,308</b>	<b>2,026,815</b>	<b>2,924,618</b>	<b>1,275,134,817</b>	<b>1,416,039,251</b>	<b>1,260,509,852</b>	
<b>Pre., Year Total</b>	<b>1,988,005,750</b>	<b>329,962,400</b>	<b>1,892,986</b>	<b>2,316,075,164</b>	<b>908,830,380</b>	<b>148,115,248</b>	<b>-</b>	<b>1,380,316</b>	<b>1,055,565,312</b>	<b>1,260,509,852</b>	<b>1,079,175,370</b>	

Note: Adjusted against retained earnings represents, the carrying amount of the assets (after retaining the residual value) as on 1st April, 2014, where the remaining useful life of an asset is nil

## 2.11 NON-CURRENT INVESTMENTS

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
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	2,600,000
Less: Share in Accumulated Surplus of Associate	(1,390,898)	-
Less: Share in Loss from Associate for the current year	(124,636)	-
<b>Total</b>	<b>1,084,466</b>	<b>2,600,000</b>

## 2.12 LONG-TERM LOANS AND ADVANCES

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>Unsecured Considered Good</b>		
Advances for capital goods/works	3,966,782	75,075,096
Security Deposits	13,522,089	8,367,702
Pre paid expenses	4,491,154	3,486,463
<b>Total</b>	<b>21,980,025</b>	<b>86,929,261</b>

## 2.13 CURRENT INVESTMENTS:

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>Investments in Mutual funds:</b>		
Valued at lower of cost and quoted value		
20,00,000 Units of SBI Debt Fund (Series - 1 and15) - Growth	-	20,000,000
<b>Total</b>	<b>-</b>	<b>20,000,000</b>
Aggregate amount of Quoted Investments	-	20,000,000
Market Value of Quoted Investments	-	21,982,700
Aggregate provision made for diminution in value of investments	-	-

## 2.14 INVENTORIES

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
Raw Materials	685,907,890	810,416,767
Packing Material	3,568,122	4,074,026
Stores & Spares	292,343	292,343
Work-in-progress	1,035,728,729	765,254,136
Finished Goods	6,646,798	4,680,206
<b>Total</b>	<b>1,732,143,882</b>	<b>1,584,717,478</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

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
Unsecured Considered Good Outstanding for a period exceeding six months from the date they are due for payment	196,449,289	290,492,271
Others	922,225,254	1,022,586,082
<b>Total</b>	<b>1,118,674,543</b>	<b>1,313,078,353</b>

## 2.16 CASH AND BANK BALANCES

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>A) Cash and Cash Equivalents :</b>		
Balances with Banks	30,562,499	248,101,164
Cheques, Drafts on hand	-	-
Cash on Hand	265,493	380,280
<b>Total Cash and Cash Equivalents(A)</b>	<b>30,827,992</b>	<b>248,481,444</b>
<b>B) Other Bank Balances:</b>		
Balances with Banks	259,691,271	388,237,123
<b>Total Other Bank Balances (B)</b>	<b>259,691,271</b>	<b>388,237,123</b>
<b>Total Cash and Bank Balances (A + B)</b>	<b>290,519,263</b>	<b>636,718,567</b>
Other Bank Balances includes:		
a) Earmarked balances with banks ( for unclaimed dividend)	5,709,582	5,132,538
b) Deposit accounts with more than 12 months maturity	-	-
c) Held as margin money deposits against guarantees	253,981,689	383,104,585

## 2.17 SHORT TERM LOANS AND ADVANCES

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
Unsecured Considered Good		
Others		
Advances for Supplies	173,709,298	619,869,654
Advances for Services and Expenses	4,725,211	14,073,251
Balance with Revenue Authorities (cenvat credit)	86,402,954	41,516,351
Deposits made against disputed tax liabilities	12,395,318	12,395,318
Amount (refund) due from Excise Department	46,062,586	5,880,286
Advance income tax (Net of provision)	4,583,839	3,100,863
Prepaid Expenses	25,165,670	34,008,961
<b>Total</b>	<b>353,044,876</b>	<b>730,844,684</b>

## 2.18 OTHER CURRENT ASSETS

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
Interest accrued but not due on Deposits	8,026,668	10,952,488
<b>Total</b>	<b>8,026,668</b>	<b>10,952,488</b>

