

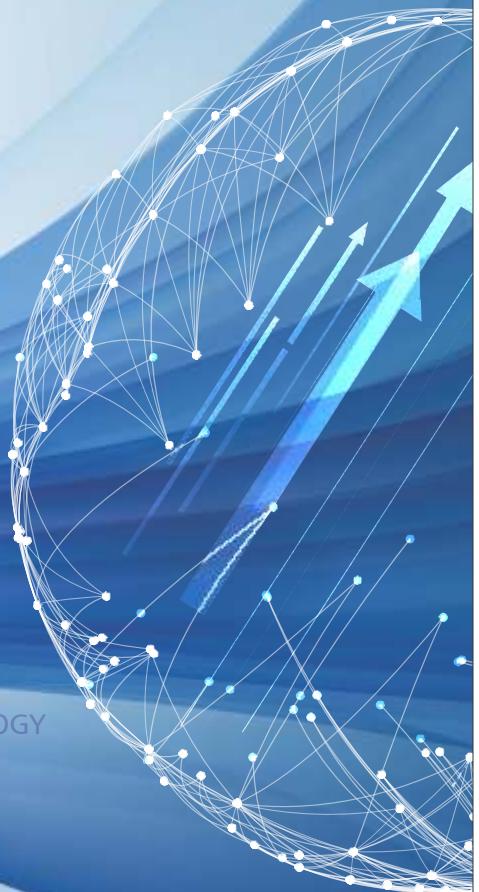
***TOWARDS  
new Frontiers***



SPACE

DEFENSE

METEOROLOGY



ANNUAL REPORT 2015-16

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

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.

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## QUICK INFORMATION

**Board of Directors** : Dr. Shiban K Koul, Chairman & Independent Director  
 Mr. B. Malla Reddy, CEO and Managing Director  
 Mr. P. A. Chitrakar, COO  
 Mrs. C. Prameelamma, Director (Technical)  
 Mr. S. Gurunatha Reddy, Whole Time Director and CFO  
 Mr. M. Venkateshwar Reddy, Director – (Mktg. & Operations)  
 Mr. T. Ramachandru, IAS, Independent Director  
 Dr. G. Sabarinathan, Independent Director  
 Prof. Arun Kumar Tiwari, Additional Director (w.e.f.29.01.2016)  
 Mr. V. Venkata Rama Sastry, Additional Director (w.e.f.29.01.2016)  
 Mr. B. Lakshmi Narayana Raju, Additional Director (w.e.f.29.01.2016)

**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](http://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,  
Ravirayala Village,  
Maheswaram Mandal,  
Rangareddy (District)  
Telangana – 500 005

**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 - 500 005

**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

**Debenture Trustee**

:

M/s. Axis Trustee Services Limited  
Axis House, 2nd Floor,  
Bombay Dyeing Mills Compound,  
Pandurang Budhkar Marg, Worli,  
Mumbai – 400025  
Tel: + 91-22-2425 5218  
Fax: + 91-22-2425 4200  
Website: [www.axistrustee.com](http://www.axistrustee.com)  
E-mail: [debenturetrustee@axistrustee.com](mailto:debenturetrustee@axistrustee.com)

# NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty Fifth 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 Friday, the 29th July, 2016 at 12.30 P.M for the transaction of the following business:-

## ORDINARY BUSINESS

1. To consider and adopt:
  - a) the audited financial statements of the Company for the financial year ended March 31, 2016, the reports of the Board of Directors and Auditors thereon; and
  - b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2016.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Mrs. C. Prameelamma (holding DIN 00003243), who retires by rotation and being eligible offers herself for reappointment.
4. To appoint a Director in place of Mr. M.V.Reddy (holding DIN 00421401), 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 an **Ordinary Resolution**:

“RESOLVED THAT pursuant to provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Prof. Arun Kumar Tiwari (DIN: 03109878) who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for 5 (five) consecutive years for a term up to January 28, 2021.

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

“RESOLVED THAT pursuant to provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Vadlamani Venkata Rama Sastry (DIN: 00027875) who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for 5 (five) consecutive years for a term up to January 28, 2021.

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

“RESOLVED THAT pursuant to provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Buddharaju Lakshmi Narayana Raju (DIN: 07411713) who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for 5 (five) consecutive years for a term up to January 28, 2021.

9. 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 2016-17, 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**

Place: Hyderabad  
Date: 28.05.2016

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

## 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 22.07.2016 to 29.07.2016 (both days inclusive).
7. The dividend of Rs.1.20/- per share for the year ended March 31, 2016 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 29th July, 2016. 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 29th April 2016 appointed Mr. L. Dhananjay 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 of the Companies Act, 2013 and Rule 20 of the Companies (Management & Administration) Rules, 2014 as substituted by the Companies (Management & Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations 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 26th July, 2016 (i.e. 10:00 A.M. IST) and ends on 28th July, 2016. (i.e. 5:00 PM. 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 22nd July, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iv) Click on Shareholders.
- v) 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.
- vi) Next enter the Image Verification as displayed and Click on Login.
- vii) 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.
- viii) If you are a first time user follow the steps given below:

**For Members holding shares in Demat Form and Physical Form**

PAN	<p>For Demat Shareholders: Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department.</p> <p>For Physical Shareholders, Please use the first two letters of your name and the 8 digits of the sequence number in the PAN field.</p> <ul style="list-style-type: none"> <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.</li> </ul> <p>Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both 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 (v).</li> </ul>

- ix) After entering these details appropriately, click on "SUBMIT" tab.
- x) 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.
- xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii) Click on the EVSN for the relevant ASTRA MICROWAVE PRODUCTS LIMITED on which you choose to vote.
- xiii) 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.

- xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xv) 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.
- xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xviii) 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.
- xix) **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.
- (xx) 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**

Place: Hyderabad  
 Date: 28.05.2016

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

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

### **Item No. 6**

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed, Prof. Arun Kumar Tiwari as an Additional Director with effect from January 29, 2016 under Section 161(1) of the Act and the Articles of Association of the Company and as an Independent Director of the company under Section 149 of the Companies Act, 2013 to hold office upto January 28, 2021. His appointment is subject to the approval of the members. The company has received a notice from a member proposing Prof. Arun Kumar Tiwari as a candidate for the office of Director of the Company.

Prof. Arun Kumar Tiwari is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received a declaration from Prof. Arun Kumar Tiwari that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, Prof. Arun Kumar Tiwari fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations. Prof. Arun Kumar Tiwari is independent of the management.

Brief resume of Prof. Arun Kumar Tiwari, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 36 of the Listing Regulations is annexed to the Notice.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Prof. Arun Kumar Tiwari is appointed as an Independent Director.

Copy of the draft letter for appointment of Prof. Arun Kumar Tiwari as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

This Statement may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

Save and except Prof. Arun Kumar Tiwari 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 recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

### **Item No.7**

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed, Mr. Vadlamani Venkata Rama Sastry as an Additional Director with effect from January 29, 2016 under Section 161(1) of the Act and the Articles of Association of the Company and as an Independent Director of the company under Section 149 of the Companies Act, 2013 to hold office upto January 28, 2021. His appointment is subject to the approval of the members. The company has received a notice from a member proposing Mr. Vadlamani Venkata Rama Sastry as a candidate for the office of Director of the Company.

Mr. Vadlamani Venkata Rama Sastry is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received a declaration from Mr. Vadlamani Venkata Rama Sastry that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, Mr. Vadlamani Venkata Rama Sastry fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Vadlamani Venkata Rama Sastry is independent of the management.

Brief resume of Mr. Vadlamani Venkata Rama Sastry, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 36 of the Listing Regulations is annexed to the Notice.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Vadlamani Venkata Rama Sastry is appointed as an Independent Director.

Copy of the draft letter for appointment of Mr. Vadlamani Venkata Rama Sastry as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

This Statement may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

Save and except Mr. Vadlamani Venkata Rama Sastry 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 recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the shareholders.

#### **Item No.8**

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed, Mr. B. Lakshmi Narayana Raju as an Additional Director with effect from January 29, 2016 under Section 161(1) of the Act and the Articles of Association of the Company and as an Independent Director of the company under Section 149 of the Companies Act, 2013 to hold office upto January 28, 2021. His appointment is subject to the approval of the members. The company has received a notice from a member proposing Mr. B. Lakshmi Narayana Raju as a candidate for the office of Director of the Company. Mr. B. Lakshmi Narayana Raju is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received a declaration from Mr. B. Lakshmi Narayana Raju that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, Mr. B. Lakshmi Narayana Raju fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. B. Lakshmi Narayana Raju is independent of the management.

Brief resume of Mr. B. Lakshmi Narayana Raju, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 36 of the Listing Regulations is annexed to the Notice.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. B. Lakshmi Narayana Raju is appointed as an Independent Director.

Copy of the draft letter for appointment of Mr. B. Lakshmi Narayana Raju as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

This Statement may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

Save and except Mr. B. Lakshmi Narayana Raju 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. 8 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the shareholders.

**Item No.9**

At the Board Meeting held on the 29th April, 2016, 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 2016-17 on a remuneration of Rs.1,40,000/- (Rupees One lac 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 of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 9 of the Notice for approval by the shareholders.

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

Place: Hyderabad  
Date: 28.05.2016

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

**DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT  
AT THE ANNUAL GENERAL MEETING PURSUANT  
TO REGULATION - 36 OF THE LISTING REGULATIONS**

<b>I. Name of Director</b>	<b>Mrs.C.Prameelamma</b>
Date of Birth	19.01.1949
Qualification	M.E (Instrumentation & Control Systems)
Expertise	A Post Graduate in Engineering (Instrumentation and Control Systems) who was with Electronics Research and Development Establishment, and later with Defence Electronics Research Laboratories (DLRL) for a period in excess of 20 years. Has had considerable exposure in the use of Computer Aided Design work Stations, in the manufacturing processes and testing of microwave components.
Name(s) of other Companies in which Directorships held	Nil
Name(s) of other Companies in which Committee Membership(s)/Chairmanship(s) held	Nil
Total shares held by her in the Company	16,51,461 equity shares of Rs.2/- each
Relationship with other directors	Mrs.C.Prameelamma is not related to any Director of the Company
<b>II. Name of Director</b>	<b>Mr. Maram Venkateshwar Reddy</b>
Date of Birth	01.05.1967
Qualification	B.E.(Electronics), MBA
Expertise	A Graduate in Engineering (Electronics) and a Post Graduate in Business Administration, Mr. M. V. Reddy has 25 years of experience in handling Marketing and Business operations in the domain of Defense, Space and Telecom segment in India and Overseas Market. As most of his experience has been working for the Indian Private industry meeting the needs of the Strategic Electronics sector in India and abroad, he has a good understanding of the requirements and knows the challenges and opportunities for the private companies in this business segment.
Name(s) of other Companies in which Directorships held	Nil
Name(s) of other Companies in which Committee Membership(s)/Chairmanship(s) held	Nil
Total shares held by him in the Company	53,850 equity shares of Rs.2/- each
Relationship with other directors	Mr. Maram Venkateshwar Reddy is not related to any Director of the Company

<b>III. Name of Director</b>	<b>Prof. Arun Kumar Tiwari</b>
Date of Birth	10.07.1955
Qualification	B. Tech (Mechanical Engineering) M. Tech (Mechanical Engineering)
Expertise	<p>Prof. Arun Kumar Tiwari, is Chairman, CSIR Committee on drawing a road map for CSIR participation in Strategic Sector Adjunct Professor at School of management studies at University of Hyderabad.</p> <p>He is a B.Tech (Mech Engg), College of Technology Pantnagar-263145, M.Tech (Mech Engg), College of Technology Pantnagar-263145.</p> <p>Prof. Arun Kumar Tiwari is a Post Graduate in Master of Engineering (Mechanical Engineering) from Govind Ballabh Pant University of Agriculture &amp; Technology, Pantnagar with over 35 years in R&amp;D &amp; Technology Management.</p> <p>He won Defence Technology Spin-off Award 1998 (Coronary Stent Development)</p> <p>National Science Day Award by Defence Research &amp; Development Organization 1996.</p> <p>He was a Scientist in Defence Research &amp; Development Organization in 1977-97.</p> <p>His current Projects Evolving blue print for FDI in Defence Sector towards creation of a strong Defence Technological Industrial Base (DTIB) in India.</p>
Name(s) of other Companies in which Directorships held	Hive Serene Biotech Private Limited INDO-US Healthcare Private Limited
Name(s) of other Companies in which Committee Membership(s)/ Chairmanship(s) held	Nil
Total shares held by him in the Company	Nil
Relationship with other directors	Prof. Arun Kumar Tiwari is not related to any Director of the Company
<b>IV. Name of Director</b>	<b>Mr. Vadlamani Venkata Rama Sastry</b>
Date of Birth	23.04.1949
Qualification	B.E. (Electronics & Communication)
Expertise	Mr. V. Venkata Rama Sastry (Mr.V.V.R.Sastry) is a double graduate in Science and Electronics & Communication Engineering with 45 years' experience in Development & Engineering, Manufacturing, Quality Management, Project Management, Technology Management and Marketing. Has rich experience in various fields of professional electronics like Military- Communication, Electronic- Warfare, Telecommunications, Homeland Security and Strategic Components.

	Mr. V.V.R.Sastry, was the Chairman cum Managing Director of Bharat Electronics Ltd., responsible for Company's healthy growth in 2007-09. He won Confederation of British Industry (CBI) Scholarship to work at Mullard Application Laboratories, UK, in 1976 and ELCINA-DUN & BRADSTREET 'Electronics Man of the Year' Award for 2007-08.
Name(s) of other Companies in which Directorships held	i25 Rural Mobile Commerce Services Vijaya Bank
Name(s) of other Companies in which Committee Membership(s)/ Chairmanship(s) held	Eight (8)
Total shares held by him in the Company	Nil
Relationship with other directors	Mr. V. Venkata Rama Sastry is not related to any Director of the Company

<b>V. Name of Director</b>	<b>Mr. Buddharaju Lakshmi Narayana Raju</b>
Date of Birth	23.04.1949
Qualification	B.E. (Electronics & Communication)
Expertise	Mr. Buddharaju Lakshmi Narayana Raju is a Post Graduate in Master of Technology, Indian Institute of Technology, Kanpur and Bachelor of Engineering from Andhra University, Visakhapatnam with over 30 years' experience in Digital Library Technologies, Information Management, Information Technology and Web Technology adoption areas specifically focusing on return on investment.
Name(s) of other Companies in which Directorships held	Bhavyabhanu Electronics Private Limited
Name(s) of other Companies in which Committee Membership(s)/ Chairmanship(s) held	Nil
Total shares held by him in the Company	Nil
Relationship with other directors	Mr. Buddharaju Lakshmi Narayana Raju is not related to any Director of the Company

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

Place: Hyderabad  
Date: 28.05.2016

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

## DIRECTORS' REPORT

**Dear Members,**

Your Directors have pleasure in presenting the 25th Annual Report and the Audited Financial Statements for the financial year ended March 31, 2016.

### **FINANCIAL RESULTS**

#### **A) STANDALONE:**

The Standalone performance for the Financial Year ended March 31, 2016 is as under:

#### **The Financial Summary**

<b>Particulars</b>	<b>As of March 31(Amount in ₹)</b>	
	<b>2016</b>	<b>2015</b>
Total Revenue	4,374,509,469	6,441,786,700
Profit before finance cost, depreciation and tax expense	1,037,248,453	1,124,596,558
Finance cost	87,883,632	94,829,127
Profit before depreciation and tax expense	949,364,821	1,029,767,431
Depreciation	235,844,594	215,385,153
Profit before tax expense	713,520,227	814,382,278
Tax expense	149,929,294	207,130,798
<b>Net Profit for the year</b>	<b>563,590,933</b>	<b>607,251,480</b>
Profit brought forward from earlier year	2,242,811,807	1,813,382,877
<b>Profit available for appropriation</b>	<b>2,806,402,740</b>	<b>2,420,634,357</b>
<b>Appropriations:</b>		
Dividend (Including Tax on Dividend)	12,50,92,532	117,822,550
Transfer to general reserve	60,000,000	60,000,000
Transfer to Debenture redemption reserve	41,700,000	0
<b>Surplus in Statement of Profit and Loss</b>	<b>2,579,610,208</b>	<b>2,242,811,807</b>

**B) CONSOLIDATED:**

The Consolidated performance for the Financial Year ended March 31, 2016 is as under:

**The Financial Summary**

<b>Particulars</b>	<b>As of March 31 (Amount in ₹)</b>	
	<b>2016</b>	<b>2015</b>
Total Revenue	4,366,969,605	6,434,059,924
Profit before finance cost, depreciation and amortization, impairment loss, exceptional items and tax expense	1,043,375,577	1,168,000,411
Finance cost	91,286,857	99,679,290
Profit before depreciation and amortization, impairment loss, exceptional items and tax expense	952,088,720	1,068,321,121
Depreciation and amortisation	240,420,430	220,467,308
Profit before impairment loss, exceptional items and tax expense	711,668,290	847,853,813
Impairment loss	0	0
Profit before exceptional items, tax expense, share of loss of Associates and Minority Interest	711,668,290	847,853,813
Exceptional items	250,957	636,927
Profit before tax expense, share of loss of Associates and Minority interest	711,919,247	847,216,886
Tax expense	148,215,926	219,510,353
Profit after tax expense and before share of loss of Associates and Minority interest	563,703,321	627,706,533
Share of Loss of Associates	(1,084,466)	(124,636)
Minority Interest(profit/loss)	28	(510)
<b>Net Profit for the year</b>	<b>562,618,883</b>	<b>627,581,387</b>
Profit brought forward from earlier year	2,260,844,493	1,811,085,656
<b>Profit available for appropriation</b>	<b>2,823,463,376</b>	<b>2,438,667,043</b>
<b>Appropriations:</b>		
Dividend (Including Tax on Dividend)	12,50,92,532	117,822,550
Transfer to general reserve	60,000,000	60,000,000
Transfer to Debenture redemption reserve	41,700,000	0
<b>Surplus in Statement of Consolidated Profit and Loss</b>	<b>2,596,670,844</b>	<b>2,260,844,493</b>

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

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

During the period under review, the Company has achieved revenue of Rs.437,45,09,469/- and net profit of Rs.56,35,90,933/- on a standalone basis. During the same period, the Company has achieved revenue of Rs.436,69,69,605/- and net profit of Rs.56,26,18,883/- on a consolidated basis.

## Fund Raising

### Equity - Qualified Institutional Placement

During the year under review, your Company successfully placed 47,86,450 equity shares through the process of Qualified Institutional Placement (QIP) and raised an amount of Rs. 64,99,99,910/- . The deployment of funds for the projects specified is yet to happen fully.

Consequent to the above, the paid up value of the equity share capital of the Company stands increased from Rs. 16.36 crores to Rs. 17.32 crores.

## Debt

### Secured Non-Convertible Debentures (NCD)

During the year under review, your Company issued Secured Non-Convertible Debentures (NCD) to the tune of Rs. 50.00 Crores.

### 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 2015-16.

## Awards

Your Company was awarded for outstanding achievements in Business Excellence for the year 2014-15 from ELCINA Electronic Industries Association of India, New Delhi.

## 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 Companies/ Associate Company in Form AOC-1 is enclosed as **Annexure-1** to this Report.

### Performance and financial position of the Subsidiaries, Associate and Joint Venture Companies:

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.

## 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, 2016, seven Board Meetings were held.

The dates on which the Board meetings were held are April 02, 2015, April 30, 2015, July 30, 2015, October 29, 2015, December 04, 2015, December 26, 2015, and January 29, 2016.

## Management Discussion and Analysis

The Management Discussion and Analysis forms an integral part of this Report and gives details of the overall industry structure, developments, performance and state of affairs of the Company and other material developments during the financial year.

## **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, 2016 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, 2016 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 Dr. G.Sabarinathan, Chairman, Dr. Shiban K Koul, Mr. T.Ramachandru, IAS.

### **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 Securities 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 2.11, 2.34 and 2.35 of the Notes to the financial statements.

#### **Particulars of Contracts or Arrangements with Related Parties**

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 2.35 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, 2016.

#### **Dividend**

The Board of Directors of the Company at its meeting held on April 29, 2016 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.

#### **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, Dr.Shiban K Koul, 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**

During the year under review, Mr.J.Venkatdas, Independent Director and Mr.Atim Kabra and Mr.U.K.Kalyanaramudu, Non-Executive Directors stepped down from the Board. The Board wishes to place on record its deep sense of appreciation for the valuable contribution made by them to the Board and the Company during their tenure as Directors.

Mrs. C.Prameelamma and Mr. M.V. Reddy, Directors of the Company retire by rotation and being eligible offer themselves for re-appointment.

Prof. Arun Kumar Tiwari, Mr. Vadlamani Venkata Rama Sastry and Mr. Buddharaju Lakshmi Narayana Raju were appointed as Additional Directors (Independent) on the Board with effect from January 29, 2016.

### **Deposits**

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

### **Statutory Auditors**

The Shareholders of the Company at the Annual General Meeting held on July 30, 2015 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, 2016 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, 2016.

### **Audit Committee**

Audit Committee consists of the following Directors namely Dr. G. Sabarinathan, Chairman, Dr. Shiban K Koul, and Mr. S. Gurunatha Reddy as members of the committee. Except Mr. S. Gurunatha Reddy, all the members of the Audit Committee are 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 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, 2016.

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 were no qualifications, reservation or adverse remarks in the Secretarial Audit Report of the Company.

### **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.

### **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, 2016 to the date of signing of the Director's Report.

### **Human Resources**

The Industrial relations of the Company continued to be harmonious during the year under review.

### **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, 2016, 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: 28.05.2016

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

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

## **ANNEXURE - 1 TO THE DIRECTORS' REPORT**

### FORM NO. 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 Subsidiaries/Associate Companies/Joint Ventures**

**Part "A": Subsidiaries**

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

<b>Sl. No</b>	<b>Particulars</b>	<b>Details</b>	
<b>1</b>	<b>Name of the Subsidiary Company</b>	<b>M/s. Bhavyabhanu Electronics Pvt. Ltd.</b>	<b>M/s. Aelius Semiconductors Pte. Ltd.</b>
<b>2</b>	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA
<b>3</b>	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	SGD 49.2650
<b>4</b>	Share capital	Rs. 17,60,000	Rs. 1,06,90,505
<b>5</b>	Reserves & surplus	Rs. 4,08,00,090	Rs. (18,89,820)
<b>6</b>	Total assets	Rs. 8,14,47,715	Rs. 92,73,629
<b>7</b>	Total Liabilities	Rs. 8,14,47,715	Rs. 92,73,629
<b>8</b>	Investments	Rs. 0	Rs. 0
<b>9</b>	Turnover	Rs. 92,55,48,153	Rs. 0
<b>10</b>	Profit /(loss)before taxation	Rs.(45,88,749)	Rs. (18,89,820)
<b>11</b>	Provision for taxation/Tax expense	Rs. 17,13,369	Rs. 0
<b>12</b>	Profit/(loss) after taxation	Rs. (28,75,380)	Rs. (18,89,820)
<b>13</b>	Proposed Dividend	Rs. 0	Rs. 0
<b>14</b>	% of shareholding	99.9989%	100%

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

1. Names of subsidiaries which are yet to commence operations: **NIL**
2. Names of subsidiaries which have been liquidated or sold during the year: **NIL**

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

<b>Name of Associates/Joint Ventures</b>		<b>M/s. Traana Technologies Private Limited</b>
1. Latest audited Balance Sheet Date		31.03.2016(Unaudited)
2. Shares of Associate/ Joint Ventures held by the company on the year	No.	2,60,000
	Amount of Investment in Associates/Joint Ventures	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 Associates/ Joint Ventures is not consolidated		Consolidated
5. Networth attributable to Shareholding as per latest audited Balance Sheet		NIL
6. Profit / (Loss) for the year	i. Considered in Consolidation	Rs.(10,84,466)
	ii. Not Considered in Consolidation	NIL

- Names of Associates or Joint Ventures which are yet to commence operations: **NIL**
- 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: 28.05.2016

**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 31.03.2016

**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@astramwp.com; web: www.astramwp.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, Terminationss, 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**

Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
<b>BHavyabhanu Electronics PRIVATE LIMITED</b> Add:West Block, G.Floor, Plot No.18 to 21, Imarath Kancha, Hardware Park, Raviryala (V), Maheshwaram Mandal-500005.	U32209TG2013PTC089834	Subsidiary	100	Section 2(87)
<b>AELIUS SEMICONDUCTORS PTE. LTD.</b> Add: 141 Middle Road, # 06-07A, GSM Building, Singapore - 188976.	201509289W	Subsidiary	100	Section 2(87)
<b>TRAANA TECHNOLOGIES PRIVATE LIMITED</b> Add: No 208-C, I Main, 2nd Block, 1st Stage, H B R Layout, Bangalore, Karnataka-560043.	U72200KA2012PTC063829	Associate	26	Section 2 (6)

**IV (I) 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	% of Total Shares	Demat	Physical	Total	% of Total Shares
<b>A. Promoters</b>								
(1) Indian								
(g) Individuals/ HUF	0	0	0	0	0	0	0	-
(h) Central Govt	0	0	0	0	0	0	0	-
(i) State Govt(s)	0	0	0	0	0	0	0	-
(j) Bodies Corp.	0	0	0	0	0	0	0	-
(K) Banks / FI	0	0	0	0	0	0	0	-
(l) Any Other....								
* DIRECTORS	5429788	0	5429788	6.64	5519813	0	5519813	6.37 (0.26)
* DIRECTORS RELATIVES	8024540	0	8024540	9.81	7800230	0	7800230	9.01 (0.80)
* PERSON ACTING IN CONCERN	0	0	0	0.00	0	0	0	-
<b>Sub Total (A)(1):-</b>	<b>13454328</b>	<b>0</b>	<b>13454328</b>	<b>16.44</b>	<b>13320043</b>	<b>0</b>	<b>13320043</b>	<b>15.38 (1.06)</b>
<b>(2) Foreign</b>								
(a) NRI Individuals	870000	0	870000	1.06	870000	0	870000	1.00 (0.06)
(b) Other Individuals								
(c) Bodies Corp.	0	0	0	0.00	0	0	0	-
(d) Banks / FI	0	0	0	0.00	0	0	0	-
(e) Any Other....								
<b>Sub Total (A)(2):-</b>	<b>870000</b>	<b>0</b>	<b>870000</b>	<b>1.06</b>	<b>870000</b>	<b>0</b>	<b>870000</b>	<b>1.00 (0.06)</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>14324328</b>	<b>0</b>	<b>14324328</b>	<b>17.51</b>	<b>14190043</b>	<b>0</b>	<b>14190043</b>	<b>16.38 (1.12)</b>
<b>B. Public Shareholding</b>								
<b>(1) Institutions</b>								
(a) Mutual Funds	22456724	0	22456724	27.44	29578486	0	29578486	34.15 6.71
(b) Banks FI	0	0	0	0.00	0	0	0	-
(c) Central Govt	0	0	0	0.00	0	0	0	-
(d) State Govt(s)	0	0	0	0.00	0	0	0	-

**IV (i) SHAREHOLDING PATTERN (Equity Share Capital Break up as % to Total Equity)**  
**i. Category-wise Shareholding (Contd.)**

