

ANNUAL REPORT 2017-18



DEFENSE



SPACE



METEOROLOGY



Astra Microwave Products Limited
On A Winning Wavelength



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.

EXPLORE
INNOVATE
INVENT

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QUICK INFORMATION

| | | | |
|---|---|--|--|
| Board of Directors | : | Dr. Shibhan K Koul | Chairman & Independent Director |
| | | Mr. B. Malla Reddy | 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 |
| | | Mr. V. Venkata Rama Sastry | Independent Director |
| | | Mr. B. Lakshmi Narayana Raju | Independent Director |
| | | Dr. Avinash Chander | Additional Director (Independent Director) |
| Dy.G.M - Company Secretary : Mr. T. Anjaneyulu | | | |
| Auditors | : | Price Waterhouse Chartered Accountants LLP | |
| | | Plot No. 77/A, 8-2-624/A/1, 3rd Floor, Road No. 10, Banjara Hills, Hyderabad -500 034 Tel: +91 (40)4424 6000, Fax: +91(40)44246300 | |
| 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 (R & D Centre)

Plot No. 51-P, Bengaluru Aerospace Park,
Survey Nos. Parts of 36 to 40,Dummanahalli
Village, Jala Hobli, Yelahanka (Taluk),
Bengaluru North,
Karnataka – 562149

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
E-mail: debenturetrustee@axistrustee.com

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty Seventh Annual General Meeting of the Members of **Astra Microwave Products Limited** will be held at Swagath-De-Royal Hotel, 2-36, Kothaguda X Roads, Kondapur, Hyderabad on Monday, the 30th July, 2018 at 12.30 P.M for the transaction of the following business:-

ORDINARY BUSINESS

1. To consider, approve and adopt:
 - a) the Standalone audited financial statements of the Company for the financial year ended March 31, 2018 and reports of Board and Auditors thereon; and
 - b) the Consolidated audited financial statements of the Company for the financial year ended March 31, 2018.
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.

SPECIAL BUSINESS

4. Appointment of Dr. Avinash Chander as an Independent Director.

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and 160 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act and Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in force or as amended from time to time, the consent of the members of the Company be and is hereby accorded for the appointment of Dr. Avinash Chander (DIN: 05288690), who was appointed as an Additional Director of the Company by the Board of Directors, in terms of Section 161 of the Act in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, as an Independent Director of the Company, for a period of 5 years i.e., from January 29, 2018 to January 28, 2023 and he shall not be liable to retire by rotation.

5. Re-appointment of Mr. S. Gurunatha Reddy, (DIN: 00003828) as a Whole Time Director & CFO.

To consider and if thought fit, to pass, the following resolution as an **Ordinary 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 in force or as amended from time to time, the consent of the members of the Company be and is hereby accorded for the re-appointment and terms of remuneration of Mr. S.Gurunatha Reddy (DIN: 00003828), as a Whole Time Director & CFO of the Company for a further period of five years with effect from 30th April, 2018 at a remuneration as detailed below:

- a. Term of re-appointment: 5 years i.e., from 30th April, 2018 to 29th April, 2023.
- b. Basic salary: Rs.2,00,000/- per month.
- c. Performance bonus: 1% of profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013 payable at monthly / Quarterly / yearly intervals.
- d. He will be entitled to house rent allowance, medical reimbursement, leave travel allowance, leave encashment, statutory bonus, company maintained car, telephone, club fees and such other perquisites in accordance with the Company's rules.
- e. The Aggregate of salary, performance bonus, perquisites, allowances, and contribution towards provident fund taken together in respect of payment to Mr. S. Gurunatha Reddy, Whole Time Director & CFO shall always be subject to the overall ceilings fixed under Section I of Part II of the Schedule V to the Companies Act, 2013 in force or as amended from time to time.

RESOLVED FURTHER THAT in the event of absence of inadequacy of profits in any financial year during the tenure of Mr. S. Gurunath Reddy as the Whole-time Director of the Company he shall be paid a remuneration as prescribed under Section II of Part II of the Schedule V to the Companies Act, 2013 in force or as amended from time to time.