## 2.19 REVENUE FROM OPERATIONS

Amount in ₹

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
<b>A) From Sale of Products</b>		
Domestic	2,532,187,197	1,994,903,877
Export	3,829,930,344	3,418,531,443
TOTAL (A)	<b>6,362,117,541</b>	<b>5,413,435,320</b>
<b>B) From Sale of Services</b>		
Domestic	71,777,787	28,123,819
Export	-	889,403
TOTAL (B)	<b>71,777,787</b>	<b>29,013,222</b>
<b>C) Sale of Power:</b>		
Wind Electric Power Charges	164,596	-
<b>TOTAL (A+B+C)</b>	<b>6,434,059,924</b>	<b>5,442,448,542</b>

**2.20 OTHER INCOME**

Amount in ₹

<b>Particulars</b>	<b>Year ended 31-03-2015</b>	<b>Year ended 31-03-2014</b>
Interest Income	33,944,846	59,326,548
Miscellaneous Receipts	2,166,311	229,519
Customs Duty Refund	3,878,067	2,521,870
Export Incentives	22,537,378	13,191,103
Dividend received on Current Investments (Mutual Fund)	-	2,834,918
<b>Total</b>	<b>62,526,602</b>	<b>78,103,958</b>

**2.21 COST OF MATERIALS CONSUMED**

Amount in ₹

<b>Particulars</b>	<b>Year ended 31-03-2015</b>	<b>Year ended 31-03-2014</b>
<b>A) Indigenous Raw Material:</b>		
Opening stock of Raw Material	125,240,106	108,821,872
Add: Purchases during the year	2,326,493,700	3,213,115,176
	2,451,733,806	3,321,937,048
Less: Closing Stock of Raw Material	95,549,717	125,240,106
Raw Material consumed (A)	2,356,184,089	3,196,696,942
<b>B) Imported Raw Material:</b>		
Opening stock of raw material	685,176,661	323,070,707
Add: Purchases during the year	2,055,820,040	1,109,423,340
	2,740,996,701	1,432,494,047
Less: Closing Stock of Raw Material	590,358,173	685,176,661
Raw Material Consumed (B)	2,150,638,528	747,317,386
<b>Total Raw Material Consumed (A + B)</b>	<b>4,506,822,617</b>	<b>3,944,014,328</b>
Percentage of imported raw materials consumed to the total consumption	47.72	18.95
Percentage of indigenous raw materials consumed to the total consumption	52.28	81.05

## 2.22 CHANGES IN INVENTORIES

Amount in ₹

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
Inventories at the end of the period		
Finished Goods	6,646,798	4,680,206
Work-in-progress	1,035,728,729	765,254,136
<b>Total (A)</b>	<b>1,042,375,527</b>	<b>769,934,342</b>
Inventories at the beginning of the period		
Finished Goods	4,680,206	4,190,596
Work-in-progress	765,254,136	300,249,610
<b>Total (B)</b>	<b>769,934,342</b>	<b>304,440,206</b>
<b>Change in Inventories (A - B)</b>	<b>(272,441,185)</b>	<b>(465,494,136)</b>

## 2.23 EMPLOYEE BENEFIT EXPENSES

Amount in ₹

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
Salaries, Wages & Other Benefits	323,032,262	297,077,105
Directors Remuneration	54,499,686	50,513,612
Contribution to Provident Fund & ESI	17,958,291	15,882,986
Staff Welfare Expenses	19,786,222	14,130,032
<b>Total</b>	<b>415,276,461</b>	<b>377,603,735</b>

## 2.24 FINANCIAL COSTS

Amount in ₹

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
Interest on Term Loans	40,422,801	26,869,759
Interest on Working Capital borrowings	59,024,324	39,871,968
Interest on Vehicle Loan	232,165	566,704
<b>Total</b>	<b>99,679,290</b>	<b>67,308,431</b>