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	% of Total Shares	Demat	Physical	Total	% of Total Shares
(e) Venture Capital Funds	0	0	0	0.00	0	0	0	-
(f) Insurance Companies	0	0	0	0.00	0	0	0	-
(g) FII's	653208	0	653208	0.80	2215362	0	2215362	2.56 1.76
(h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	-
(i) Others (specify)								
* U.T.I.	0	0	0	0.00	0	0	0	-
* FINANCIAL INSTITUTIONS	73542	0	73542	0.09	119020	0	119020	0.14 0.05
* I.D.B.I.	0	0	0	0.00	0	0	0	-
* I.C.I.C.I.	0	0	0	0.00	0	0	0	-
* GOVERNMENT COMPANIES	0	0	0	0.00	0	0	0	-
* STATE FINANCIAL CORPORATION	0	0	0	0.00	0	0	0	-
* QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	-
* ANY OTHER	0	0	0	0.00	0	0	0	-
* OTC DEALERS (BODIES CORPORATE)	0	0	0	0.00	0	0	0	-
* PRIVATE SECTOR BANKS	34780	0	34780	0.04	24037	0	24037	0.03 (0.01)
<b>Sub-total (B)(1):-</b>	<b>23218254</b>	<b>0</b>	<b>23218254</b>	<b>28.38</b>	<b>31936905</b>	<b>0</b>	<b>31936905</b>	<b>36.87 8.50</b>
<b>(2) Non-Institutions</b>								
(a) Bodies Corp.								
(i) Indian	15299860	85250	15385110	18.80	11256865	85250	11342115	13.10 (5.71)
(ii) Overseas	0	0	0	0.00	0	0	0	-
(b) Individuals								
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	14398250	701257	15099507	18.45	14879605	633257	15512862	17.91 (0.54)
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	3986129	471744	4457873	5.45	3497254	471744	3968998	4.58 (0.87)

**IV (i) SHAREHOLDING PATTERN (Equity Share Capital Break up as % to Total Equity)**  
**i. Category-wise Shareholding (Contd.)**

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	% of Total Shares	Demat	Physical	Total	
<b>(c) Others (specify)</b>								
* N.R.I. (NON-REPAT)	224511	0	224511	0.27	3626639	0	3626639	4.19
* N.R.I. (REPAT)	5745627	0	5745627	7.02	2383385	0	2383385	2.75
* FOREIGN CORPORATE BODIES	2059597	0	2059597	2.52	2017097	0	2017097	(4.27)
* TRUST	61395	0	61395	0.08	3288	0	3288	0.19
* HINDU UNDIVIDED FAMILY	773255	0	773255	0.95	787755	0	787755	(0.07)
* EMPLOYEE	0	0	0	0.00	0	0	0	(0.04)
* CLEARING MEMBERS	475768	0	475768	0.58	842588	0	842588	0.91
* DEPOSITORY RECEIPTS	0	0	0	0.00	0	0	0	-
<b>Sub-total (B)(2):-</b>	<b>43024392</b>	<b>1258251</b>	<b>44282643</b>	<b>54.12</b>	<b>39294476</b>	<b>1190251</b>	<b>40484727</b>	<b>46.74</b>
<b>Total Public Shareholding</b>								<b>(7.38)</b>
<b>(B) = (B)(1) + (B)(2)</b>	<b>66242646</b>	<b>1258251</b>	<b>67500897</b>	<b>82.49</b>	<b>71231381</b>	<b>1190251</b>	<b>72421632</b>	<b>83.62</b>
<b>C. Total Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>
<b>Grand Total(A + B + C)</b>	<b>80566974</b>	<b>1258251</b>	<b>81825225</b>	<b>100.00</b>	<b>85421424</b>	<b>1190251</b>	<b>86611675</b>	<b>100.00</b>
Other	0	0	0	0	0	0	0	-

## IV (iii). SHAREHOLDING OF PROMOTERS

SI No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares pledged encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares pledged encumbered to total shares	
1	BHUMI REDDY MALLA REDDY	2396941	2.93	-	2453966	2.83	-	-0.10
2	P A CHITRAKAR	1414386	1.73	-	1414386	1.63	-	-0.10
3	CHENNAREDDY PRAMEELAMMA	1618461	1.98	-	1651461	1.91	-	-0.07
4	RAMYA CHITRAKAR	1705837	2.08	-	1799997	2.08	-	0.00
5	RASHMI CHITRAKAR	1711552	2.09	-	1742884	2.01	-	-0.08
6	RENUKA CHITRAKAR	1264497	1.55	-	1264497	1.46	-	-0.09
7	T.SITARAMA REDDY	870000	1.06	-	870000	1.00	-	-0.06
8	K MURALI MOHAN	821500	1.00	-	821500	0.95	-	-0.05
9	PRASANNA LAKSHMI .B	824759	1.01	-	875622	1.01	-	0.00
10	A S S R REDDY	492727	0.60	-	353727	0.41	-	-0.19
11	B VENKATA LAKSHMI	381300	0.47	-	181063	0.21	-	-0.26
12	LAKSHMI REDDY CHITTEPU	205450	0.25	-	205450	0.24	-	-0.01
13	P RAMAKRISHNA REDDY	96893	0.12	-	96893	0.11	-	-0.01
14	PADMAVATHI CHITTEPU	161780	0.20	-	161780	0.19	-	-0.01
15	BHUMIREDDY LAKSHMI	112500	0.14	-	112500	0.13	-	-0.01
16	VENKATAMMA CHITTEPU	10700	0.01	-	1672	0.00	-	-0.01
17	PRATHAP REDDY C	90750	0.11	-	90750	0.10	-	-0.01
18	NARAPU REDDY C V.	50	0.00	-	50	0.00	-	0.00
19	VARADA REDDY BHUMIREDDY	53000	0.06	-	0	0.00	-	-0.06
20	CHANDRASEKARA REDDY G	49500	0.06	-	49700	0.06	-	0.00
21	SUBRAMANYAM J	29995	0.04	-	29995	0.03	-	-0.01
22	G THULASI DEVI	11750	0.01	-	12150	0.01	-	0.00
<b>Total</b>		<b>14324328</b>	<b>17.51</b>		<b>14190043</b>	<b>16.38</b>		<b>-1.13</b>

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

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year		Type
		No. of Shares	% of Total Shares of the company	No. of Shares	% of Total Shares of the company	
<b>1</b>	<b>BHUMI REDDY MALLA REDDY</b>	<b>2396941</b>	<b>2.93</b>			
	05/06/2015	300000	0.04	2426941	2.80	Buy
	26/06/2015	21678	0.03	2448619	2.83	Buy
	30/06/2015	-6982	-0.01	2441637	2.82	Sell
	10/07/2015	-15747	-0.02	2425890	2.80	Sell
	31/07/2015	-8	0.00	2425882	2.80	Sell
	31/12/2015	28084	0.03	2453966	2.83	Buy
	31/03/2016			<b>2453966</b>	<b>2.83</b>	
<b>2</b>	<b>RASHMI CHITRAKAR</b>	<b>1711552</b>	<b>2.09</b>			
	11/09/2015	30332	0.04	1741884	2.01	Buy
	25/03/2016	1000	0.00	1742884	2.01	Buy
	31/03/2016			<b>1742884</b>	<b>2.01</b>	
<b>3</b>	<b>RAMYA CHITRAKAR</b>	<b>1705837</b>	<b>2.08</b>			
	30/06/2015	34107	0.04	1739944	2.01	Buy
	28/08/2015	26606	0.03	1766550	2.04	Buy
	11/09/2015	8447	0.01	1774997	2.05	Buy
	18/09/2015	5000	0.01	1777997	2.06	Buy
	18/03/2016	20000	0.02	1799997	2.08	Buy
	31/03/2016			<b>1799997</b>	<b>2.08</b>	
<b>4</b>	<b>CHENNAREDDY PRAMEELAMMA</b>	<b>1618461</b>	<b>1.98</b>			
	12/06/2015	30000	0.04	1648461	1.90	Buy
	28/08/2015	3000	0.00	1651461	1.91	Buy
	31/03/2016			<b>1651461</b>	<b>1.91</b>	

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

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the company	No. of Shares	% of Total Shares of the company
5	<b>P A CHITRAKAR</b> 31/03/2016	<b>1414386</b>	<b>1.73</b>	<b>1414386</b>	<b>1.63</b>
6	<b>RENUKA CHITRAKAR</b> 31/03/2016	<b>1264497</b>	<b>1.55</b>	<b>1264497</b>	<b>1.46</b>
7	<b>PRASANNA LAKSHMI BUMIREDDY</b> 15/05/2015 22/05/2015	<b>824759</b> 47947 2916	<b>1.01</b> 0.06 0.00	<b>872706</b> 875622	<b>1.01</b> 1.01
8	<b>KALLURI MURALI MOHAN</b> 31/03/2016	<b>821500</b>	<b>1.00</b>	<b>875622</b>	<b>1.01</b>
9	<b>A S S R REDDY .</b> 03/07/2015 11/09/2015 09/10/2015 31/03/2016	<b>492727</b> -25000 36000 -150000	<b>0.60</b> -0.03 0.04 -0.18	<b>467727</b> 503727 353727	<b>0.54</b> 0.58 0.41
10	<b>B VENKATA LAKSHMI .</b> 12/02/2016 19/02/2016 31/03/2016	<b>381300</b> -148737 -51500	<b>0.47</b> -0.18 -0.06	<b>232563</b> 181063	<b>0.27</b> 0.21
11	<b>LAKSHMI REDDY CHITTEPU</b> 31/03/2016	<b>205450</b>	<b>0.25</b>	<b>181063</b>	<b>0.21</b>
12	<b>PADMAVATHI CHITTEPU . .</b> 31/03/2016	<b>161780</b>	<b>0.20</b>	<b>205450</b>	<b>0.24</b>
				<b>161780</b>	<b>0.19</b>

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

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the company	No. of Shares	% of Total Shares of the company
13	<b>BHUMIREDDY LAKSHMI</b>	112500	0.14	112500	0.13
	31/03/2016				
14	<b>PUTCHALAPALLI RAMAKRISHNA REDDY</b>	96893	0.12	96893	0.11
	31/03/2016				
15	<b>PRATHAP REDDY C.</b>	90750	0.11	90750	0.10
	31/03/2016				
16	<b>VARADA REDDY BHUMIREDDY</b>	53000	0.06	52800	0.06
	03/04/2015	-200	0.00	52800	0.06
	10/04/2015	-700	0.00	52100	0.06
	17/04/2015	-600	0.00	51500	0.06
	24/04/2015	-500	0.00	51000	0.06
	01/05/2015	500	0.00	51500	0.06
	15/05/2015	500	0.00	52000	0.06
	05/06/2015	-60	0.00	51940	0.06
	12/06/2015	160	0.00	52100	0.06
	03/07/2015	-498	0.00	51602	0.06
	10/07/2015	4	0.00	51606	0.06
	24/07/2015	9	0.00	51615	0.06
	31/07/2015	-28184	-0.03	23431	0.03
	18/09/2015	-100	0.00	23331	0.03
	16/10/2015	-15544	-0.02	7787	0.01
	20/11/2015	5	0.00	7792	0.01
	27/11/2015	165	0.00	7957	0.01

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

SI No.	Shareholding at the beginning of the year	Cumulative Shareholding during the year			Type	
		No. of Shares	% of Total Shares of the company	No. of Shares	% of Total Shares of the company	
11/12/2015	-4908	-0.01	3049	0.00	0.00	Sell
25/12/2015	-3049	0.00	0	0.00	0.00	Sell
31/03/2016			0	0	0.00	
<b>17 CHANDRASEKARA REDDY G</b>	<b>49500</b>	<b>0.06</b>				
08/05/2015	80	0.00	49580	0.06	0.06	Buy
21/08/2015	40	0.00	49620	0.06	0.06	Buy
29/01/2016	80	0.00	49700	0.06	0.06	Buy
31/03/2016			<b>49700</b>	<b>0.06</b>		
<b>18 SUBRAMANYAM J</b>	<b>29995</b>	<b>0.04</b>				
31/03/2016			<b>29995</b>	<b>0.03</b>		
<b>19 G THULASI DEVI</b>	<b>11750</b>	<b>0.01</b>				
08/05/2015	155	0.00	11905	0.01	0.01	Buy
15/05/2015	140	0.00	12045	0.01	0.01	Buy
29/01/2016	105	0.00	12150	0.01	0.01	Buy
31/03/2016			<b>12150</b>	<b>0.01</b>		
<b>20 VENKATAMMA CHITTEPU</b>	<b>10700</b>	<b>0.01</b>				
17/04/2015	-9028	-0.01	1672	0.00	0.00	Sell
31/03/2016			<b>1672</b>	<b>0.00</b>		
<b>21 NARAPU REDDY C V.</b>	<b>50</b>	<b>0.00</b>				
31/03/2016			<b>50</b>	<b>0.00</b>		
<b>22 T SITARAMA REDDY</b>	<b>870000</b>	<b>1.06</b>				
			<b>870000</b>	<b>1.00</b>		

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

SI No.		Shareholding at the beginning of the year	Cumulative Shareholding during the year				
			No. of Shares	% of Total Shares of the company	No. of Shares	% of Total Shares of the company	Type
1	<b>LARSEN AND TOUBRO LIMITED</b>	<b>7950045</b>	<b>9.72</b>				
	25/12/2015	-7950045	-9.72	0	0	0.00	Sell
	31/03/2016			<b>0</b>		<b>0.00</b>	
2	<b>HDFC TRUSTEE COMPANY LIMITED - HDFC</b>	<b>7124213</b>	<b>8.71</b>				
	17/07/2015	109400	0.13	7233613	8.35	Buy	
	22/07/2015	104000	0.13	7337613	8.47	Buy	
	24/07/2015	25000	0.03	7362613	8.50	Buy	
	18/12/2015	430781	0.53	7793394	9.00	Buy	
	31/03/2016			<b>7793394</b>	<b>9.00</b>		
3	<b>AXIS MUTUAL FUND TRUSTEE LIMITED A/</b>	<b>3899682</b>	<b>4.77</b>				
	10/04/2015	-61536	-0.08	3898146	4.43	Sell	
	17/04/2015	200000	0.24	4038146	4.66	Buy	
	15/05/2015	200000	0.24	42238146	4.89	Buy	
	29/05/2015	25000	0.03	4263146	4.92	Buy	
	10/07/2015	300000	0.37	4563146	5.27	Buy	
	07/08/2015	300000	0.37	4863146	5.61	Buy	
	18/12/2015	1067747	1.30	5930893	6.85	Buy	
	31/12/2015	208336	0.25	6139229	7.09	Buy	
	29/01/2016	100000	0.12	6239229	7.20	Buy	
	31/03/2016			<b>6239229</b>	<b>7.20</b>		

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

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the company	No. of Shares	% of Total Shares of the company
<b>4</b>	<b>ATIM KABRA</b>	<b>3321211</b>	<b>4.06</b>		
15/05/2015		10000	0.01	3331211	3.85
25/09/2015		35000	0.04	3366211	3.89
22/01/2016		2500	0.00	3368711	3.89
29/01/2016		-2500	0.00	3366211	3.89
12/02/2016		10000	0.01	3376211	3.90
31/03/2016				<b>3376211</b>	<b>3.90</b>
<b>5</b>	<b>DSP BLACKROCK MIP FUND</b>	<b>3285199</b>	<b>4.01</b>		
17/04/2015		-27237	-0.03	3257962	3.76
01/05/2015		-973936	-1.19	2284026	2.64
08/05/2015		-407973	-0.50	1876053	2.17
15/05/2015		-433293	-0.53	1442760	1.67
22/05/2015		-376488	-0.46	1066272	1.23
29/05/2015		-164000	-0.20	902272	1.04
05/06/2015		-518692	-0.63	383580	0.44
12/06/2015		-209982	-0.26	173598	0.20
19/06/2015		-111717	-0.14	61881	0.07
18/03/2016		-61881	-0.08	0	0.00
31/03/2016				<b>0</b>	<b>0.00</b>
<b>6</b>	<b>RELIANCE CAPITAL TRUSTEE CO LTD-A/C</b>	<b>2993360</b>	<b>3.66</b>		
24/04/2015		-32045	-0.04	2961315	3.42
29/05/2015		-28446	-0.03	2932869	3.39
25/12/2015		-64300	-0.08	2868569	3.31

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

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year		Type
		No. of Shares	% of Total Shares of the company	No. of Shares	% of Total Shares of the company	
	31/12/2015	-18300	-0.02	2850269	3.29	Sell
	04/03/2016	-145000	-0.18	2705269	3.12	Sell
	11/03/2016	-500000	-0.61	2205269	2.55	Sell
	18/03/2016	-347500	-0.42	1857769	2.14	Sell
	25/03/2016	-668800	-0.82	1188969	1.37	Sell
	31/03/2016	-120800	-0.15	1068169	1.23	Sell
	31/03/2016			<b>1068169</b>	<b>1.23</b>	
<b>7</b>	<b>TATA EQUITY OPPORTUNITIES FUND</b>	<b>2455000</b>	<b>3.00</b>			
	29/05/2015	-50000	-0.06	2405000	2.78	Sell
	24/07/2015	-30000	-0.04	2375000	2.74	Sell
	31/07/2015	-340000	-0.42	2035000	2.35	Sell
	07/08/2015	450000	0.55	2485000	2.87	Buy
	14/08/2015	-500000	-0.61	1985000	2.29	Sell
	21/08/2015	500000	0.61	2485000	2.87	Buy
	18/12/2015	575110	0.70	3060110	3.53	Buy
	31/03/2016			<b>3060110</b>	<b>3.53</b>	
<b>8</b>	<b>STRATEGIC VENTURES FUND (MAURITIUS)</b>	<b>1789597</b>	<b>2.19</b>			
	20/11/2015	-42500	-0.05	1747097	2.02	Sell
	31/03/2016			<b>1747097</b>	<b>2.02</b>	
<b>9</b>	<b>VIDYA INVESTMENT AND TRADING CO PVT</b>	<b>1746185</b>	<b>2.13</b>			
	01/05/2015	-1746185	-2.13	0	0.00	Sell
	31/03/2016			<b>0</b>	<b>0.00</b>	
<b>10</b>	<b>ICICI PRUDENTIAL INFRASTRUCTURE FUN</b>	<b>1514852</b>	<b>1.85</b>			
	31/03/2016			<b>1514852</b>	<b>1.75</b>	

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

SI No.	For each of the Director & KMP	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 Share of the Company
<b>1</b>	<b>Mr. B. Malla Reddy</b>				
	At the beginning of the year	<b>23,96,941</b>	<b>2.93</b>	-	-
	increase/decrease in Promoters Share holding during the year	57,025	0.07	-	-
	At the end of the year	24,53,966	2.83	<b>24,53,966</b>	<b>2.83</b>
<b>2</b>	<b>Mr. P.A. Chitrakar</b>				
	At the beginning of the year	<b>14,14,386</b>	<b>1.72</b>	-	-
	increase/decrease in Promoter Share holding during the year	-	-	-	-
	At the end of the year	14,14,386	1.63	<b>14,14,386</b>	<b>1.63</b>
<b>3</b>	<b>Mrs. C. Prameelamma</b>				
	At the beginning of the year	<b>16,18,461</b>	<b>1.98</b>	-	-
	increase/decrease in Promoter Share holding during the year	33,000	0.04	-	-
	At the end of the year	16,51,461	1.91	<b>16,51,461</b>	<b>1.91</b>
<b>4</b>	<b>Dr. Shiban K Koul (Independent Director)</b>				
	At the beginning of the year	<b>38,029</b>	<b>0.04</b>	-	-
	increase/decrease in Promoters Share holding during the year	-	-	-	-
	At the end of the year	38,029	0.04	<b>38,029</b>	<b>0.04</b>
<b>5</b>	<b>Mr. S. Gurunatha Reddy (Whole Time Director &amp; CFO)</b>				
	At the beginning of the year	<b>58,938</b>	<b>0.07</b>	-	-
	increase/decrease in Promoters Share holding during the year	-	-	-	-
	At the end of the year	58,938	0.07	<b>58,938</b>	<b>0.07</b>
<b>6</b>	<b>Mr. M. Venkateshwar Reddy (Whole Time Director)</b>				
	At the beginning of the year	<b>53,850</b>	<b>0.06</b>	-	-
	increase/decrease in Promoters Share holding during the year	-	-	-	-
	At the end of the year	53,850	0.06	<b>53,850</b>	<b>0.06</b>

**IV (v) SHAREHOLDING OF DIRECTORS & KMP (Contd.)**

SI No.	For each of the Director & KMP	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 Share of the Company
7	<b>Mr.T. Ramachandru IAS (Independent Director)</b>				
	At the beginning of the year	<b>NIL</b>	<b>NIL</b>		
	increase/decrease in Promoters Share holding during the year	-	-	-	-
	At the end of the year	-	-	<b>NIL</b>	<b>NIL</b>
8	<b>Dr. Ganapathi Subramani Sabarinathan (Independent Director)</b>				
	At the beginning of the year	<b>15,000</b>	<b>0.01</b>	-	-
	increase/decrease in Promoters Share holding during the year	-	-	-	-
	At the end of the year	15,000	0.01	<b>15,000</b>	<b>0.01</b>
9	<b>Prof. Arun Kumar Tiwari (Independent Director)</b>				
	At the beginning of the year	<b>NIL</b>	<b>NIL</b>		
	increase/decrease in Promoters Share holding during the year	-	-	-	-
	At the end of the year	-	-	<b>NIL</b>	<b>NIL</b>
10	<b>Mr. Vadlamani Venkata Rama Sastry (Independent Director)</b>				
	At the beginning of the year	<b>NIL</b>	<b>NIL</b>		
	increase/decrease in Promoters Share holding during the year	-	-	-	-
	At the end of the year	-	-	<b>NIL</b>	<b>NIL</b>
11	<b>Mr. Buddharaju Lakshmi Narayana Raju (Independent Director)</b>				
	At the beginning of the year	<b>NIL</b>	<b>NIL</b>		
	increase/decrease in Promoters Share holding during the year	-	-	-	-
	At the end of the year	-	-	<b>NIL</b>	<b>NIL</b>
12	<b>Mr. T. Anjaneyulu (Company Secretary)</b>				
	At the beginning of the year	<b>0</b>	<b>0.00</b>	-	-
	increase/decrease in Promoters Share holding during the year	-	-	5000	0.00
	At the end of the year	5000	0.00	<b>5000</b>	<b>0.00</b>

## V INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Amount In ₹ Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	87,47,03,157	1,73,67,912	0	89,20,71,069
ii) Interest due but not paid	66,16,332	0	0	66,16,332
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>88,13,19,489</b>	<b>1,73,67,912</b>	<b>0</b>	<b>89,86,87,401</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	62,74,19,571	0	0	62,74,19,571
Change in WC borrowings -Reduction	47,56,40,359			47,56,40,359
Reduction	34,98,45,546	21,53,923	0	35,19,99,469
<b>Net Change</b>	<b>(19,80,66,334)</b>	<b>(21,53,923)</b>	<b>-</b>	<b>(20,02,20,257)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	65,91,75,680	1,52,13,989	0	67,43,89,669
ii) Interest due but not paid	14,32,306	-	0	14,32,306
iii) Interest accrued but not due	2,26,45,169	-	0	2,26,45,169
				0
<b>Total (i+ii+iii)</b>	<b>68,32,53,155</b>	<b>1,52,13,989</b>	<b>0</b>	<b>69,84,67,144</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:

Particulars of Remuneration	Mr. B. Mallu Reddy	Mr. P.A. Chitrakar	Mrs. C.Prameelaamma	Name of MD/WTD/Manager	Mr. S. Gurunatha Reddy	Mr. M. Venkateshwar Reddy	Total Amount Rs.
<b>1. Gross salary</b>							
(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961	1,17,25,000	1,18,03,946	1,18,90,000	68,05,705	71,24,326	4,93,48,977	
(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	
<b>2 Stock option</b>	0	0		0	0	0	
<b>3 Sweat Equity</b>	0	0		0	0	0	
<b>4 Commission</b> as % of profit others specify	0	0	0	0	0	0	
<b>5 Others, please specify-PF company Contribution</b>	288000	288000	288000	216000	216000	12,96,000	
<b>Total (A)</b>	<b>1,20,13,000</b>	<b>1,20,91,946</b>	<b>1,21,78,000</b>	<b>70,21,705</b>	<b>73,40,326</b>	<b>5,06,44,977</b>	
Ceiling as per the Act	1,53,63,079	1,53,63,079	1,53,63,079	1,53,63,079	1,53,63,079	7,68,15,395	

**B. Remuneration to other Directors:**

Particulars of Remuneration	Dr. Shiban K Koul	Mr. J. Venkatasadas	Mr. T. Ramachandru IAS	Dr. G. Sabarinathan	Prof. Arun Kumar Tiwari	Mr. V.V. R. Sastry	Mr. B.L.N. Raju	Total Amount Rs.
(a) Fee for attending Board/ Committee Meetings	50,000	20,000	50,000	45,000	-	-	-	1,65,000
(b) Commission	10,00,000	5,00,000	10,00,000	10,00,000	-	-	-	35,00,000
(c) Others, please specify	-	-	-	-	-	-	-	-
<b>Total (1)</b>	<b>10,50,000</b>	<b>5,20,000</b>	<b>10,50,000</b>	<b>10,45,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36,65,000</b>
<b>Other Non Executive Directors</b>	<b>Mr. Atim Kabra</b>	<b>Mr. U.K.Kalyanaramudu</b>						
(a) Fee for attending Board/Committee meetings	-	35,000						35,000
(b) Commission	5,00,000	-						5,00,000
(c) Others, please specify	-	-						-
<b>Total (2)</b>	<b>5,00,000</b>	<b>35,000</b>						<b>5,35,000</b>
<b>Total (B) = (1+2)</b>								<b>42,00,000</b>
Total Managerial Remuneration								5,48,44,977
Overall Cieling as per the Act.								8,44,96,935

**C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary Mr. T. Anjaneyulu	Total
1	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	13,53,442	13,53,442
	(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>13,53,442</b>	<b>13,53,442</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: 28.05.2016

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

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

## ANNEXURE - 3 TO THE DIRECTORS' REPORT

The conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to the provisions of section 134(3)(m) of the Companies Act, 2013 read with 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 activities 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 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 ₹)	
	2016	2015
a. Capital	1,88,80,826	61,186,703
b. Recurring	29,27,23,300	174,551,043
Total	31,16,04,126	235,737,746
Total R&D expenditure as Percentage of total turnover	7.12%	3.66%

### 3. Technology Absorption, Adoption and Innovation

The Company works on in house technology.

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

The export business which is project driven has undergone substantial reduction during the year and is likely to be a low key business for next couple of years.