RESOLVED FURTHER THAT the board shall have the discretion and authority to modify the aforesaid terms and remuneration within, however, the limit as approved by the members.

RESOLVED FURTHER THAT in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and are hereby authorized to vary or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances etc., within such prescribed limit or ceiling and the terms and conditions of the said appointment as agreed to between the Board and Mr. S.Gurunatha Reddy be suitable amended to give effect to such modification, relaxation or variation, subject to such approvals as may be required by law from time to time.”

6. Re-appointment of Mr. M.V.Reddy (DIN: 00421401), as a Whole Time Director designated as Director (Mktg. & Operations).

To consider and if thought fit, to pass, the following resolution as an **Ordinary 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 in force or as amended from time to time, the consent of the members of the Company be and is hereby accorded for the re-appointment and terms of remuneration of Mr. M.V.Reddy (DIN: 00421401), as a Whole Time Director designated as Director (Mktg. & Operations) of the Company for a further period of five years with effect from 30th April, 2018 at a remuneration as detailed below:

- a. Term of re-appointment: 5 Years i.e., from 30th April, 2018 to 29th April, 2023.
- b. Basic salary: Rs.2,00,000/- per month.
- c. Performance bonus: 1% of profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013 payable at monthly / Quarterly / yearly intervals.
- d. He will be entitled to house rent allowance, medical reimbursement, leave travel allowance, leave encashment, statutory bonus, company maintained car, telephone, club fees and such other perquisites in accordance with the Company’s rules.
- e. The Aggregate of salary, performance bonus, perquisites, allowances, and contribution towards provident fund taken together in respect of payment to Mr. M. V. Reddy, Director (Mktg. & Operations) shall always be subject to the overall ceilings fixed under Section I of Part II of the Schedule V to the Companies Act, 2013 in force or as amended from time to time.

RESOLVED FURTHER THAT in the event of absence of inadequacy of profits in any financial year during the tenure of Mr. M. V. Reddy as the Director (Marketing & Operations) of the Company he shall be paid a remuneration as prescribed under Section II of Part II of the Schedule V to the Companies Act, 2013 in force or as amended from time to time.

RESOLVED FURTHER THAT the board shall have the discretion and authority to modify the aforesaid terms and remuneration within, however, the limit as approved by the members.

RESOLVED FURTHER THAT in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and are hereby authorized to vary or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances etc., within such prescribed limit or ceiling and the terms and conditions of the said appointment as agreed to between the Board and Mr. M.V.Reddy be suitable amended to give effect to such modification, relaxation or variation, subject to such approvals as may be required by law from time to time.”

7. Ratification of fixation of remuneration to the Cost Auditors

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“RESOLVED that the decision to pay a Remuneration of Rs.1,75,000/- (Rupees One Lakh Seventy five thousand only) to M/s. DZR & Co, the Cost Auditors of the Company for the year 2018-19, as recommended by the Audit Committee and approved by the Board of Directors, be and are hereby ratified.”

“RESOLVED FURTHER that the Board of Directors of the Company be and are hereby authorized to do all such acts and take 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: May 28, 2018

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. 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.
2. A person can act as proxy on behalf of Members not exceeding 50(fifty) and holding in the aggregate not more than 10% (Ten percent) of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% (Ten percent) of the total share capital of the Company carrying voting rights, then such proxy shall not act as proxy for any other person or Member.
3. Members / proxies should bring duly filled Attendance Slips sent herewith to attend the meeting.
4. Corporate members intending to send their authorised representatives to attend the Annual General Meeting pursuant to the provisions of Section 113 of the Companies Act, 2013 are requested to send a certified true copy of the relevant Board Resolution to the Company.
5. An Explanatory Statement pursuant to Section 102 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 21.07.2018 to 30.07.2018 (both days inclusive) for the purpose of determining the members eligible for dividend.
7. The dividend of Rs.1.20/- per share has been recommended by the Board of Directors for the year ended March 31, 2018, subject to approval of members. Dividend, if approved at the Annual General Meeting, shall be paid on and from August 6, 2018.
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. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amounts lying with the company as on July 28, 2017 (date of last Annual General Meeting) on the website of the Company and also on the website of Ministry of Corporate Affairs.

