



ASTRA MICROWAVE PRODUCTS LIMITED

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To
The General Manager
Department of Corporate Relations
BSE Limited
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Dalal Street, Fort, Mumbai -400 001
Scrip code: 532493

To
The Vice President,
Listing Department
The National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051
Scrip code: ASTRAMICRO

Dear Sir/Madam,

Sub: Conference call transcript.

We are sending herewith Conference call transcript held with analysts on 13th November, 2025.

The above information is also made available on the Company's website www.astramwp.com.

Thanking you,

Yours faithfully
For Astra Microwave Products Limited

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Company Secretary & Compliance Officer

An ISO 9001, ISO 14001, ISO 45001 and ISO 27001 Certified Company

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Astra Microwave Products Limited

**“Astra Microwave Products Limited
Q2 FY '26 Earnings Conference Call”
November 13, 2025**

E&OE: This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on November 13, 2025, will prevail.



Astra Microwave Products Limited



**MANAGEMENT: MR. S. G. REDDY – MANAGING DIRECTOR – ASTRA
MICROWAVE PRODUCTS LIMITED
DR. M.V. REDDY – JOINT MANAGING DIRECTOR –
ASTRA MICROWAVE PRODUCTS LIMITED
MR. ATIM KABRA – DIRECTOR, STRATEGY AND
BUSINESS DEVELOPMENT – ASTRA MICROWAVE
PRODUCTS LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to Astra Microwave Products Limited Q2 FY '26 Earnings Conference Call. This conference call may contain forward-looking statements about the company, which are based on beliefs, opinions and expectations of the company as on the date of this call. These statements are not guarantee of future performance and involves risks and uncertainties that are difficult to predict.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. S. G. Reddy, Managing Director of Astra Microwave Products Limited. Thank you. And over to you, sir.

S. G. Reddy: Thank you, and good evening to everyone. A warm welcome to all the participants joining the post results earnings call of our company. I'm joined today by my colleagues, M.V. Reddy, Joint Managing Director; and Mr. Atim Kabra, Director, Strategy and Business Development; and representatives from SGA, our Investor Relations advisors. The results and investor presentation for Q2 and H1 FY '26 have been uploaded on our company website and stock exchanges. I hope you had the opportunity to go through them.

In terms of the business and the financial performance, I am pleased to report that we have delivered a strong performance for this quarter, with improved margin supported by a favorable revenue mix. We are gradually and strategically transitioning from primarily supplying subsystems and components to delivering complete systems and integrated solutions.

In terms of actual performance for Q2 FY '26, standalone revenue stood at INR213 crores with EBITDA of INR46 crores, reflecting a healthy margin expansion to 21.7% and a profit after tax of INR21 crores.

On a half yearly standalone basis, the revenue was INR410 crores, up 7.2% year-on-year. EBITDA stood at INR85 crores with a margin of 20.6%, while the PAT grew by 13.5% year-on-year. These results underscore the strength and the resilience of our core operations.

Major product deliveries during the quarter included modules for Ashlesha and Rohini radars, 3D-CAR prime, FLR, MPR, HMR, SDR and several others. In terms of order book and business outlook, our standalone order book stood at INR1,916 crores as of 30 September, 2025.

And on a consolidated basis, it is at INR2,209 crores, providing strong visibility for the coming quarters. The order book continues to be predominantly domestic, particularly in the defense sector. Since most of the domestic business is build-to-spec driven, profit margins remain strong.

A key highlight during the period was securing a major order for refurbishment of entire Electronics for long-range radar. Successful execution of this project is expected to open doors for many more such opportunities. We have also completed several price negotiation committees and participated in good number of RFPs with strong winning potential, giving us confidence to achieve our year-end order booking targets.

We have also seen a notable improvement in the operating cash flows during the first half of the year, and we expect this positive trend to continue. On the product development front, we continue to make progress in AESA Virupaksha and Uttam radars. As far as the joint venture is concerned, our ARC continues to perform well.

The backpack SDRs for The Indian Army developed by the company on NCNC model is waiting for final technical approval. In the meantime, ARC continues to deliver Software Defined Radios for The Indian Air Force and has received initial orders for maintenance of electro-optic products, a new product line adopted by the company very recently.