#### Foreign Exchange outgo and earnings

Particulars	As of March 31 (Amount ₹)	
	2016	2015
Foreign Exchange outgo	801,448,125	549,197,378
Foreign Exchange Earnings	1,390,196,835	3,829,930,344

For and on behalf of the Board of Directors

Place: Hyderabad  
Date: 28.05.2016

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

#### 2. Composition of CSR Committee:

Name of the Director	Designation
Mrs. C. Prameelamma	Chairman
Dr. Shiban K Koul	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 ₹)		
	2012-13	2013-14	2014-15
	50,61,68,404	69,93,93,729	81,68,07,565
Average Net Profit for the preceding three Financial Years	Rs. 67,41,23,233/-		

4. Prescribed CSR expenditure (2% of Average Net Profit): **Rs.1,34,82,465/-**
5. Details of CSR spend for the financial year:
  - a. Total amount spent for the financial year: **Rs. 1,34,85,237/-**
  - 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 Local area or other 1) 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	Education	<b>Local Area:</b> Telangana/ Ranga Reddy Dist./ Mahaboobnagar <b>Other area:</b> Andhra Pradesh/ Srikakulam Overheads	42.00  33.49  4.48	40.40  33.49  4.48	78.37	Direct  Direct
2	Promoting Health care	Preventive Health care	<b>Local Area:</b> Telangana/ Ranga Reddy Dist.	22.08	22.08	22.08	Direct
3	Technology incubators	Technology Development	<b>Local Area:</b> Telangana/ Hyderabad	76.40	34.40	34.40	Direct
			<b>Total</b>	<b>178.45</b>	<b>134.85</b>	<b>134.85</b>	

- The Company has spent two percent of average net profits of the last three financial years.
- 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: 28.05.2016

**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 31-03-2016

[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 on 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 31-03-2016, 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 31-03-2016 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. SEBI (Prohibition of Insider Trading) Regulations, 2015
    - 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;
- i. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- vi. The Payment of Wages Act, 1936
- vii. The Minimum Wages Act, 1948
- viii. Employees Provident Fund And Misc. Provisions Act, 1952
- ix. Employees State Insurance Act, 1948
- x. Income Tax Act, 1961
- xi. Payment of Gratuity Act, 1972
- xii. Telangana Value added tax
- xiii. Finance Act, 1944 (Service Tax)
- xiv. The Insurance Act, 1938 [AS AMENDED BY INSURANCE (AMENDMENT) ACT, 2002]
- xv. The Payment of Bonus Act, 1965
- xvi. Negotiable Instrument Act, 1881
- xvii. Water (Prevention & Control of Pollution) Act, 1974 and rules there under
- xviii. Air (Prevention & Control of Pollution) Act, 1981 and rules there under
- xix. Water (Prevention & Control of Pollution) Act, 1974 and rules thereunder
- xx. The Environment (Protection) Act, 1986
- xxi. Customs Act, 1962
- xxii. Newspaper Publications
- xxiii. Central Excise Act, 1944
- xxiv. The Factories Act, 1948

2. We have also examined 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, 2013 and the Rules made under that Act as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:
  - Closure of the Register of Members.
  - Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;

- Service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- The meetings of Board of Directors including passing of resolutions by circulation;
- 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
- Minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- Constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
- Payment of remuneration to Directors including the Managing Director and Whole-time Directors,
- Appointment and remuneration of Statutory Auditors;
- Declaration and payment of dividends;
- Transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;
- Borrowings and registration, modification and satisfaction of charges wherever applicable;
- Investment of the Company's funds including investments and loans to others;
- Format of Balance Sheet and statement of profit and loss is as per Schedule VI to the Income tax Act
- Report of the Board of Directors;
- 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 and all returns are filed in Required Forms as per the Act
- 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.
- The Company has filed return as per The Factories Act, 1948.
- The Company is regular in publishing Audited and Unaudited Financial Result.
- The Company has renewed the Insurance Policy under Employees State Insurance Act, 1948
- The Company has renewed the Policy with LIC for Gratuity under Payment of Gratuity Act, 1972
- The Company Website is well acquainted with all Statutory required information.

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 the Company has taken the following major decisions:

- I. Allotment of 47,86,450 Equity Shares at a issue price of Rs 135.80 each (face value Rs. 2 , premium of Rs.133.80)Under QIP Issue.
- ii. Allotment of 500 Non- Convertible Debentures at Face value of Rs. 10,00,000 each.

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

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

Place: Hyderabad  
Date: 27.04.2016

## 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:**

<b>S. No</b>	<b>Name of the Director</b>	<b>Ratio of the remuneration to the median remuneration of the employees</b>
1.	Dr. Shiban K Koul (Chairman) Independent Director	2.81:1
2.	Mr. B.Malla Reddy (Managing Director)	32.16:1
3.	Mr. P.A.Chitrakar (COO)	32.37:1
4.	Mrs. C.Prameelamma, Director (Technical)	32.60:1
5.	Mr. J.Venkatadas (Independent Director)\$	1.39:1
6.	Mr. Atim Kabra (Non-Executive Director) #	1.33:1
7.	Mr. S.Gurunatha Reddy (Whole-time Director & CFO)	18.79:1
8.	Mr. M.Venkateshwar Reddy, Director (Mktg.& Operations)	19.65:1
9.	Mr. T.Ramachandru, IAS (Independent Director)	2.81:1
10.	Mr. U.K. Kalyanaramudu (Non-Executive Director)@	0.09:1
11.	Mr. G.Sabarinathan (Independent Director)	2.79:1
12.	Prof. Arun Kumar Tiwari (Independent Director)*	Nil
13.	Mr. V. Venkata Rama Sastry (Independent Director) &	Nil
14.	Mr. B. Lakshmi Narayana Raju (Independent Director) ^	Nil

\$ w.e.f. August 01, 2015, Mr. J.Venkatadas ceased to be Director of the Company.

# w.e.f. August 01, 2015, Mr. Atim Kabra ceased to be Director of the Company.

@ w.e.f. December 26, 2015, Mr. U. K. Kalyanaramudu ceased to be Director of the Company.

\* Prof. Arun Kumar Tiwari was appointed as an Additional Director (Independent Director) on the Board of the Company with effect from January 29, 2016.

& Mr. V.Venkata Rama Sastry was appointed as an Additional Director (Independent Director) on the Board of the Company with effect from January 29, 2016.

^ Mr. B. Lakshmi Narayana Raju was appointed as an Additional Director (Independent Director) on the Board of the Company with effect from January 29, 2016.

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

<b>S. No</b>	<b>Name of the Director</b>	<b>Percentage Increase in Remuneration</b>
1.	Dr. Shiban K Koul (Chairman) Independent Director	-12.50%
2.	Mr. B.Malla Reddy (Managing Director)	-6.29
3.	Mr. P.A.Chitrakar (COO)	-6.52
4.	Mrs. C.Prameelamma, Director (Technical)	-4.67
5.	Mr. J.Venkatadas (Independent Director)\$	-56.66

S. No	Name of the Director	Percentage Increase in Remuneration
6.	Mr. Atim Kabra (Non-Executive Director) #	-16.66
7.	Mr. S.Gurunatha Reddy (Whole-time Director & CFO)	-11.73
8.	Mr. M.Venkateshwar Reddy, Director(Mktg.& Operations)	-8.39
9.	Mr. T.Ramachandru, IAS (Independent Director)	-12.50
10.	Mr. U.K. Kalyanaramudu (Non-Executive Director) @	-96.06
11.	Mr. G. Sabarinathan (Independent Director)	%
12.	Prof. Arun Kumar Tiwari (Independent Director)*	Nil
13.	Mr. V. Venkata Rama Sastry (Independent Director) &	Nil
14.	Mr. B. Lakshmi Narayana Raju (Independent Director) ^	Nil
15.	Mr. T. Anjaneyulu (Company Secretary)	12.92

\$ w.e.f. August 01, 2015, Mr. J.Venkatadas ceased to be Director of the Company.

# w.e.f. August 01, 2015, Mr. Atim Kabra ceased to be Director of the Company.

@ w.e.f. December 26, 2015, Mr. U. K. Kalyanaramudu ceased to be Director of the Company.

\* Prof. Arun Kumar Tiwari was appointed as an Additional Director (Independent Director) on the Board of the Company with effect from January 29, 2016.

& Mr. V.Venkata Rama Sastry was appointed as an Additional Director (Independent Director) on the Board of the Company with effect from January 29, 2016.

^ Mr. B. Lakshmi Narayana Raju was appointed as an Additional Director (Independent Director) on the Board of the Company with effect from January 29, 2016.

% Comparable figures are not available due to first time payment.

**(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 815 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
8%	Net profit of the company is decreased by 7.18%

**(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, 2016
Rs.5,19,98,419/-	Rs.56,35,90,933 (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 ₹)			
	2016		2015	
Market Capitalisation	BSE	Rs.9,15,91,84,631	BSE	Rs.12,06,92,20,687
	NSE	Rs.9,15,91,84,631	NSE	Rs.12,06,92,20,687
Price Earnings Ratio	BSE	15.62	BSE	19.87
	NSE	15.62	NSE	19.87

**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, 2016 the Market Quotation of the Company Share Price (Closing Price) is as follows:

- BSE Limited: Rs. 105.75
- The National Stock Exchange of India Limited: Rs. 105.75

**(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, 2016.

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

S. No	Name of the KMP	Remuneration of Key Managerial Personnel	Performance of the Company for the year ended March 31, 2016
1.	Mr. B.Malla Reddy (MD)	1,20,13,000	56,35,90,933 (NET PROFIT)
2.	Mr. P.A.Chitrakar (COO)	1,20,91,946	56,35,90,933 (NET PROFIT)
3.	Mrs. C.Prameelamma Director (Technical)	1,21,78,000	56,35,90,933 (NET PROFIT)
4.	Mr. S. Gurunatha Reddy Whole Time Director & CFO	70,21,705	56,35,90,933 (NET PROFIT)
5.	Mr. M.Venkateshwar Reddy		
6.	Director(Mktg.& Operations)	73,40,326	56,35,90,933 (NET PROFIT)
7.	Mr. T. Anjaneyulu (C.S)	13,53,442	56,35,90,933 (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: 28.05.2016

**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

S.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	1,120,13,000	Contractual	M.E (Automation) 46 years	13.09.1991	69	Head (R&D) OMC Computers Ltd	N.A	N.A
2	Mrs. C. Prameelaamma Director (Technical)	1,21,78,000	Contractual	M.E (Instrumentation & Control Systems) 44 years	13.09.1991	67	Scientist "C" DRDO Labs, Hyderabad	N.A	N.A
3	Mr.P.A.Chitrakar Chief Operating Officer	1,120,91,946	Contractual	M.Tec (Advanced Electronics) 44 years	01.09.1994	65	Scientist 'E' Defense Electronics Research Laboratory, Hyderabad	N.A	N.A
4	Mr.S.Gurunatha Reddy Whole Time Director & CFO	70,21,705	Contractual	BSc, FCA 29 years	25.04.1993	57	Accounts Manager in Era Software Systems Limited	N.A	N.A
5	Mr.M.V.Reddy Director (Mktg.& Operations)	73,40,326	Contractual	B.E (Electronics), MBA 25 years	23.02.1998	49	Deputy Manager in ARM Limited	N.A	N.A

For and on behalf of the Board of Directors

Place: Hyderabad  
Date: 28.05.2016

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

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

## REPORT ON CORPORATE GOVERNANCE

**Report Pursuant to Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance with the requirements of Corporate Governance is set out below:**

### A. RELATED PARTY DISCLOSURE:

Transactions with related parties are disclosed in the Notes to Accounts in the Annual Report. All the transactions with related parties are at arms' length and in compliance with transfer pricing regulations and consideration will be paid/received through cheque.

The Register of Contracts containing transactions, in which Directors are interested, is placed before the Board regularly. All Related Party Transactions are entered in to by the Company only after the prior approval of Audit Committee and Board of Directors.

In terms of the Companies Act, 2013 and Listing Agreement entered with the Stock Exchanges and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a policy to determine Related Party Transactions.

The policy is placed on the Company's website at: [www.astramwp.com](http://www.astramwp.com)

### B. MANAGEMENT DISCUSSION AND ANALYSIS:

1. The report on MDA is annexed to the Directors' Report and forms part of this Annual Report.

2. Disclosure of Accounting Treatments:

The Company has followed the Accounting Standards in preparation of its Financial Statements.

### C. CORPORATE GOVERNANCE:

#### 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 OF DIRECTORS:

The Board consists of both Promoter Directors, External Directors and professional Independent Directors. Presently the Board has Eleven Directors with three Promoters Directors.

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

#### a. The composition and category of the Board of Directors is as follows:

S.No.	Number of the Director	Category	Designation
1	Dr.Shiban K Koul	Independent Director	Chairman
2	Mr.B.Malla Reddy	Promoter and Executive Director	Managing Director
3	Mr.P.A.Chitrakar	Promoter and Executive Director	Chief Operating Officer
4	Mrs.C.Prameelamma	Promoter and Executive Director	Director (Technical)
5	Mr.S.Gurunatha Reddy	Executive Director	Whole Time Director & CFO
6	Mr.M.Venkateshwar Reddy	Executive Director	Director (Mktg & Operations)

S.No.	Number of the Director	Category	Designation
7	Mr. J.Venkatadas (\$)	Independent Director	Director
8	Mr. Atim Kabra (#)	Non-Executive Director	Director
9	Mr. U. K. Kalyanaramudu (@)	Non-Executive Director	Director
10	Mr. T.Ramachandru, IAS	Independent Director	Director
11	Dr. G.Sabarinathan	Independent Director	Director
12	Prof. Arun Kumar Tiwari (*)	Independent Director	Additional Director
13	Mr. V.Venkata Rama Sastry (&)	Independent Director	Additional Director
14	Mr. B.Lakshmi Narayana Raju (^)	Independent Director	Additional Director

\$ w.e.f. August 01, 2015, Mr. J.Venkatadas ceased to be Director of the Company.

# w.e.f. August 01, 2015, Mr. Atim Kabra ceased to be Director of the Company.

@ w.e.f. December 26, 2015, Mr. U. K. Kalyanaramudu ceased to be Director of the Company.

\* Prof. Arun Kumar Tiwari was appointed as an Additional Director (Independent Director) on the Board of the Company with effect from January 29, 2016.

& Mr. V.Venkata Rama Sastry was appointed as an Additional Director (Independent Director) on the Board of the Company with effect from January 29, 2016.

^ Mr. B. Lakshmi Narayana Raju was appointed as an Additional Director (Independent Director) on the Board of the Company with effect from January 29, 2016

### b. Attendance of Directors at the meetings:

The details of the attendance of the Directors at the Board meetings held during the year ended March 31, 2016 and at the last Annual General Meeting (AGM) are given below:

S. No	Name of the Director	Number of Board Meetings		Attendance at AGM Held July 30, 2015
		Held	Attended	
1.	Dr. Shiban K Koul	7	4	Present
2.	Mr. B.Malla Reddy	7	7	Present
3.	Mr. P.A.Chitrakar	7	7	Present
4.	Mrs. C.Prameelamma	7	7	Present
5.	Mr. J.Venkatadas (\$)	3	2	Present
6.	Mr. Atim Kabra (#)	3	Nil	Absent
7.	Mr. S.Gurunatha Reddy	7	7	Present
8.	Mr. M.Venkateshwar Reddy	7	7	Present
9.	Mr. T.Ramachandru, IAS	7	4	Present
10.	Mr. U. K. Kalyanaramudu (@)	5	4	Present
11.	Dr. G. Sabarinathan	7	4	Present
12.	Prof. Arun Kumar Tiwari (*)	1	Nil	N.A
13.	Mr. V. Venkata Rama Sastry (&)	1	Nil	N.A
14.	Mr. B. Lakshmi Narayana Raju (^)	1	Nil	N.A

\$ w.e.f. August 01, 2015, Mr. J. Venkatadas ceased to be Director of the Company.

# w.e.f. August 01, 2015, Mr. Atim Kabra ceased to be Director of the Company.

@ w.e.f. December 26, 2015, Mr. U. K. Kalyanaramudu ceased to be Director of the Company.

\* Prof. Arun Kumar Tiwari was appointed as an Additional Director (Independent Director) on the Board of the Company with effect from January 29, 2016.

& Mr. V. Venkata Rama Sastry was appointed as an Additional Director (Independent Director) on the Board of the Company with effect from January 29, 2016.

^ Mr. B. Lakshmi Narayana Raju was appointed as an Additional Director (Independent Director) on the Board of the Company with effect from January 29, 2016.

#### **c. Other Directorships:**

The number of directorships and memberships in the Committees of Other Companies held by the Directors as on March 31, 2016 are as under:

Name of the Director	No. of Other Directorships*	In Other Companies**	
		Membership	Chairmanship
Dr. Shiban K Koul	1	-	-
Mr. B. Malla Reddy	2	-	-
Mr. P. A. Chitrakar	-	-	-
Mrs. C. Prameelamma	-	-	-
Mr. S. Gurunatha Reddy	2	-	-
Mr. M. Venkateshwar Reddy	-	-	-
Mr. T. Ramachandru, IAS	-	-	-
Dr. G. Sabarinathan	-	-	-
Mr. Arun Kumar Tiwari	2	-	-
Mr. V. Venkata Rama Sastry	2	8	-
Mr. B. Lakshmi Narayana Raju	1	-	-

\* Includes directorships in the Companies incorporated under the Companies Act, 1956/2013.

\*\* Includes only Audit, Nomination and Remuneration and Stakeholders Relationship Committee.

None of the Directors hold Directorships in more than 20 Companies.

#### **d. Number of Board Meetings:**

During the year ended March 31, 2016, Seven Board Meetings were held as against the minimum requirement of four meetings. The maximum time gap between any of two consecutive meetings did not exceed One Hundred and Twenty days.

During the year four Board meetings were held respectively on April 02, 2015, April 30, 2015, July 30, 2015, October 29, 2015, December 04, 2015, December 26, 2015 and January 29, 2016.

#### **e. Disclosure of relationship between directors inter-se:**

None of the Directors are related to any other Director.

#### **f. Shares held by Non-Executive Directors:**

The number of equity shares of the Company held by Non-Executive Directors, as on March 31, 2016 are as follows:

Name of the Director	No. of Equity Shares (face value Rs. 2 each) held in the Company
Dr. Shiban K Koul	38,029
Mr. T.Ramachandru, IAS	Nil
Dr. G. Sabarinathan	15,000
Prof. Arun Kumar Tiwari	Nil
Mr. V. Venkata Rama Sastry	Nil
Mr. B. Lakshmi Narayana Raju	Nil

**g. The details of familiarization programmes imparted to independent directors is given below**

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, Policy on material subsidiaries, Whistle blower policy, and Corporate Social Responsibility policy.

The details of familiarization programme is available on the website: [www.astramwp.com](http://www.astramwp.com).

**3. AUDIT COMMITTEE**

**a. Brief description of terms of reference:**

The powers, role and terms of reference of the audit committee covers the areas as contemplated under Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013.

The committee mandatorily reviews information such as internal audit reports related to internal control weakness, management discussion and analysis of financial condition and result of operations, statement of significant related party transactions and such other matters as prescribed.

**b. Composition, name of members and chairperson:**

**Audit Committee:**

The Audit Committee consists of 3 Directors, majority of them are Independent Directors. The committee is headed by Dr. G. Sabarinathan, an Independent Director. All the members of the Audit committee are financially literate.

**Composition of the Committee is given below:**

Name of the Director	Position held
Mr.J.Venkatadas \$	Chairman
Dr. G. Sabarinathan @	Chairman
Dr.Shiban K Koul	Member
Mr.Atim Kabra %	Member
Mr. U.K. Kalyanaramudu &	Member
Mr. S. Gurunatha Reddy *	Member

\$ w.e.f. August 01, 2015, Mr. J.Venkatadas ceased to be Chairman of Audit Committee.

@ w.e.f August 01, 2015, Dr. G. Sabarinathan was elected as a Chairman of Audit Committee.

% w.e.f. August 01, 2015, Mr. Atim Kabra ceased to be member of Audit Committee.

& w.e.f. December 26, 2015, Mr. U.K. Kalyanaramudu ceased to be member of Audit Committee.

\* w.e.f. December 26, 2015, Mr. S. Gurunatha Reddy was elected as a Member of Audit Committee.

**Attendees:**

The Audit Committee invites such of the executives, as it considers appropriate to be present at its meetings. The Company Secretary acts as the Secretary of the Committee.

**c. Meetings and attendance during the year:**

The Audit Committee met four times during the year under review on April 30, 2015, July 30, 2015, October 29, 2015 and January 29, 2016.

Attendance at the Audit Committee Meetings:

Name of the Director	Position held	Number of Meetings	
		Held	Attended
Mr.J.Venkatadas \$	Chairman	2	2
Dr. G. Sabarinathan @	Chairman	3	3
Dr.Shiban K Koul	Member	4	3
Mr.Atim Kabra %	Member	2	Nil
Mr. U.K. Kalyanaramudu &	Member	3	3
Mr. S. Gurunatha Reddy *	Member	1	1

\$ w.e.f. August 01, 2015, Mr. J.Venkatadas ceased to be Chairman of Audit Committee.

@ w.e.f August 01, 2015, Dr. G. Sabarinathan was elected as a Chairman of Audit Committee.

% w.e.f. August 01, 2015, Mr. Atim Kabra ceased to be member of Audit Committee.

& w.e.f. December 26, 2015, Mr. U.K. Kalyanaramudu ceased to be member of Audit Committee.

\* w.e.f. December 26, 2015, Mr. S. Gurunatha Reddy was elected as a Member of Audit Committee.

#### **4. NOMINATION AND REMUNERATION COMMITTEE:**

##### **a. 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.

##### **b Composition, name of members and chairperson:**

The Nomination and Remuneration Committee was constituted by the Board with 3 Independent Directors. The committee is headed by Dr. G. Sabarinathan, an Independent Director.

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 Nomination and Remuneration Committee:**

<b>Name of the Director</b>	<b>Position held</b>
Mr. J. Venkatadas \$	Chairman
Dr. G. Sabarinathan @	Chairman
Dr. Shiban K Koul	Member
Mr. U. K. Kalyanaramudu &	Member
Mr. T. Ramachandru IAS %	Member

\$ w.e.f. August 01, 2015, Mr. J. Venkatadas ceased to be Chairman of Nomination and Remuneration Committee.

@ w.e.f August 01, 2015, Dr. G. Sabarinathan was elected as Chairman of Nomination and Remuneration Committee.

& w.e.f. December 26, 2015, Mr. U.K. Kalyanaramudu ceased to be member of Nomination and Remuneration Committee.

% w.e.f. January 29, 2016, Mr. T. Ramachandru was appointed as a Member of Nomination and Remuneration Committee.

##### **c. Nomination and Remuneration Committee meetings and attendance during the year**

The Nomination and Remuneration Committee met four times during the year under review on April 18, 2015, April 30, 2015, July 30, 2015 and January 29, 2016.

**Attendance at the Nomination and Remuneration Committee Meetings:**

<b>Name of the Director</b>	<b>Position Held</b>	<b>Number of Meetings</b>	
		<b>Held</b>	<b>Attended</b>
Mr. J.Venkatadas \$	Chairman	3	3
Dr. G. Sabarinathan @	Chairman	3	2
Dr.Shiban K Koul	Member	4	2
Mr. U. K. Kalyanaramudu &	Member	3	3
Mr. T. Ramachandru IAS %	Member	1	1

\$ w.e.f. August 01, 2015, Mr. J.Venkatadas ceased to be Chairman of Nomination and Remuneration Committee.

@ w.e.f August 01, 2015, Dr. G. Sabarinathan was elected as Chairman of Nomination and Remuneration Committee.

& w.e.f. December 26, 2015, Mr. U.K. Kalyanaramudu ceased to be member of Nomination and Remuneration Committee.

% w.e.f. January 29, 2016, Mr. T. Ramachandru was appointed as a Member of Nomination and Remuneration Committee.

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

**e. Performance evaluation of Directors.**

The criteria for performance evaluation cover the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation the Directors who are subject to evaluation had not participated.

**5. REMUNERATION OF DIRECTORS:**

- There were no pecuniary transactions with any non-executive director of the Company.
- Non-Executive Directors are paid Sitting Fees for attending the Board and Committee Meetings and paid commission.

Following are the details of Commission & sitting fees paid to the Directors for attending Board and Committee Meetings for the year ended March 31, 2016:

<b>Name of the Non-Executive Director</b>	<b>Sitting Fees Amount (Rs.)</b>	<b>Commission Amount (Rs.)</b>	<b>Total Amount (Rs.)</b>
Dr. Shiban K Koul	50,000	10,00,000	10,50,000
Mr. J. Venkatadas	20,000	5,00,000	5,20,000
Mr. Atim Kabra	----	5,00,000	5,00,000
Mr. T. Ramachandru, IAS	50,000	10,00,000	10,50,000
Mr. U.K.Kalyanaramudu	35,000	----	35,000
Dr. G. Sabarinathan	45,000	10,00,000	10,45,000
Prof. Arun Kumar Tiwari	N.A	N.A	N.A
Mr. V. Venkata Rama Sastry	N.A	N.A	N.A
Mr. B. Lakshmi Narayana Raju	N.A	N.A	N.A

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

<b>Name of the Director and Designation</b>	<b>Salary (Rs.)</b>	<b>Benefits</b>	<b>Performance Bonus (Rs.)</b>	<b>Pension</b>	<b>Commission</b>	<b>Service contracts</b>	<b>Notice period</b>	<b>Total (Rs.)</b>
Mr. B. Malla Reddy (CEO/ Managing Director)	38,13,000	---	82,00,000	---	---	Appointed for a period of 5 years	As per the Rules of the Company	1,20,13,000
Mr. P.A. Chitrakar (COO)	38,91,946	---	82,00,000	---	---	--Do--	--Do--	1,20,91,946
Mrs. C. Prameelamma Director (Technical)	39,78,000	---	82,00,000	---	---	--Do--	--Do--	1,21,78,000
Mr. S. Gurunatha Reddy (Whole Time Director & CFO)	28,71,705	---	41,50,000	---	---	--Do--	--Do--	70,21,705
Mr. M. Venkateshwar Reddy Director (Mktg. & Operations)	31,90,326	---	41,50,000	---	---	--Do--	--Do--	73,40,326

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.

## 6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

### a. Composition

The Committee consists of the following Directors:

Name of the Director	Position Held
Mr. J. Venkatadas \$	Chairman
Dr. Shiban K Koul @	Chairman
Mr. P.A. Chitrakar	Member
Mr. S. Gurunatha Reddy	Member
Mr. M. V. Reddy	Member

\$ w.e.f. August 01, 2015, Mr. J. Venkatadas ceased to be Chairman of Stakeholders Relationship Committee.

@ w.e.f. August 01, 2015, Dr. Shiban K Koul was appointed as Chairman of Stakeholders Relationship Committee.

### b. Name and Designation of Compliance Officer:

Mr. T. Anjaneyulu, Company Secretary

### c. Number of Shareholders Complaints received so far:

During the year ended March 31, 2016, the Company has received and resolved 3 complaints.

### d. Number of complaints not resolved to the satisfaction of shareholders is Nil

### e. There were no pending complaints as at the year end.

#### Terms of Reference

The Stakeholders Relationship Committee oversees and reviews all matters connected with the securities transfer and also looks into redressing of shareholders complaints like transfer/transmission of shares, non-receipt of annual reports / dividends etc.,

Email-id for Investor Grievances: secretarial@astramwp.com.

## 7. GENERAL BODY MEETINGS:

### a. The details of date, location and time of the last three Annual General Meetings held are as under:

For the year	Venue	Day & Date	Time
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
2015	Swagath-De-Royal Hotel, Kondapur, Hyderabad	Thursday 30th July, 2015	12.30 P.M

**b. Special Resolutions passed during the previous three Annual General Meetings:**

**24th Annual General Meeting – July 30, 2015**

- Re-appointment of Mr. B. Malla Reddy (DIN: 00003154), as Managing Director of the Company.
- Re-appointment of Mr. P.A. Chitrakar (DIN: 00003213), as Whole Time Director Designated as Chief Operating Officer (COO) of the Company.
- Re-appointment of Mrs. C. Prameelamma (DIN: 00003243), as Whole Time Director Designated as Director (Technical) of the Company.
- Alteration of the Incidental Objects Clause of the Memorandum of Association of the Company.

**23rd Annual General Meeting – July 31, 2014**

- Payment of Remuneration to Non-Executive Directors.
- Special Resolution under Section 180(1)(c) of the Companies Act, 2013 for borrowing money up to Rs.1,000 Crores.
- 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.
- Increase of Authorised Capital from Rs.20 Crores to Rs.30 Crores
- Alteration of Clause IV of the Memorandum of Association
- Alteration of Clause 4 of the Articles of Association
- Deletion of certain Clauses in the Articles of Association

**22nd Annual General Meeting – September 30, 2013.**

- To appoint Mr. S. Gurunatha Reddy as Whole Time Director Designated as Director – Finance
- To appoint Mr. Maram Venkateshwar Reddy as Whole Time Director Designated as Director – (Mktg & Operations).