**2.25 OTHER EXPENSES**

<b>Particulars</b>	<b>Year ended 31-03-2015</b>	<b>Year ended 31-03-2014</b>
Machinery maintenance	45,495,919	38,452,612
Power and Fuel	25,453,249	28,544,744
Excise Duty (Includes Difference between Excise Duty on Opening & Closing Stock of FG )	600,347	709,910
Testing Charges	10,499,555	10,101,480
Carriage Inwards	2,394,676	1,375,121
Installation & Commissioning of AWS	2,175,454	2,741,307
Travelling and Conveyance	27,987,408	24,055,722
Printing and Stationery	6,543,958	6,713,227
Communication Costs	5,894,402	3,140,261
Operating Lease Rent	2,909,185	489,593
Insurance	11,668,844	7,513,766
Rates and Taxes excluding taxes on income	6,040,846	3,802,199
Auditors Remuneration	1,348,320	979,442
Legal & Professional Charges	24,451,207	20,830,839
Technology Transfer Charges	1,800,000	30,357,299
Repairs to Building	5,322,271	6,869,911
Computer & Software Maintenance	6,650,190	11,519,248
Vehicle Maintenance	1,148,751	1,394,202
Factory & Garden Maintenance	6,265,229	8,295,774
Office Electricity Charges	2,712,604	2,136,290
Repairs & Maintenance of Other Assets	7,803,610	6,140,705
Vehicle Hire Charges	17,918,014	14,335,692
Miscellaneous Expenses	12,133,886	10,643,821
Books, Periodicals & Subscriptions	910,664	391,660
Conference & Seminar Expenses	2,290,731	31,344
Advertisement	2,708,041	1,585,895
Entertainment & Business Promotion	7,945,663	7,636,812
Sponsorship expenses	1,258,600	1,533,070
Donations and Contributions	1,695,000	600,000
CSR Expenditure	10,817,394	-
Security Charges	9,026,923	8,327,806
Staff Recruitment & Training	1,524,575	765,455
Performance Allowance to Non-Whole Time Directors	5,010,000	4,550,000
Bank Charges and Commission	51,977,215	51,378,139
Carriage Outwards	1,180,423	747,793
Packing Material	10,691,840	10,304,577
Sales Tax / VAT	104,524,740	75,777,251
Service Tax	8,290,391	3,674,557
Late Delivery Charges	61,202,270	74,931,284
Rebates and discounts	-	3,972,593
Order Booking Commission	-	221,887
Foreign Travel and Exhibition Expenses	7,825,556	5,782,649
Foreign Exchange Fluctuations	56,415,850	126,187,507
Preliminary expenses written off	-	48,332
<b>Total</b>	<b>580,513,801</b>	<b>619,591,776</b>



## 2.26 EXCEPTIONAL ITEMS

Amount in ₹

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
Profit / (Loss) on disposal of assets	(311,140)	(71,231)
Profit / (Loss) on disposal of investments	2,099,500	(441,826)
Prior Period Adjustments	(2,425,287)	(1,883,556)
<b>Total</b>	<b>(636,927)</b>	<b>(2,396,613)</b>
Prior period tax adjustments represents income tax and other adjustments relating to earlier years.		

## 2.27 EARNINGS PER SHARE

Amount in ₹

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
No. of Equity Shares outstanding at the beginning of the year	81,825,225	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)	81,825,225	81,825,225
(used as denominator for calculating EPS)	81,825,225	81,825,225
Profit before extraordinary items available to share holders (used as numerator for calculating EPS)	627,581,387	508,364,490
Profit after extraordinary items available to share holders (used as numerator for calculating EPS)	627,581,387	508,364,490
Basic & Diluted Earnings Per Share before extraordinary items in Rs. (Face Value Rs.2/-)	7.67	6.21
Basic & Diluted Earnings Per Share after extraordinary items in Rs. (Face Value Rs.2/-)	7.67	6.21

## 2.28 CONTINGENT LIABILITIES

Amount in ₹

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
a) Letters of credit:	-	-
b) Bank Guarantees:		
1) Performance Guarantees	873,116,553	642,030,708
2) Advance payment Guarantees	933,267,878	2,565,274,800
3) Guarantee in lieu of EMD/Security Deposit/Bid Security	127,816,637	75,610,496
4) Guarantee for Materials	65,330,600	17,419,600
5) Corporate Guarantee on behalf of Subsidiary Company to HDFC bank Limited	200,000,000	-
6) Security Guarantee under Zero Duty (Customs) Advance Authorisation Scheme	36,573,138	11,625,000
c) Claims against the Company not acknowledged as debt in respect of: Disputed Excise Duty matters in respect of which the company has gone in appeal # excluding interest, which is not yet determined	# 2,48,18,566	12,409,283

## 2.29 RELATED PARTY DISCLOSURES

Amount in ₹

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
<b>Transactions with Related parties: (Excluding reimbursements)</b>		
a) <b>Associate Company:</b> Traana Technologies Private Limited		
Services received from Associate Company	5,346,291	3,167,110
Balance as at 31st March, 2015:		
Investment in shares	2,600,000	2,600,000
Balance payable to Associate Company	3,033,720	-
b) <b>Remuneration paid to Directors:</b>		
<b>Executive Directors:</b>		
Mr. B. Malla Reddy, Managing Director	12,820,000	11,736,000
Mr. P.A. Chitrakar, Chief Operating Officer	12,936,328	11,939,947
Mrs. C. Prameelamma, Director (Technical)	12,775,547	11,958,602
Mr. S. Gurunatha Reddy, Whole-Time Director & CFO	7,955,125	7,341,311
Mr. M. Venkateshwar Reddy, Director - Marketing & Operations	8,012,686	7,537,752
<b>Non-Executive Directors : (includes sitting fee &amp; net of service tax)</b>		
Dr. Shibam K. Koul, Chairman	1,200,000	1,325,000
Mr. J. Venkata Das, Director	1,200,000	1,325,000
Mr. Atim Kabra, Director	600,000	1,325,000

