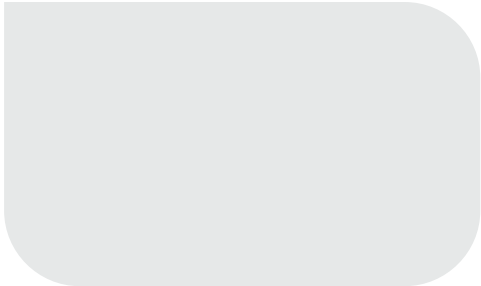




Connecting
the world
with new
frequency



Annual report 2009 - 2010



Letter from CMD

Dear Shareowners,

It is my pleasure to present highlights of the performance of your company for the financial year 2009-10.

Although Year 2009-10 has been a mixed recovery year for the economy of the world and despite challenging environment in the telecom industry in India with severe competition denting the ARPU of the cellular operators, your company has been able to achieve a commendable performance. Your company has grown its annual sales revenues and Profit after tax by 11.3% and 175.10% Respectively compared to the previous year. Your company for the second consecutive year was selected as one of the fastest growing 50 Technology companies in India and one of the fastest growing 500 technology companies in Asiapac by Deloitte. During the year, your company was also awarded SME INNOVATOR OF THE YEAR 2009 by YES BANK-BUSINESS TODAY. These coveted awards were possible only because of the unstinted, committed and tireless efforts put in by the entire team at Kavveri to enhance the shareholder value.

Your Company's Research and Development continues to strive to build new products and processes for all wireless technologies. This year alone more than 30 new Rf products were launched into the global markets and will be a key source of future revenues for your Company. Your company was also selected as one of the prime vendors of RF products by a large global OEM. This is a testament to our world class RF design and manufacturing capabilities and strength of our supply chain here in India. Your company's 150,000 sq.ft. area. A state-of-the-art manufacturing facility has been in operation for a year now and plans are underway to utilize these facilities to their full advantage. As I mentioned to you last year, your Company will have one of the top Rf and antenna manufacturing operations in the world with these facilities at full operation. Kavveri Telecom Infrastructure Ltd, a new business venture started by your company in 2008 to provide in building solution infrastructure to the cellular operators as a Neutral Host Provider under a build, own, operate and lease model over a longer 10 year term, has further enhanced its leadership position in the India market with the acquisition of several signature buildings during the year. Your Company has already signed up six major cellular operators in India for this business on pan-India basis and is engaged in talks with many of the remaining cellular operators for the extension of service.

Your Company's North American operations continue to grow through increased revenues of the existing businesses and the strategic acquisition of new companies. During the year, Your Company acquired Trackcom Systems International in Canada to augment its commercial, defense and aerospace business. Your company continues to focus on acquisitions overseas to improve its business and thereby enhance the shareholder value. Your company is also committed to its high growth strategy by focusing on innovation, expanding the global markets of our existing businesses and continuing the acquisition of leading edge technology solution companies in strategic market and product segments. I would like to thank our Customers, vendors, Bankers for their continued support and the entire team at Kavveri for their dedicated efforts. I would specially like to thank all the shareholders for their continued support in taking this company to greater heights and glory.

Best regards

C. Shivakumar Reddy

Chairman and Managing Director

Table of content

General Information.....	4
Research & Development (R&D).....	17
Notice.....	37
Directors Report.....	39
Report on Corporate Governance.....	48
Management Discussion and Analysis.....	61
Auditor's report on Standalone Financials.....	65
Balance Sheet - Stand Alone.....	70
Profit and Loss Account - Stand Alone.....	72
Cashflow Statement - Stand Alone.....	96
Auditor's Report on Consolidated Financials.....	98
Balance Sheet - Consolidated.....	100
Profit and Loss Account - Consolidated.....	102
Cashflow Statement - Consolidated.....	124
Statement Pursuant to Section 212 of the Companies Act 1956.....	127
Balance Sheet Abstract and Company's Business Profile.....	128



Vision

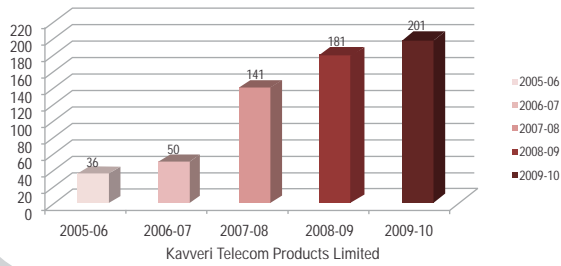
To be the best in class company of the world in the RF products and Antennae field

Decade at a glance:

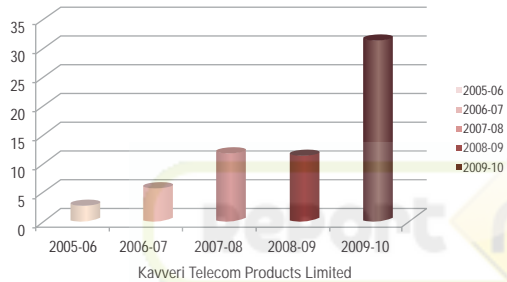
(Rs. in lacs)