**c. Whether any special resolution passed last year through postal ballot – details of voting pattern;**

- **Offer/Further Issue of Securities**
- **Voting pattern:**

Sl. No	Name of Resolution	Type of Resolution	% total votes cast for	% total votes cast against	Invalid Votes	Results
1.	Offer / Further Issue of Securities	Special	82.57%	16.39%	1.04%	Passed with requisite majority

**d. person who conducted the postal ballot exercise:**

M/s. L. D. REDDY & CO,  
Company Secretaries  
#504 Afzal Commercial Complex,  
Lakdikapool, Hyderabad, Telangana.

- e. whether any special resolution is proposed to be conducted through postal ballot:** Yes
- f. procedure for postal ballot:**

In compliance with Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with related rules, the Company provides e-voting facility to all its members. The Company engages the services of CDSL for the purpose of providing e-voting facility to all its member. The members have the option to vote either by physical ballot or through e-voting.

The Company dispatches the postal ballot notices and forms along with postage prepaid business reply envelopes to its members whose names appear on the register of members / list of beneficiaries as on a cut-off date. The postal ballot notice is sent to members in electronic form to the email addresses registered with their depository participants (in case of electronic shareholding) / the Company's registrar and share transfer agents (in case of physical shareholding). The company also publishes a notice in the newspapers declaring the details of completion of dispatch and other requirements as mandated under the Act and applicable rules.

Voting rights are reckoned on the paid-up value of the shares registered in the name of the members as on the cut-off date. Members desiring to exercise their votes by physical postal ballot forms are requested to return the forms, duly completed and signed, to the scrutineer on or before the close of the voting period. Members desiring to exercise their votes by electronic mode are requested to vote before close of business hours on the last date of e-voting.

The scrutineer submits his report to the Chairman, after the completion of scrutiny, and the consolidated results of the voting by postal ballot are then announced by the Chairman / authorized person. The results are also displayed on the Company website, besides being communicated to the stock exchanges and registrar and transfer agent. The last date for the receipt of duly completed Postal ballot forms or e-voting shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.

## **8. MEANS OF COMMUNICATION:**

### **a. Quarterly results:**

The quarterly results of the Company are published in accordance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, in widely circulated newspapers namely Business Line, Vaartha (Telugu) and Economic Times (Mumbai edition).

### **b. Newspapers wherein results normally published:**

The results of the Company are published in widely circulated newspapers namely Business Line, Vaartha (Telugu) and Economic Times (Mumbai edition).

### **c. Any website, where displayed:**

The results of the Company are displayed on the Company's website: [www.astramwp.com](http://www.astramwp.com)

### **d. Whether it also displays official news releases:**

Official news releases along with quarterly results are displayed on the Company's website: [www.astramwp.com](http://www.astramwp.com)

### **e. Presentations made to institutional investors or to the analysts:**

The presentations made to the investors/ analysts are placed on the Company's website: [www.astramwp.com](http://www.astramwp.com)

**9. GENERAL SHAREHOLDER INFORMATION:****a. Annual general meeting - date, time and venue:**

<b>Day, Date and time</b>	<b>Friday, 29th July, 2016 at 12.30 P.M.</b>
Venue	Swagath-De-Royal Hotel, Kondapur, Hyderabad

**b. Financial Year**

April 1, 2016 to March 31, 2017. Indicative calendar of events for the year 2016-17 (financial year) excluding Extra Ordinary General Meeting(s), if any, is as under

25th Annual General Meeting	29th July, 2016
First Quarter financial results	29th July, 2016
Second Quarter financial results	31st October, 2016
Third Quarter financial results	30th January, 2017
Fourth Quarter & Annual results of financial year 2016-17	28th April, 2017

**Book Closure**

The Company's Register of Members and Share Transfer books will remain closed for the purpose of payment of dividend.	22nd July, 2016 to 29th July, 2016 (Both days inclusive)
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**c. Dividend Payment Date:**

On or Before 15th August, 2016.

**d. Listing on Stock Exchanges:**

**Company's equity shares are listed at:**

<b>Name and Address of the Stock Exchange</b>	<b>Scrip Code</b>
The National Stock Exchange of India "Exchange Plaza", Bandra-Kurla Complex, Bandra (E), Mumbai-400 051.	ASTRAMICRO
The Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001.	532493

**Listing Fee**

The Company has paid till date listing fee of all the above Exchanges.

**Company's Privately Placed Debentures are listed at:**

<b>Name and Address of the Stock Exchange</b>
The Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001.

**e. Stock Code**

<b>Name of the Stock Exchange</b>	<b>Scrip Code</b>
BSE Limited	532493
National Stock Exchange of India Limited	ASTRAMICRO

**f. Market price data- high, low during each month in last financial year;**

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

Month	BSE		
	High(Rs.)	Low(Rs.)	No. of Shares Traded
April, 2015	165.90	118.10	3177862
May, 2015	126.70	108.35	2006661
June, 2015	119.35	100.00	1697118
July, 2015	133.30	108.95	2718531
August, 2015	126.50	102.00	1991388
September, 2015	116.50	102.10	635152
October, 2015	140.80	109.00	2509905
November, 2015	155.30	122.50	1533566
December, 2015	155.00	127.95	6328112
January, 2016	146.95	103.60	2549698
February, 2016	126.05	106.40	1416388
March, 2016	114.75	101.40	2119392

**g. Performance in comparison to broad-based indices of BSE Sensex:**

Month	ASTRA Closing Price (Rs.)	BSE Sensex (Closing)
April, 2015	122.15	27011.31
May, 2015	111.15	27828.44
June, 2015	108.15	27780.83
July, 2015	126.50	28114.56
August, 2015	110.20	26283.09
September, 2015	112.30	26154.83
October, 2015	128.50	26656.83
November, 2015	146.10	26145.67
December, 2015	148.50	26117.54
January, 2016	126.65	24870.69
February, 2016	107.50	23002.00
March, 2016	105.75	25341.86

**h. There was no suspension of trading in Securities of the Company during the year under review.****i. Registrar to an issue & Share Transfer Agents:**

(for Shares held in both Physical and Demat mode)

**M/s Purva Sharegistry (India) Pvt. Ltd.,**

Shiv Shakti Industrial Estate, Unit No.9,

Ground Floor, 7 B J R Boricha Marg,

Lower Parel, Mumbai - 400 011

Tele:91-022-23016761, 2301 8261 and 2301 0771.

Email:busicomp@gmail.com

**Name of the Debenture Trustee and Contact Details****M/s. Axis Trustee Services Limited**

Axis House, 2nd Floor, Bombay Dyeing Mills Compound,

Pandurang Budhkar Marg, Worli, Mumbai – 400025

Tel: + 91-22-2425 5218, Fax: + 91-22-2425 4200

Website: [www.axistrustee.com](http://www.axistrustee.com), E-mail: [debenturetrustee@axistrustee.com](mailto:debenturetrustee@axistrustee.com)**j. 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 Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and files a copy of the said certificate with Stock Exchanges.

**k. Distribution of shareholding:**

Shareholding pattern as on 31.03.2016

**Distribution of shareholding**

<b>No. of shares held</b>	<b>No. of shareholders</b>
Upto - 5,000	35525
5,001 - 10,000	715
10,001 - 20,000	319
20,001 - 30,000	101
30,001 - 40,000	46
40,001 - 50,000	29
50,001 - 1,00,000	75
1,00,001 and above	97
<b>TOTAL</b>	<b>36907</b>

**Shareholding pattern**

<b>Category</b>	<b>No. of shares</b>	<b>% shareholding</b>
Promoters	14190043	16.38
Individuals	19481860	22.49
Mutual Funds	29578486	34.15
FII's/NRIs/OCBs	10242483	11.83
Bodies Corporate	11342115	13.10
Trusts	3288	0.00
Financial Institutions/Banks	143057	0.17
Others	1630343	1.88
<b>Total</b>	<b>86611675</b>	<b>100</b>

**I. Dematerialization of shares and liquidity.**

Trading of the Company's shares is compulsorily in dematerialized form for all investors. As of March 31, 2016 equity shares representing 98.62% have been dematerialized with the following depositories:

Description	ISIN	Depositories
Equity shares	INE386C01029	NSDL & CDSL
Privately Placed Debentures	INE386C07018	NSDL & CDSL

**m. 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, 2016.

**n. Commodity Price Risk or Commodity hedging activities:**

The Company has not carried on any Commodity Business and has also not carried any commodity hedging activities, hence same are not applicable to the Company.

**o. Plant Locations.**

<p><b>Unit-I</b>            Plot No: 12, ANRICH Industrial Estate,            Miyapur, IDA Bollarum,            Medak (District)-502 325.            Telangana            Tele: 040-30618100 / 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-II</b>            Plot No: 56A, ANRICH Industrial Estate,            Miyapur, IDA Bollarum,            Medak (District)-502 325, Telangana            Tele: 040-30618200 / 01</p>	<p><b>Unit - V</b>            Y.D.Chambers            #327, 5th Cross,            Ombr Layout,            Bangalore.</p>
<p><b>Unit-III</b>            Survey no: 1/1, Imarat Kancha,            Ravirayala Village, Maheswaram Mandal,            Rangareddy (District)-500 010.            Telangana            Tele: 040-30618300 / 01</p>	

**p. Address for correspondence:**

ASTRA MICROWAVE PRODUCTS LIMITED  
 '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@astramwp.com](mailto:secretarial@astramwp.com).  
 Website: [www.astramwp.com](http://www.astramwp.com)

## 10. OTHER DISCLOSURES

### a. 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, 2016.

### b. 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.

### c. Details of establishment of Vigil Mechanism (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, 2016.

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

### d. Policy on Material Subsidiaries

The policy for determining 'material' subsidiaries is available on the website of the company [www.astramwp.com](http://www.astramwp.com).

### e. Policy on Related Party Transactions

The policy on dealing with related party transactions is available on the website of the company [www.astramwp.com](http://www.astramwp.com).

**11. The Company complied with the requirements of the Schedule V Corporate Governance report sub-para (2) to (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

### **12. 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 Schedule V Corporate Governance report of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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.

**13. The Disclosures of the compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are as follows:**

Regulation	Particulars of Regulations	Compliance status (Yes/No/NA)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	N.A
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to Directors and senior management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Website	Yes

**14. Subsidiary Companies**

The Company has one material unlisted subsidiary in India. An Independent Director of the company is also director on the Board of the subsidiary. The Audit committee of the Company reviews the financial statements of the subsidiary and the minutes of the Board meetings of the subsidiary is also periodically placed at the Board meeting of the Company.

**15. Code of Conduct**

The Board has laid down a Code of Conduct covering the ethical requirements to be complied with covering all the Board members and Senior Management Personnel of the Company. An affirmation of compliance with the code is received from them on an annual basis.

**16. CEO and CFO certification**

The Managing Director and the CFO have given a Certificate to the Board as contemplated in Schedule – V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is separately annexed.

**17. Proceeds from public issues, rights issues, preferential issues etc.**

Your Company raised Rs.64,99,99,910/- through the process of Qualified Institutional Placement (QIP) by placing 47,86,450 equity shares of Rs.2/- each at a price of Rs.135.80/- per equity share (including Rs.133.8/- as premium) and the deployment of funds for the projects specified is yet to happen fully.

**18. The Company has adopted the policy on dissemination of information on the material events to stock exchanges in accordance with the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said policy is available on the website of the Company [www.astramwp.com](http://www.astramwp.com).**

19. The Company has adopted the policy on preservation of documents in accordance with the Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Documents Preservation Policy is available on the website of the Company [www.astramwp.com](http://www.astramwp.com).

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

Place: Hyderabad  
Date: May 28, 2016

**Mr. B. Malla Reddy** **Mr. P. A. Chitrakar**  
Managing Director COO  
DIN: 00003154 DIN: 00003213

## **DECLARATION**

As provided under Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the financial year ended March 31, 2016.

**For Astra Microwave Products Limited**

Place: Hyderabad  
Date: May 28, 2016

**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, 2016 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 a significant role in the company's internal control system over financial reporting.

For Astra Microwave Products Limited

Place: Hyderabad  
Date: May 28, 2016

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

**Mr. S.Gurunatha Reddy**  
Whole Time Director & CFO  
DIN:00003828

## **Auditors' certificate on compliance with the conditions of (Corporate Governance under Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**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 March 31, 2016, as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations").

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 Regulations.

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

**P. Venkata Ramana**

Partner

Membership No: 203346

Place: Hyderabad

Date: May 28, 2016

# 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, Telecom, Meteorology 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 performed credibly during the year despite sharp decline in export sales. Exports which has driven growth in the last two years have declined as the projects involved got completed during the year. Exports business is driven by Defence offset policy of government of India which is project based and lumpy in nature.

#### 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	40435
Space	6718
Meteorological&Telecom Products	1025
Exports	3895
<b>Total</b>	<b>52073</b>

#### c) Sales performance:

Sector wise sales are as follows

Business Sector	FY 15-16		FY 14-15	
	₹ Lacs	%	₹ Lacs	%
Defense	26,216	60	19,525	30
Space	2,888	7	6,345	10
Metrology/Civil Telecom	450	1	170	0
Exports	13,905	31	38,299	60
Other Operating Revenue	286	1	78	0
<b>Total</b>	<b>43,745</b>	<b>100</b>	<b>64,417</b>	<b>100</b>

Defence sector both domestic and exports put together is the major contributor of sales with 91% 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 has contributed for export business.

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. Government has a clear vision for an indigenous defense industry and the Defence Procurement Policy(DPP, 2016) announced recently reinforces that intent and commitment. However it is going to be slow incremental changes toward indigenization.

One of the key highlights of DPP – 2016 is simplification and categorisation of the Capital Acquisition process with an eye on indigenised production. Introduction of a remodelled "Make" category in Capital acquisition process to develop domestic capabilities with suitable government funding options for Indian vendors only (including Association of Persons (AoP)) and a focus on MSMEs is a step in the right Direction.

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.

Being in the industry for more than 25 years 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. Our company is also very well positioned to move up the value chain as we have started development activity to build small systems and which will be supplied directly to the Indian armed forces, homeland security establishments etc.,

**e) Expansion plans**

The company has raised about Rs.112 cr through a mix of debt(Rs.50 cr) and equity during the year as against proposed Rs.170 cr. This money was raised 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 Company has started all the stated objectives and is at various stages of implementation.

The Company has proposed to spend about Rs.30 cr during the year to augment existing operations which will be funded by internal accruals, funds raised during last year and if required through term loans from Banks.

**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 is driven by offset provisions of Govt., of India which is project based and hence generally lumpy in nature and 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 31.03.2016 is Rs.17.32 cr.

**2. Reserves and surplus**

The change in reserves and surplus represents share premium earned on fresh issue of shares made during the year, 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 ,issued Non-convertible debentures during the year to implement its capital expenditure plans. Following are the details of secured loans maintenance during the year.

Particulars	As of March 31 (Amount. ₹)	
	2016	2015
<b>Working capital loans:</b>		
Open cash credit		
Sanctioned amount	<u>125,00,00,000</u>	<u>125,00,00,000</u>
Outstanding amount	-	47,56,40,358
<b>Long Term Loans:</b>		
Outstanding at the beginning of the year	<u>39,84,51,089</u>	32,96,92,088
Additions during year	<u>3,95,35,936</u>	15,61,74,344
Repaid during the year	<u>27,88,11,345</u>	87,415,343
Amount outstanding at the end of the year	<u>15,91,75,680</u>	39,84,51,089
<b>Hire purchase loans:</b>		
Outstanding at the beginning of the year	<u>6,11,710</u>	33,33,607
Addition during year	-	-
Repaid during the year	<u>6,11,710</u>	27,21,897
Amount outstanding at the end of the year	-	6,11,710
<b>Redeemable Non-Convertible Debentures:</b>		
Allotment Amount	<u>50,00,00,000</u>	-
Outstanding Amount	<u>50,00,00,000</u>	-

Unsecured loan pertains to the sales tax deferment availed by the company. During the year the Company repaid Rs. 21,53,923/- 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
2004	47,39,206	2017
2005	1,04,74,783	2018
<b>Total</b>	<b>1,52,13,989</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 ₹)	
	2016	2015
<b>Original cost</b>		
Land	<b>190,159,983</b>	190,159,983
Buildings	<b>54,84,09,810</b>	523,887,006
Plant & machinery	<b>146,32,37,354</b>	1,360,924,098
Electrical installation	<b>38,926,873</b>	38,532,347
Air conditioners	<b>58,801,555</b>	55,803,219
Office equipment	<b>18,905,585</b>	13,921,655
Furniture and fixtures	<b>72,966,590</b>	69,045,079
Computers	<b>204,394,726</b>	156,441,359
Vehicles	<b>21,768,582</b>	23,142,182
Solar Power Generating System	<b>84,374,060</b>	84,374,060
Wind Electric Generating System	<b>145,777,032</b>	145,777,032
Less: Accumulated depreciation	<b>150,04,79,515</b>	1,269,890,509
Net block	<b>134,72,42,635</b>	1,392,117,513
Net fixed assets	<b>134,72,42,635</b>	1,392,117,513
Depreciation as % of total revenue	<b>5.51</b>	3.35
Accumulated depreciation as a % of gross block	<b>52.69</b>	47.70

During the year the company added assets (net) worth Rs. 19 crores to the gross block. Most of the plant and machinery additions pertain to cost of Test equipment's, EMI/EMC Test facility. Addition of these equipment and facilities has improved the productivity of the Company directly and indirectly.

#### 6. Investments

Investments represents amount invested in equity share capital of Associate Company, wholly owned subsidiary companies and Joint Venture Companies.

Particulars	As of March 31 (Amount. ₹)	
	2016	2015
Trade Investments - Unquoted - At Cost		
<b>a) Investments in Equity Instruments of Associates;</b> 2,60,000 Equity Shares of Rs.10/- each fully paid up in M/s. Traana Technologies Private Limited (Associate company engaged in digital electronics and based in Bangalore)	26,00,000	26,00,000
<b>b) Investments in equity instruments of Subsidiaries;</b> 1. 1,75,998 (Previous Year 99,998) Equity Shares of Rs.10/- each fully paid up in M/s.Bhavyabhanu Electronics Private Limited (Wholly owned subsidiary engaged in Automatic Assembly)	2,09,87,980	9,99,980
2. 21,700 Equity shares of S\$ 10 each fully paid up in M/s.Aelius Semiconductors Pvt. Ltd, Singapore (Wholly owned subsidiary engaged in Development and sale of MMICs and based in Singapore)	1,07,11,674	-
<b>c) Investments in equity instruments of other Companies;</b> 1. 1000 Equity Shares of Rs.10/- each fully paid up in Astra UBS Technologies Private Limited (Floated for Joint Venture Operations with M/s. UBS, Canada)	10,000	-
2. 1000 Equity Shares of Rs.10/- each fully paid up in Astra Rafael Comsys Private Limited (Floated for Joint Venture Operations with M/s. Rafael, Israel)	10,000	-
<b>Total</b>	<b>3,43,19,654</b>	35,99,980

## 7. Sundry Debtors

Sundry debtors amount to Rs.177cr at the end of the year as compared to Rs. 112 cr for the previous year. They are at 40.53% of revenue for the year as compared to 17.38% for the previous year representing an outstanding of 148 days and 63 days of revenues for the respective years.

The company reviews health of receivables on monthly basis and 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	2016	2015
<b>Cash and cash equivalents as a % of total assets</b>	<b>22.39</b>	<b>1.12</b>
<b>Cash and cash equivalents as a % of revenues</b>	<b>14.58</b>	<b>0.46</b>

#### 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 and on 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 @ Rs. 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 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 Pricewaterhouse coopers Private Limited (PWC) 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)

Particulars	2011-12	2012-13	2013-14	2014-15	2015-16
Gross sales	21,048	23,829	54,424	64,417	<b>43,745</b>
Net Sales	20,375	22,747	53,116	63,433	<b>41,958</b>
Other income including accretion to stock	1,748	691	5,124	1,118	<b>838</b>
Expenditure	15,952	16,634	49,112	53,300	<b>32,425</b>
Operating Profit (EBDIT)	6,171	6,804	9,128	11,251	<b>10,371</b>
Interest	545	412	673	948	<b>879</b>
Profit before depreciation and tax(PBDT)	5,626	6,392	8,455	10,303	<b>9,492</b>
Depreciation	1,245	1,335	1,480	2,154	<b>2,358</b>
Profit before tax(PBT)	4,381	5,057	6,975	8,149	<b>7,134</b>
Tax including Deferred Tax	1,061	1,325	1,882	2,072	<b>1,500</b>
Profit after Tax(PAT)	3,320	3,732	5,093	6,077	<b>5,635</b>
Equity share Capital	1,636	1,636	1,636	1,636	<b>1,732</b>
No.of shares (Rs.2/- each)	8,18,25,225	8,18,25,225	8,18,25,225	8,18,25,225	<b>8,66,11,675</b>
Gross Fixed Assets	16,764	19,880	23,119	26,621	<b>28,477</b>
Net Fixed Assets	8,933	10,792	12,565	13,921	<b>13,472</b>
Raw material consumed	8,807	9,534	39,181	43,839	<b>19,345</b>
Man power cost	2,731	2,798	3,749	3,949	<b>5,082</b>
Sundry debtors	8,753	14,337	13,131	11,187	<b>17,730</b>
Networth	17,130	20,088	24,128	29,002	<b>39,760</b>
Capital Employed	19,110	21,895	27,081	33,312	<b>46,082</b>
EBDIT to Sales(%)	30.29	29.91	17.19	17.74	<b>24.72</b>
EBDT to Sales(%)	27.61	28.10	15.92	16.24	<b>22.62</b>
PBT to Sales(%)	21.50	22.23	13.13	12.85	<b>17.00</b>
PAT to Sales(%)	16.30	16.41	9.59	9.58	<b>13.43</b>
Sales to Net fixed Assets	2.28	2.11	4.23	4.56	<b>3.11</b>
Raw materials to Sales(%)	43.22	41.91	73.76	69.11	<b>46.11</b>
Man power cost to Sales(%)	13.40	12.30	7.06	6.23	<b>12.11</b>
Sundry debtors to Sales(%)	41.59	60.17	24.13	17.37	<b>40.53</b>
Return on Networth(%)	19.38	18.58	21.11	20.95	<b>14.17</b>
Return on Capital Employed(%)	17.37	17.04	18.81	18.24	<b>12.23</b>
Cash Earnings per share(CEPS)(Rs.)	6.88	7.81	10.33	12.59	<b>11.41</b>
Earnings per share(EPS)(Rs.)	4.06	4.56	6.22	7.43	<b>6.77</b>
Book value of the share(Rs.)	20.93	24.55	29.49	35.44	<b>47.77</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 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the 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 of 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 thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the 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, 2016, and its profit and its cash flows for the year ended on that date.

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

- As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, se give in the "**Annexure A**" a statement on the matters specified in Paragraphs 3 and 4 of the Order.

2 As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid 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 the written representations received from the directors as on 31st March, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 2.33 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

**(P. VENKATA RAMANA)**  
 Partner  
 Membership No: 203346

Place: Hyderabad  
 Date: 29.04.2016

**Annexure - A****ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF  
EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF  
ASTRA MICROWAVE PRODUCTS LIMITED**

**Referred to in Paragraph 1 under “Report on Other Legal and Regulatory Requirements” section of our Report**

- 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.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable and 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, Limited Liability Partnerships 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, in respect of loans, investments, guarantees and security the Company has complied with the provisions of Section 185 and 186 of the Act.
- v) According to the information and explanations given to us, the Company has not accepted any deposits from the public and accordingly the provisions of Clause (v) of paragraph 3 of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- vi) The Central Government has specified maintenance of cost records under Section 148 (1) of the Companies act, 2013. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion, that *prima facie*, the prescribed accounts and records have been made and maintained. We have not, however, carried out a detailed examination of the same.
- vii) a) The Company is regular in depositing with appropriate authorities undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Sales 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, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess were in arrears, as at 31st March 2016 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, Sales Tax, Service Tax, Duty of Customs and Value Added Tax 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 The Hon'ble Customs, Excise & Service Tax Appellate Tribunal, south Zone Bench, Bangalore 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).

