

**ASTRA MICROWAVE PRODUCTS LIMITED**

Regd. Office : ASTRA Towers, Survey No. 12(P), Kothaguda Post, Kondapur, Hitechcity, Hyderabad, Telangana, INDIA - 500084  
Tel : +91 40 46618000, 46618001, Fax : +91 40 46618048  
Email : info@astramwp.com, website : www.astramwp.com  
CIN : L29309TG1991PLC013203

Date: 28<sup>th</sup> April, 2023

**The National Stock Exchange of India Limited**

Listing Department  
Exchange Plaza, Bandra Kurla Complex  
Bandra (East)  
Mumbai 400 051  
Symbol: ASTRAMICRO

**BSE Limited**

Department of Corporate Services  
Floor 25, Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai 400 001  
Security code no.: 532493

**Sub: Approval of Unaudited Interim Condensed Consolidated Financial Statements for the nine months ended December 31, 2022.**

Dear Sir/ Madam,

Pursuant to applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “SEBI ICDR Regulations”) and Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “SEBI LODR Regulations”), please find enclosed herewith the Unaudited Interim Condensed Consolidated Financial Statements of Astra Microwave Products Limited (“Company”) for the nine months ended December 31, 2022 (“Unaudited Interim Condensed Consolidated Financial Statements”) approved by the Company in its meeting held on 28<sup>th</sup> April, 2023, along with the review report on such Unaudited Interim Condensed Consolidated Financial Statements issued by the Statutory Auditors of the Company, Price Waterhouse Chartered Accountants LLP, Chartered Accountants.

The above information will be made available on the Company’s website www.astramwp.com.

We request you to take the above on record and treat the same as compliance under the applicable provisions of the SEBI LODR Regulations.

Thanking you,

Yours faithfully,

For Astra Microwave Products Limited

**T Anjaneyulu**  
**Company Secretary and Compliance Officer**  
Email ID: tan@astramwp.com

**Encl:** (i) Unaudited Interim Condensed Consolidated Financial Statements  
(ii) Review Report



Works :

Unit 1 : Plot No. 12, ANRICH Industrial Estate, Bollaram, Medak Dist., Telangana State - 502 325  
Unit 2 : Plot No. 56A, ANRICH Industrial Estate, Bollaram, Medak Dist., Telangana State - 502 325  
Unit 3 : Sy. No. 1/1, Imarath Kancha, Raviryala (Vil), Maheshwaram (Mdl) R.R. Dist., Telangana State - 500 005  
Unit 4 : Sy. No. 1/1, Plot No. 18 to 21, Imarath Kancha, Hardware Park, Raviryala (V), Maheshwaram (M) R.R. Dist., T.S. - 500 005  
R&D Centre : Plot No. 51 P, Bengaluru Aerospace Park(KIADB), Survey Nos Parts of 36 to 40, Bengaluru North, K.S. - 562 149.

# Price Waterhouse Chartered Accountants LLP

The Board of Directors  
Astra Microwave Products Limited,  
Astra Towers, Survey No. 12(P), Kothaguda Post,  
Kondapur, Hitech City,  
Hyderabad, Telangana – 500084.

1. This report is issued in accordance with the terms of our agreement dated April 03, 2023.
2. We have reviewed the accompanying special purpose unaudited condensed consolidated interim financial statements of Astra Microwave Products Limited (the “Company”), its subsidiaries (the Company and its subsidiaries together hereinafter referred to as the “Group”), its joint venture and its associate company (refer note 2B to the special purpose unaudited condensed consolidated interim financial statements) comprising its Condensed Consolidated Balance Sheet as at December 31, 2022, and the Condensed Consolidated Statement of Profit & Loss, Condensed Consolidated Statement of Changes in Equity, Condensed Consolidated Statement of cash flows and a summary of significant accounting policies and other explanatory information for the nine months ended December 31, 2022 and nine months ended December 31, 2021 (herein after referred to as the “unaudited condensed consolidated interim financial statements”) prepared by the Management of the Group with their obligation to include the unaudited condensed consolidated interim financial statements in the Preliminary Placement Document (‘PPD’) and Placement Document (‘PD’) (hereinafter collectively referred to as the “Offer Documents”), to be filed by the Company with the Securities and Exchange Board of India (“SEBI”), BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), as applicable, in connection with proposed Qualified Institutions Placement of the equity shares of the Company (“Offering”). We have signed the attached unaudited condensed consolidated interim financial statements for identification purposes only.

## Management’s Responsibilities for the unaudited condensed consolidated interim financial statements

3. The preparation of the unaudited condensed consolidated interim financial statements in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, “Interim Financial Reporting” and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India (‘ICAI’) and other accounting principles generally accepted in India, is the responsibility of the Management of the Group, including the creation and maintenance of all accounting and other records supporting its contents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the unaudited condensed consolidated interim financial statements and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

## Auditors’ Responsibilities

4. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity - issued by the Institute of Chartered Accountants of India.
5. A review is limited primarily to inquiries of Group personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.



Price Waterhouse Chartered Accountants LLP, Unit - 2B, 8th Floor, Octave Block, Block E1, Parcel - 4, Salarpuria  
Sattva Knowledge City, Raidurg, Hyderabad, Telangana - 500081  
T: +91 (40) 4424 6000, F: +91 (40) 4424 6300

Registered office and Head office: 11-A, Vishnu Digamber Marg, Sucheta Bhawan, Gate No 2, 1st Floor, New Delhi - 110002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

## Price Waterhouse Chartered Accountants LLP

6. We did not review the financial statements of (i) one subsidiary considered in the preparation of the unaudited condensed consolidated interim financial statements and which constitute total assets of Rs. 831.72 lakhs and net assets of Rs. 689.48 lakhs as at December 31, 2022, total revenue of Rs. 268.41 lakhs, total comprehensive income (comprising of profit and other comprehensive income) of Rs. 110.28 lakhs and net cash inflows amounting to Rs. 146.50 lakhs for the period then ended; and (ii) one joint venture included in these unaudited condensed consolidated interim financial statements which constitute Group's share of total comprehensive income (comprising of loss and other comprehensive income) of Rs. 158.69 lakhs for the period from April 01, 2022 to December 31, 2022. These financial statements and other financial information have been reviewed by other auditors whose reports have been furnished to us, and our conclusion on the unaudited condensed consolidated interim financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.
7. We did not review the financial statements of (i) one subsidiary considered in the preparation of the unaudited condensed consolidated interim financial statements and which constitute total assets of Rs. 0.33 lakhs and net assets of Rs. 0.33 lakhs as at December 31, 2022, total revenue of Rs. "Nil", total comprehensive income (comprising of profit and other comprehensive income) of Rs. "Nil" and net cash flows amounting to Rs. "Nil" for the period then ended; and (ii) one associate company included in these unaudited condensed consolidated interim financial statements which constitute Group's share of total comprehensive income (comprising of loss and other comprehensive income) of Rs. 0.16 lakhs for the period from April 01, 2022 to December 31, 2022. The unaudited financial information has been provided to us by the management, and our conclusion on the unaudited condensed consolidated interim financial statements to the extent they relate to these subsidiary and associate company is based solely on such unaudited financial information furnished to us. According to the information and explanations given to us by the management, this unaudited financial information is not material to the group.