It has also secured INR286 crores order from The Ministry of Defense for supplying advanced communication systems to The Indian Air Force Special Forces very recently. It is expected to do about INR41 million sales for the year and expected to have an order book of close to \$100 million by the end of the year.

In terms of technical achievements, we are proud of our recent achievements that highlight Astra's technological leadership. We have been engaged with the India's space program for the last 25 years and have contributed to several landmark missions, including the recent ISRO's CMS-03 satellite, India's heaviest communication satellite, through the supply of advanced RF and microwave subsystems such as C-band 15-watt SSPA and the Ku-band receiver and converter.

In terms of industry outlook, India's 15-year defense road map envisions a future-ready, self-reliant and technology-led military by 2040, emphasizing indigenization, innovation and integration across land, sea, air, space and cyber domains. The recently approved procurement proposals worth INR79,000 crores mark a significant step towards accelerated capability building and a deeper participation from the Indian defense industry companies.

This vision also aligns with India's goal of becoming a global defense exporter, paving the way for greater opportunities for the private players like Astra Microwave. In the long-term, Astra is well positioned to capitalize on these developments, continue delivering cutting-edge products, and expand its capabilities and contribute meaningfully to India's defense and space again.

With these remarks, now I hand over to Dr. M.V. Reddy, Joint MD and Atim Kabra later on, who will give more insight into new product development, business outlook in the near and long term, and the strategies adopted to take the company to the next level of growth cycle. Over to M.V. Reddy.

Dr. M. V. Reddy:

Thank you, S.G.R. Good evening, ladies and gentlemen. The overall performance of the company in the first half of the FY '26 is in line with the expectation, and we are well positioned to do much better in the second half, both in terms of order inflow and sales.

We would like to share a few key achievements and business update of this quarter. With regards to the standalone order book, we are at INR1,916 crores as on 30 September and concluded negotiations for INR400 crores plus orders, which are expected to book in Q3. We plan to book INR600 crores plus worth of orders in Q4. In the last quarter, majority of the orders we booked

are in the radar and EW segment, including strategically very important orders, as Mr. SGR mentioned, for the growth of our organization.

I'm also happy to share that we have emerged very successful bidder in most competitive project of EW suite for Su-30 as a lead system integrator. On the execution front, we are almost at par with our sales target, though we are facing few challenges to complete a couple of space projects.

Our JVC, ARC has picked up well and expected to book approximately \$100 million to \$120 million worth of orders by end of FY '26. With regard to sales also, ARC is in line with the guidance given and expected to book sales of \$42 million in the current year.

We reiterate to mention that with a strong order inflow, healthy prospects and strengthened technological capabilities, we have a clear visibility of delivering consistent growth and creating long-term value for our stakeholders.

Our focus remains on executing existing strategic important and critical orders efficiently while leveraging new opportunity in defense, aerospace, satellite and metallurgy market segments. That's all from my side.

I would like to be happy to answer your questions. Now, I'll hand over to Mr. Atim Kabra, Director, Strategy and Business Development. Over to you, Mr. Atim.

Atim Kabra:

Yes. Thanks, M.V. Thanks, S.G. Good afternoon, friends, and welcome to our quarterly outlook meet. This time, I want to address two broad themes in my presentation today. One, I would like to draw your attention to the reality of product development and cycles and the time it takes to create products and hence, the moat in the business which arises. And second, I would like to give you a sense of our growth plans and the number outlook for the next 3 years, 4 years, 5 years or so. And that's for the first time that we'll be doing so.

Basically, capabilities in the new modes of warfare will be tech-driven. And as you know, tech curve is steep with a very short shelf life. So the questions which arise are manifold. Will electronic warfare limit the ability to penetrate enemy skies? Will slow-moving aircraft, helicopters stand a fighting chance against the max speed missiles, which are now the order of the day? Or will a fight to strike enemy locations with precision over long distances shall turn the tide of the war?