- viii) 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 loans or borrowing to financial institutions, banks, Government and dues to debenture holders.
- ix) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that moneys raised by the Company by way of term loans have been applied for the purpose for which they were raised.
- x) In our opinion and according to the information and explanations given to us, no fraud by the Company and no fraud on the company by its officers or employees has been noticed or reported during the course of audit.
- xi) In our opinion and according to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii) Since the Company is not a Nidhi Company, the provisions of Clause (xii) of paragraph 3 of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act and as required by the applicable accounting standards the details of the transactions with the related parties have been disclosed in the notes to the financial statements. (Refer Note No: 2.35 of Notes to the financial statements).
- xiv) During the year under review the Company made private placement of shares and in our opinion the Company has complied with the requirement of section 42 of the Companies Act, 2013. Based on our audit procedures and according to the information and explanations given to us, to the extent the funds utilized during the period under audit, we are of the opinion that moneys raised have been applied for the purpose for which they were raised. The details of amount raised during the year and the amount unused at the end of the year are disclosed in the notes to the financial statements. (Refer Note No: 2.39 of Notes to the financial statements).
- xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

**(P. VENKATA RAMANA)**  
 Partner  
 Membership No: 203346

Place: Hyderabad  
 Date: 29.04.2016

**Annexure - B**

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF  
EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF  
ASTRA MICROWAVE PRODUCTS LIMITED**

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

We have audited the internal financial controls over financial reporting of **Astra Microwave Products Limited** ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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

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

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

### **Opinion**

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

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

**(P. VENKATA RAMANA)**  
 Partner  
 Membership No: 203346

Place: Hyderabad  
 Date: 29.04.2016

**BALANCE SHEET AS AT 31st MARCH, 2016**

Amount in ₹

Particulars	Note No	As at 31-03-2016		As at 31-03-2015	
<b>I. EQUITY AND LIABILITIES</b>					
<b>(1) Shareholder's Funds</b>					
(a) Share Capital	2.1	<b>17,32,23,350</b>		16,36,50,450	
(b) Reserves and Surplus	2.2	<b>3,80,27,37,049</b>	<b>3,97,59,60,399</b>	2,73,65,41,644	2,90,01,92,094
<b>(2) Non-Current Liabilities</b>					
(a) Long-term Borrowings	2.3	<b>55,46,97,193</b>		31,52,21,186	
(b) Deferred Tax Liabilities (Net)	2.4	<b>10,85,14,894</b>		10,81,64,921	
(c) Long-term Provisions	2.5	<b>4,55,46,240</b>	<b>70,87,58,327</b>	3,28,43,034	45,62,29,141
<b>(3) Current Liabilities</b>					
(a) Short-term Borrowings	2.6	-		47,56,40,358	
(b) Trade Payables	2.7	<b>40,19,41,569</b>		66,96,18,175	
(c) Other Current Liabilities	2.8	<b>23,22,50,881</b>		18,02,49,083	
(d) Short-term Provisions	2.9	<b>14,95,15,276</b>	<b>78,37,07,726</b>	12,67,00,321	1,45,22,07,936
<b>Total</b>			<b>5,46,84,26,452</b>		<b>4,80,86,29,171</b>
<b>II. Assets</b>					
<b>(1) Non-Current Assets</b>					
(a) Fixed Assets					
Tangible Assets	2.10	<b>1,34,72,42,635</b>		1,39,21,17,513	
(b) Non-Current Investments	2.11	<b>3,43,19,654</b>		35,99,980	
(c) Long-term Loans and Advances	2.12	<b>4,21,32,564</b>	<b>1,42,36,94,853</b>	2,16,46,647	1,41,73,64,140
<b>(2) Current Assets</b>					
(a) Inventories	2.13	<b>1,19,46,35,222</b>		1,33,63,83,304	
(b) Trade Receivables	2.14	<b>1,77,29,92,250</b>		1,11,86,74,543	
(c) Cash and Bank Balances	2.15	<b>84,73,71,482</b>		27,72,44,993	
(d) Short-term Loans and Advances	2.16	<b>20,85,93,975</b>		65,20,29,567	
(e) Other Current Assets	2.17	<b>2,11,38,670</b>	<b>4,04,47,31,599</b>	69,32,624	3,39,12,65,031
<b>Total</b>			<b>5,46,84,26,452</b>		<b>4,80,86,29,171</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

(**P. VENKATA RAMANA**)  
Partner  
Membership No: 203346

Place: Hyderabad  
Date: 29.04.2016

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

Chairman

**(P. A. CHITRAKAR)**

Chief Operating Officer

**(Dr. G. SABARINATHAN)**

Director

**(Prof. ARUN KUMAR TIWARI)**

Additional Director

**(B. LAKSHMI NARAYANA RAJU)**

Additional Director

**(S. GURUNATHA REDDY)**

Whole-Time Director &amp; CFO

**(B. MALLA REDDY)**

Managing Director

**(C. PRAMEELAMMA)**

Director (Technical)

**(T. RAMACHANDRU)**

Director

**(V. VENKATA RAMA SASTRY)**

Additional Director

**(M. VENKATESHWAR REDDY)**

Director (Mktg., &amp; Operations)

**(T. ANJANEYULU)**

Company Secretary

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2016**

Amount in ₹

<b>Particulars</b>	<b>Note No</b>	<b>Year ended 31-03-2016</b>	<b>Year ended 31-03-2015</b>
<b>I Revenue from Operations</b>	2.18	<b>4,37,45,09,468</b>	6,44,17,86,700
Less: Excise Duty		<b>(17,87,03,991)</b>	(9,84,14,421)
		<b>4,19,58,05,477</b>	6,34,33,72,279
<b>II Other Income</b>	2.19	<b>8,38,01,246</b>	6,13,93,475
<b>III Total Revenue (I + II)</b>		<b>4,27,96,06,723</b>	6,40,47,65,754
<b>IV Expenses:</b>			
(a) Cost of Materials Consumed	2.20	<b>1,93,45,33,244</b>	4,38,38,71,651
(b) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	2.21	<b>25,87,46,951</b>	(5,04,52,974)
(c) Employee Benefit Expense	2.22	<b>50,82,03,802</b>	39,48,83,268
(d) Financial Costs	2.23	<b>8,78,83,632</b>	9,48,29,127
(e) Depreciation and Amortization Expense	2.10	<b>23,58,44,594</b>	21,53,85,153
(f) Other Expenses	2.24	<b>54,10,85,523</b>	55,12,30,324
<b>Total Expenses</b>		<b>3,56,62,97,746</b>	5,58,97,46,549
<b>V Profit Before Exceptional and Extraordinary Items and Tax (III - IV)</b>		<b>71,33,08,977</b>	81,50,19,205
<b>VI Exceptional Items</b>	2.25	<b>2,11,250</b>	(6,36,927)
<b>VII Profit Before Extraordinary Items and Tax (V - VI)</b>		<b>71,35,20,227</b>	81,43,82,278
<b>VIII Extraordinary Items</b>		<b>-</b>	-
<b>IX Profit Before Tax (VII - VIII)</b>		<b>71,35,20,227</b>	81,43,82,278
<b>X Tax Expense:</b>			
(1) Current Tax		<b>(15,91,58,198)</b>	(18,26,72,780)
(2) Deferred Tax	2.4	<b>(3,49,973)</b>	(2,44,58,018)
(3) MAT Credit		<b>95,78,877</b>	-
<b>XI Profit / (Loss) for the Period from Continuing Operations (IX - X)</b>		<b>56,35,90,933</b>	60,72,51,480
<b>XII EPS: (In Rupees) (Face Value Rs.2/-)</b>			
Basic and Diluted before extraordinary items	2.26	<b>6.77</b>	7.42
Basic and Diluted after extraordinary items		<b>6.77</b>	7.42
Significant Accounting Policies	1		
Notes on Accounts	2		

As per our Report of even date

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

**(P. VENKATA RAMANA)**  
Partner  
Membership No: 203346

Place: Hyderabad  
Date: 29.04.2016

For and on behalf of the Board

<b>(Dr. SHIBAN K. KOUL)</b>	<b>(B. MALLA REDDY)</b>
Chairman	Managing Director
<b>(P. A. CHITRAKAR)</b>	<b>(C. PRAMEELAMMA)</b>
Chief Operating Officer	Director (Technical)
<b>(Dr. G. SABARINATHAN)</b>	<b>(T. RAMACHANDRU)</b>
Director	Director
<b>(Prof. ARUN KUMAR TIWARI)</b>	<b>(V. VENKATA RAMA SASTRY)</b>
Additional Director	Additional Director
<b>(B. LAKSHMI NARAYANA RAJU)</b>	<b>(M. VENKATESHWAR REDDY)</b>
Additional Director	Director (Mktg., & Operations)
<b>(S. GURUNATHA REDDY)</b>	<b>(T. ANJANEYULU)</b>
Whole-Time Director & CFO	Company Secretary

# CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

Amount in ₹

Particulars	31-03-2016		31-03-2015	
	₹	₹	₹	₹
<b>A) Cash Flow from Operating Activities:</b>				
Net Profit Before Tax, Extra-ordinary & Exceptional Items		71,33,08,977		81,50,19,205
Adjustments for:				
Depreciation	23,58,44,594		21,53,85,153	
Interest Paid	8,78,83,632		9,48,29,127	
Interest Received	(3,43,34,417)		(3,28,11,719)	
Income Tax Paid	(14,06,61,600)		(20,80,62,738)	
		14,87,32,209		6,93,39,823
Operating Profit Before Working Capital Changes		86,20,41,186		88,43,59,028
Adjustments for:				
Trade & Other Receivables	(17,16,05,500)		54,12,72,217	
Trade Payable	(23,66,26,470)		(1,57,40,70,225)	
Inventories	14,17,48,082		12,85,58,980	
		(26,64,83,888)		(90,42,39,028)
Net Cash from Operating Activities		59,55,57,298		(1,98,80,000)
<b>B) Cash Flow from Investing Activities:</b>				
Purchase of Fixed Assets	(21,26,51,449)		(32,80,85,515)	
Proceeds from Disposal of Assets	13,70,900		5,43,000	
Investment in Equity Shares	(3,07,19,674)		-	
Interest received on deposits	2,98,59,106		3,67,51,070	
Proceeds from Disposal of MF Units	-		2,20,99,500	
Net Cash Used in Investing Activities		(21,21,41,117)		(26,86,91,945)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016**

Amount in ₹

<b>Particulars</b>	<b>31-03-2016</b>		<b>31-03-2015</b>	
	₹	₹	₹	₹
<b>C) Cash Flow from Financing Activities:</b>				
Increase / (decrease) in Working Capital Borrowings	(47,56,40,358)		21,88,83,587	
Term Loans Taken	3,95,35,936		15,61,74,345	
Term Loans Repaid	(28,15,58,430)		(9,12,71,886)	
QIP NCD proceeds	50,00,00,000		-	
QIP Share issue proceeds	64,99,99,910		-	
Share issue expenses	(1,94,67,222)		-	
Interest Paid	(7,04,22,490)		(9,32,97,911)	
Dividend Paid	(9,81,90,270)		(9,00,07,748)	
Dividend Tax Paid	(1,99,89,232)		(1,52,96,817)	
Net Cash Used in Financing Activities		22,42,67,844		8,51,83,570
Net Increase in Cash & Cash Equivalents (A-B-C)		60,76,84,025		(20,33,88,375)
 Cash & Cash Equivalents at the Beginning				
Cash on Hand	2,41,888		2,72,594	
Balance with Sch., Banks	2,98,09,435	3,00,51,323	23,31,67,104	23,34,39,698
 Cash & Cash Equivalents at the End				
Cash on Hand	2,05,740		2,41,888	
Balance with Sch., Banks	63,75,29,608	63,77,35,348	2,98,09,435	3,00,51,323

As per our Report of even date

For and on behalf of the Board

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

**(P. VENKATA RAMANA)**  
 Partner  
 Membership No: 203346

**Place:** Hyderabad  
**Date:** 29.04.2016

**(Dr. SHIBAN K. KOUL)**  
 Chairman  
**(P. A. CHITRAKAR)**  
 Chief Operating Officer  
**(Dr. G. SABARINATHAN)**  
 Director  
**(Prof. ARUN KUMAR TIWARI)**  
 Additional Director  
**(B. LAKSHMI NARAYANA RAJU)**  
 Additional Director  
**(S. GURUNATHA REDDY)**  
 Whole-Time Director & CFO

**(B. MALLA REDDY)**  
 Managing Director  
**(C. PRAMEELAMMA)**  
 Director (Technical)  
**(T. RAMACHANDRU)**  
 Director  
**(V. VENKATA RAMA SASTRY)**  
 Additional Director  
**(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, 2016**

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

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

The Financial Statements have been prepared under the historical cost convention in accordance with generally accepted accounting principles in India and comply in all material aspects with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015 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.

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

Revenue from sale of wind electrical energy is accounted for in accordance with the provisions of Power Purchase Agreement executed by the company.

### **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 an 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.

**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 FOR THE YEAR ENDED 31ST MARCH, 2016:****2.1 SHARE CAPITAL**

Amount in ₹

Particulars	As At 31-03-2016	As At 31-03-2015
<b>A) Authorised Share Capital:</b>		
Equity Shares, Rs.2/- Par Value		
15,00,00,000 Equity Shares	<u>30,00,00,000</u>	<u>30,00,00,000</u>
<b>B) Issued, Subscribed and Fully Paid-up Share Capital:</b>		
Equity Shares, Rs.2/- Par Value		
8,66,11,675 Equity Shares fully paid-up	<b>17,32,23,350</b>	16,36,50,450
(Previous year 8,18,25,225 Equity shares fully paid-up)		
<b>Total</b>	<b>17,32,23,350</b>	16,36,50,450
<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>		
Shares outstanding at the beginning of the year	<b>8,18,25,225</b>	8,18,25,225
Add: Shares Issued during the year under QIP	<b>47,86,450</b>	-
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>8,66,11,675</b>	8,18,25,225

**Qualified Institutional Placement :**

The Company has issued 47,86,450 equity shares in the current period under the Qualified Institutional Placement (QIP) issue. The face value of these shares are Rs.2/- each and these were issued at a premium of Rs.133.80 per share.

**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**

	Amount in ₹	
	As At 31-03-2016	As At 31-03-2015
	No of shares %	No of shares %
1) Larsen & Toubro Limited	-	79,50,045 9.72%
2) HDFC Trustee Company Limited	77,93,394 8.99%	71,24,213 8.71%
3) Axis Mutual Fund Trustee Limited	62,39,229 7.20%	-
<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;	<b>NIL</b>	<b>NIL</b>
<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	<b>NIL</b>	<b>NIL</b>
b) Aggregate number of bonus shares (Equity) issued in the last five years immediately preceding the Balance Sheet date	-	2,74,78,475
c) Aggregate number of equity shares bought back in the last five years immediately preceding the Balance Sheet date	<b>NIL</b>	<b>NIL</b>
<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	<b>NIL</b>	<b>NIL</b>

## 2.2 RESERVES &amp; SURPLUS

Amount in ₹

Particulars	As At 31-03-2016	As At 31-03-2015
<b>A) General Reserve:</b>		
Opening balance	<b>44,32,79,695</b>	38,32,79,695
Add: Transferred from Profit and Loss Account	<b>6,00,00,000</b>	6,00,00,000
Balance in General Reserve (A)	<b>50,32,79,695</b>	44,32,79,695
<b>B) Securities Premium Reserve:</b>		
Opening balance	<b>5,04,50,142</b>	5,04,50,142
Add: Addition during the year due to equity issue under QIP	<b>64,04,27,010</b>	-
Less: Share and Debenture issue expenses (Net of tax effect of Rs.67,37,216/-)	<b>(1,27,30,006)</b>	-
Balance in Securities Premium Reserve (B)	<b>67,81,47,146</b>	5,04,50,142
<b>C) Debenture Redemption Reserve:</b>		
Opening balance	<b>-</b>	-
Add: Transferred from Profit and Loss Account	<b>4,17,00,000</b>	-
Balance in Debenture Redemption Reserve (C)	<b>4,17,00,000</b>	-
<b>D) Surplus:</b>		
Opening balance	<b>2,24,28,11,807</b>	1,81,54,09,693
Less: Carrying amount of assets, where the remaining useful life of an asset is nil	<b>-</b>	(20,26,815)
Add / (Less): Net Profit / (Loss) after Tax transferred from Statement of Profit & Loss	<b>56,35,90,933</b>	60,72,51,480
Amount Available for Appropriation	<b>2,80,64,02,740</b>	2,42,06,34,358
Less: Appropriations		
Amount Transferred to General Reserve	<b>(6,00,00,000)</b>	(6,00,00,000)
Debenture Redemption Reserve	<b>(4,17,00,000)</b>	-
Proposed Dividend	<b>(10,39,34,010)</b>	(9,81,90,270)
Dividend Tax	<b>(2,11,58,522)</b>	(1,96,32,280)
Balance in Profit & Loss Account (D)	<b>2,57,96,10,208</b>	2,24,28,11,807
<b>Total (A+B+C+D)</b>	<b>3,80,27,37,049</b>	2,73,65,41,644

## 2.3 LONG-TERM BORROWINGS

Particulars	Amount in ₹	
	As At 31-03-2016	As At 31-03-2015
<b>A) Secured Long-Term Borrowings:</b>		
1) Term Loans: From Banks:		
a) <b>Term Loan from HDFC Bank #</b>		25,96,86,236
Repayment terms: As on 31.03.2016		
Repayable with in next one year in 4 quarterly installments		
Rate of interest: 10.60%,10.30%		
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 along with term lenders.		
Pari Passu second charge on the current assets of the company along with other term lenders and personal guarantee of the Managing Director and Chief Operating Officer.		
b) <b>Term Loan from AXIS Bank #</b>	4,44,19,397	4,03,20,961
Repayment terms: As on 31.03.2016		
13 Instalments (Quarterly) of Rs.50,62,500/- each		
Rate of Interest:10.75%		
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 along with term lenders and WC lenders except assets financed by other term lenders including EM 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.		
c) <b>Redeemable Non Convertible Debentures</b>	50,00,00,000	-
500 Redeemable Non convertible Debentures of face value of Rs.10,00,000/- each		
Rate of Interest: 10.58% cumulative quarterly, payable annually		
Redeemable on:		
50% is redeemable in April 2018		
Remaining 50% is redeemable in October 2018		
Nature of Security:		
First Pari Passu charge over movable property/Fixed Assets of the Company both present and future other than those Assets that are exclusively charged and any other security as mutually agreed between NCD holder and the Issuer.		
<b>Total Secured Long-Term Borrowings (A)</b>	<b>54,44,19,397</b>	<b>30,00,07,197</b>

**2.3 LONG-TERM BORROWINGS (Contd.)**

Amount in ₹

Particulars	As At 31-03-2016	As At 31-03-2015
Aggregate amount of loans Guaranteed by Managing Director and Chief Operating Officer	<b>15,91,75,680</b>	39,84,51,089
Amount of continuing default as on the balance sheet date in repayment of loans and interest there on	<b>NIL</b>	<b>NIL</b>
<b>B) Unsecured Long-Term Borrowings:</b>		
Deferred Payment Liabilities:		
Sales Tax Loan from Government of Telangana	<b>1,02,77,796</b>	1,52,13,989
Repayable on or before: March 2018		
Number of installments (yearly) due as on 31/03/2016: 2 #		
Rate of interest: Interest free		
<b>Total Unsecured Long-Term Borrowings (B)</b>	<b>1,02,77,796</b>	<b>1,52,13,989</b>
Aggregate amount of loans Guaranteed by Directors	<b>NIL</b>	<b>NIL</b>
Amount of continuing default as on the balance sheet date in repayment of loans and interest there on	<b>NIL</b>	<b>NIL</b>
# 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>55,46,97,193</b>	<b>31,52,21,186</b>

**2.4 DEFERRED TAX LIABILITIES (NET)**

Amount in ₹

Particulars	As At 31-03-2016	As At 31-03-2015
Deferred Tax Liability	<b>12,42,77,537</b>	11,93,28,268
Less: Deferred tax Asset	<b>(1,57,62,643)</b>	<b>(1,11,63,347)</b>
Closing balance of Net Deferred Tax Liability	<b>10,85,14,894</b>	<b>10,81,64,921</b>
Less: Opening balance of Net Deferred Tax Liability	<b>10,81,64,921</b>	<b>8,37,06,903</b>
Effect on Profit and Loss Statement	<b>(3,49,973)</b>	<b>(2,44,58,018)</b>
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 31-03-2016	As At 31-03-2015
Provision for Employee Benefits:		
Unavailed Leave	<b>1,97,65,668</b>	1,46,85,081
Gratuity Obligation	<b>2,57,80,572</b>	1,81,57,953
<b>Total</b>	<b>4,55,46,240</b>	3,28,43,034

## 2.6 SHORT TERM BORROWINGS

Amount in ₹

Particulars	As at 31-03-2016	As at 31-03-2015
<b>A) Secured Short-Term Borrowings :</b> Repayable on Demand From Banks: a) <b>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	-	1,86,29,800
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	-	43,88,04,744
c) <b>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	-	-

## 2.6 SHORT TERM BORROWINGS (Contd.)

Amount in ₹

Particulars	As at 31-03-2016	As at 31-03-2015
<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	-	1,67,05,291
<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	-	15,00,523
<b>Total Secured Short-Term Borrowings</b>	-	47,56,40,358
Aggregate amount of loans Guaranteed by Managing Director and Chief Operating Officer	-	47,56,40,358
Amount of default as on the balance sheet date in repayment of loans and interest there on	<b>NIL</b>	<b>NIL</b>

**2.7 TRADE PAYABLES**

Amount in ₹

Particulars	As at 31-03-2016	As at 31-03-2015
Accrued Salaries and other benefits		
Salaries & Directors Remuneration	<b>4,75,67,097</b>	3,88,50,014
For Other Liabilities		
For Supplies	<b>5,35,885</b>	7,04,000
Total outstanding dues of Micro Enterprises and Small Enterprises		
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	<b>12,22,87,370</b>	9,61,16,820
Advances from Customers	<b>23,15,51,217</b>	53,39,47,341
<b>Total</b>	<b>40,19,41,569</b>	66,96,18,175

**2.8 OTHER CURRENT LIABILITIES**

Amount in ₹

Particulars	As at 31-03-2016	As at 31-03-2015
Current maturities of long term borrowings	<b>11,96,92,476</b>	10,11,90,977
Interest accrued and due on borrowings	<b>14,32,306</b>	66,16,333
Interest accrued but not due on NCD's	<b>2,26,45,169</b>	-
Unclaimed Dividends	<b>68,08,201</b>	57,09,582
For Services & Expenses	<b>3,83,05,022</b>	3,98,39,639
PF & ESI payable	<b>40,67,637</b>	28,31,527
Withholding and Other Taxes Payable	<b>3,36,09,464</b>	1,86,68,131
Creditors for capital goods/works	<b>56,90,606</b>	53,92,892
<b>Total</b>	<b>23,22,50,881</b>	18,02,49,083

**2.9 SHORT-TERM PROVISIONS**

Amount in ₹

Particulars	As at 31-03-2016	As at 31-03-2015
<b>a) Provision for Employee Benefits:</b>		
Bonus and Incentives	<b>1,20,33,658</b>	88,06,894
<b>b) Others</b>		
Proposed Dividend	<b>10,39,34,010</b>	9,81,90,270
Provision for		
Tax on Dividend	<b>2,11,58,522</b>	1,96,32,280
Income Taxes	<b>1,23,89,086</b>	70,877
<b>Total</b>	<b>14,95,15,276</b>	12,67,00,321

## 2.10 FIXED ASSETS

Amount in ₹

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK				
	As on 01.04.2015 Rs.	Additions Rs.	Deletions Rs.	As on 31.03.2016 Rs.	Up to 01.04.2015 Rs.	For the Period Rs.	Adjusted against Retained Earnings Rs.	Deletions Rs.	Up to 31.03.2016 Rs.	As on 31.03.2016 Rs.	As on 31.03.2015 Rs.
<b>Tangible Assets:</b>											
Land	19,01,59,983	-	-	19,01,59,983	-	-	-	-	-	19,01,59,983	19,01,59,983
Buildings	50,65,04,666	2,45,22,804	-	53,10,27,470	23,38,16,654	2,54,50,822	-	-	25,92,67,476	27,17,59,994	27,26,88,012
Plant & Machinery	1,29,32,68,321	10,23,13,256	-	1,39,55,81,577	73,59,79,219	11,17,07,938	-	-	84,76,87,157	54,78,94,420	55,72,89,102
Electrical Installations	3,78,52,146	3,94,525	-	3,82,46,671	2,73,12,780	35,22,335	-	-	3,08,35,115	74,11,556	1,05,39,366
Solar Power Plant	8,43,74,060	-	-	8,43,74,060	98,86,072	84,21,734	-	-	1,83,07,806	6,60,66,254	7,44,87,988
Air Conditioners	5,57,40,819	29,98,336	-	5,87,39,155	3,84,34,701	58,44,467	-	-	4,42,79,168	1,44,59,987	1,73,06,118
Office Equipment	1,38,21,878	49,83,929	-	1,88,05,807	1,03,16,634	32,53,098	-	-	1,35,69,732	52,36,075	35,05,244
Furniture & Fixtures	6,76,04,534	39,21,511	-	7,15,26,045	4,64,73,154	64,73,032	-	-	5,29,46,186	1,85,79,859	2,11,31,380
Computers	15,60,16,529	5,07,13,565	-	20,39,69,896	11,76,11,561	4,03,56,935	-	-	15,52,35,032	4,87,34,864	3,84,04,968
Vehicles	2,31,42,182	16,05,065	-	27,60,198	1,24,61,359	34,68,936	-	-	1,34,08,172	83,60,410	1,06,80,823
Wind Electric Generator	14,57,77,032	-	-	29,78,665	14,57,77,032	1,82,29,568	-	-	2,12,29,568	12,45,47,464	14,27,77,212
<b>Leased Assets:</b>											
Buildings	1,73,82,340	-	-	1,73,82,340	76,07,198	9,23,253	-	-	85,30,451	88,51,889	97,75,142
Plant & Machinery	6,76,55,777	-	-	6,76,55,777	2,54,75,893	78,53,962	-	-	3,33,29,855	3,43,25,922	4,21,79,884
Electrical Installations	6,80,202	-	-	6,80,202	3,10,011	1,03,946	-	-	4,13,957	2,66,245	3,70,191
Air Conditioners	62,400	-	-	62,400	28,632	9,496	-	-	38,128	24,272	33,768
Office Equipment	99,778	-	-	99,778	66,388	18,354	-	-	84,742	15,036	33,390
Computers	4,24,830	-	-	4,24,830	3,84,262	10,893	-	-	3,95,155	29,675	40,568
Furniture & Fixtures	14,40,545	-	-	14,40,545	7,26,171	1,95,644	-	-	9,21,815	5,18,730	7,14,374
<b>Total</b>	2,66,20,08,022	19,14,52,991	57,38,863	2,84,77,22,150	1,26,38,90,509	23,58,44,594	-	-	52,55,557	1,50,04,79,315	1,34,72,42,635
<b>Pre., Year Total</b>	2,31,19,40,943	35,38,45,837	37,78,758	2,66,20,08,022	1,05,54,03,159	21,53,85,153	20,26,815	-	29,24,618	1,26,98,90,309	1,39,21,17,513
											1,25,65,37,784

## 2.11 NON-CURRENT INVESTMENTS

Amount in ₹

Particulars	As at 31-03-2016	As at 31-03-2015
Trade Investments - Unquoted - At Cost		
Investments in equity instruments		
<b>a) Investments in equity instruments of Associates</b>		
2,60,000 Equity Shares of Rs.10/- each fully paid up in M/s. Traana Technologies Private Limited	<b>26,00,000</b>	26,00,000
<b>b) Investments in equity instruments of Subsidiaries</b>		
1) 1,75,998 (Previous Year 99,998) Equity Shares of Rs.10/- each fully paid up in M/s. Bhavyabhanu Electronics Private Limited	<b>2,09,87,980</b>	9,99,980
2) 21,700 Equity shares of S\$ 10 each fully paid up in AELIUS Semiconductors Pte. Ltd. Singapore	<b>1,07,11,674</b>	-
<b>c) Investments in equity instruments of other Companies;</b>		
1) 1000 Equity Shares of Rs.10/- each fully paid up in Astra UBS Technologies Private Limited	<b>10,000</b>	-
2) 1000 Equity Shares of Rs.10/- each fully paid up in Astra Rafael Comsys Private Limited	<b>10,000</b>	-
<b>Total</b>	<b>3,43,19,654</b>	35,99,980
Aggregate amount of unquoted investments	<b>3,43,19,654</b>	35,99,980
Aggregate provision for diminution in value of investments	-	-

## 2.12 LONG-TERM LOANS AND ADVANCES

Amount in ₹

Particulars	As at 31-03-2016	As at 31-03-2015
<b>Unsecured considered goods</b>		
Advances for capital goods/works	<b>2,54,62,953</b>	39,66,782
Security Deposits	<b>1,31,40,165</b>	1,34,97,589
Pre paid expenses	<b>35,29,446</b>	41,82,276
<b>Total</b>	<b>4,21,32,564</b>	2,16,46,647

## 2.13 INVENTORIES

Amount in ₹

Particulars	As at 31-03-2016	As at 31-03-2015
Raw Materials	<b>65,90,71,627</b>	54,32,46,419
Packing Material	<b>50,34,126</b>	35,68,122
Stores & Spares	-	2,92,343
Work-in-progress	<b>52,57,65,066</b>	78,26,29,622
Finished Goods	<b>47,64,403</b>	66,46,798
<b>Total</b>	<b>1,19,46,35,222</b>	1,33,63,83,304
Mode of valuation of Inventories:		
Inventories are valued at lower of cost or net realisable value.		
Cost has been arrived on weighted average basis		

## 2.14 TRADE RECEIVABLES

Amount in ₹

Particulars	As at 31-03-2016	As at 31-03-2015
Unsecured Considered Good		
Outstanding for a period exceeding six months from the date they are due for payment	20,62,03,117	19,64,49,289
Others	1,56,67,89,133	92,22,25,254
<b>Total</b>	<b>1,77,29,92,250</b>	<b>1,11,86,74,543</b>

## 2.15 CASH AND BANK BALANCES

Amount in ₹

Particulars	As at 31-03-2016	As at 31-03-2015
<b>A) Cash and Cash Equivalents:</b>		
Balances with Banks (Current year balances includes Rs.55,00,00,000/- balance QIP share issue proceeds kept under FDRs)	63,75,29,608	2,98,09,435
Cheques, Drafts on hand	-	-
Cash on Hand	2,05,740	2,41,888
<b>Total Cash and Cash Equivalents(A)</b>	<b>63,77,35,348</b>	<b>3,00,51,323</b>
<b>B) Other Bank Balances:</b>		
Balances with Banks	20,96,36,134	24,71,93,670
<b>Total Other Bank Balances (B)</b>	<b>20,96,36,134</b>	<b>24,71,93,670</b>
<b>Total Cash and Bank Balances (A + B)</b>	<b>84,73,71,482</b>	<b>27,72,44,993</b>
<b>Other Bank Balances includes:</b>		
a) Earmarked balances with banks (for unclaimed dividend)	68,08,201	57,09,582
b) Deposit accounts with more than 12 months maturity	-	-
c) Held as margin money deposits against guarantees	20,28,27,933	24,14,84,088