### Conclusion

8. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying unaudited condensed consolidated interim financial statements of the Group has not been prepared, in all material respects in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, "Interim Financial Reporting" and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('ICAI') and other accounting principles generally accepted in India.

### Emphasis of Matter – Basis of Preparation

9. We draw attention to Note 2 to the unaudited condensed consolidated interim financial statements, which describes the basis of its preparation, and accordingly, the unaudited condensed consolidated interim financial statements has been prepared by the Group's Management in all material respects in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, "Interim Financial Reporting" and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('ICAI') and other accounting principles generally accepted in India. These special purpose financial statements are not the statutory financial statements of the Group, and are not intended to, and do not, comply with the disclosure provisions applicable to statutory financial statements prepared under the Companies Act, 2013, as those are considered irrelevant by the Management and the intended users of the special purpose financial statements for the purposes for which those have been prepared.

Our conclusion is not modified in respect of this matter.

### Other Matters

10. We draw attention to the following matter:

The unaudited condensed consolidated interim financial statements dealt with by this report, have been prepared for the express purpose of inclusion of the unaudited condensed consolidated interim financial statements as at December 31, 2022 in the Offer documents, to be filed by the Company with the SEBI, BSE and NSE, as applicable, in connection with proposed Qualified Institutions Placement of the equity shares of the Company.

Our conclusion is not qualified in respect of this matter.



# Price Waterhouse Chartered Accountants LLP

## Restriction on use

11. Our obligations in respect of this review report are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of the Company.
12. This report is addressed to the Board of Directors of the Company and has been prepared for and only for the purposes of including it in the Offer Documents, to be filed by the Company with the SEBI, BSE and NSE, as applicable, in connection with proposed Qualified Institutional Placement of the equity shares of the Company. This report should not be otherwise used or shown to or otherwise distributed to any other party or used for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016



Srikanth Pola  
Partner

Membership Number: 220916

UDIN: 23220916BGXUWL6717


Place: Hyderabad  
Date: April 28, 2023

**Astra Microwave Products Limited**  
**Condensed Consolidated Balance Sheet as at December 31, 2022**  
 (All amounts are in Indian rupees lakhs, unless otherwise stated)

Particulars	Notes	As at December 31, 2022 (Unaudited)	As at March 31, 2022 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		15,310.61	15,863.39
Intangible assets		84.33	100.75
Capital work-in-progress		-	8.23
Investment in Joint Venture		1,029.01	1,179.58
Investment in Associate		205.03	205.18
Financial assets			
Other financial assets		1,305.34	923.74
Deferred tax assets (net)		759.97	692.44
Non current tax assets		9.64	298.92
Other non-current assets		562.86	285.89
<b>Total non-current assets</b>		<b>19,266.79</b>	<b>19,558.12</b>
<b>Current assets</b>			
Inventories		43,590.32	41,933.79
Financial assets			
i. Trade receivables		32,058.48	20,508.07
ii. Cash and cash equivalents		1,095.99	2,747.96
iii. Other bank balances		5,562.14	5,000.51
iv. Other financial assets		193.80	453.07
Current tax assets (net)		537.59	112.37
Other current assets		5,900.52	6,538.65
<b>Total current assets</b>		<b>88,938.84</b>	<b>77,294.42</b>
<b>Total assets</b>		<b>108,205.63</b>	<b>96,852.54</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital		1,732.23	1,732.23
Other equity		61,364.38	56,826.57
<b>Equity Attributable to owners of the Company</b>		<b>63,096.61</b>	<b>58,558.80</b>
Non Controlling Interest		0.16	0.16
<b>Total equity</b>		<b>63,096.77</b>	<b>58,558.96</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	4	-	335.41
Provisions		368.41	429.08
Contract liabilities		3,941.84	3,963.46
<b>Total non-current liabilities</b>		<b>4,310.25</b>	<b>4,727.95</b>
<b>Current liabilities</b>			
Financial liabilities			
i. Borrowings	4	20,818.40	6,704.90
ii. Trade payables			
(a) total outstanding dues of micro and small enterprises		751.36	945.21
(b) total outstanding dues other than micro and small enterprises		5,813.62	4,593.25
iii. Other financial liabilities		1,586.11	1,552.24
Provisions		293.63	354.99
Current tax liabilities (net)		658.50	5.29
Other current liabilities		162.98	223.36
Contract liabilities		10,714.01	19,186.39
<b>Total current liabilities</b>		<b>40,798.61</b>	<b>33,565.63</b>
<b>Total liabilities</b>		<b>45,108.86</b>	<b>38,293.58</b>
<b>Total equity and liabilities</b>		<b>108,205.63</b>	<b>96,852.54</b>
Summary of Significant Accounting Policies	3		

The accompanying notes are an integral part of the unaudited condensed consolidated interim financial statements  
 This is the condensed balance sheet referred to in our report of even date.