Will infantry stand a fighting chance against drones? And these drones will be maneuvered over long distances by drone pilots sitting across remote locations and so on. But if you really think about it, all of these scenarios are compelling. And the new rules that are being called in for writing the manuals of warfare are new for everybody.

But one thing is clear. The ability to detect threats ahead of time using radars will be critical. Similarly, offensive capabilities will be built around radars and seekers, forming into targets with agility and precision. And Astra is proud to be operating in all these critical segments.

As you know and as we stressed big time and explained in detail the last time we spoke, that we are a very well-diversified company operating in the areas of radar, missile systems, electronic

warfare, space, chip design, weather, metrology, communication systems, etcetera, etcetera. And when we speak of radars, they are both airborne, shipborne and ground-based. So, we are a platform company operating in the entire segment of electronic warfare, if I may say so.

Our scientists have proven that systems which have been developed over the years have worked well and self-reliance and self-sufficiency has gained much currency. Expectations accordingly have risen sky high, but we will churn out globally competitive new warfare-based solutions and products in no time. But reality, if I was to stress, is a slightly different scenario.

Products, they take time to be designed, built, tested and they require serious multi-year tests before they can be given the green light to be produced in mass numbers, which can create high-sales volumes and profits for the creators. So, they have seen companies talking about 10-year horizons in which their sales will take off, etcetera, etcetera, and they will become platform companies.

So when we require tests across multiple user trials across different conditions and creating products that require coordination and supply chain linkages amongst various components, subcomponent suppliers, these are typically multi-year efforts. Their core capabilities get morphed into products and solutions using parts, which are produced in-house are core to us and then several, which are procured from external vendors and everything morphs into one product.

So, where does Astra fit into the other scenario? As we see it, our revenue base would comprise of a traditional supply of subsystems and critical components, with us being part of designated supply chains for various products, which have been developed within our country over decades by our distinguished clients in the defense PSUs as well as defense labs. This subsystem capability, we will layer with complete Astra designed and produced radars and other war gain systems and solutions.

Last time I mentioned to you, we are creating three completely Astra radars, which will be in the market pretty soon. So while the former provides us a regular sustenance business, which highlights our very well diversified and electronic development capabilities, the later solutions will enable us to book high-value, high-volume mass business with multi-year production contracts. And that, I think, will be the essence.

And it has taken us, please remember the 33 long years to cross a revenue of INR1,000 crores, which also reflects partly on how the Indian defense industry has developed from scratch. The time line is also, if I would say, a reflection of the long development cycles that form the bedrock of our nation's defense equipment production and designing capabilities.

It is going to be a hard and time-consuming exercise, in my opinion, for any new entrant to break into this business at scale and in a short period of time. And that is a moat, which long established defense sector companies hope to benefit from. We have seen stellar results this now over the last few days from Data Patterns, from Paras. But I think it's a fair thing to say that this is a sign of times to come.

Somebody will come in, in one quarter. Somebody will come in, in the other quarter. But the trend is fairly positive over a period of time. But we will all capitalize on the significant market for solutions opening up based on the extensive product ranges, which have been created over a period of time.

Now as you know, Astra management has always prided itself on its conservative estimates. We'll love to meet our guidance, and we put in serious amount of efforts to do so. So, we have waited for clarity on our numbers to share our ambitions with you for a long, long time. And as you know, we are very crucial partners in multiple platforms, which are going in for production now.

I'm talking of QRSAMs, Uttam radars, Virupaksha, Su-30, EW upgrade, which S.G.R just mentioned. We are the LSIs over there, Software Defined Radio. And these are the cornerstones of our enhanced visibility, which we are very comfortable to share with you now. So what are we talking about?

We are happy to share in our belief that what we accomplished in 33 years, okay? The x turnover, which we have achieved in 33 years, we are seeking to build on that foundation, and we have a very good chance of doubling our turnover, 2x plus over the next 3 to 4 years.

I think this is very important that for the first time, Astra management is coming out and telling you that over the next 3 to 4 years, we will become 2x of our current size. And that lays the platform over the next few years thereafter for 3x, and we will talk to you about how. And let me be quiet for a second and let that sink in, right? That will be quarter billion dollars on current exchange rate that we will exceed.