Particulars	Jun-01	2001-02 9 months	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Total Revenue	1516.90	1848.62	2211.84	1120.45	1934.86	3568.14	5051.89	14565.67	18381.61	20369.51
Operating Profit (PBDIT)	271.06	312.86	246.30	120.59	215.54	405.33	818.12	2161.48	2929.18	18186.34
Profit after tax	180.96	97.90	51.49	25.07	108.66	264.71	590.63	1164.74	1134.16	3120.12
EPS (Rs.)	3.55	2.19	1.00	0.25	1.08	2.63	5.87	11.58	11.27	30.96
Share Capital	546.61	512.58	512.58	1006.08	1006.08	1006.08	1006.08	1006.08	1006.08	1006.08
Reserves & Surplus	133.44	183.81	137.85	1124.48	1175.79	1325.78	1798.44	2689.68	3706.89	6602.00
Fixed Assets (Gross Block & CWIP)	340.71	356.56	441.39	506.09	509.41	578.02	762.35	1606.41	3703.43	5102.34
Current Assets	1271.09	1404.29	2240.49	1855.23	1494.78	2517.20	4756.82	11752.25	10713.93	19108.78
Dividend declared	10%	12%	12%	-	5%	10%	10%	20%	10%	20%

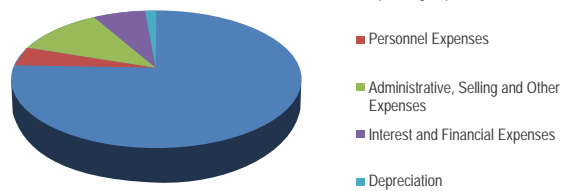
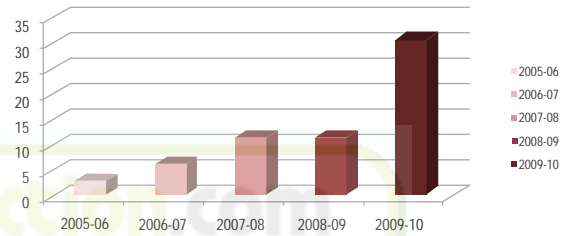
Net Sales (Rs. in crores)



PAT (Rs. in crores)



EPS



Kavveri Telecom Products Limited



Report Junction.com

Board of Directors

- Mr. C Shivakumar Reddy Chairman and Managing Director
- Mrs. R H Kasturi Director (H R and Administration)
- Mr. L Nicholas Director (Research and Development)
- Mr. L R Venugopal Independent Director
- Mr. B S Shankarnarayan Independent Director
- Mr. C V Jagadish Independent Director

Company Secretary &
Compliance Officer
Mr. Madhwesh. K

AUDITORS
M/s S.Janardhan and Associates
Chartered Accountants

Registered Office
No. 31-36, I Main, II Stage, Arekere MICO Layout
Bannerghatta Road, Bangalore 560 076

Location of Manufacturing Facility
Sy. No. 104/2, Suragajakkanahalli Village
KasabaHobli, AnekalTaluk, Bangalore

Bankers

- State Bank of India, Specialized Commercial Branch
Bangalore
- AXIS Bank Ltd., Jayanagar Branch
Bangalore

Registrar & Share Transfer Agents
Alpha Systems Pvt. Ltd.
30, Ramana Residency,
4th Cross, Sampige Road
Bangalore 560 003

Listing and trading at Stock Exchanges
National Stock Exchange Ltd.
Bangalore Stock Exchange Ltd.
Bombay Stock Exchange Ltd.

Board Committees:

Audit Committee
Mr. L R Venugopal, Chairman
Mr. C V Jagadish, Member
Mr. B S Shankarnarayan, Member
Mr. C Shivakumar Reddy, Member