**For Price Waterhouse Chartered Accountants LLP**  
 Firm Registration Number: 012754N/2500016

  
 Srikanth Pola  
 Partner  
 Membership Number: 220916

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

  
 S. GURUNATHA REDDY  
 Managing Director  
 DIN : - 00003848

  
 M.V REDDY  
 Joint Managing Director  
 DIN : - 00421401

  
 T. ANJANEYULU  
 Company Secretary  
 FCS :- 5352

  
 BENARJI MALLAMPATI  
 Chief Financial Officer

Place : Hyderabad  
 Date : April 28, 2023


Place : Hyderabad  
 Date : April 28, 2023

**Astra Microwave Products Limited**  
**Condensed Consolidated Statement of profit and loss for the nine months ended December 31, 2022**  
 (All amounts are in Indian rupees lakhs, unless otherwise stated)

Particulars	Notes	For the nine months ended December 31, 2022 (Unaudited)	For the nine months ended December 31, 2021 (Unaudited)
<b>Income :</b>			
Revenue from operations	5	55,707.20	51,102.43
Other income		451.11	453.89
<b>Total Income</b>		<b>56,158.31</b>	<b>51,556.32</b>
<b>Expenses :</b>			
Cost of materials consumed		35,962.88	43,542.74
Changes in inventories of work-in-progress, stock-in-trade and finished goods		(2,061.89)	(7,997.07)
Employees benefit expense		6,778.56	5,537.31
Finance costs		2,089.69	1,651.21
Depreciation and amortisation expenses		1,738.01	1,584.61
Other expenses		3,692.79	3,663.48
<b>Total Expenses</b>		<b>48,200.04</b>	<b>47,982.28</b>
<b>Profit before tax and share of net loss of investment in Joint Venture and associate accounted for using equity method</b>		<b>7,958.27</b>	<b>3,574.04</b>
Share of loss from Joint Venture and Associate accounted for using the equity method		(158.85)	(110.61)
<b>Profit before tax</b>		<b>7,799.42</b>	<b>3,463.43</b>
<b>Tax expense</b>			
- Current tax	6	2,209.21	1,170.11
- Tax of earlier years		47.80	-
- Deferred tax credit		(88.25)	(403.70)
<b>Net profit for the period</b>		<b>5,630.66</b>	<b>2,697.02</b>
<b>Other comprehensive income :</b>			
a) Items that will not be reclassified to profit or loss:			
i) Remeasurements of post-employment benefit obligations		82.31	120.48
ii) Income tax relating to this item		(20.71)	(30.32)
b) Items that will be reclassified to profit or loss:			
i) Exchange differences on translation of foreign operations		58.11	3.93
<b>Total other comprehensive income for the period, net of tax</b>		<b>119.71</b>	<b>94.09</b>
<b>Total comprehensive income for the period</b>		<b>5,750.37</b>	<b>2,791.11</b>
<b>Profit for the period attributable to</b>			
Owners of the Company		5,630.66	2,697.02
Non-controlling interest		-	-
<b>Other Comprehensive Income attributable to</b>			
Owners of the Company		119.71	94.09
Non-controlling interest		-	-
<b>Total Comprehensive Income attributable to</b>			
Owners of the Company		5,750.37	2,791.11
Non-controlling interest		-	-
<b>Earnings per equity share (in Rs.)</b>			
a) Basic	7	6.50	3.11
b) Diluted		6.50	3.11
Summary of Significant Accounting Policies	3		

The accompanying notes are an integral part of the unaudited condensed consolidated interim financial statements  
 This is the condensed statement of profit and loss referred to in our report of even date.


For Price Waterhouse Chartered Accountants LLP  
 Firm Registration Number: 012754N/N500016

  
 Srinihith Pola  
 Partner  
 Membership Number: 220916

For and on behalf of the Board of Directors

  
 S. GURURATHA REDDY  
 Managing Director  
 DIN : - 00003828

  
 M.V. REDDY  
 Joint Managing Director  
 DIN : - 00421401

  
 T. ANJANEYULU  
 Company Secretary  
 FCS :- 5352

  
 BENARJI MALLAMPATI  
 Chief Financial Officer

Place : Hyderabad  
 Date: April 28, 2023

Place : Hyderabad  
 Date: April 28, 2023

**Astra Microwave Products Limited**  
**Condensed Consolidated Statement of Changes in Equity for the nine months ended December 31, 2022**  
 (All amounts are in Indian rupees lakhs, unless otherwise stated)

**A. Equity Share Capital**

As at December 31, 2022		As at December 31, 2021	
Particulars	Balance at December 31, 2022	Balance at December 31, 2021	Changes in equity share capital during the period
Balance at April 01, 2022	1,732.23	1,732.23	-
Balance at April 01, 2021	1,732.23	1,732.23	-

**B. Other Equity**

Particulars	Reserves and Surplus					Non-controlling interests	Total
	Securities Premium	Retained Earnings	General Reserve	Foreign currency translation reserve	Total Other equity		
Balance at April 01, 2022	6,856.20	42,468.04	7,482.80	19.53	56,826.57	0.16	56,826.73
Net profit for the period	-	5,630.66	-	-	5,630.66	-	5,630.66
Other comprehensive income	-	61.60	-	58.11	119.71	-	119.71
Dividends	-	(1,212.56)	-	-	(1,212.56)	-	(1,212.56)
Balance at December 31, 2022	6,856.20	46,947.74	7,482.80	77.64	61,364.38	0.16	61,364.54

Particulars	Reserves and Surplus					Non-controlling interests	Total
	Securities Premium	Retained Earnings	General Reserve	Foreign currency translation reserve	Total Other equity		
Balance at April 01, 2021	6,856.20	39,792.42	7,482.80	6.85	54,138.27	0.16	54,138.43
Net profit for the period	-	2,697.02	-	-	2,697.02	-	2,697.02
Other comprehensive income	-	90.16	-	3.93	94.09	-	94.09
Dividends	-	(1,039.34)	-	-	(1,039.34)	-	(1,039.34)
Balance at December 31, 2021	6,856.20	41,540.26	7,482.80	10.78	55,890.04	0.16	55,890.20

The accompanying notes are an integral part of the unaudited condensed consolidated interim financial statements. This is the Condensed statement of changes in equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/NS590016

*(Signature)*  
 Sankarish Pola  
 Partner  
 Membership Number: 220916

For and on behalf of the Board of Directors

*(Signature)*  
 S. GURUNATH REDDY  
 Managing Director  
 DIN : 00003828

*(Signature)*  
 T. ANJANEYULU  
 Company Secretary  
 PCS : 5352

*(Signature)*  
 M.V REDDY  
 Joint Managing Director  
 DIN : 00421401

*(Signature)*  
 BENARJI MALLAMPATI  
 Chief Financial Officer

Place : Hyderabad  
 Date : **Apr 18, 2023**

Place : Hyderabad  
 Date : **Apr 18, 2023**

**Astra Microwave Products Limited**  
**Condensed Consolidated Statement of cash flows for the nine months ended December 31, 2022**  
 (All amounts are in Indian rupees lakhs, unless otherwise stated)