FY '27 turnover, okay? Before I go into that, I want to highlight about approximately half years back, we met investors during our QIP round. And we were very clear that growth will be rear-ended. And I think we were the only guys talking about a rear-ended growth at that point in time. And that speaks for our conservatism.

We defined at that time around INR8,000-plus crores of business, which we had in sight very clearly. And we were very clear also that the first 3 years -- and I'm talking of 2 years, 2.5 years back, for the first 3 years, we would be the staging grounds preparing for the execution required in the production orders as we just explained or mentioned to you the orders in the key platforms, which we shall be executing.

So what are the numbers that we are talking about? I think FY '27 turnover, we shall start seeing revenues from QRSAM project. And we hope to close it somewhere around INR1,400 crores, INR1,500 crores plus/minus INR50 crores range that particular year.

That year, we will have -- the year after that, we will have QRSAM-plus revenues starting to come in from Uttam radars for Tejas. And we hope to cross, I would say, somewhere around INR1,650 crores plus/minus again, INR50 crores in FY '28.

Now that is the year, if you recall, where the QRSAM will start going into full-blown production. And of course, our numbers depend on our clients' delivery schedules, okay? FY '29 will reflect

revenues from QRSAM plus Uttam radars. And we hope at that point in time, Su-30 upgrades shall start to kick in. And that shall bring us to a very nice number very close to INR2,000 crores at that point in time.

And I think the year after that, all these programs that we are talking about, QRSAM, Uttam radars, Su-30, EW Suite, Virupaksha, okay, they will be in full-blown production. So, FY '30 should see us somewhere around INR2,250 crores to INR2,500 crores range. And please, whenever you look at these numbers, remember that we are talking 3 to 4 years, and we are just about INR1,051 crores last year, okay?

So, we are focusing on our production lines from now. This is as promising a future as it can be. Whether it takes 3 years, 3.5 years or 4 years, I cannot cast it in stone, but it is a great business outlook. I always believe there is -- time is our only major variable amongst many, that is unclear.

And here, time is the only factor, which depends on the clients. So, we are fixing our production lines. A new building is being constructed to take care of these requirements. And we are beginning to focus on Astra-branded products and solutions, which I will speak more about the next time. But let me not stop here on the quarter billion dollars plus projections.

We are talking now very seriously planning and deliberating, in due earnest, on multi-pronged strategies to jump at least four-fold from the quarter billion dollars to \$1 billion company. Astra will be a \$1 billion company. I cannot put a time line on to that. But if you can see the scale at which we are growing up, you can very well be confident that we will get there.

If Astra is going to be a \$1 billion company, we believe that it is a very achievable target given the capabilities that exist in our company, which we intend building on further and deliver a world-class \$1 billion company over a period of time, which is based on capitalizing on our nuts and bolts to a multiple platform strategy vision, backed by capabilities of an amazing team with multi-faceted talents.

We have spoken about this earlier. And I think I'll stop, take a breather, answer a lot of questions, I'm sure which you will have as we move forward. But that's the broad vision. We will create a 2x in the next 3 to 4 years, 3x soon thereafter. And we are focusing on \$1 billion target, becoming a \$1 billion revenue company over a period of time. Thank you.

Moderator:

Thank you very much. The first question is from the line of Amit Dixit from Goldman Sachs. Please go ahead.

Amit Dixit:

Thanks for the opportunity and sharing the medium-term/long-term vision for Astra. A couple of questions from my side. The vision that we talked about actually is more domestic focused. But what we are seeing now is a lot of defense surge -- spending surge in Europe. And with our branded product solutions, what kind of strategy we have to penetrate these export markets with the kind of products we have, particularly now some of these like Uttam radars, EW Suite for Su-30, these are fairly proven. So just wanted to get a little bit of flavor on export strategy. That is the first question.

The second question I have is on the working capital side. As Mr. Reddy said in his opening remarks that it is very, very evident also that receivables have been unlocked. So, what kind of working capital days or cash conversion cycle we are looking at end of FY '26?