## 2.16 SHORT TERM LOANS AND ADVANCES

Amount in ₹

Particulars	As at 31-03-2016	As at 31-03-2015
Unsecured Considered Good		
- Others	10,00,27,942	5,25,94,564
- Advances for Supplies		
- Amounts due from Related Parties:		
- Advance for supplies to Subsidiary Company	1,07,42,285	42,25,59,852
- Bhavyabhanu Electronics Private Limited	94,15,848	45,90,018
- Advances for Services and Expenses	2,44,26,720	8,50,27,909
- Balance with Revenue Authorities (cenvat & VAT credit)	14,72,311	4,60,62,586
- Amount (refund) due from Excise Department	2,93,84,657	-
- Customs Duty Refund Receivable	43,45,905	45,83,839
- Advance income tax (Net of provision)	1,23,95,318	1,23,95,318
- Deposits made against disputed tax liabilities	1,63,82,989	2,42,15,482
- Prepaid Expenses		
<b>Total</b>	<b>20,85,93,975</b>	<b>65,20,29,567</b>

## 2.17 OTHER CURRENT ASSETS

Amount in ₹

Particulars	As at 31-03-2016	As at 31-03-2015
Interest accrued but not due on Deposits	1,14,33,612	69,32,624
Export benefits accrued	1,26,181	-
MAT Credit	95,78,877	-
<b>Total</b>	<b>2,11,38,670</b>	<b>69,32,624</b>

## 2.18 REVENUE FROM OPERATIONS

Amount in ₹

Particulars	Year ended 31-03-2016	Year ended 31-03-2015
<b>A) From Sale of Products</b>		
Domestic	2,84,96,58,449	2,53,21,87,197
Export	1,38,84,92,085	3,82,99,30,344
<b>TOTAL</b>	<b>4,23,81,50,534</b>	<b>6,36,21,17,541</b>
<b>B) From Sale of Services</b>		
Domestic	10,60,24,398	7,17,77,787
Export	17,04,750	-
<b>TOTAL (B)</b>	<b>10,77,29,148</b>	<b>7,17,77,787</b>
<b>C) Sale of Power:</b>		
Wind Electric Power Charges	2,08,27,424	1,64,596
<b>D) Other Operating Revenue:</b>		
Operating Lease Rent	78,02,362	77,26,776
<b>TOTAL (A+B+C+D)</b>	<b>4,37,45,09,468</b>	<b>6,44,17,86,700</b>

## 2.19 OTHER INCOME

Amount in ₹

Particulars	Year ended 31-03-2016	Year ended 31-03-2015
Interest Income	3,54,69,271	3,28,11,719
Miscellaneous Receipts	8,673	21,66,311
Customs Duty Refund	2,93,84,657	38,78,067
Export Incentives	1,89,38,645	2,25,37,378
<b>Total</b>	<b>8,38,01,246</b>	<b>6,13,93,475</b>

## 2.20 COST OF MATERIALS CONSUMED

Amount in ₹

Particulars	Year ended 31-03-2016	Year ended 31-03-2015
<b>A) Indigenous Raw Material:</b>		
Opening stock of Raw Material	9,31,21,168	12,51,40,874
Add: Purchases during the year	1,28,66,74,691	3,74,66,55,661
	1,37,97,95,859	3,87,17,96,535
Less: Closing Stock of Raw Material	9,50,21,338	9,31,21,168
<b>Raw Material consumed (A)</b>	<b>1,28,47,74,521</b>	<b>3,77,86,75,367</b>
<b>B) Imported Raw Material:</b>		
Opening stock of raw material	45,01,25,251	59,66,11,595
Add: Purchases during the year	76,36,83,761	45,87,09,940
	1,21,38,09,012	1,05,53,21,535
Less: Closing Stock of Raw Material	56,40,50,289	45,01,25,251
<b>Raw Material Consumed (B)</b>	<b>64,97,58,723</b>	<b>60,51,96,284</b>
<b>Total Raw Material Consumed (A + B)</b>	<b>1,93,45,33,244</b>	<b>4,38,38,71,651</b>
Percentage of imported raw materials consumed to the total consumption	33.59	13.81
Percentage of indigenous raw materials consumed to the total consumption	66.41	86.19

**2.21 CHANGES IN INVENTORIES**

Amount in ₹

<b>Particulars</b>	<b>Year ended 31-03-2016</b>	<b>Year ended 31-03-2015</b>
Inventories at the end of the period		
- Finished Goods	<b>47,64,403</b>	66,46,798
- Work-in-progress	<b>52,57,65,066</b>	78,26,29,622
<b>Total (A)</b>	<b>53,05,29,469</b>	<b>78,92,76,420</b>
Inventories at the beginning of the period		
- Finished Goods	<b>66,46,798</b>	46,80,206
- Work-in-progress	<b>78,26,29,622</b>	73,41,43,240
<b>Total (B)</b>	<b>78,92,76,420</b>	<b>73,88,23,446</b>
Change in Inventories (A - B)	<b>25,87,46,951</b>	<b>(5,04,52,974)</b>

**2.22 EMPLOYEE BENEFIT EXPENSES**

Amount in ₹

<b>Particulars</b>	<b>Year ended 31-03-2016</b>	<b>Year ended 31-03-2015</b>
Salaries, Wages & Other Benefits	<b>41,59,75,796</b>	30,41,12,951
Directors Remuneration	<b>5,01,87,477</b>	5,44,99,686
Contribution to Provident Fund & ESI	<b>2,17,85,788</b>	1,68,75,763
Staff Welfare Expenses	<b>2,02,54,741</b>	1,93,94,868
<b>Total</b>	<b>50,82,03,802</b>	<b>39,48,83,268</b>

**2.23 FINANCIAL COSTS**

Amount in ₹

<b>Particulars</b>	<b>Year ended 31-03-2016</b>	<b>Year ended 31-03-2015</b>
Interest on Term Loans	<b>3,66,72,522</b>	3,82,41,294
Interest on Working Capital borrowings	<b>2,85,48,019</b>	5,63,55,668
Interest on Vehicle Loan	<b>17,922</b>	2,32,165
Interest on NCD's	<b>2,26,45,169</b>	-
<b>Total</b>	<b>8,78,83,632</b>	<b>9,48,29,127</b>

**2.24 OTHER EXPENSES**

Amount in ₹

<b>Particulars</b>	<b>Year ended 31-03-2016</b>	<b>Year ended 31-03-2015</b>
Machinery maintenance	<b>4,65,28,057</b>	4,29,37,892
Power and Fuel	<b>1,78,28,296</b>	2,20,85,995
Excise Duty (Includes Difference between Excise Duty on Opeing & Closing Stock of FG )	<b>61,92,986</b>	6,00,347
Testing Charges	<b>86,68,476</b>	1,04,99,555
Carriage Inwards	<b>14,09,089</b>	17,20,162
Installation & Commissioning of AWS	<b>22,99,804</b>	21,75,454
Travelling and Conveyance	<b>3,23,41,463</b>	2,76,65,849
Printing and Stationery	<b>69,92,218</b>	62,11,386
Communication Costs	<b>74,79,965</b>	58,87,046
Operating Lease Rent	<b>35,14,764</b>	29,09,185
Insurance	<b>89,52,943</b>	97,32,137
Rates and Taxes excluding taxes on income	<b>66,21,620</b>	56,22,119
Auditors Remuneration	<b>13,51,100</b>	11,23,600
Legal & Professional Charges	<b>2,34,06,658</b>	2,40,96,630
Technology Transfer Charges	<b>-</b>	18,00,000
Repairs to Building	<b>48,83,296</b>	53,22,271
Computer & Software Maintenance	<b>2,17,85,772</b>	66,29,820
Vehicle Maintenance	<b>11,09,396</b>	11,48,751
Factory & Garden Maintenance	<b>69,03,408</b>	55,23,361
Office Electricity Charges	<b>27,79,751</b>	27,12,604
Repairs & Maintenance of Other Assets	<b>57,36,116</b>	77,75,627
Vehicle Hire Charges	<b>2,10,85,003</b>	1,79,18,014
Miscellaneous Expenses	<b>1,35,58,142</b>	1,18,58,348
Books, Periodicals & Subscriptions	<b>11,43,406</b>	9,10,664
Conference & Seminar Expenses	<b>1,11,865</b>	22,90,731
Advertisement	<b>21,93,575</b>	27,08,041
Entertainment & Business Promotion	<b>83,62,335</b>	79,00,763
Sponsorship expenses	<b>15,99,510</b>	12,58,600
Donations	<b>12,00,000</b>	16,95,000
CSR Expenditure	<b>1,34,85,237</b>	1,08,17,394
Security Charges	<b>1,10,68,795</b>	89,13,053
Staff Recruitment & Training	<b>7,13,715</b>	15,24,575
Performance Allowance to Non-Whole Time Directors	<b>40,00,000</b>	50,10,000
Bank Charges and Commission	<b>4,88,88,682</b>	5,06,06,513
Carriage Outwards	<b>19,63,003</b>	11,80,423
Packing Material	<b>49,68,559</b>	1,06,91,840
Sales Tax / VAT	<b>11,52,02,377</b>	10,47,89,736
Service Tax	<b>1,41,73,564</b>	82,90,391
Late Delivery Charges	<b>4,44,82,535</b>	6,12,02,270
Foreign Travel and Exhibition Expenses	<b>1,15,02,163</b>	78,25,556
Foreign Exchange Fluctuations	<b>45,97,879</b>	3,96,58,621
<b>Total</b>	<b>54,10,85,523</b>	55,12,30,324

Amount in ₹

**2.25 EXCEPTIONAL ITEMS**

<b>Particulars</b>	<b>Year ended 31-03-2016</b>	<b>Year ended 31-03-2015</b>
Profit / (Loss) on disposal of assets	<b>8,87,624</b>	(3,11,140)
Profit / (Loss) on disposal of investments	-	20,99,500
Prior Period Adjustments	<b>(6,76,374)</b>	(24,25,287)
<b>Total</b>	<b>2,11,250</b>	(6,36,927)
Prior period tax adjustments includes income tax and other adjustments relating to earlier years.		

**2.26 EARNINGS PER SHARE**

Amount in ₹

<b>Particulars</b>	<b>Year ended 31-03-2016</b>	<b>Year ended 31-03-2015</b>
No. of Equity Shares outstanding at the beginning of the year	<b>8,18,25,225</b>	8,18,25,225
Weighted Average No. of Equity Shares issued during the period	<b>13,99,317</b>	-
Number of Bonus Shares issued	-	-
Total number of Shares outstanding at the end of the year (used as denominator for calculating EPS)	<b>8,32,24,542</b>	8,18,25,225
Profit before extraordinary items available to share holders (used as numerator for calculating EPS)	<b>56,35,90,933</b>	60,72,51,480
Profit after extraordinary items available to share holders (used as numerator for calculating EPS)	<b>56,35,90,933</b>	60,72,51,480
Basic & Diluted Earnings Per Share before extraordinary items in Rs. (Face Value Rs.2/-)	<b>6.77</b>	7.42
Basic & Diluted Earnings Per Share after extraordinary items in Rs. (Face Value Rs.2/-)	<b>6.77</b>	7.42

**2.27 VALUE OF RAW MATERIAL CONSUMED, TURNOVER, OPENING & CLOSING STOCK-IN-TRADE:**

Amount in ₹

<b>Particulars</b>	<b>Year ended 31-03-2016</b>	<b>Year ended 31-03-2015</b>
<b>A) Raw-material consumed:</b>		
Semi Conductor devices and other materials	<b>1,93,45,33,244</b>	4,38,38,71,651
<b>B) Turnover:</b>		
a) Microwave components and sub systems	<b>4,23,81,50,534</b>	6,36,21,17,541
b) Sale of services	<b>10,77,29,148</b>	7,17,77,787
c) Wind Electric power charges	<b>2,08,27,424</b>	1,64,596
d) Operating Lease Rent	<b>78,02,362</b>	77,26,776
<b>Total</b>	<b>4,37,45,09,468</b>	6,44,17,86,700
<b>C) Opening Stock-in trade:</b>		
Microwave components and sub systems		
a) Finished goods	<b>66,46,798</b>	46,80,206
b) Work-in-progress	<b>78,26,29,622</b>	73,41,43,240
<b>D) Closing Stock-in trade:</b>		
Microwave components and sub systems		
a) Finished goods	<b>47,64,403</b>	66,46,798
b) Work-in-progress	<b>52,57,65,066</b>	78,26,29,622

**2.28 RESEARCH AND DEVELOPMENT EXPENSES**

Amount in ₹

<b>Particulars</b>	<b>Year ended 31-03-2016</b>	<b>Year ended 31-03-2015</b>
Expenditure at Department of Scientific and Industrial Research (DSIR) approved R&D centres		
a) Revenue Expenditure	<b>29,27,23,300</b>	17,45,51,043
b) Capital Expenditure	<b>1,88,80,826</b>	6,11,86,703
Total R&D Expenditure	<b>31,16,04,126</b>	<b>23,57,37,746</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.		

**2.29 BORROWING COSTS**

Amount in ₹

<b>Particulars</b>	<b>Year ended 31-03-2016</b>	<b>Year ended 31-03-2015</b>
Borrowing cost capitalized during the period	-	32,77,032

**2.30 FOREIGN EXCHANGE FLUCTUATIONS**

Amount in ₹

<b>Particulars</b>	<b>Year ended 31-03-2016</b>	<b>Year ended 31-03-2015</b>
As per the accounting policy, the amount of Foreign Exchange Fluctuations (debited) / credited to Profit and Loss Account during the period	<b>(45,97,879)</b>	(3,96,58,621)

**2.31 AUDITORS REMUNERATION**

Amount in ₹

<b>Particulars</b>	<b>Year ended 31-03-2016</b>	<b>Year ended 31-03-2015</b>
Audit Fee	<b>8,00,000</b>	7,00,000
Tax Audit Fee	<b>2,00,000</b>	1,50,000
For Certification, Taxation and other matters	<b>1,80,000</b>	1,50,000
Service Tax	<b>1,71,100</b>	1,23,600
<b>Total</b>	<b>13,51,100</b>	11,23,600

**2.32 FOREIGN EXCHANGE TRANSACTIONS**

Amount in ₹

<b>Particulars</b>	<b>Year ended 31-03-2016</b>	<b>Year ended 31-03-2015</b>
Value of imported raw-materials on CIF basis	<b>68,73,93,669</b>	43,40,71,000
Value of imported capital goods on CIF basis	<b>9,53,71,435</b>	10,99,94,828
CIF value of other imports	<b>1,38,39,016</b>	24,76,766
Expenditure in foreign currency on account of:		
Travel	<b>35,97,273</b>	24,12,894
Books & Periodicals	-	84,998
Exhibitions & Conferences	<b>3,20,016</b>	1,56,892
Technical Consultancy	<b>9,26,716</b>	-
Earnings in foreign currency:		
FOB Value of Exports	<b>1,38,84,92,085</b>	3,82,99,30,344
For Services Rendered	<b>17,04,750</b>	-
Remittances in foreign currency:		
On account of Dividend:	-	-

**2.33 CONTINGENT LIABILITIES**

Amount in ₹

<b>Particulars</b>	<b>Year ended 31-03-2016</b>	<b>Year ended 31-03-2015</b>
<b>a) Letters of credit</b>	<b>15,51,00,000</b>	-
<b>b) Bank Guarantees:</b>		
1) Performance Guarantees	<b>96,72,39,633</b>	87,31,16,553
2) Advance payment Guarantees	<b>27,97,56,016</b>	93,32,67,878
3) Guarantee in lieu of EMD/Security Deposit/Bid Security	<b>20,21,76,236</b>	12,78,16,637
4) Guarantee for Materials	<b>5,93,05,000</b>	6,53,30,600
5) Corporate Guarantee on behalf of Subsidiary Company to HDFC bank Limited	<b>20,00,00,000</b>	20,00,00,000
<b>c) Claims against the Company not acknowledged</b>		
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	<b># 2,48,18,566</b>	# 2,48,18,566

**2.34 Disclosure as required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Amount in ₹

<b>Particulars</b>	<b>Year ended 31-03-2016</b>	<b>Year ended 31-03-2015</b>
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 to firms/companies in which Directors are interested:	-	-
d) 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	-	-

## 2.35 RELATED PARTY DISCLOSURES

Amount in ₹

Particulars	Year ended 31-03-2016	Year ended 31-03-2015
<b>Transactions with Related parties (excluding reimbursements):</b>		
<b>a) Associate Company: Traana Technologies Private Limited</b>		
Transactions during the year		
Services received from Associate Company	<b>9,16,000</b>	53,46,291
Balance outstanding at year end:		
Investment in shares	<b>26,00,000</b>	26,00,000
Balance payable to Associate Company	<b>4,76,000</b>	30,33,720
<b>b) Subsidiary Company: Bhavyabhanu Electronics Private Limited</b>		
Transactions during the year		
Purchase of Raw materials	<b>87,36,89,057</b>	1,62,40,29,154
Rent received	<b>78,02,362</b>	77,26,776
Investment in shares	<b>1,99,88,000</b>	-
Balance outstanding at year end:		
Investment in shares	<b>2,09,87,980</b>	9,99,980
Advance to subsidiary company for supply of materials	<b>1,07,42,285</b>	42,25,59,852
Corporate Guarantee given to HDFC Bank on behalf of Subsidiary company	<b>20,00,00,000</b>	20,00,00,000
<b>c) Subsidiary Company: Aelius Semiconductors Pte. Ltd., Singapore</b>		
Transactions during the year		
Investment in shares	<b>1,07,11,674</b>	-
Balance outstanding at year end:		
Investment in shares	<b>1,07,11,674</b>	-
<b>d) Astra UBS Technologies Private Limited #</b>		
Transactions during the year		
Investment in shares	<b>10,000</b>	-
Balance outstanding at year end:		
Investment in shares	<b>10,000</b>	-
<b>e) Astra Rafael Comsys Private Limited #</b>		
Transactions during the year		
Investment in shares	<b>10,000</b>	-
Balance outstanding at year end:		

## 2.35 RELATED PARTY DISCLOSURES (Contd.)

Amount in ₹

Particulars	Year ended 31-03-2016	Year ended 31-03-2015
Investment in shares # Incorporated during the year for the purpose of Joint Venture (JV), in which other JV partner had not made any investment during the year	10,000	-
<b>f) Companies in which Key Managerial Personnel had significant influence / control:</b> 1) Astra UBS Technologies Private Limited # 2) Astra Rafael Comsys Private Limited # 3) Astra Infonets Limited 4) Ocimum Industries Private Limited # Transactions with the above Companies are stated above	NIL NIL	NIL NIL
<b>g) Remuneration Directors:</b> <b>1) Executive Directors (Key Managerial Personnel):</b> Mr. B. Malla Reddy, Managing Director Mr. P.A. Chitrakar, Chief Operating Officer Mrs. C. Prameelamma, Director (Technical) Mr. S. Gurunatha Reddy, Whole-Time Director & CFO Mr. M. Venkateshwar Reddy, Director - Marketing & Operations	1,20,13,000 1,20,91,946 1,21,78,000 70,21,705 73,40,326	1,28,20,000 1,29,36,328 1,27,75,547 79,55,125 80,12,686
<b>2) Non-Executive Directors: (includes sitting fee &amp; net of service tax)</b> Dr. Shiban K. Koul, Chairman Mr. T. Ramachandru, Director Dr. G. Sabarinathan, Director Mr. J. Venkata Das, Director (Resigned as Director during the year) Mr. Atim Kabra, Director (Resigned as Director during the year) Mr. U. K. Kalyanaramudu, Director (Resigned as Director during the year)	10,50,000 10,50,000 10,45,000 5,20,000 5,00,000 35,000	12,00,000 12,00,000 - 12,00,000 6,00,000 8,90,000
<b>h) Key Managerial Personnel:</b> Mr. T. Anjaneyulu, Company Secretary	13,53,442	11,98,568
<b>i) Salary and other benefits to Relative of Director:</b> Mr. S. Krishna Reddy, Manager Information Technology (Brother of Mr. S. Gurunatha Reddy)	16,38,748	13,16,532

**2.36 Details of Hedged and Unhedged Foreign Currency Exposures:**

Amount in ₹

<b>Particulars</b>	<b>Year ended 31-03-2016</b>	<b>Year ended 31-03-2015</b>
<b>A) Hedged Foreign Currency Exposures:</b>		
1. Principal only swap (INR to USD swaps)	-	7,71,42,743
Purpose: to hedge the economic exposures on future dollar linked sales		
<b>B) Unhedged Foreign Currency Exposures:</b>		
1. Sundry creditors	<b>5,67,74,736</b>	5,68,23,783
2. Advances from Customs	<b>6,06,08,590</b>	41,02,45,194
3. Sundry debtors	<b>13,14,64,192</b>	21,20,05,861
4. Advances for supplies	<b>7,52,56,561</b>	3,53,50,010
5. Bank balances	<b>328</b>	95,006

## 2.37 RETIREMENT BENEFIT PLANS

Amount in ₹

Particulars	Year ended 31-03-2016	Year ended 31-03-2015
<b>A) Defined Contribution Plan:</b> 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.		
Employer's Contribution to Provident fund recognised in the Profit & Loss Statement	<b>1,85,41,309</b>	1,37,19,272
<b>B) Defined Benefit Plan:</b> 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 thereof 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)  Leave encashment is payable as per the Rules of the Company. (Unfunded) 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.  The following table sets out the status of the defined benefit obligation and the amounts recognized in the Company's financial statements		
<b>A) Change in benefit obligations:</b> Present value of the obligation as at beginning of year	<b>5,93,13,571</b>	4,70,07,220
Interest cost	<b>46,26,458</b>	42,30,650
Current Service Cost	<b>1,26,16,362</b>	84,52,630
Benefits Paid	<b>(66,09,569)</b>	(65,23,229)
Actuarial (gain) / loss on obligations	<b>1,11,57,536</b>	61,46,300
Present value of obligation at year end	<b>8,11,04,358</b>	5,93,13,571
<b>B) Change in plan assets:</b>		
Fair value of plan assets at beginning of year	<b>2,64,70,543</b>	2,28,77,783
Expected return on plan assets	<b>25,17,735</b>	18,47,385
Employer contribution	<b>73,43,866</b>	31,55,450
Benefits paid	<b>(7,74,026)</b>	(14,10,075)
Fair value of plan assets at year end	<b>3,55,58,118</b>	2,64,70,543

**2.37 RETIREMENT BENEFIT PLANS (Contd.)**

Amount in ₹

<b>Particulars</b>	<b>Year ended 31-03-2016</b>	<b>Year ended 31-03-2015</b>
<b>C) Reconciliation of fair value of assets and obligations:</b>		
Present value of obligation	<b>8,11,04,358</b>	5,93,13,571
Fair value of plan assets	<b>3,55,58,118</b>	2,64,70,543
Amount recognised in Balance Sheet	<b>4,55,46,240</b>	3,28,43,028
<b>D) Expenses recognized during the year:</b>		
Current Service cost	<b>1,26,16,362</b>	84,52,630
Interest cost	<b>46,26,458</b>	42,30,650
Expected return on plan assets	<b>(25,17,735)</b>	(18,47,385)
Net actuarial (gain) / loss recognized in the year	<b>1,11,57,536</b>	61,46,300
Net cost	<b>2,58,82,621</b>	1,69,82,195
<b>E) Actuarial Assumptions used in accounting:</b>		
Discount rate (per annum)	<b>7.90%</b>	7.80%
Salary escalation rate (per annum)	<b>5.00%</b>	5.00%

**2.38 Disclosure as required under Part I (6)(FA) of Schedule III to the Companies Act, 2013:** Amount in ₹

<b>Particulars</b>	<b>Year ended 31-03-2016</b>	<b>Year ended 31-03-2015</b>
<b>Relating to Micro, Small and Medium Enterprises</b>		
(This information as required to be disclosed has been determined to the extent such parties have been identified on the basis of information available with the company)		
(i) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year;"		
Principal amount	<b>5,35,885</b>	7,04,000
Interest amount	-	-
(ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day " during each accounting year;		
(iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;"		
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and		
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23		

**2.39 Disclosure as required under Part I (6)(V) of Schedule III to the Companies Act, 2013:**

Amount in ₹

Particulars	Year ended 31-03-2016	Year ended 31-03-2015
Amount raised during the year by issue of equity shares under QIP	<b>64,99,99,910</b>	
Unutilised amount as at the year end (Kept under FDRs)	<b>55,00,00,000</b>	
The amount will be utilised to meet investments in Joint Venture Companies, setting up of wholly owned subsidiary outside India, Setting up a R&D centre in Bangalore, development of new products and long term working capital requirements of the company		

**2.40 During the year the Company has raised the following amounts under Qualified Institutions Placement (QIP) allotment:**

Amount in ₹

Particulars	Year ended 31-03-2016	Year ended 31-03-2015
By way of Equity shares - 47,86,450 shares @ Rs.135.80 Per share By way of 500 Redeemable Non Convertible Debentures of face value of Rs.10,00,000/- each Towards raising the funds the Company has incurred issue expenses amounted to Rs.1,94,67,222 /- as per the Provisions of Section 52 of the Companies Act, 2013 the expenses incurred on issue of shares and Debentures can be applied against the share premium. Accordingly the issue expenses of Rs.1,27,30,006 /- (after tax effect) has been adjusted against the securities premium.	<b>64,99,99,910</b> <b>50,00,00,000</b>	

**2.41 CSR Expenditure:** During the year the company has incurred Rs.1,34,85,237/- (Previous year 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 Board's Report

**2.42 Segment Reporting:** The Company operates in the same segment of manufacture and sale of Microwave Products which are subject to similar risks and returns.

**2.43** During the year provision for income tax has been provided as per the provisions of Section 115JB of the Income Tax Act.

**2.44 MAT Credit entitlement:** Minimum Alternative Tax paid as per the provisions of the Section 115JB of the Income Tax Act, Which can be carried forward U/s. 115JAA to be set off against the income tax payable in the specified period was considered as an asset and recognised in the financial statements as per Guidance Note on "Accounting for credit available in respect of Minimum Alternative Tax under the Income Tax Act, 1961" issued by the ICAI.

**2.45** The previous year's figures have been reworked / regrouped / rearranged / reclassified wherever necessary.

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

**2.47** 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

**(P. VENKATA RAMANA)**  
Partner  
Membership No: 203346

**Place:** Hyderabad  
**Date:** 29.04.2016

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

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

**(Dr. G. SABARINATHAN)**  
Director

**(Prof. ARUN KUMAR TIWARI)**  
Additional Director

**(B. LAKSHMI NARAYANA RAJU)**  
Additional Director

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

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

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

**(T. RAMACHANDRU)**  
Director

**(V. VENKATA RAMA SASTRY)**  
Additional Director

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

**(T. ANJANEYULU)**  
Company Secretary

Consolidated Financial Statements of  
Astra Microwave Products Limited

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# INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To  
The Members of  
Astra Microwave Products Limited

## Report on Consolidated Financial Statements:

We have audited the accompanying consolidated financial statements of ASTRA MICROWAVE PRODUCTS LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its Associate, comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

## Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associate 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

## Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the consolidated state of affairs of the Group and its associate as at 31st March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date

## Other Matters

- We did not audit the financial statements / financial information of one subsidiary, whose financial statements / financial information reflect total assets of Rs. 92,73,629/- as at 31st March, 2016, total revenues of Rs. NIL and net cash flows amounting to Rs.92,73,629/- for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information has been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.