Particulars	For the nine months ended December 31, 2022 (Unaudited)	For the nine months ended December 31, 2021 (Unaudited)
<b>Cash flows from operating activities</b>		
Profit before tax	7,799.42	3,463.43
<b>Adjustments for:</b>		
Depreciation and amortisation expense	1,738.01	1,584.61
Finance costs	2,089.69	1,651.21
Interest income	(221.63)	(159.07)
Commission on Corporate guarantee	(8.13)	-
Share of loss from Joint venture and associate	158.85	110.61
(Gain)/loss on sale of investments (net)	-	(48.24)
(Gain)/loss on disposal of property, plant and equipment	(1.19)	(1.49)
Unrealised exchange loss/(gain)	74.62	(16.50)
Changes in expected credit loss	(41.13)	141.25
<b>Operating Profit Before Working Capital Changes</b>	<b>11,588.51</b>	<b>6,725.81</b>
<b>Movements in working capital:</b>		
(Increase)/Decrease in inventories	(1,656.53)	(10,776.35)
(Increase)/Decrease in trade receivables	(11,429.28)	4,747.43
(Increase)/Decrease in other financial assets	(52.65)	41.19
(Increase)/Decrease in other non-current assets	(166.25)	10.55
(Increase)/Decrease in other current assets	638.13	950.61
Increase/(Decrease) in trade payables	930.08	481.59
Increase/(Decrease) in provisions	(39.72)	21.12
Increase/(Decrease) in other financial liabilities	72.97	(275.82)
Increase/(Decrease) in contract liabilities	(9,137.00)	502.37
Increase/(Decrease) in other current liabilities	(60.38)	(293.26)
<b>Cash generated from/(used in) operating activities</b>	<b>(9,312.12)</b>	<b>2,135.24</b>
Income tax paid	(1,739.74)	(1,572.42)
<b>Net cash generated from/(used in) operating activities</b>	<b>(11,051.86)</b>	<b>562.82</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(1,359.01)	(2,503.89)
Proceeds from sale of property, plant and equipment	3.04	1.97
Proceeds from sale of current investments	-	1,457.84
Proceeds from maturity of/(Investment in) Margin money deposits against bank guarantees and movement in unpaid dividend account	(587.76)	(1,117.19)
Interest received	178.06	156.42
<b>Net cash used in investing activities</b>	<b>(1,765.67)</b>	<b>(2,004.85)</b>
<b>Cash flows from financing activities</b>		
Proceeds from long term borrowings	-	1,414.14
Repayment of long term borrowings	(196.57)	-
Proceeds from short term borrowings	13,974.66	1,722.67
Finance cost paid	(1,392.98)	(1,195.37)
Dividend paid	(1,219.55)	(1,043.06)
<b>Net cash generated from financing activities</b>	<b>11,165.56</b>	<b>898.38</b>
<b>Net Decrease in Cash and cash equivalents</b>	<b>(1,651.97)</b>	<b>(543.65)</b>
Cash and cash equivalents at the beginning of the period	2,747.96	1,751.63
<b>Cash and cash equivalents at the end of the period</b>	<b>1,095.99</b>	<b>1,207.98</b>

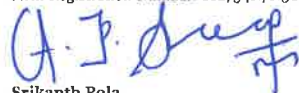
**Reconciliation of Cash and cash equivalents as per the Statement of cash flows**

Particulars	As at December 31, 2022	As at December 31, 2021
<b>Cash and Cash Equivalents</b>		
In current accounts	1,093.80	1,204.08
Cash in hand	2.19	3.90
<b>Total</b>	<b>1,095.99</b>	<b>1,207.98</b>

The accompanying notes are an integral part of the unaudited condensed consolidated interim financial statements  
 This is the Condensed statement of cash flows referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016



Srikanth Pola

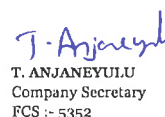
Partner

Membership Number: 220916

For and on behalf of the Board of Directors

  
 S. GURUNAVIA REDDY  
 Managing Director  
 DIN : - 00003828

  
 M.V REDDY  
 Joint Managing Director  
 DIN : - 00421401

  
 T. ANJANEYULU  
 Company Secretary  
 FCS :- 5352

  
 BENARJI MALLAMPATI  
 Chief Financial Officer

Place : Hyderabad

Date : April 28, 2023

Place : Hyderabad

Date : April 28, 2023



**1. Group Overview:**

Astra Microwave Products Limited was incorporated in 1991 and it got listed under NSE and BSE in the year 1994. The group is engaged in the business of design, development and management of sub-systems for Radio frequency and microwave systems used in defense, space, meteorology and telecommunication; manufacture, supply, installations and service of electronic machinery, components, spares and other electronic parts; defense communication and specific Electronic Warfare; designing, developing, manufacturing and dealing in space crafts, launching vehicles, robots for the sectors of aviation and aerospace, deep space, defense and internal security.

**2. Basis of Preparation:**

**A. Purpose:**

These unaudited condensed consolidated interim financial statements which comprise the condensed consolidated balance sheet as at December 31, 2022, the condensed consolidated statement of profit and loss (including other comprehensive income), the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the nine months ended December 31, 2022 and December 31, 2021 and a summary of the significant accounting policies and other explanatory information (together herein after referred to as “unaudited condensed consolidated interim financial statements”) have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, “Interim Financial Reporting” and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India (‘ICAI’) and other accounting principles generally accepted in India. These unaudited condensed consolidated interim financial statements for the nine months ended December 31, 2022 have been prepared by the Group to include in the Preliminary Placement Document (‘PDD’) and Placement Document (‘PD’) (hereinafter collectively referred to as the “Offer documents”), to be filed by the Company with the Securities and Exchange Board of India (‘SEBI’), BSE Limited (BSE), National Stock Exchange of India Limited (NSE) and the Registrar of Companies (the “ROC”) in Hyderabad, as applicable, in connection with proposed Qualified Institutional Placement of the equity shares of the Company (“Offering”).

Also, refer note no. 15.

**B. Statement of Compliance:**

These unaudited condensed consolidated interim financial statements comprise of unaudited condensed interim financial statements of the Company and its subsidiaries (together referred to as “the Group”) and its joint ventures and associate for the nine months ended December 31, 2022. These unaudited condensed consolidated interim financial statements are not the statutory financial statements of the Group, and are not intended to, and do not, comply with the disclosure provisions applicable to statutory financial statements prepared under the Companies Act, 2013, as those are considered irrelevant by the Management and the intended users of the unaudited condensed consolidated interim financial statements for the purposes for which these have been prepared.