Management:

Let me take the first question -- the first part of the question, then I'm sure SG Reddy will address the second part. Just 2 hours back, MV Reddy and I had a discussion on our European and NATO expansion strategy. We cannot build anything from scratch sitting here, right? We have identified one potential partner.

We don't know if the deal is going to happen or not, okay? But these are guys who have been working in that space, etcetera, etcetera. We have multiple ways of collaborating with them. But I think collaboration is the way to go forward, wherein not only will they act as our distributors, but also our technology partners, sourcing technologies, licensing technologies, etcetera, etcetera.

I would hasten to add here that to penetrate overseas markets in any larger context, you require complete products. I can't go to somebody and say that I will build an AATRU for you, AAAU unit for you, okay? Or I will bring a small subsystem thing. It has to fit in into their overall context.

So if you have to really look at capturing a larger slice of the overall market out there, you need solutions which have been tested here, tested somewhere and meet the needs of the market, right? So, we are actually -- that will be one of the key cornerstones of our strategy, if I'm answering your question. Obviously, I cannot give you any significant details, but that's the broad thrust of our thing.

If you think about it, our lead strategy, which we have defined earlier, we are a collaborative platform. We are looking -- we don't seek to claim that we have everything or we are 100% in-house complete platform.

Platforms and solutions will require skill sets and tech, which we source from others also to build up around our core tech and have it tested out for real-time solutions. But that's probably one of the quickest ways to go into the market.

I think SG will answer your working capital question.

Management:

Yes. Amit, the days are improving primarily because of some of the critical programs we are able to close in the first half of the year. As a result, the long-pending receivables were realized and hence, the cash flow position has improved. Going forward also, we see the same trend to continue. Therefore, there is a positive thing happening in terms of working capital days.

But only time will tell whether we are actually able to stand at that number by the end of the financial year. But we are very hopeful that the number of days will come down significantly. I don't want to put any specific number now. I'm sharing with you the internal developments, which I believe will facilitate the improvement of the working capital days.

- Moderator:** Thank you. The next question is from the line of Ketan Gandhi from Gandhi Securities & Investments Private Limited. Please go ahead.
- Ketan Gandhi:** Atim, you really indeed made our heart beat stop for a second. It is so overwhelming to understand. No, no. I mean it's really fabulous. I had some questions, but I forgot all my questions. I'm just thinking what you're going to do in the next couple of years and then another couple of years.
- I think what -- as you rightly said, what you have done in the last 30, 33 years, you're going to achieve in the next 2, 3, 4 years. And as being a conservative management in terms of the guidance and all that. I'm sure you will be able to achieve this. Thank you and all the best, Atim and all the team Astra.
- Management:** Thank you. And I will just add to this. We could have come up with vision 2 years back and kept on speaking about it, right? But we are mentioning this at this point in time because these are programs now which are crystal clear in sight, right? So as Astra, we only want to talk about what is more or less clear. And I think that's where we are fairly confident of delivering this.
- Ketan Gandhi:** Sure. That also gives us a lot of confidence that all the -- as you rightly said, all the programs are in the pipeline now and it's all established now. So, even I don't feel that why you should not be achieving all this what you've said. Congratulations, and all the best for the future. Thank you team Astra.
- Moderator:** Thank you. The next question is from the line of Vikash Singh from ICICI Securities. Please go ahead.
- Vikash Singh:** Sir, just pertaining to this \$1 billion program basically or the target, in terms of capability of the capex, in order to achieve there over the next 5 or 6 years, how much of the capabilities are already in place? What we need to develop? And how much the additional capex would be needed for the same?
- Management:** Vikash, it is not 5 to 6 years for the \$1 billion. Next 3 to 4 years are to cross -- to exceed quarter billion dollars, okay? But as you know, these programs require years of proactive planning. So today, 3 to 4 years back, we are embarking on multiple strategies, fine-tuning partners, alliances, etcetera, etcetera.
- Let me give you one example of what we are talking about, right, okay? Everybody knows that space is the next frontier, right, okay? SG mentioned that, that we have been more than two decades in the space business.
- Quite a few of you actually have come to our unit and you have gone through the kind of equipment, which we have in place to test space grade equipment and subsystems, which are made for ISRO, SAC, etcetera, etcetera. Is it a far shot to imagine that we would be doing what we've been doing for ISRO and SAC for global players where everywhere, the space is exploding, number one.