(b) The consolidated financial statements also include the Group's share of net loss of Rs.10,84,466/-for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of one associate, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements /financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor and the financial statements / financial information certified by the Management.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion the aforesaid consolidated 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 the written representations received from the directors of the Holding Company and one of its subsidiary company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and Subsidiary Company none of the directors of the Group's companies and on the basis of Management's information and explanations in respect of one of its associate company incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Group, its associate and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate – Refer Note No: 2.27 to the consolidated financial statements.
    - ii) The Group, its associate did not have any material foreseeable losses on long-term contracts including derivative contracts.
    - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company, associate company incorporated in India.

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

(P. VENKATA RAMANA)  
Partner  
Membership No: 203346

Place: Hyderabad  
Date: 29.04.2016

**Annexure - A**

## **ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ASTRA MICROWAVE PRODUCTS LIMITED**

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, We have audited the internal financial controls over financial reporting of Astra Microwave Products Limited (hereinafter referred to as "the Holding Company") and its subsidiary company, its associate company, which are companies incorporated in India, as of that date.

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

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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

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

**Opinion:** In our opinion, the Holding Company, its subsidiary company, its associate company which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on, "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

Place: Hyderabad  
Date: 29.04.2016

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

(P. VENKATA RAMANA)  
Partner  
Membership No: 203346

## CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2016

Amount in ₹

Particulars	Note No	As at 31-03-2016		As at 31-03-2015	
<b>I. EQUITY AND LIABILITIES</b>					
<b>(1) Shareholder's Funds</b>					
(a) Share Capital	2.1	<b>17,32,23,350</b>		<b>16,36,50,450</b>	
(b) Reserves and Surplus	2.2	<b>3,81,97,97,685</b>	<b>3,99,30,21,035</b>	<b>2,75,45,74,330</b>	2,91,82,24,780
<b>(2) Minority Interest</b>					
(a) Share Capital		<b>20</b>		<b>20</b>	
(b) Reserves and Surplus		<b>464</b>	<b>484</b>	<b>492</b>	512
<b>(3) Non-Current Liabilities</b>					
(a) Long-term Borrowings	2.3	<b>55,91,41,653</b>		<b>32,63,32,306</b>	
(b) Deferred Tax Liabilities (Net)	2.4	<b>10,76,66,762</b>		<b>109,030,157</b>	
(c) Long-term Provisions	2.5	<b>4,78,61,346</b>	<b>71,46,69,761</b>	<b>3,43,32,666</b>	46,96,95,129
<b>(4) Current Liabilities</b>					
(a) Short-term Borrowings	2.6	<b>1,01,63,646</b>		<b>48,88,99,901</b>	
(b) Trade Payables	2.7	<b>40,53,69,880</b>		<b>75,22,78,944</b>	
(c) Other Current Liabilities	2.8	<b>23,98,93,673</b>		<b>19,66,10,536</b>	
(d) Short-term Provisions	2.9	<b>15,01,39,247</b>	<b>80,55,66,446</b>	<b>12,82,45,537</b>	<b>1,56,60,34,918</b>
<b>Total</b>			<b>5,51,32,57,726</b>		<b>4,95,39,55,339</b>
<b>II. Assets</b>					
<b>(1) Non-Current Assets</b>					
(a) Fixed Assets					
Tangible Assets	2.10	<b>1,36,84,36,483</b>		<b>1,41,60,39,251</b>	
(b) Non-Current Investments	2.11	<b>20,000</b>		<b>10,84,466</b>	
(c) Long-term Loans and Advances	2.12	<b>4,23,30,972</b>	<b>1,41,07,87,455</b>	<b>2,19,80,025</b>	<b>1,43,91,03,742</b>
<b>(2) Current Assets</b>					
(a) Inventories	2.13	<b>1,22,36,63,024</b>		<b>1,73,21,43,882</b>	
(b) Trade Receivables	2.14	<b>1,77,32,53,179</b>		<b>1,11,86,74,543</b>	
(c) Cash and Bank Balances	2.15	<b>87,13,79,881</b>		<b>29,05,19,263</b>	
(d) Short-term Loans and Advances	2.16	<b>21,28,16,105</b>		<b>36,54,87,241</b>	
(e) Other Current Assets	2.17	<b>2,13,58,082</b>	<b>4,10,24,70,271</b>	<b>80,26,668</b>	<b>3,51,48,51,597</b>
<b>Total</b>			<b>5,51,32,57,726</b>		<b>4,95,39,55,339</b>
<b>Significant Accounting Policies</b>	1				
<b>Notes on Accounts</b>	2				

As per our Report of even date

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

**(P. VENKATA RAMANA)**  
Partner  
Membership No: 203346

Place: Hyderabad  
Date: 29.04.2016

For and on behalf of the Board

<b>(Dr. SHIBAN K. KOUL)</b>	<b>(B. MALLA REDDY)</b>
Chairman	Managing Director
<b>(P. A. CHITRAKAR)</b>	<b>(C. PRAMEELAMMA)</b>
Chief Operating Officer	Director (Technical)
<b>(Dr. G. SABARINATHAN)</b>	<b>(T. RAMACHANDRU)</b>
Director	Director
<b>(Prof. ARUN KUMAR TIWARI)</b>	<b>(V. VENKATA RAMA SASTRY)</b>
Additional Director	Additional Director
<b>(B. LAKSHMI NARAYANA RAJU)</b>	<b>(M. VENKATESHWAR REDDY)</b>
Additional Director	Director (Mktg., & Operations)
<b>(S. GURUNATHA REDDY)</b>	<b>(T. ANJANEYULU)</b>
Whole-Time Director & CFO	Company Secretary

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE  
YEAR ENDED 31st MARCH, 2016**

Particulars	Note No	Year ended 31-03-2016	Year ended 31-03-2015 Amount in ₹
<b>I Revenue from Operations</b>	2.18	<b>4,36,69,69,605</b>	6,43,40,59,924
Less: Excise Duty		<b>(17,87,03,991)</b>	(9,84,14,421)
		<b>4,18,82,65,614</b>	6,33,56,45,503
<b>II Other Income</b>	2.19	<b>8,50,25,506</b>	6,25,26,602
<b>III Total Revenue (I + II)</b>		<b>4,27,32,91,120</b>	6,39,81,72,105
<b>IV Expenses:</b>			
(a) Cost of Materials Consumed	2.20	<b>1,63,18,60,840</b>	4,50,68,22,617
(b) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	2.21	<b>51,18,46,058</b>	(27,24,41,185)
(c) Employee Benefit Expense	2.22	<b>52,95,79,834</b>	41,52,76,461
(d) Financial Costs	2.23	<b>9,12,86,857</b>	9,96,79,290
(e) Depreciation and Amortization Expense	2.10	<b>24,04,20,430</b>	22,04,67,308
(f) Other Expenses	2.24	<b>55,66,28,811</b>	58,05,13,801
<b>Total Expense</b>		<b>3,56,16,22,830</b>	5,55,03,18,292
<b>V Profit Before Exceptional and Extraordinary Items and Tax (III - IV)</b>		<b>71,16,68,290</b>	84,78,53,813
<b>VI Exceptional Items</b>	2.25	<b>2,50,957</b>	(6,36,927)
<b>VII Profit Before Extraordinary Items and Tax (V - VI)</b>		<b>71,19,19,247</b>	84,72,16,886
<b>VIII Extraordinary Items</b>			-
<b>IX Profit Before Tax (VII - VIII)</b>		<b>71,19,19,247</b>	84,72,16,886
<b>X Tax Expense:</b>			
(1) Current Tax	2.4	<b>(15,91,58,198)</b>	(19,37,81,803)
(2) Deferred Tax		<b>13,63,395</b>	(2,57,28,550)
(3) MAT Credit		<b>95,78,877</b>	-
<b>XI Profit for the Period from Continuing Operations (IX - X) before Minority Interest</b>		<b>56,37,03,321</b>	62,77,06,533
<b>XII Minority share of (profit) / loss for the current year</b>		<b>28</b>	(510)
<b>XIII Profit for the Period from Continuing Operations (XI - XII) after Minority Interest</b>		<b>56,37,03,349</b>	62,77,06,023
<b>XIV Share in Profit / (Loss) of Associate</b>		<b>(10,84,466)</b>	(1,24,636)
<b>XV Net Profit for the Period from Continuing Operations (XIII - XIV)</b>		<b>56,26,18,883</b>	62,75,81,387
<b>XII EPS: (In Rupees) (Face Value Rs.2/-)</b>			
Basic and Diluted before extraordinary items	2.26	<b>6.76</b>	7.67
Basic and Diluted after extraordinary items		<b>6.76</b>	7.67
<b>Significant Accounting Policies</b>	1		
Notes on Accounts	2		

As per our Report of even date

For **AMAR & RAJU****CHARTERED ACCOUNTANTS**

Firm Registration No: 000092S

**(P. VENKATA RAMANA)**

Partner

Membership No: 203346

Place: Hyderabad

Date: 29.04.2016

For and on behalf of the Board

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

Chairman

**(B. MALLA REDDY)**

Managing Director

**(P. A. CHITRAKAR)**

Chief Operating Officer

**(C. PRAMEELAMMA)**

Director (Technical)

**(Dr. G. SABARINATHAN)**

Director

**(T. RAMACHANDRU)**

Director

**(Prof. ARUN KUMAR TIWARI)**

Additional Director

**(V. VENKATA RAMA SASTRY)**

Additional Director

**(B. LAKSHMI NARAYANA RAJU)**

Additional Director

**(M. VENKATESHWAR REDDY)**

Director (Mktg., &amp; Operations)

**(S. GURUNATHA REDDY)**

Whole-Time Director &amp; CFO

**(T. ANJANEYULU)**

Company Secretary

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

Amount in ₹

Particulars	31-03-2016		31-03-2015	
	₹	₹	₹	₹
<b>A) Cash Flow from Operating Activities:</b>				
Net Profit Before Tax, Extra-ordinary & Exceptional Items		71,16,68,290		84,78,53,813
Adjustments for:				
Depreciation	24,04,20,430		22,04,67,308	
Interest Paid	9,12,86,857		9,96,79,290	
Interest Received	(3,66,93,531)		(3,39,44,846)	
Income Tax Paid	(14,64,64,124)		(21,81,76,015)	
		14,85,49,632		6,80,25,737
Operating Profit Before Working Capital Changes		86,02,17,922		91,58,79,550
Adjustments for:				
Trade & Other Receivables	(45,95,92,156)		69,51,67,436	
Trade Payable	(32,35,88,204)		(1,51,44,27,003)	
Inventories	50,84,80,858		(14,74,26,404)	
		(27,46,99,502)		(96,66,85,971)
Net Cash from Operating Activities		58,55,18,420		(5,08,06,421)
<b>B) Cash Flow from Investing Activities:</b>				
Purchase of Fixed Assets	(21,45,10,732)		(33,79,23,474)	
Proceeds from Disposal of Assets	13,70,900		5,43,000	
Investment in Equity Shares	(20,000)		-	
Interest received on deposits	3,30,67,175		3,68,70,665	
Proceeds from Disposal of MF Units	-		2,20,99,500	
Net Cash Used in Investing Activities		(18,00,92,657)		(27,84,10,309)

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

Amount in ₹

Particulars	31-03-2016		31-03-2015	
	₹	₹	₹	₹
<b>C) Cash Flow from Financing Activities:</b>				
Increase / (decrease) in Working				
Capital Borrowings	(47,87,36,255)		23,21,43,130	
Term Loans Taken	3,95,35,936		17,61,74,345	
Term Loans Repaid	(28,82,25,090)		(9,34,94,106)	
QIP NCD proceeds	50,00,00,000		-	
QIP Share issue proceeds	64,99,99,910		-	
Share issue expenses	(1,94,67,222)		-	
Interest Paid	(7,39,03,791)		(9,79,55,526)	
Dividend Paid	(9,81,90,270)		(9,00,07,748)	
Dividend Tax Paid	(1,99,89,232)		(1,52,96,817)	
Net Cash Used in Financing Activities		21,10,23,986		11,15,63,278
Net Increase in Cash & Cash Equivalents (A-B-C)		61,64,49,749		(21,76,53,452)
<b>Cash &amp; Cash Equivalents at the Beginning</b>				
Cash on Hand	2,65,493		3,80,280	
Balance with Sch., Banks	3,05,62,499	3,08,27,992	24,81,01,164	24,84,81,444
Cash & Cash Equivalents at the End				
Cash on Hand	2,22,736		2,65,493	
Balance with Sch., Banks	64,70,55,005	64,72,77,741	3,05,62,499	3,08,27,992

As per our Report of even date

For **AMAR & RAJU**  
**CHARTERED ACCOUNTANTS**  
Firm Registration No: 000092S  
  
**(P. VENKATA RAMANA)**  
Partner  
Membership No: 203346

Place: Hyderabad  
Date: 29.04.2016

For and on behalf of the Board

**(Dr. SHIBAN K. KOUL)**  
Chairman  
**(P. A. CHITRAKAR)**  
Chief Operating Officer  
**(Dr. G. SABARINATHAN)**  
Director  
**(Prof. ARUN KUMAR TIWARI)**  
Additional Director  
**(B. LAKSHMI NARAYANA RAJU)**  
Additional Director  
**(S. GURUNATHA REDDY)**  
Whole-Time Director & CFO

**(B. MALLA REDDY)**  
Managing Director  
**(C. PRAMEELAMMA)**  
Director (Technical)  
**(T. RAMACHANDRU)**  
Director  
**(V. VENKATA RAMA SASTRY)**  
Additional Director  
**(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, 2016**

## **A) BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS:**

These consolidated financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

## **B) PRINCIPLES OF CONSOLIDATION:**

The consolidated financial statements relate to Astra Microwave Products Limited ('the Company') and its subsidiary companies 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 companies 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 companies 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/ loss 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) The Company accounts for its share of post acquisition changes in net assets of associates, after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Consolidated Profit and Loss Statement, to the extent such change is attributable to the associates' Profit and Loss Statement and through its reserves for the balance based on available information.
- h) In case of foreign subsidiary, being integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Statement of Profit and Loss
- i) 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.
- j) Figures pertaining to the Subsidiary Companies have been recast / reclassified wherever necessary to bring them in line with the parent Company's Financial statements.
- k) 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 companies which are not having any effect on the true and fair view of the Consolidated Financial Statements are excluded.

## **C) Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments".**

## **D) Other significant accounting policies:**

Other significant accounting policies are set out under "Significant Accounting Policies" as given in the separate financial statements of the Company and its subsidiaries.

## 2. CONSOLIDATED NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2016

### 2.1 SHARE CAPITAL

Particulars	Amount in ₹	
	As at 31-03-2016	As at 31-03-2015
<b>A) Authorised Share Capital:</b>		
Equity Shares, Rs.2/- Par Value		
15,00,00,000 Equity Shares	<b>30,00,00,000</b>	30,00,00,000
<b>B) Issued, Subscribed and Fully Paid-up Share Capital:</b>		
Equity Shares, Rs.2/- Par Value		
8,66,11,675 Equity Shares fully paid-up	<b>17,32,23,350</b>	16,36,50,450
(Previous year 8,18,25,225 Equity shares fully paid-up)		
<b>Total</b>	<b>17,32,23,350</b>	16,36,50,450
<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>		
Shares outstanding at the beginning of the year	<b>8,18,25,225</b>	8,18,25,225
Add: Shares Issued during the year under QIP	<b>47,86,450</b>	-
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>8,66,11,675</b>	8,18,25,225

#### Qualified Institutional Placement :

The Company has issued 47,86,450 equity shares in the current period under the Qualified Institutional Placement (QIP) issue. The face value of these shares are Rs.2/- each and these were issued at a premium of Rs.133.80 per share.

#### 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**

	<b>As at</b>	
	<b>31-03-2016 No. of shares %</b>	<b>31-03-2015 No. of shares %</b>
1) Larsen & Toubro Limited	-	79,50,045
	-	9.72%
2) HDFC Trustee Company Limited	<b>77,93,394</b>	71,24,213
	<b>8.99%</b>	8.71%
3) Axis Mutual Fund Trustee Limited	<b>62,39,229</b>	-
	<b>7.20%</b>	-
Shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment;	<b>NIL</b>	<b>NIL</b>
<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	<b>NIL</b>	<b>NIL</b>
b) Aggregate number of bonus shares (Equity) issued in the last five years immediately preceding the Balance Sheet date	-	2,74,78,475
c) Aggregate number of equity shares bought back in the last five years immediately preceding the Balance Sheet date	<b>NIL</b>	<b>NIL</b>
<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	<b>NIL</b>	<b>NIL</b>

## 2.2 RESERVES &amp; SURPLUS

Amount in ₹

Particulars	As at 31-03-2016	As at 31-03-2015
<b>A) General Reserve:</b>		
Opening balance	<b>44,32,79,695</b>	38,32,79,695
Add: Transferred from Profit and Loss Account	<b>6,00,00,000</b>	6,00,00,000
Balance in General Reserve (A)	<b>50,32,79,695</b>	44,32,79,695
<b>B) Securities Premium Reserve:</b>		
Opening balance	<b>5,04,50,142</b>	5,04,50,142
Add: Addition during the year due to equity issue under QIP	<b>64,04,27,010</b>	-
Less: Share and Debenture issue expenses (Net of tax effect of Rs.67,37,216/-)	<b>(1,27,30,006)</b>	-
Balance in Securities Premium Reserve (B)	<b>67,81,47,146</b>	5,04,50,142
<b>C) Debenture Redemption Reserve:</b>		
Opening balance	-	-
Add: Transferred from Profit and Loss Account	<b>4,17,00,000</b>	-
Balance in Debenture Redemption Reserve (C)	<b>4,17,00,000</b>	-
<b>D) Surplus:</b>		
Opening balance	<b>2,26,08,44,493</b>	1,81,45,03,369
Less: Carrying amount of assets, where the remaining useful life of an asset is nil	-	(20,26,815)
Less: Share in accumulated surplus of Associate company	-	(13,90,898)
Add / (Less): Net Profit / (Loss) after Tax transferred from Statement of Profit & Loss	<b>56,26,18,883</b>	62,75,81,387
Amount Available for Appropriation	<b>2,82,34,63,376</b>	2,43,86,67,043
Less: Appropriations		
Amount Transferred to General Reserve	<b>(6,00,00,000)</b>	(6,00,00,000)
Debenture Redemption Reserve	<b>(4,17,00,000)</b>	-
Proposed Dividend	<b>(10,39,34,010)</b>	(9,81,90,270)
Dividend Tax	<b>(2,11,58,522)</b>	(1,96,32,280)
Balance in Profit & Loss Account (D)	<b>2,59,66,70,844</b>	2,26,08,44,493
<b>Total (A+B+C+D)</b>	<b>3,81,97,97,685</b>	2,75,45,74,330

**2.3 LONG-TERM BORROWINGS**

Amount in ₹

Particulars	As at 31-03-2016	As at 31-03-2015
<b>A) Secured Long-Term Borrowings:</b>		
<b>1) Term Loans: From Banks:</b>		
<b>a) Term Loan from HDFC Bank #</b>		25,96,86,236
Repayment terms: As on 31.03.2016	-	
Repayable with in next one year in 4 quarterly installments		
Rate of interest: 10.60%,10.30%		
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 along with term lenders. Pari Passu second charge on the current assets of the company along with other term lenders and personal guarantee of the Managing Director and Chief Operating Officer.		
<b>b) Term Loan from AXIS Bank #</b>	4,44,19,397	4,03,20,961
Repayment terms: As on 31.03.2016		
13 Instalments (Quarterly) of Rs.50,62,500/- each		
Rate of Interest:10.75%		
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 along with term lenders and WC lenders except assets financed by other term lenders including EM 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) Redeemable Non Convertible Debentures</b>	50,00,00,000	-
500 Redeemable Non convertible Debentures of face value of Rs.10,00,000/- each		
Rate of Interest: 10.58% cumulative quarterly, payable annually		
Redeemable on:		
50% is redeemable in April 2018		
Remaining 50% is redeemable in October 2018		
Nature of Security:		
First Pari Passu charge over movable property/Fixed Assets of the Company both present and future other than those Assets that are exclusively charged and any other security as mutually agreed between NCD holder and the Issuer		

## 2.3 LONG-TERM BORROWINGS (Contd.)

Amount in ₹

Particulars	As at 31-03-2016	As at 31-03-2015
<b>d) Term Loan from HDFC Bank #</b>  Repayment Terms: 20 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 company financed by HDFC Bank and Second Charge on the Company's entire current assets and Corporate Guarantee of Astra Microwave Products Ltd.,	<b>44,44,460</b>	1,11,11,120
<b>Total Secured Long-Term Borrowings (A)</b>	<b>54,88,63,857</b>	31,11,18,317
Aggregate amount of loans Guaranteed by Managing Director and Chief Operating Officer	<b>15,91,75,680</b>	39,84,51,089
Amount of continuing default as on the balance sheet date in repayment of loans and interest there on	<b>NIL</b>	<b>NIL</b>
<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 31/03/2016: 2 # Rate of interest: Interest free	<b>1,02,77,796</b>	1,52,13,989
<b>Total Unsecured Long-Term Borrowings (B)</b>	<b>1,02,77,796</b>	1,52,13,989
Aggregate amount of loans Guaranteed by Directors	<b>NIL</b>	<b>NIL</b>
Amount of continuing default as on the balance sheet date in repayment of loans and interest there on	<b>NIL</b>	<b>NIL</b>
# Amount repayable within next one year is shown separately under the head "Other Current Liabilities" (Note No: 2.8)	<b>NIL</b>	<b>NIL</b>
<b>Total Long-Term Borrowings (A + B)</b>	<b>55,91,41,653</b>	32,63,32,306

**2.4 DEFERRED TAX LIABILITIES (NET)**

<b>Particulars</b>	<b>Amount in ₹</b>	
	<b>As at 31-03-2016</b>	<b>As at 31-03-2015</b>
Deferred Tax Liability	<b>12,51,50,607</b>	12,06,76,815
Less: Deferred tax Asset	<b>(1,74,83,845)</b>	(1,16,46,658)
Closing balance of Net Deferred Tax Liability	<b>10,76,66,762</b>	10,90,30,157
Less: Opening balance of Net Deferred Tax Liability	<b>10,90,30,157</b>	8,33,01,607
Effect on Profit and Loss Statement	<b>13,63,395</b>	(2,57,28,550)
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**

<b>Particulars</b>	<b>Amount in ₹</b>	
	<b>As at 31-03-2016</b>	<b>As at 31-03-2015</b>
Provision for Employee Benefits:		
Unavailed Leave	<b>2,14,99,017</b>	1,56,27,423
Gratuity Obligation	<b>2,63,62,329</b>	1,87,05,243
<b>Total</b>	<b>4,78,61,346</b>	3,43,32,666

**2.6 SHORT TERM BORROWINGS**

<b>Particulars</b>	<b>Amount in ₹</b>	
	<b>As at 31-03-2016</b>	<b>As at 31-03-2015</b>
<b>Secured Short-Term Borrowings:</b>		
Repayable on Demand		
<b>From Banks:</b>		
<b>a) Working Capital Finance from Canara Bank</b>		1,86,29,800
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.		

## 2.6 SHORT TERM BORROWINGS (Contd.)

Particulars	As at 31-03-2016	As at 31-03-2015
<b>Personal Guarantee:</b> Personal Guarantee of the Managing Director and Chief Operating officer		
<b>b) Working Capital Finance from HDFC Bank Limited</b>		43,88,04,744
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		
<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		
<b>d) Working Capital Finance from AXIS Bank Limited</b>		1,67,05,291
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		

## 2.6 SHORT TERM BORROWINGS (Contd.)

Particulars	As at 31-03-2016	As at 31-03-2015
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		
<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	-	15,00,523
<b>f) Working Capital Finance from HDFC Bank Limited</b> Nature of security: Exclusive Charge on all current assets of the company and Corporate Guarantee of Astra Microwave Products Ltd.	<b>1,01,63,646</b>	1,32,59,543
<b>Total Secured Short-Term Borrowings</b> Aggregate amount of loans Guaranteed by Managing Director and Chief Operating Officer	<b>1,01,63,646</b>	48,88,99,901
Amount of default as on the balance sheet date in repayment of loans and interest there on	<b>NIL</b>	47,56,40,358
		NIL

**2.7 TRADE PAYABLES**

<b>Particulars</b>	<b>Amount in ₹</b>	
	<b>As at 31-03-2016</b>	<b>As at 31-03-2015</b>
Accrued Salaries and other benefits		
Salaries & Directors Remuneration	<b>4,91,88,762</b>	3,98,99,348
For Other Liabilities		
For Supplies	<b>5,35,885</b>	7,04,000
Total outstanding dues of Micro Enterprises and Small Enterprises		
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	<b>12,40,94,016</b>	17,77,28,255
Advances from Customers	<b>23,15,51,217</b>	53,39,47,341
<b>Total</b>	<b>40,53,69,880</b>	75,22,78,944

**2.8 OTHER CURRENT LIABILITIES**

<b>Particulars</b>	<b>Amount in ₹</b>	
	<b>As at 31-03-2016</b>	<b>As at 31-03-2015</b>
Current maturities of long term borrowings	<b>12,63,59,136</b>	10,78,57,637
Interest accrued and due on borrowings	<b>15,46,778</b>	68,08,881
Interest accrued but not due on NCD's	<b>2,26,45,169</b>	-
Unclaimed Dividends	<b>68,08,201</b>	57,09,582
For Services & Expenses	<b>3,89,15,525</b>	4,03,80,645
PF & ESI payable	<b>42,30,613</b>	30,01,223
Withholding and Other Taxes Payable	<b>3,36,97,645</b>	2,74,48,340
Creditors for capital goods/works	<b>56,90,606</b>	54,04,228
<b>Total</b>	<b>23,98,93,673</b>	19,66,10,536

**2.9 SHORT-TERM PROVISIONS**

<b>Particulars</b>	<b>Amount in ₹</b>	
	<b>As at 31-03-2016</b>	<b>As at 31-03-2015</b>
<b>a) Provision for Employee Benefits:</b>		
Bonus and Incentives	<b>1,26,57,629</b>	93,56,364
<b>b) Others:</b>		
Proposed Dividend	<b>10,39,34,010</b>	9,81,90,270
Provision for		
Tax on Dividend	<b>2,11,58,522</b>	1,96,32,280
Income Taxes	<b>1,23,89,086</b>	10,66,623
<b>Total</b>	<b>15,01,39,247</b>	12,82,45,537

Amount in ₹

## 2.10 CONSOLIDATED FIXED ASSETS

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As on 01.04.2015 Rs.	Additions Rs.	Deletions Rs.	As on 31.03.2016 Rs.	Up to 01.04.2015 Rs.	For the Period Rs.	Adjusted against Retained Earnings Rs.	Deletions Rs.	Up to 31.03.2016 Rs.	As on 31.03.2015 Rs.
<b>Tangible Assets</b>										
Land	19,01,59,983	-	-	19,01,59,983	-	-	-	-	-	19,01,59,983
Buildings	52,38,87,006	2,45,22,804	-	54,84,09,810	24,14,23,852	2,63,74,075	-	-	26,77,97,927	28,06,11,883
Plant & Machinery	1,38,76,69,186	10,40,72,862	-	1,49,17,42,048	76,58,44,508	12,36,57,977	-	-	88,95,02,485	60,22,39,563
Electrical Installations	3,85,32,348	3,94,525	-	3,89,26,873	2,76,22,791	36,26,281	-	-	3,12,49,072	62,18,24,678
Solar Power Plant	8,43,74,060	-	-	8,43,74,060	98,86,072	84,21,734	-	-	1,83,07,806	6,60,66,254
Air Conditioners	5,58,35,019	29,98,336	-	5,88,33,355	3,84,69,941	58,60,515	-	-	4,43,30,456	1,73,65,078
Office Equipment	1,39,70,272	50,00,899	-	1,89,71,171	1,03,92,171	32,96,521	-	-	1,36,88,692	52,82,479
Furniture & Fixtures	7,09,84,521	39,92,882	-	7,49,77,403	4,77,82,757	70,24,462	-	-	5,48,07,219	2,01,70,184
Computers	15,68,42,459	5,07,13,565	27,60,198	20,47,95,826	11,82,5,546	4,04,60,180	-	27,33,464	15,59,78,262	4,88,17,564
Vehicles	2,31,42,182	16,05,065	29,78,665	2,17,68,582	1,24,61,359	34,68,936	-	25,22,123	1,34,08,172	83,60,410
Wind Electric Generator	14,57,77,032	-	-	14,57,77,032	29,99,820	1,82,29,749	-	-	2,12,29,569	12,45,47,463
<b>Total</b>	2,69,11,74,068	19,33,00,938	57,38,863	<b>2,87,87,36,143</b>	1,27,51,34,817	24,04,20,430	-	52,55,587	<b>1,51,02,99,660</b>	<b>1,36,84,36,483</b>
<b>Pre. Year Total</b>	2,31,60,75,164	37,88,77,662	37,78,758	<b>2,69,11,74,068</b>	1,05,55,65,312	22,04,67,308	20,26,815	29,24,618	<b>1,27,51,34,817</b>	<b>1,41,60,39,251</b>
										1,41,60,39,251
										1,26,05,09,852

## 2.11 NON-CURRENT INVESTMENTS

Particulars	Amount in ₹	
	As at 31-03-2016	As at 31-03-2015
Trade Investments - Unquoted - At Cost		
Investments in Equity Instruments		
<b>a) Investments in equity instruments of Associates</b>		
2,60,000 Equity Shares of Rs.10/- each fully paid up in M/s. Traana Technologies Private Limited	26,00,000	26,00,000
Less: Share in Accumulated Surplus of Associate	(15,15,534)	(13,90,898)
Less: Share in Loss from Associate for the current year	(10,84,466)	(1,24,636)
<b>Total (a)</b>	-	10,84,466
<b>b) Investments in equity instruments of other Companies;</b>		
1) 1000 Equity Shares of Rs.10/- each fully paid up in Astra UBS Technologies Private Limited	10,000	-
2) 1000 Equity Shares of Rs.10/- each fully paid up in Astra Rafael Comsys Private Limited	10,000	-
<b>Total (b)</b>	20,000	-
<b>Total (a + b)</b>	20,000	10,84,466
Aggregate amount of unquoted investments	20,000	10,84,466
Aggregate provision for diminution in value of investments	-	-

## 2.12 LONG-TERM LOANS AND ADVANCES

Particulars	Amount in ₹	
	As at 31-03-2016	As at 31-03-2015
Unsecured Considered Good		
Advances for capital goods/works	2,54,62,953	39,66,782
Security Deposits	1,31,64,665	1,35,22,089
Pre paid expenses	37,03,354	44,91,154
<b>Total</b>	4,23,30,972	2,19,80,025

## 2.13 INVENTORIES

Particulars	Amount in ₹	
	As at 31-03-2016	As at 31-03-2015
Raw Materials	68,80,99,429	68,59,07,890
Packing Material	50,34,126	35,68,122
Stores & Spares	-	2,92,343
Work-in-progress	52,57,65,066	1,03,57,28,729
Finished Goods	47,64,403	66,46,798
<b>Total</b>	1,22,36,63,024	1,73,21,43,882
Mode of valuation of Inventories:		
Inventories are valued at lower of cost or net realisable value.		
Cost has been arrived on weighted average basis.		

