

Towards new frontiers



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



Astra Microwave Products Limited
On A Winning Wavelength

www.astramwp.com

EXPLORE
INNOVATE
INVENT



Astra Microwave Products Limited

RF & Microwave Solutions for Strategic Applications

Vision

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

Investing in technologies that can lead to leadership.

Employing the finest talent to reach the top through excellence.

INDEX

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

QUICK INFORMATION

Board of Directors

- : Dr. Shibhan K Koul, Chairman & Independent Director
- Mr. B.Malla Reddy, CEO and Managing Director
- Mr. P.A.Chitrakar, COO
- Mrs. C.Prameelamma, Director (Technical)
- Mr. Atim Kabra, Non-Executive Director
- Mr. J.Venkatadas, Independent Director
- Mr. S.Gurunatha Reddy, Whole Time Director and CFO
- Mr. M.Venkateshwar Reddy, Director – (Mktg & Operations)
- Mr. T.Ramachandru, IAS, Independent Director
- Mr. U.K.Kalyanaramudu, Non-Executive Director
- Mr. G.S. Sabarinathan, Independent Director (w.e.f.31.01.2015)

Company Secretary

- : Mr. T. Anjaneyulu

Auditors

- : M/s. Amar & Raju
- Chartered Accountants
- Flat No: 201, KOR Residency,
- H.No:8-3-966/16, Road No: 3,
- Nagarjuna Nagar, Srinagar Colony, Hyderabad – 500 073

Bankers

- : Canara Bank, Prime Corporate Branch,
- Secunderabad

HDFC Bank Ltd.,
Lakdikapul, Hyderabad.

State Bank of India
Overseas Branch, Hyderabad.

ICICI Bank Ltd.,
Gachibowli, Hyderabad.

Axis Bank Ltd.,
G.Pullareddy Bldg. Green Lands,
Hyderabad.

Registered Office

- : ASTRA Towers, Survey No.12 (P),
- Kothaguda Post, Kondapur,
- Hitechcity, Hyderabad – 500 084
- Phone: 040-30618000 / 8001
- Website: www.astramwp.com
- CIN: L29309TG1991PLC013203

Factories**: Unit I**

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

Unit II

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

Unit III

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

Unit IV

Plot no: 18, 19, 20 & 21 (Part)
Hardware Park, Sy.No: 1/1,
Imarat Kancha of Ravirayal village,
Maheswaram Mandal,
R.R.Dist. Telangana-500005

Unit V

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

Registrars

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

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty Fourth Annual General Meeting of the Members of **Astra Microwave Products Limited** will be held at Swagath-De-Royal Hotel, 2-36, Kothaguda X Roads, Kondapur, Hyderabad on Thursday, the 30th July, 2015 at 12.30 P.M for the transaction of the following business:-

ORDINARY BUSINESS

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

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

SPECIAL BUSINESS

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

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

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

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

Minimum Remuneration:

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

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

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

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

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

Minimum Remuneration:

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

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

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

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

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

Minimum Remuneration:

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

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

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

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

Clause III (B):

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

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

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

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

“RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By order of the Board
For Astra Microwave Products Limited

Mr. B. Malla Reddy
Managing Director
DIN: 00003154

Place: Hyderabad
Date: 30.04.2015

NOTES

1. A Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote in the meeting and the proxy need not be a member of the Company.
2. The instrument appointing the proxy must be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.
3. Members / proxies should bring duly filled Attendance Slips sent herewith to attend the meeting.
4. The Authorised Representatives of the Corporate Members are requested to bring a certified true copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 duly authorizing them to attend and vote at the Annual General Meeting.
5. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the special business to be transacted at the meeting is annexed hereto.
6. The register of members and share transfer books of the Company will remain closed from 23.07.2015 to 30.07.2015 (both days inclusive).
7. The dividend of Rs.1.20/- per share for the year ended March 31, 2015 as recommended by the Board, if sanctioned at the Annual General Meeting, will be payable to those members whose names appear on the Company's register of members on 30th July, 2015. In respect of shares held in electronic form, dividend will be payable on the basis of beneficial ownership as per details furnished by NSDL and CDSL for this purpose.
8. Members whose shareholding is in the electronic mode are requested to inform change of address and updates of savings bank account details to their respective depository participants. Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends. While members holding shares in physical form, may write to the Registrar and Transfer Agent for any change in their addresses immediately so as to enable the Company to dispatch dividend warrants at their correct addresses.
9. Members wishing to claim dividends, which remain unclaimed are requested to correspond with the Company Secretary, at the Company's registered office. Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will as per Section 125 of the Companies Act, 2013, be transferred to the Investor Education and Protection Fund.
10. Members are requested to send their queries, if any, on the accounts and operations of the Company, to the Company Secretary at least 7 days before the meeting.
11. A Member or his/her proxy is requested to bring the annual report to the meeting as extra copies will not be distributed.
12. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices etc., from the Company electronically.
13. The Board of Directors in their meeting held on 30th April 2015 appointed Mr. L. Dhanamjay Reddy, Practicing Company Secretary Hyderabad of M/s. L.D. Reddy & Co., as a Scrutinizer to the voting process (e-voting, postal ballot and poll) in a fair and transparent manner.
14. E-VOTING: In compliance with the provisions of Section 108, 110 of the Companies Act, 2013 and Rules 20, 22 of the Companies (Management & Administration) rules, 2014 and clause 35B of the Equity Listing Agreement, the Company is pleased to provide e-voting facility for the members to enable them to cast their votes electronically.

The instructions for shareholders voting electronically are as under:

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