11. Information in respect of such unclaimed dividend when due for transfer to the Investor Education and Protection Fund (IEPF) are given below:

| S. No | For the financial year ended | Percentage of Dividend | Date of Declaration | Due date for transfer to the Investor Education and Protection Fund |
|-------|------------------------------|------------------------|---------------------|---|
| 1 | March 31, 2011 | 25 % | July 28, 2011 | September 3, 2018 |
| 2 | March 31, 2012 | 35% | July 30, 2012 | September 5, 2019 |
| 3 | March 31, 2013 | 40% | September 30, 2013 | November 5, 2020 |
| 4 | March 31, 2014 | 55% | July 31, 2014 | September 6, 2021 |
| 5 | March 31, 2015 | 60% | July 30, 2015 | September 5, 2022 |
| 6 | March 31, 2016 | 60% | July 29, 2016 | September 4, 2023 |
| 7 | March 31, 2017 | 50% | July 28, 2017 | September 3, 2024 |

The Shareholders who have not encashed the aforesaid dividends are requested to make their claim to the Registrar, M/s. Purva Shareregistry (India) Pvt. Ltd., Shiv Shakti Industrial Estate, Unit No.9, Ground Floor, 7 B J R Boricha Marg, Lower Parel, Mumbai - 400 011 Tele: 91-022-23016761, Email: busicomp@gmail.com.

12. Compulsory transfer of Equity Shares to Investor Education and Protection Fund (IEPF) Authority:
- Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to an IEPF Authority.
13. 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.
14. A Member or his/her proxy is requested to bring the annual report to the meeting as extra copies will not be distributed.
15. 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.
16. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market for transaction of transfer, transmission/transposition and deletion of name of deceased holder. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar & Share Transfer Agents, M/s. Purva Shareregistry (India) Pvt. Ltd.,
17. Members are requested to send all communication relating to shares (Physical and Electronic) to the Company's Registrar & Share Transfer Agent at M/s. Purva Shareregistry (India) Pvt. Ltd., Shiv Shakti Industrial Estate, Unit No.9, Ground Floor, 7 B J R Boricha Marg, Lower Parel, Mumbai - 400 011 Tele: 91-022-23016761, Email: busicomp@gmail.com.
18. Route Map showing directions to reach to the venue of the 27th AGM is attached to this Annual Report as per the requirement of the Secretarial Standards-2 on "General Meetings".
19. The Board of Directors in their meeting held on 28th May 2018 had approved the appointment of Mr. L. Dhanamjay Reddy, Practicing Company Secretary Hyderabad of M/s. L. D. Reddy & Co., as the Scrutinizer to conduct the voting process including the e-voting, postal ballot and poll at the venue of the Annual General Meeting in a fair and transparent manner.
20. Please note that as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is mandatory for the Company to print the bank account details of the investors in dividend payment instruments. Hence, you are requested to register / update your correct bank account details with the Company / RTA/ Depository Participant, as the case may be.

21. As required under Listing Regulations and Secretarial Standard-2 on General Meetings details in respect of directors, seeking re-appointment at the AGM, is separately annexed hereto. Directors seeking re-appointment have furnished requisite declarations under section 164(2) and other applicable provisions of the Companies Act, 2013 including rules framed thereunder.
22. E-VOTING: In terms of the provisions of Section 108 and 109 of the Companies Act, 2013 read with Rule 20 and 21 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing facility to exercise votes on the items of business given in the Notice through electronic voting system and poll to members holding shares as on July 23, 2018 (End of Day) being the Cut-off date fixed for determining voting rights of members, entitled to participate in the e-voting process and poll.

The instructions for shareholders voting electronically are as under:

- i) The voting period begins on 27th July, 2018 (i.e. 10:00 A.M. IST) and ends on 29th July, 2018. (i.e. 5:00 P.M. IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd July, 2018, 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.
- 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 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"> 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. <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"> 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). |

- 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.