Remuneration Committee

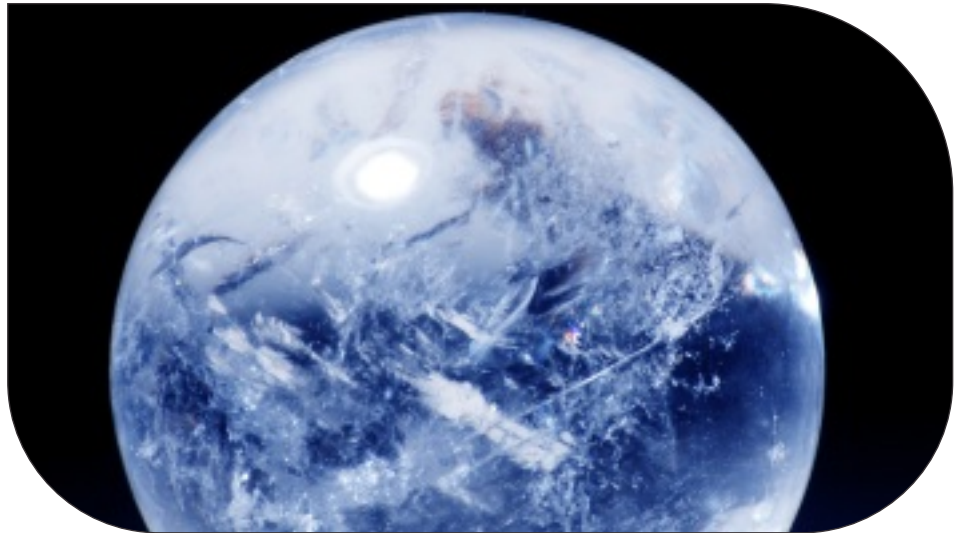
Mr. L R Venugopal, Chairman of the Committee
Mr. C V Jagadish, Member
Mr. B S Shankarnarayan, Member

Shareholders' and Investors' Grievance Committee

Mr. L R Venugopal, Chairman of the Committee
Mr. C V Jagadish, Member
Mr. B S Shankarnarayan, Member
Mr. C Shivakumar Reddy, Member

Compensation Committee

Mr. L R Venugopal, Chairman of the Committee
Mr. C V Jagadish, Member
Mr. B S Shankarnarayan, Member
Mr. C Shivakumar Reddy, Member



Report

Bridging dreams to reality

Kaveri Telecom Products Limited was incorporated on January 19, 1996 as a public limited company under the name and style of M/s. Kaveri Telecoms Limited at Bangalore, Karnataka bearing registration number 08-19627 of 1996 to acquire the existing Proprietary concern "Kaveri Microwave Components" (KMC) as a going concern dealing in the manufacture of professional grade microwave components for usage in Telecommunications, Defense and Space Industry.

KMC was started as a Proprietary concern by Smt.Rajupeta Hanumantha Reddy Kasturi during October 1991 for manufacture of Microwave components and initially started with manufacture of Duplex Filters and subsequently started manufacturing products like Isolators, circulators, Power combiners, Decouplers, Low noise Amplifiers, Attenuators, Dummy Loads, Hybrid Transformers etc. The Company has received certificate of commencement of business on February 12, 1996.

Subsequently, the Company changed its name to Kavveri Telecom Products Limited (KTPL) to give better description of the products that the company manufactures. In 1997 KTPL went public and got listed in Bangalore, Hyderabad, Madras and Ahmadabad Stock Exchanges. The Company's shares are also traded in Bombay Stock Exchange w.e.f. January 2005 as 'S' group under Indo-next Segment. The company is presently listed on National Stock Exchange (NSE) and Bangalore Stock Exchange (BgSE).

Connecting expertise to experience:

KTPL is engaged primarily in the business of designing, development and manufacturing of RF products and antennas for telecom, defense and space applications in India and abroad.

KTPL ventured into exports in 1993-94 and established a separate R & D Division in Bangalore to develop new products. The Company's In-house R & D Centre has been recognized by the Ministry of Science and Technology since 1996. KTPL's R & D Centre has developed Antenna Coupler units for 2 and 4 channels, Tunable Band Pass Filters (for Defense), Limiters, Circulators, Duplex Filters, UHF, VHF and Microwave Application Antennas viz. Yagi and Omni-directional (VHF and UHF) and are approved by Telecom Engineering Centre, New Delhi. Components like Duplex Filters, Isolators, power combiners etc. are approved by DOT (QA) and Component Approval for Communication Technology (CACT-DOT).

KTPL continues to invest in the research and development of Telecom products and the diversification of product offerings, and has one of the industry's leading product portfolios in terms of performance and features. The proprietary design technology is a further differentiator for the company's products

Today KTPL is also one of the leading providers of intelligent indoor coverage solutions for the mobile communications industry

Bridging quality to Coverage

KTPL also provides total Turnkey solutions for coverage and capacity enhancement requirements for GSM & CDMA carriers in India. It also manufactures Solar Modules & solar systems for various applications. Company's list of clients include leading wireless manufacturers like Alcatel, Bharat Electronics Ltd, Ericsson, ITI, Motorola, Nokia, Siemens, Worldspace, ZTE, etc. and telecom operators like Aircel, Airtel, BSNL, Idea, MTNL, Reliance, Spice, Tata Tele, Vodafone Essar, etc.

Crossing the bridge to reach the world:

Owing to its aggressive growth plans KTPL has acquired four companies in US and Canada through its subsidiaries, Til-Tek (in April 2006), DCI digital communications (in April 2007), SpotWave Wireless (in December 2007) and Trackcom Systems International (in July 2009). These inorganic growth acquisitions has positioned the KTPL has a leading player in RF products and antennae in terms of technology experience and manufacturing expertise.

Corporate Structure