These unaudited condensed consolidated interim financial statements includes the financial information of following entities:-

Bhavyabhanu Electronics Private Limited	- Wholly Owned Subsidiary
Aelius Semiconductors Pte. Ltd., Singapore	- Wholly Owned Subsidiary
Astra Foundation (Section 8 Company)	- Wholly Owned Subsidiary
Astra Rafeal Comsys Private Limited	- Joint Venture
Janyu Technologies Private Limited	- Associate

**3. Summary of significant accounting policies:**

The significant accounting policies adopted are consistent with those of the previous financial year ended March 31, 2022 and the corresponding interim reporting period.



**Astra Microwave Products Limited**

**Notes forming part of condensed consolidated financial statements for the nine months ended December 31, 2022**

(All amounts are in Indian rupees lakhs, unless otherwise stated)

**Note 4: Borrowings**

Particulars	As at	As at
	December 31, 2022	March 31, 2022
<b>Non Current Secured</b>		
<b>From banks</b>		
<b>Term Loans (Refer note a(i) below)</b>		
Axis bank	-	335.41
<b>Total</b>	-	<b>335.41</b>
<b>Current Secured</b>		
<b>From banks</b>		
<b>Working Capital loans (Refer note a(ii) below)</b>		
HDFC Bank	9,000.00	3,314.90
Axis bank	2,400.00	-
State Bank of India	3,750.00	1,200.00
<b>Cash Credit facility (Refer note a(ii) &amp; b below)</b>		
HDFC Bank	1,637.71	1,055.95
Canara Bank	585.81	9.05
Axis Bank	1,559.73	-
State Bank of India	621.31	-
Current maturities of long term debt	1,263.84	1,125.00
<b>Total</b>	<b>20,818.40</b>	<b>6,704.90</b>

Refer below for the assets pledged as security

**Nature of security:**

**(a) Astra Microwave Products Limited**

**Note (i): Term loan**

**Nature of security:**

Term loan from Axis Bank is secured by first exclusive charge on the equipment/machinery funded by this term loan and personal guarantee of following promoters: Mr. P.A. Chitrakar and Mr. B. Malla Reddy.

**Terms of repayment:**

Term loan from Axis bank is repayable in 8 quarterly instalments of sanctioned loan amount, starting after 12 months from the date of first disbursement (date of first drawdown was October 10, 2021) along with an interest as mutually agreed with the bank payable on a monthly basis.

**Rate of Interest:** Interest rates are normally reset on an yearly basis. Present rate of interest is 8.45%

**Note (ii): Working capital loan and cash credit facility**

**Nature of security:**

**Prime Security:**

Pari Passu first charge on stocks and receivables and other chargeable current assets of the Company.

**Collateral Security:**

Pari Passu first charge on entire unencumbered fixed assets of the company.

Pari Passu second charge on the fixed assets of the company funded by other term lenders.

**Personal Guarantee:**

Personal Guarantee of the promoters: Mr. P.A. Chitrakar.

**Terms of repayment:**

a) Working capital loans taken from Banks are repayable within a period of 90 days to 180 days from the date of taking the loan.

b) Cash credits from banks are repayable on demand.

c) Interest rates are normally reset on an yearly basis. Present rate of interest ranges between 7.92% - 9.90%.

**(b) Bhavyabhanu Electronics Private Limited**

**Nature of security:**

(i) Cash credit from HDFC Bank is secured by charge on Book debts, movable fixed assets, plant and machinery and fixed deposits of the company.

(ii) Corporate Guarantee of Astra Microwave Products Limited.

**Terms of repayment:**

i) Cash Credit facilities are repayable on demand.

ii) Interest rates are normally reset on an yearly basis. Present rate of interest is 9.55%.



**Astra Microwave Products Limited****Notes forming part of condensed consolidated financial statements for the nine months ended December 31, 2022**

(All amounts are in Indian rupees lakhs, unless otherwise stated)

**Assets pledged as security****Carrying amounts of assets of Astra Microwave Products Limited and Bhavyabhanu Electronics Private Limited pledged as security for current and non-current borrowings are:**

Particulars	As at December 31, 2022	As at March 31, 2022
<b>Current</b>		
Financial assets		
Trade receivables	32,058.45	20,537.09
Other bank balances	5,504.93	4,914.20
Other financial assets	193.80	453.07
Non-financial assets		
Inventories	43,511.02	41,898.86
<b>Total current assets pledged as security (A)</b>	<b>81,268.19</b>	<b>67,803.22</b>
<b>Non-current</b>		
Property, plant and equipment	15,310.61	15,863.39
Intangible assets	84.33	100.75
Capital work-in-progress	-	8.23
Other financial assets	1,210.35	896.40
<b>Total non-current assets pledged as security (B)</b>	<b>16,605.29</b>	<b>16,868.77</b>
<b>Total assets pledged as security ((A) + (B))</b>	<b>97,873.48</b>	<b>84,671.99</b>



**Astra Microwave Products Limited**

**Notes forming part of condensed consolidated financial statements for the nine months ended December 31, 2022**  
(All amounts are in Indian rupees lakhs, unless otherwise stated)

**Note 5: Revenue from Operations:**

Particulars	For the nine months ended December 31, 2022 (Unaudited)	For the nine months ended December 31, 2021 (Unaudited)
<b>Revenue from contracts with customers (refer note (b) below)</b>		
- Sale of Products	52,809.20	49,573.18
- Sale of Services	2,764.58	1,373.07
	55,573.78	50,946.25
<b>Other Operating Revenue</b>		
- Wind Electrical Power	133.42	156.18
	133.42	156.18
<b>Total Revenue</b>	<b>55,707.20</b>	<b>51,102.43</b>

**a) The following table show unsatisfied performance obligations resulting from fixed price long term Sale of products and services:**

Particulars	For the nine months ended December 31, 2022 (Unaudited)	For the nine months ended December 31, 2021 (Unaudited)
Aggregate amount of the transaction price allocated to long term Sale of products and services	192,079.10	231,465.02

The aggregate amount of transaction price allocated to unsatisfied performance obligations represents the open orders which are not yet delivered and the group will recognise this revenue as the goods are delivered or services are rendered, which is expected to occur over the next 84 months.

**b) Reconciliation of revenue recognised with contract price:**

Particulars	For the nine months ended December 31, 2022 (Unaudited)	For the nine months ended December 31, 2021 (Unaudited)
Contract Price	54,824.68	50,831.08
<b>Adjustment for:</b>		
Financing component	749.10	115.17
<b>Revenue from contract with customers</b>	<b>55,573.78</b>	<b>50,946.25</b>

**c) Critical Judgements in recognising revenue**

The group has considered that the advances received from the customers more than one year before the transfer of control of the goods has the significant financing component. As a consequence, the group adjusted the transaction price to reflect the finance component from such customer advances.