## 2.29 RELATED PARTY DISCLOSURES

Amount in ₹

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
Mr. T. Ramachandru, Director	1,200,000	655,000
Mr. U. K. Kalyanaramudu, Director	890,000	-
<b>c) Remuneration to Company Secretary:</b>		
T. Anjaneyulu, Company Secretary	1,198,568	1,083,722
<b>d) Salary and other benefits paid to Relative of Director:</b>		
Brother of Mr. S. Gurunatha Reddy		
Mr. S. Krishna Reddy, Manager - Information Technology	1,316,532	1,219,030

## 2.30 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures.

Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount in ₹.	As % of consolidated profit or loss	Amount in ₹.
Parent				
Astra Microwave Products Limited	99.38	2,900,192,094	96.76	607,251,480
Subsidiary:				
Indian				
Bhavyabhanu Electronics Private Limited	0.67	19,548,732	3.26	20,455,053
Minority interest in subsidiary	(0.00)	(512)	(0.00)	(510)
Associate (Investments as per the equity method):				
Indian:				
Traana Technologies Private Limited	(0.05)	(1,515,534)	(0.02)	(124,636)
<b>Total</b>	<b>100.00</b>	<b>2,918,224,780</b>	<b>100.00</b>	<b>627,581,387</b>

- 2.31** Segment Reporting: The Group operates in the same segment of manufacture and sale of Microwave Products which are subject to similar risks and returns.
- 2.32** 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, 2015. 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.
- 2.33** The previous year's figures have been reworked / regrouped / rearranged / reclassified wherever necessary.
- 2.34** Balances under sundry debtors, sundry creditors, deposits, loans and advances payable / receivable are subject to confirmation and reconciliation.
- 2.35** The previous year figures include Subsidiary Company's figures which relates to the period from the date of incorporation of Subsidiary i.e., from 3rd September, 2013 to 31st March, 2014. Hence the previous year figures are not strictly comparable with the current year figures.
- 2.36** The figures have been rounded off to the nearest rupee

As per our report of even date

For and on behalf of the Board

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

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

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

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

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

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

**(J. VENKATA DAS)**  
 Director

**(T. RAMACHANDRU)**  
 Director

**(U.K. KALYANARAMUDU)**  
 Director

**(S. GURUNATHA REDDY)**  
 Whole-Time Director & CFO

Place : HYDERABAD  
 Date : 30-04-2015

**(M.VENKATESHWAR REDDY)**  
 Director - (Mktg., & Operations)

**(T. ANJANEYULU)**  
 Company Secretary

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiary****Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	M/S Bhavyabhanu Electronics Pvt.Ltd.,
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
4.	Share capital	Rs. 10,00,000
5.	Reserves & surplus	Rs. 2,44,47,470
6.	Total assets	Rs. 57,53,00,287
7.	Total Liabilities	Rs. 57,53,00,287
8.	Investments	0
9.	Turnover	Rs.162,40,29,154
10.	Profit before taxation	Rs. 3,77,33,367
11.	Provision for taxation	Rs. 1,23,79,555
12.	Profit after taxation	Rs. 2,53,53,812
13.	Proposed Dividend	0
14.	% of shareholding	99.998%

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: NIL
- Names of subsidiaries which have been liquidated or sold during the year: NIL

**Part "B": Associates****Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Company**

Name of associate	M/s Traana Technologies Pvt.Ltd.,	-	--
1. Latest audited Balance Sheet Date	31.03.2015	-	-
2. Shares of Associate held by the company on the year end	Equity Shares		
No.	2,60,000		
Amount of Investment in Associates/Joint Venture	Rs.26,00,000		
Extend of Holding%	26%		