**2.14 TRADE RECEIVABLES**

Amount in ₹

Particulars	As at 31-03-2016	As at 31-03-2015
Unsecured Considered Good		
Outstanding for a period exceeding six months from the date they are due for payment	20,62,03,117	19,64,49,289
Others	1,56,70,50,062	92,22,25,254
<b>Total</b>	<b>1,77,32,53,179</b>	<b>1,11,86,74,543</b>

**2.15 CASH AND BANK BALANCES**

Amount in ₹

Particulars	As at 31-03-2016	As at 31-03-2015
<b>A) Cash and Cash Equivalents:</b>		
Balances with Banks (Current year balances includes Rs.55,00,00,000/- balance QIP share issue proceeds kept under FDRs)	64,70,55,005	3,05,62,499
Cheques, Drafts on hand	-	-
Cash on Hand	2,22,736	2,65,493
<b>Total Cash and Cash Equivalents(A)</b>	<b>64,72,77,741</b>	<b>3,08,27,992</b>
<b>B) Other Bank Balances:</b>		
Balances with Banks	22,41,02,140	25,96,91,271
<b>Total Other Bank Balances (B)</b>	<b>22,41,02,140</b>	<b>25,96,91,271</b>
<b>Total Cash and Bank Balances (A + B)</b>	<b>87,13,79,881</b>	<b>29,05,19,263</b>
Other Bank Balances includes:		
a) Earmarked balances with banks ( for unclaimed dividend)	68,08,201	57,09,582
b) Deposit accounts with more than 12 months maturity	-	-
c) Held as margin money deposits against guarantees	21,72,93,939	25,39,81,689

**2.16 SHORT TERM LOANS AND ADVANCES**

Amount in ₹

Particulars	As at 31-03-2016	As at 31-03-2015
Unsecured Considered Good		
Others		
Advances for Supplies	10,09,11,615	17,37,09,298
Advances for Services and Expenses	97,33,934	47,25,211
Balance with Revenue Authorities (cenvat & VAT credit)	3,26,06,240	9,88,45,319
Amount (refund) due from Excise Department	14,72,311	4,60,62,586
Customs Duty Refund Receivable	2,93,84,657	-
Advance income tax (Net of provision)	91,92,390	45,83,839
Deposits made against disputed tax liabilities	1,23,95,318	1,23,95,318
Prepaid Expenses	1,71,19,640	2,51,65,670
<b>Total</b>	<b>21,28,16,105</b>	<b>36,54,87,241</b>

**2.17 OTHER CURRENT ASSETS**

<b>Particulars</b>	<b>Amount in ₹</b>	
	<b>As at 31-03-2016</b>	<b>As at 31-03-2015</b>
Interest accrued but not due on Deposits	1,16,53,024	80,26,668
Export benefits accrued	1,26,181	-
MAT Credit	95,78,877	-
<b>Total</b>	<b>2,13,58,082</b>	<b>80,26,668</b>

**2.18 REVENUE FROM OPERATIONS**

<b>Particulars</b>	<b>Amount in ₹</b>	
	<b>Year ended 31-03-2016</b>	<b>Year ended 31-03-2015</b>
<b>A) From Sale of Products</b>		
Domestic	2,84,96,58,449	2,53,21,87,197
Export	1,38,84,92,085	3,82,99,30,344
<b>TOTAL</b>	<b>4,23,81,50,534</b>	<b>6,36,21,17,541</b>
<b>B) From Sale of Services</b>		
Domestic	10,62,23,592	7,17,77,787
Export	17,68,055	-
<b>TOTAL (B)</b>	<b>10,79,91,647</b>	<b>7,17,77,787</b>
<b>C) Sale of Power:</b>		
Wind Electric Power Charges	2,08,27,424	1,64,596
<b>TOTAL (A+B+C)</b>	<b>4,36,69,69,605</b>	<b>6,43,40,59,924</b>

**2.19 OTHER INCOME**

<b>Particulars</b>	<b>Amount in ₹</b>	
	<b>Year ended 31-03-2016</b>	<b>Year ended 31-03-2015</b>
Interest Income	3,66,93,531	3,39,44,846
Miscellaneous Receipts	8,673	21,66,311
Customs Duty Refund	2,93,84,657	38,78,067
Export Incentives	1,89,38,645	2,25,37,378
<b>Total</b>	<b>8,50,25,506</b>	<b>6,25,26,602</b>

## 2.20 COST OF MATERIALS CONSUMED

Amount in ₹

Particulars	Year ended 31-03-2016	Year ended 31-03-2015
<b>A) Indigenous Raw Material:</b>		
Opening stock of Raw Material	<b>9,55,49,717</b>	12,52,40,106
Add: Purchases during the year	<b>51,15,48,751</b>	2,32,64,93,700
	<b>60,70,98,468</b>	2,45,17,33,806
Less: Closing Stock of Raw Material	<b>9,64,92,699</b>	9,55,49,717
Raw Material consumed (A)	<b>51,06,05,769</b>	2,35,61,84,089
<b>B) Imported Raw Material:</b>		
Opening stock of raw material	<b>59,03,58,172</b>	68,51,76,661
Add: Purchases during the year	<b>1,12,25,03,629</b>	2,05,58,20,040
	<b>1,71,28,61,801</b>	2,74,09,96,701
Less: Closing Stock of Raw Material	<b>59,16,06,730</b>	59,03,58,173
Raw Material Consumed (B)	<b>1,12,12,55,071</b>	2,15,06,38,528
<b>Total Raw Material Consumed (A + B)</b>	<b>1,63,18,60,840</b>	4,50,68,22,617
Percentage of imported raw materials consumed to the total consumption	<b>68.71</b>	47.72
Percentage of indigenous raw materials consumed to the total consumption	<b>31.29</b>	52.28

## 2.21 CHANGES IN INVENTORIES

Amount in ₹

Particulars	Year ended 31-03-2016	Year ended 31-03-2015
Inventories at the end of the period		
Finished Goods	<b>47,64,403</b>	66,46,798
Work-in-progress	<b>52,57,65,066</b>	1,03,57,28,729
<b>Total (A)</b>	<b>53,05,29,469</b>	1,04,23,75,527
Inventories at the beginning of the period		
Finished Goods	<b>66,46,798</b>	46,80,206
Work-in-progress	<b>1,03,57,28,729</b>	76,52,54,136
<b>Total (B)</b>	<b>1,04,23,75,527</b>	76,99,34,342
Change in Inventories (A - B)	<b>51,18,46,058</b>	(27,24,41,185)

**2.22 EMPLOYEE BENEFIT EXPENSES**

<b>Particulars</b>	Amount in ₹	
	<b>Year ended 31-03-2016</b>	<b>Year ended 31-03-2015</b>
Salaries, Wages & Other Benefits	<b>43,57,58,688</b>	32,30,32,262
Directors Remuneration	<b>5,01,87,477</b>	5,44,99,686
Contribution to Provident Fund & ESI	<b>2,29,11,829</b>	1,79,58,291
Staff Welfare Expenses	<b>2,07,21,840</b>	1,97,86,222
<b>Total</b>	<b>52,95,79,834</b>	41,52,76,461

**2.23 FINANCIAL COSTS**

<b>Particulars</b>	Amount in ₹	
	<b>Year ended 31-03-2016</b>	<b>Year ended 31-03-2015</b>
Interest on term loan	<b>3,84,24,978</b>	4,04,22,801
Interest on Working Capital borrowings	<b>3,01,98,788</b>	5,90,24,324
Interest on Vehicle Loan	<b>17,922</b>	2,32,165
Interest on NCD's	<b>2,26,45,169</b>	-
<b>Total</b>	<b>9,12,86,857</b>	9,96,79,290

**2.24 OTHER EXPENSES**

<b>Particulars</b>	<b>Year ended 31-03-2016</b>	<b>Year ended 31-03-2015</b>
Machinery maintenance	<b>5,01,65,865</b>	4,54,95,919
Power and Fuel	<b>2,08,11,996</b>	2,54,53,249
Excise Duty (Includes Difference between Excise Duty on Opeing & Closing Stock of FG )	<b>96,13,674</b>	6,00,347
Testing Charges	<b>86,68,476</b>	1,04,99,555
Carriage Inwards	<b>17,52,693</b>	23,94,676
Installation & Commissioning of AWS	<b>22,99,804</b>	21,75,454
Travelling and Conveyance	<b>3,29,46,644</b>	2,79,87,408
Printing and Stationery	<b>71,93,885</b>	65,43,958
Communication Costs	<b>74,84,466</b>	58,94,402
Operating Lease Rent	<b>35,14,764</b>	29,09,185
Insurance	<b>95,09,269</b>	1,16,68,844
Rates and Taxes excluding taxes on income	<b>73,60,008</b>	60,40,846
Auditors Remuneration	<b>16,57,192</b>	13,48,320
Legal & Professional Charges	<b>2,48,88,921</b>	2,44,51,207
Technology Transfer Charges	<b>-</b>	18,00,000
Repairs to Building	<b>48,83,296</b>	53,22,271
Computer & Software Maintenance	<b>2,18,08,452</b>	66,50,190
Vehicle Maintenance	<b>11,09,396</b>	11,48,751
Factory & Garden Maintenance	<b>69,62,842</b>	62,65,229
Office Electricity Charges	<b>27,79,751</b>	27,12,604

## 2.24 OTHER EXPENSES (Contd.)

Particulars	Year ended 31-03-2016	Year ended 31-03-2015
Repairs & Maintenance of Other Assets	57,48,063	78,03,610
Vehicle Hire Charges	2,10,85,003	1,79,18,014
Miscellaneous Expenses	1,48,81,183	1,21,33,886
Books, Periodicals & Subscriptions	11,43,406	9,10,664
Conference & Seminar Expenses	1,11,865	22,90,731
Advertisement	21,93,575	27,08,041
Entertainment & Business Promotion	86,00,308	79,45,663
Sponsorship expenses	15,99,510	12,58,600
Donations	12,00,000	16,95,000
CSR Expenditure	1,34,85,237	1,08,17,394
Security Charges	1,15,62,384	90,26,923
Staff Recruitment & Training	7,13,715	15,24,575
Performance Allowance to Non-Whole Time Directors	40,00,000	50,10,000
Bank Charges and Commission	4,96,09,510	5,19,77,215
Carriage Outwards	19,63,003	11,80,423
Packing Material	49,73,914	1,06,91,840
Sales Tax / VAT	11,49,28,811	10,45,24,740
Service Tax	1,41,99,031	82,90,391
Late Delivery Charges	4,44,82,535	6,12,02,270
Foreign Travel and Exhibition Expenses	1,15,02,163	78,25,556
Foreign Exchange Fluctuations	32,34,201	5,64,15,850
<b>Total</b>	<b>55,66,28,811</b>	<b>58,05,13,801</b>

## 2.25 EXCEPTIONAL ITEMS

Amount in ₹

Particulars	Year ended 31-03-2016	Year ended 31-03-2015
Profit / (Loss) on disposal of assets	8,87,624	(3,11,140)
Profit / (Loss) on disposal of investments	-	20,99,500
Prior Period Adjustments	(6,36,667)	(24,25,287)
<b>Total</b>	<b>2,50,957</b>	<b>(6,36,927)</b>
Prior period tax adjustments includes income tax and other adjustments relating to earlier years.		

**2.26 EARNINGS PER SHARE**

Amount in ₹

Particulars	Year ended 31-03-2016	Year ended 31-03-2015
No. of Equity Shares outstanding at the beginning of the year	<b>8,18,25,225</b>	8,18,25,225
Weighted Average No. of Equity Shares issued during the period	<b>13,99,317</b>	-
Number of Bonus Shares issued	-	-
Total number of Shares outstanding at the end of the year (used as denominator for calculating EPS)	<b>8,32,24,542</b>	8,18,25,225
Profit before extraordinary items available to share holders (used as numerator for calculating EPS)	<b>56,26,18,883</b>	62,75,81,387
Profit after extraordinary items available to share holders (used as numerator for calculating EPS)	<b>56,26,18,883</b>	62,75,81,387
Basic & Diluted Earnings Per Share before extraordinary items in Rs. (Face Value Rs.2/-)	<b>6.76</b>	7.67
Basic & Diluted Earnings Per Share after extraordinary items in Rs. (Face Value Rs.2/-)	<b>6.76</b>	7.67

**2.27 CONTINGENT LIABILITIES**

Amount in ₹

Particulars	Year ended 31-03-2016	Year ended 31-03-2015
<b>a) Letters of credit</b>	<b>15,51,00,000</b>	-
<b>b) Bank Guarantees:</b>		
1) Performance Guarantees	<b>96,72,39,633</b>	87,31,16,553
2) Advance payment Guarantees	<b>27,97,56,016</b>	93,32,67,878
3) Guarantee in lieu of EMD/Security Deposit/Bid Security	<b>20,21,76,236</b>	12,78,16,637
4) Guarantee for Materials	<b>5,93,05,000</b>	6,53,30,600
5) Corporate Guarantee on behalf of Subsidiary Company to HDFC bank Limited	<b>20,00,00,000</b>	20,00,00,000
6) Security Guarantee under Zero Duty (Customs) Advance Authorisation Scheme	<b>3,65,73,138</b>	3,65,73,138
<b>c) Claims against the Company not acknowledged as debt in respect of:</b>		
Disputed Excise Duty matters in respect of which the company has gone in appeal		
# excluding interest, which is not yet determined	<b>#2,48,18,566</b>	#2,48,18,566

## 2.28 RELATED PARTY DISCLOSURES

Particulars	Amount in ₹	
	Year ended 31-03-2016	Year ended 31-03-2015
<b>Transactions with Related parties (excluding reimbursements):</b>		
<b>a) Associate Company: Traana Technologies Private Limited</b>		
Transactions during the year		
Services received from Associate Company	9,16,000	53,46,291
Balance outstanding at year end		
Investment in shares	26,00,000	26,00,000
Balance payable to Associate Company	4,76,000	30,33,720
<b>b) Astra UBS Technologies Private Limited #</b>		
Transactions during the year	10,000	-
Investment in shares		
Balance outstanding at year end:		
Investment in shares	10,000	-
<b>c) Astra Rafael Comsys Private Limited #</b>		
Transactions during the year		
Investment in shares	10,000	-
Balance outstanding at year end:		
Investment in shares	10,000	-
# Incorporated during the year for the purpose of Joint Venture (JV), in which other JV partner had not made any investment during the year		
<b>d) Companies in which Key Managerial Personnel had significant influence / control:</b>		
1) Astra UBS Technologies Private Limited #		
2) Astra Rafael Comsys Private Limited #		
3) Astra Infonets Limited	NIL	NIL
4) Ocimum Industries Private Limited	NIL	NIL
# Transactions with the above Companies are stated above		
<b>e) Remuneration Directors:</b>		
<b>1) Executive Directors (Key Managerial Personnel):</b>		
Mr. B. Malla Reddy, Managing Director	1,20,13,000	1,28,20,000
Mr. P.A. Chitrakar, Chief Operating Officer	1,20,91,946	1,29,36,328
Mrs. C. Prameelamma, Director (Technical)	1,21,78,000	1,27,75,547
Mr. S. Gurunatha Reddy, Whole-Time Director & CFO	70,21,705	79,55,125
Mr. M. Venkateshwar Reddy, Director - Marketing & Operations	73,40,326	80,12,686
<b>2) Non-Executive Directors: (includes sitting fee &amp; net of service tax)</b>		
Dr. Shiban K. Koul, Chairman	10,50,000	12,00,000
Mr. T. Ramachandru, Director	10,50,000	12,00,000
Dr. G. Sabarinathan, Director	10,45,000	-
Mr. J. Venkata Das, Director (Resigned as Director during the year)	5,20,000	12,00,000
Mr. Atim Kabra, Director (Resigned as Director during the year)	5,00,000	6,00,000
Mr. U. K. Kalyanaramudu, Director (Resigned as Director during the year)	35,000	8,90,000
<b>f) Key Managerial Personnel:</b>		
Mr. T. Anjaneyulu, Company Secretary	13,53,442	11,98,568
<b>g) Salary and other benefits to Relative of Director:</b>		
Mr. S. Krishna Reddy, Manager Information Technology (Brother of Mr. S. Gurunatha Reddy)	16,38,748	13,16,532

**2.29 Details of Hedged and Unhedged Foreign Currency Exposures:**

Amount in ₹

Particulars	Year ended 31-03-2016	Year ended 31-03-2015
<b>A) Hedged Foreign Currency Exposures:</b>		
1. Principal only swap (INR to USD swaps) Purpose: to hedge the economic exposures on future dollar linked sales	-	7,71,42,743
<b>B) Unhedged Foreign Currency Exposures:</b>		
1. Sundry creditors	5,83,99,709	13,64,34,634
2. Advances from Customs	6,06,08,590	41,02,45,194
3. Sundry debtors	13,14,64,192	21,20,05,861
4. Advances for supplies	7,60,98,456	15,43,25,769
5. Bank balances	328	95,006

**2.30 The companies considered in the Consolidated Financial Statements are:**

Name of the company	Country of Incorporation	Proportionate ownership interest / voting power	Reporting Date
<b>Subsidiary Companies:</b>			
1) Bhavyabhanu Electronics Private Limited	India	99.9989%	31.03.2016
2) AELIUS Semiconductors Pte. Ltd.	Singapore	100.00%	31.03.2016
<b>Associate company:</b>			
Traana Technologies Private Limited *	India	26.00%	31.03.2016
* Unaudited			

**2.31 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 Rupees	As % of consolidated profit or loss	Amount in Rupees
<b>Parent</b>				
Astra Microwave Products Limited	98.72	3,97,59,60,399	101.05	56,35,90,933
<b>Subsidiary:</b>				
<b>Indian</b>				
Bhavyabhanu Electronics Private Limited	1.06	4,25,60,090	(0.52)	(28,75,380)
<b>Minority interest in subsidiary</b>	(0.00)	(484)	0.00	28
<b>Foreign</b>				
AELIUS Semiconductors Pte. Ltd. Singapore	0.22	88,00,685	(0.34)	(19,10,989)

**2.31 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures. (Contd.)**

<b>Name of the enterprise</b>	<b>Net Assets i.e. total assets minus total liabilities</b>		<b>Share in profit or loss</b>	
	<b>As % of consolidated net assets</b>	<b>Amount in Rupees</b>	<b>As % of consolidated profit or loss</b>	<b>Amount in Rupees</b>
<b>Associate (Investments as per the equity method):</b>				
Indian:				
Traana Technologies Private Limited		-	(0.19)	(10,84,466)
<b>Total</b>	<b>100.00</b>	<b>4,02,73,20,690</b>	<b>100.00</b>	<b>55,77,20,126</b>
Less: Inter Company adjustments / eliminations		<b>(3,42,99,654)</b>		<b>48,98,757</b>
<b>Total</b>		<b>3,99,30,21,036</b>		<b>56,26,18,883</b>

**Note:** Net assets and share in profit or loss for parent company, subsidiaries and Associate Company are as per the standalone financial statements of the respective entities.

- 2.32. The audited financial statements of foreign subsidiary have been prepared in accordance with the Generally Accepted Accounting Principle of its Country of Incorporation.
- 2.33. **CSR Expenditure:** During the year the Parent Company has incurred Rs.1,34,85,237/- (Previous year Rs.1,08,17,394/-) as CSR Expenditure under Corporate Social Responsibility Policy of the Parent Company as approved by the Board of Directors of the Parent Company, the details of the same are included in the Board's Report.
- 2.34. **Segment Reporting:** The Group operates in the same segment of manufacture and sale of Microwave Products which are subject to similar risks and returns.
- 2.35. The previous year's figures have been reworked / regrouped / rearranged / reclassified wherever necessary.
- 2.36. The figures have been rounded off to the nearest rupee.

As per our Report of even date

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

(**P. VENKATA RAMANA**)  
Partner  
Membership No: 203346

**Place:** Hyderabad  
**Date:** 29.04.2016

For and on behalf of the Board

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

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

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

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

(**Dr. G. SABARINATHAN**)  
Director

(**T. RAMACHANDRU**)  
Director

(**Prof. ARUN KUMAR TIWARI**)  
Additional Director

(**V. VENKATA RAMA SASTRY**)  
Additional Director

(**B. LAKSHMI NARAYANA RAJU**)  
Additional Director

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

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

(**T. ANJANEYULU**)  
Company Secretary

**FORM NO. 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 Subsidiaries/Associate Companies/Joint Ventures**

**Part "A": Subsidiaries**

**(Information in respect of each subsidiary to be presented with amounts in Rupees)**

<b>Sl. No</b>	<b>Particulars</b>	<b>Details</b>	
1	Name of the Subsidiary Company	M/s. Bhavyabhanu Electronics Pvt. Ltd.	M/s. Aelius Semiconductors Pte. Ltd.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	SGD 49.2650
4	Share capital	Rs. 17,60,000	Rs. 1,06,90,505
5	Reserves & surplus	Rs. 4,08,00,090	Rs. (18,89,820)
6	Total assets	Rs. 8,14,47,715	Rs. 92,73,629
7	Total Liabilities	Rs. 8,14,47,715	Rs. 92,73,629
8	Investments	Rs. 0	Rs. 0
9	Turnover	Rs. 92,55,48,153	Rs. 0
10	Profit /(loss)before taxation	Rs.(45,88,749)	Rs. (18,89,820)
11	Provision for taxation/Tax expense	Rs. 17,13,369	Rs. 0
12	Profit/(loss) after taxation	Rs. (28,75,380)	Rs. (18,89,820)
13	Proposed Dividend	Rs. 0	Rs. 0
14	% of shareholding	99.9989%	100%

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

<b>Name of Associates/Joint Ventures</b>		<b>M/s. Traana Technologies Private Limited</b>
1. Latest audited Balance Sheet Date		31.03.2016(Unaudited)
2. Shares of Associate/ Joint Ventures held by the company on the year	No.	2,60,000
	Amount of Investment in Associates/Joint Ventures	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 Associates/ Joint Ventures is not consolidated		Consolidated
5. Networth attributable to Shareholding as per latest audited Balance Sheet		NIL
6. Profit / (Loss) for the year	i. Considered in Consolidation	Rs.(10,84,466)
	ii. Not Considered in Consolidation	NIL

- Names of Associates or Joint Ventures which are yet to commence operations: **NIL**
- 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

**(P. VENKATA RAMANA)**  
Partner  
Membership No: 203346

**Place:** Hyderabad  
**Date:** 29.04.2016

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

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

**(Dr. G. SABARINATHAN)**  
Director

**(Prof. ARUN KUMAR TIWARI)**  
Additional Director

**(B. LAKSHMI NARAYANA RAJU)**  
Additional Director

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

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

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

**(T. RAMACHANDRU)**  
Director

**(V. VENKATA RAMA SASTRY)**  
Additional Director

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

**(T. ANJANEYULU)**  
Company Secretary



## 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 25th Annual General Meeting of the Company, to be held on Friday, the 29th July, 2016 at 12:30 PM 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	a. Adoption of Standalone Financial Statements for the year ended 31st March, 2016.		
	b. Adoption of Consolidated Financial Statements for the year ended 31st March, 2016.		
2	Declaration of Dividend on Equity shares		
3	Re-appointment of Mrs. C. Prameelamma, as Director who retires by rotation.		
4	Re-appointment of Mr. M.V. Reddy, as Director who retires by rotation.		
5	Re-appointment of Auditors and fixing their remuneration		
<b>SPECIAL BUSINESS</b>			
6	Appointment of Prof. Arun Kumar Tiwari as an Independent Director		
7	Appointment of Mr. Vadlamani Venkata Rama Sastry as an Independent Director		
8	Appointment of Mr. B. Lakshmi Narayana Raju as an Independent Director		
9	Approval of the Remuneration of the Cost Auditors		

Signed this ..... Day of .....2016.

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

Affix a 15  
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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.



**ATTENDANCE SLIP**  
**25<sup>TH</sup> ANNUAL GENERAL MEETING - JULY 29, 2016 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 25th Annual General Meeting of the Company being held on Swagath-De-Royal Hotel, 2-36, Kothaguda X Roads, Kondapur, Hyderabad - 500 084, Telangana, on Friday, 29th July, 2016 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@astramwp.com](mailto:info@astramwp.com)

CIN: L29309TG1991PLC013203

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