**Astra Microwave Products Limited**

**Notes forming part of condensed consolidated financial statements for the nine months ended December 31, 2022**  
(All amounts are in Indian rupees lakhs, unless otherwise stated)

**Note 6 : Reconciliation of effective tax rate:**

Particulars	For the nine months ended December 31, 2022 (Unaudited)	For the nine months ended December 31, 2021 (Unaudited)
<b>Profit before tax</b>	7,799.42	3,463.43
Tax rate	25.17%	25.17%
<b>Tax expense</b>	<b>1,962.96</b>	<b>871.68</b>
Tax effects on amounts which are not deductible/(taxable) in calculation of taxable income		
i) Effect of expenses that are not deductible in determining taxable profit	16.42	30.08
ii) Tax of earlier years	47.80	-
iii) Effect of share of loss from Joint venture on which no deferred tax asset is created	39.98	27.84
iv) Indexation on land	(38.09)	(43.47)
v) Effect of Deferred tax asset not created on set off or carried forward losses from Subsidiaries	166.05	17.48
vi) Effect of different tax rates of subsidiaries	(13.08)	(91.48)
vii) Others	(13.28)	(45.72)
<b>Tax expense recognised in statement of profit and loss</b>	<b>2,168.76</b>	<b>766.41</b>



**Astra Microwave Products Limited**

Notes forming part of condensed consolidated financial statements for the nine months ended December 31, 2022

(All amounts are in Indian rupees lakhs, unless otherwise stated)

**Note 7. Earnings per share**

Particulars	For the nine months ended December 31, 2022 (Unaudited)	For the nine months ended December 31, 2021 (Unaudited)
Profit after tax attributable to owners of the Company	5,630.66	2,697.02
<b>Basic:</b>		
Weighted average number of equity shares	86,611,675	86,611,675
Earnings per share (INR)	6.50	3.11
<b>Diluted:</b>		
Earnings per share (INR)	6.50	3.11

Note: EPS is calculated based on profits excluding the other comprehensive income

Basic and diluted earnings per share are equal as there are no potential dilutive equity shares

**Note 8. Related party disclosures**

**A. List of Related Parties:**

Name of the Related Party	Nature of Relationship
Astra Rafael Comsys Private Limited	Joint Venture Company
Janyu Technologies Private Limited	Associate
Mr. S. Krishna Reddy	Relative of a director
<b>Key Managerial Persons (KMP):</b>	
Mr. S. Gurunatha Reddy	Managing Director
Mr. M. Venkateshwar Reddy	Joint Managing Director
Mr. T. Anjaneyulu	Company Secretary
Mr. BVS Narasingaa Rao	Chief Financial Officer (Upto April 2022)
Mr. Benarji Mallampati	Chief Financial Officer (w.e.f. April 2022)

**B. Details of outstanding balances as at December 31, 2022:**

Name of the related parties	Nature of transactions	As at	As at
		December 31, 2022	March 31, 2022
Janyu Technologies Private Limited	Investment in Series E - Compulsorily convertible preference shares	200.00	200.00
	Investment in Share Warrants	0.10	0.10
	Advance paid	21.00	21.00
	Outstanding amount receivable against sale of goods	-	4.43
Astra Rafael Comsys Private Limited	Amount receivable against sales of goods	2,351.48	108.80
	Value of Corporate guarantee	750.00	750.00
	Advance received	714.25	1,308.15
	Investment in equity shares	2,000.00	2,000.00

**C. Details of transactions during the nine months period ended December 31, 2022:**

Name of the related parties	Nature of balance	For the nine months ended December 31, 2022 (Unaudited)	For the nine months ended December 31, 2021 (Unaudited)
Astra Rafael Comsys Pvt.Ltd	Guarantee commission on Corporate guarantee	8.13	-
	Sales of goods	4,422.07	1,113.34
Mr. S. Gurunatha Reddy	Director's remuneration	77.00	66.16
Mr. M. Venkateshwar Reddy	Director's remuneration	77.58	65.52
Mr. S. Krishna Reddy	Remuneration to relative of a director	1.52	13.29
Mr. T. Anjaneyulu	Company secretary's remuneration	13.50	12.49
Mr. BVS Narasingaa Rao	CFO's remuneration	7.82	14.56
Mr. Benarji Mallampati	CFO's remuneration	13.36	-



**Astra Microwave Products Limited**

**Notes forming part of condensed consolidated financial statements for the nine months ended December 31, 2022**

(All amounts are in Indian rupees lakhs, unless otherwise stated)

**Note 9: Segment information**

The group operates in a single product segment. Additional disclosures required as per Ind AS 108, "Operating Segments" are included below:

**a. Geographical Segment revenue by location of customers**

The following is an analysis of the group's revenue and results from continuing operations by

Particulars	Segment Revenue	
	For the nine months ended December 31, 2022 (Unaudited)	For the nine months ended December 31, 2021 (Unaudited)
In India	51,286.57	41,289.72
Outside India*	4,420.63	9,812.71
<b>Total</b>	<b>55,707.20</b>	<b>51,102.43</b>

\*Segment revenue from outside India does not include deemed exports to Export Oriented Units

**b. Geographical Segment assets**

Particulars	As at December 31, 2022	As at March 31, 2022
<b>Segment assets</b>		
India	17,474.46	17,680.39
Outside India	3.35	5.71
<b>Total</b>	<b>17,477.81</b>	<b>17,686.10</b>

**c.(i) Major Customers contributing more than 10 percent of revenue for the period ended December 31, 2022**

Customer Name	For the nine months ended December 31, 2022 (Unaudited)
DCX Cable Assemblies Private Limited	9,154.98
Integrated Test Range	5,571.39

**c.(ii) Major Customers contributing more than 10 percent of revenue for the period ended December 31, 2021**

Customer Name	For the nine months ended December 31, 2021 (Unaudited)
Elta Systems Limited	17,816.46

**Note 10: Commitments and contingent liabilities**

Particulars	As at December 31, 2022	As at March 31, 2022
<b>A. Contingent Liabilities in respect of:</b>		
a) Corporate guarantee on behalf of Astra Rafael Comsys Private Limited, Joint Venture company	750.00	750.00
b) Disputed excise duty matters *	248.19	248.19
c) Income tax penalty**	91.66	91.66
d) Goods and Service Tax (GST) penalty***	25.92	-
<b>Total Contingent liabilities</b>	<b>1,115.77</b>	<b>1,089.85</b>
<b>B. Estimated amount of capital contracts remaining to be executed and not provided for</b>	<b>1,747.96</b>	<b>122.80</b>
<b>Total Capital commitments</b>	<b>1,747.96</b>	<b>122.80</b>

\* The Company has received a favorable order against demand raised by Commissioner of Customs, Central Excise and Service Tax. However, the department has preferred an appeal before Hon'ble High Court, Telangana and Andhra Pradesh.