3. Description of how there is significant influence	Since there is 26% investment and also representing the Board, there is significant influence in the Associate		
4. Reason why the associate/joint venture is not consolidated	Consolidated		
5. Net worth attributable to shareholding as per latest audited Balance Sheet	Rs.10,84,466		
6. Profit/Loss for the year(LOSS)	Rs. -4,79,369		
i. Considered in Consolidation	Rs. -1,24,636		
ii. Not Considered in Consolidation	NIL		

1. Names of associates or joint ventures which are yet to commence operations: NIL

2. Names of associates or joint ventures which have been liquidated or sold during the year : NIL

As per our report of even date

For and on behalf of the Board

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

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

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

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

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

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

**(J. VENKATA DAS)**  
Director

**(T. RAMACHANDRU)**  
Director

**(U.K. KALYANARAMUDU)**  
Director

**(S. GURUNATHA REDDY)**  
Whole-Time Director & CFO

Place : HYDERABAD  
Date : 30-04-2015

**(M.VENKATESHWAR REDDY)**  
Director - (Mktg., & Operations)

**(T. ANJANEYULU)**  
Company Secretary

# ASTRA MICROWAVE PRODUCTS LIMITED

Registered Office : Astra Towers, Survey No.12(P), Kothaguda Post,  
Kondapur, Hi-Tech City, Hyderabad - 500 084, (Corporate Identity No. L29309TG1991PLC013203)



## PROXY FROM

[Pursuant to section 105(6) of the Company Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s) :			
Registered address :			
E-Mail Id :			
Folio No/ Client Id :		DP ID	

I/We, being the member (s) of..... Shares of Astra Microwave Products Limited, hereby appoint:

1.	NAME		
	Address		
	E -Mail Id	Signature	
	or failing him		
2.	NAME		
	Address		
	E -Mail Id	Signature	
	or failing him		
3.	NAME		
	Address		
	E -Mail Id	Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the Company, to be held on Thursday, the 30th July, 2015 at 12:30 P.M at the Swagath-De-Royal Hotel, 2-36, Kothaguda X Roads, Kondapur, Hyderabad - 500 084, Telangana and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl.No.	Resolutions	Optional*	
		For	Against
<b>ORDINARY BUSINESS</b>			
1	Adoption of Financial Statements for the year ended 31st March, 2015.		
2	Declaration of Dividend on Equity shares		
3	Re-appointment of Mr. Prakash Anand Chitrakar , as Director who retires by rotation.		
4	Re-appointment of Mr. Atim Kabra, as Director who retires by rotation.		
5	Re-appointmnet of Auditors and fixing their remuneration		
<b>SPECIAL BUSINESS</b>			
6	Re-Appointment of Mr. B.Malla Reddy, as Managing Director.		
7	Re-Appointment of Mr. Prakash Anand Chitrakar, as Whole Time Director designated as Chief Operating Officer.		
8	Re-Appointment of Mrs. C.Prameelamma, as Whole Time Director designated as Director (Technical).		
9	Alteration of the Incidental Objects Clause of the Memorandum of Association.		
10	Approval of the Remuneration of the Cost Auditors		

Signed this ..... Day of .....2015.

Signature of shareholder : \_\_\_\_\_  
Signature of Proxy holder (s) : \_\_\_\_\_

Affix a 15  
paise  
Revenue  
Stamp

**Note : 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

2. \* It is optional to put a 'x' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Please complete all details including details of member(s) in above box before submission.





**ASTRA MICROWAVE PRODUCTS LIMITED**

Registered Office : Astra Towers, Survey No.12(P), Kothaguda Post,  
Kondapur, Hi-Tech City, Hyderabad - 500 084, (Corporate Identity No. L29309TG1991PLC013203)

**ATTENDANCE SLIP****24<sup>th</sup> ANNUAL GERENAL MEETING - JULY 30, 2015 AT 12:30 P.M.**

DP Id.		Name & Address of the registered Shareholder
Client Id / Regd. Folio No.		
No.of Shares held		

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the 24th Annual General Meeting of the Company being held on Swagath-De-Royal Hotel, 2-36, Kothaguda X Roads, Kondapur, Hyderabad - 500 084, Telangana, on Thursday, 30th July, 2015 at 12.30 p.m

Note : Please complete this and hand it over at the entrance of the hall.

\_\_\_\_\_  
Member's/Proxy's Signature







**Astra Microwave Products Limited**

ASTRA Towers, Survey No.12(P), Kothaguda Post, Hi-Tech City, Hyderabad-500 084.  
Phone:+91-40-30618000 / 01, Fax: +91-40-30618048, [info@astramp.com](mailto:info@astramp.com)  
CIN: L29309TG1991PLC013203

[www.astramp.com](http://www.astramp.com)