\*\*The Company has received a penalty order for Assessment Year 2018-19 for which the Company has preferred an appeal against the order and is pending before Commissioner of Income-Tax (Appeals).

\*\*\* The Company has received a penalty order on account of interstate transportation of goods without proper e-waybill.



**Astra Microwave Products Limited**
**Notes forming part of condensed consolidated financial statements for the nine months ended December 31, 2022**

(All amounts are in Indian rupees lakhs, unless otherwise stated)

**Note 11. Financial Instruments**
**Fair value**

The management assessed the fair value of trade receivables, cash and cash equivalents, other bank balances, other financial assets, borrowings, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities or interest bearing nature of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The group has determined fair value of Non current financial assets using discounted cash flow of future projected cash flow.

Set out below, is a comparison by class of the carrying amounts and fair value of the group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

**Financial instruments by category**

The carrying value and fair value of financial instruments by categories as at December 31, 2022 were as follows:

Particulars	Fair value hierarchy	Amortised cost	Financial instruments measured at fair value through profit or loss		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory		
<b>Assets:</b>						
<b>Non-current</b>						
(a) Other financial assets	3	1,305.34	-	-	1,305.34	1,305.34
(b) Investment in Associate	3	-	-	205.03	205.03	205.03
<b>Current</b>						
Financial assets						
(a) Trade receivables	3	32,058.48	-	-	32,058.48	32,058.48
(b) Cash and cash equivalents	3	1,095.99	-	-	1,095.99	1,095.99
(c) Other bank balances	3	5,562.14	-	-	5,562.14	5,562.14
(d) Other financial assets	3	193.80	-	-	193.80	193.80
<b>Total</b>		<b>40,215.75</b>	<b>-</b>	<b>205.03</b>	<b>40,420.78</b>	<b>40,420.78</b>
<b>Liabilities:</b>						
<b>Current</b>						
Financial liabilities						
(a) Borrowings	3	20,818.40	-	-	20,818.40	20,818.40
(b) Trade payables	3	6,564.98	-	-	6,564.98	6,564.98
(c) Other financial liabilities	3	1,586.11	-	-	1,586.11	1,586.11
<b>Total</b>		<b>28,969.49</b>	<b>-</b>	<b>-</b>	<b>28,969.49</b>	<b>28,969.49</b>

The carrying value and fair value of financial instruments by categories as at March 31, 2022 were as follows:

Particulars	Fair value hierarchy	Amortised cost	Financial instruments measured at fair value through profit or loss		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory		
<b>Assets:</b>						
<b>Non-current</b>						
(a) Other financial assets	3	923.74	-	-	923.74	923.74
(b) Investment in Associate	3	-	-	205.18	205.18	205.18
<b>Current</b>						
Financial assets						
(a) Trade receivables	3	20,508.07	-	-	20,508.07	20,508.07
(b) Cash and cash equivalents	3	2,747.96	-	-	2,747.96	2,747.96
(c) Other bank balances	3	5,000.51	-	-	5,000.51	5,000.51
(d) Other financial assets	3	453.07	-	-	453.07	453.07
<b>Total</b>		<b>29,633.35</b>	<b>-</b>	<b>205.18</b>	<b>29,838.53</b>	<b>29,838.53</b>
<b>Liabilities:</b>						
<b>Non-Current</b>						
(a) Borrowings	3	335.41	-	-	335.41	335.41
<b>Current</b>						
Financial liabilities						
(a) Borrowings	3	6,704.90	-	-	6,704.90	6,704.90
(b) Trade payables	3	5,538.46	-	-	5,538.46	5,538.46
(c) Other financial liabilities						
(i) Derivative liability	2	-	-	5.46	5.46	5.46
(ii) Other financial liabilities	3	1,546.78	-	-	1,546.78	1,546.78
<b>Total</b>		<b>14,125.55</b>	<b>-</b>	<b>5.46</b>	<b>14,131.01</b>	<b>14,131.01</b>

**Fair value hierarchy**

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).





**Note 12. Financial risk management**

**Risk management framework**

The group's financial risk management is an integral part of how to plan and execute its business strategies. The group's management risk policy is set by the Board. The group's activities expose it to a variety of financial risks : credit risk, liquidity risk and market risk relating to foreign currency exchange rate and interest rate. The group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. A summary of the risks have been given below.

**Credit risk**

Credit risk is the risk arising from credit exposure to customers, cash and cash equivalents held with banks and current and non-current held-to maturity financial assets. The group primarily deals with Public Sector Enterprises and Government undertakings. Regarding credit exposure from customers, the group has a procedure in place aiming to minimize collection losses.

The carrying amount of trade receivables, advances, deposits, cash and bank balances, bank deposits and interest receivable on deposits represents group's maximum exposure to the credit risk. No other financial asset carry a significant exposure with respect to the credit risk. Bank deposits and cash balances are placed with reputable banks with high credit ratings.

The credit quality of financial assets is satisfactory, taking into account the allowance for credit losses if any.

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including default risk associate with the industry and country in which customers operate.

An impairment analysis is performed at each reporting date on an individual basis for major receivables. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The group also holds deposits as security from certain customers to mitigate credit risk.

**a. Trade receivables**

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate and are derived from revenue earned from customers primarily located in India. group has a process in place to monitor outstanding receivables on a monthly basis.

The group's exposure to credit risk for trade and other receivables where simplified approach of recognising expected credit loss is recognised

Particulars	Carrying amount	
	As at December 31, 2022	As at March 31, 2022
Trade receivables (Gross)	33,291.92	21,782.64
Less: Expected credit loss	(1,233.44)	(1,274.57)
<b>Trade receivables as per the financial statements</b>	<b>32,058.48</b>	<b>20,508.07</b>

The group's exposure to credit risk for financial assets other than trade receivables, where 12 month expected credit loss is recognised

Particulars	Carrying amount	
	As at December 31, 2022	As at March 31, 2022
Other bank balances	5,562.14	5,000.51
Other financial assets	1,499.14	1,376.81
<b>Total</b>	<b>7,061.28</b>	<b>6,377.32</b>

Particulars	As at December 31, 2022	As at March 31, 2022
Opening balance	1,274.57	850.00
Add: provided/ (reversed) during the period	(41.13)	424.57
Net re-measurement of ECL	1,233.44	1,274.57

**Significant estimates and judgements**

**Provision for expected credit loss on Trade receivables**

The allowance for doubtful debts are based on assumptions about risk of default and expected loss rates. The group uses judgement in making these assumptions and selecting the inputs to the provision for expected credit loss calculation, based on the group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. The group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Following are the financial assets carried at amortised cost at the reporting date.

Particulars	As at December 31, 2022	As at March 31, 2022
Trade receivables	32,058.48	20,508.07
Cash and cash equivalents	1,095.99	2,747.96
Other bank balances	5,562.14	5,000.51
Other financial assets	1,499.14	1,376.81
<b>Total</b>	<b>40,215.75</b>	<b>29,633.35</b>

**Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding to meet obligations when due and to close out market positions. group's treasury maintains flexibility in funding by maintaining availability under deposits in banks.

Management monitors cash and cash equivalents on the basis of expected cash flows.

The group monitors the level of expected cash inflows from financial assets together with expected cash outflows on trade payables and other financial liabilities. As at December 31, 2022, the expected cash flows from Trade receivables is Rs. 32,058.48 (As at March 31, 2022: Rs. 20,508.07).

Following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

**(i) Financing arrangements**

The group has access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at December 31, 2022	As at March 31, 2022
Expiring within one year (bank overdraft and other facilities)	7,981.60	21,759.69



(ii) Maturities of Financial Liabilities  
As at December 31, 2022

Particulars	within 12 months	1-5 Years	More than five years	Total carrying amount
Borrowings	20,818.40	-	-	20,818.40
Trade payables	6,564.98	-	-	6,564.98
Other financial liabilities (excluding trade payables)	1,586.11	-	-	1,586.11
	<b>28,969.48</b>	-	-	<b>28,969.48</b>

As at March 31, 2022

Particulars	within 12 months	1-5 Years	More than five years	Total carrying amount
Borrowings	6,704.90	335.41	-	7,040.31
Trade payables	5,538.46	-	-	5,538.46
Other financial liabilities (excluding trade payables)	1,552.24	-	-	1,552.24
<b>Total</b>	<b>13,795.60</b>	<b>335.41</b>	-	<b>14,131.01</b>

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Financial instruments affected by market risk include loans and borrowings and trade receivables. The sensitivity analyses in the following sections relate to the position as at December 31, 2022 and March 31, 2022.

The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at December 31, 2022 and March 31, 2022.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The group's exposure to the risk of changes in foreign exchange rates relates primarily to the trade/ other payables and trade/ other receivables. The risks primarily relate to fluctuations in US Dollar, CHF and EURO against the functional currency of the group. The group's exposure to foreign currency changes for all other currencies is not material. The group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The group's foreign currency payables and receivables are as follows

Exposure to currency risk

The summary quantitative data about the group's gross exposure to currency risk is as follows:

Particulars	Currency	As at December 31, 2022		As at March 31, 2022	
		Amount in foreign currency	Amount in functional currency	Amount in foreign currency	Amount in functional currency
Amounts Receivable	USD	33.77	2,793.49	7.75	585.69
	EURO	0.14	12.43	-	-
Amounts Payable	USD	25.85	2,138.74	14.99	1,132.75
	EURO	1.42	125.14	1.60	134.69
	CHF	0.04	3.43	0.21	17.06

Sensitivity analysis:

A reasonably possible strengthening (weakening) of the USD, CHF and EURO, against INR would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecasts sales and purchases.

Particulars	Profit and loss		Equity, net of tax	
	Strengthening of foreign currency	Weakening of foreign currency	Strengthening of foreign currency	Weakening of foreign currency
<b>December 31, 2022 (5% change)</b>				
USD	32.74	(32.74)	24.50	(24.50)
EURO	(5.64)	5.64	(4.22)	4.22
CHF	(0.17)	0.17	(0.13)	0.13
<b>March 31, 2022 (5% change)</b>				
USD	85.92	(85.92)	64.30	(64.30)
EURO	6.73	(6.73)	5.04	(5.04)
CHF	0.85	(0.85)	0.64	(0.64)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. As the group has certain debt obligations with floating interest rates, exposure to the risk of changes in market interest rates are dependent of changes in market interest rates. Management monitors the movement in interest rate and, wherever possible, reacts to material movements in such rates by restructuring its financing arrangement.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	December 31, 2022	March 31, 2022
<b>Change in interest rate</b>		
- increase by 50 basis points	4.58	5.09
- decrease by 50 basis points	(4.58)	(5.09)



**Astra Microwave Products Limited**

Notes forming part of condensed consolidated financial statements for the nine months ended December 31, 2022  
(All amounts are in Indian rupees lakhs, unless otherwise stated)

**Note 13: Dividends**

Particulars	Amount
Final dividend declared for the year ended March 31, 2022 and paid during the period ended December 31, 2022 - Rs. 1.40/- per fully paid-up share	1,212.56

**Note 14: Research and development**

Particulars	For the nine months ended December 31, 2022 (Unaudited)	For the nine months ended December 31, 2021 (Unaudited)
Expenditure at Department of Scientific and Industrial Research (DSIR) approved R&D centres		
Capital expenditure	313.06	1,124.41
Revenue expenditure	1,935.98	1,769.44
<b>Total</b>	<b>2,249.04</b>	<b>2,893.85</b>

**Note 15:**

The Company in its board meeting dated December 09, 2022 has approved to raise capital by way of public issue or preferential allotment, private placement including one or more qualified institutions placement (QIP) to eligible investors through an issuance of equity shares or other eligible securities for an amount not exceeding Rs. 400 crore.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016



Srikanth Pola

Partner

Membership Number: 220916

For and on behalf of the Board of Directors



S. GURUNATH REDDY  
Managing Director  
DIN :- 00003828



M.V REDDY  
Joint Managing Director  
DIN :- 00421401



T. ANJANEYULU  
Company Secretary  
FCS :- 5352



BENARJI MALLAMPATI  
Chief Financial Officer

Place : Hyderabad

Date : *(Ae)* 28, 2023

Place : Hyderabad

Date : *(Ae)* 28, 2023