Number two, very -- we have all been talking about LEO. Now, near LEO is also very well is getting established, which at some point in time, will compete with drones, drones which are seen may possibly become an intermediate step in the evolution, right, okay? That again will necessitate a large number of satellites, mass manufacturing to happen.

Companies are raising money at like \$750 million, \$800 million valuation with hardly any revenue numbers to their credit. If I extrapolate these numbers, actually, I got close to my current market capitalization. Actually, I have numbers to support that kind of a valuation if I extrapolate space business alone. But forget about that.

Very near Earth orbit will require and LEO satellites will require a whole lot of satellites to be put in place, right? And I don't -- I think 5 or 6 companies in India, which have the capability to create these kind of products on a mass scale, okay? We being one of them. We intend completely to capitalize on this larger trend. And I believe space will be a fascinating business.

In terms of capex, right, space, I don't think it will require honestly in the immediate short term, any significant investment from our side because we have already commissioned our facility in Bangalore to assemble -- to design and assemble small satellites. It's already commissioned, okay?

We are building our own satellite, which we shall put in space in about less than 24 months, our own Astra SAT-1 should be in space with multiple payloads, okay? We could have done that earlier as a demo satellite, but no, we want it to be revenue accretive. We don't want to just spend money to be eligible for programs. We want it to be revenue accretive and profitable for us. That's why we delayed the launch of these satellites.

So, these are multiple programs which are in the works, right? So as the strategy is developed, I guess capital requirement subsequently will be at that point in time. But please remember that if you're doing quarter billion dollars kind of a turnover, our cash flow is also going to be quite significant.

If our cost base doesn't increase, it should not because we have the facilities in place. So, we will not see dramatic improvement or requirement to invest in doubling our turnover, okay? And that should lead to a disproportionate impact on the bottom line from a cash flow perspective. And that's where we are. Rest time will tell.

Vikash Singh:

Noted, sir. So to sum up, up to quarter billion dollars kind of the revenue, all necessary ingredients are in place. Is that a correct assumption? And how we should look at the margins because space and defense are the two better margin business usually? So, how should we look at your margins going forward overall?

Management:

I think there are a couple of players in the market, which have better margins than us. So, we have something to look forward to, okay? I don't think our margins have reached probably the peak. But as we go into systems, right, okay, and which we are increasingly going into, I don't - in a very competitive environment, okay?

I think instead of an upfront complete margin business, you might see a strategic decision where upfront is less, but you have AMC contracts, which are kicking in, which will be multi-year, etcetera, etcetera. But we don't -- I think the margin base which we have right now, right, that plus/minus a few percentage, that is very, very defensible. S.G, M.V, do you want to add something to this? Or am I being right?

Management: Yes, not much, Atim.

Management: Okay. So, I'm on the right track then. Okay.

Vikash Singh: And sir, is it safe to assume that much of this growth would be back-ended, probably FY '28 -- '27-'28 rather than '26?

Management: Absolutely. This is not something you can look at on a quarterly basis or short term, right, okay? There are multiple other companies, which can probably meet that need, right, okay? We are a company -- we are very clearly defining for you a 3- to 4-year vision, right, where substantial growth is right now sitting in front of us. The challenge is execution.

And I'm proud to say that we have a fairly kick-ass execution team led very heavily by S.G.R and M.V.R, here okay, and supported by some really fantastic guys who have performed. So, I think we are very well placed, if I may say so.

Vikash Singh: And sir, if I can just squeeze one more question. Going forward, if we look at the defense procurement document, which has come out a couple of months back, a lot of focus has been given on electronic warfare where we are also present. So in terms of the capability side, you said you are going to develop systems. Could you give us some a little bit more insight that where we are in terms of capability currently? And what are the segments where we want to develop?

Management: We have the basic building blocks in place, but I get beaten up by M.V.R for disclosing too much, right, in a competitive world. So, I'm going to defer this question to M.V.R, okay?

Management: I think I'll answer this question. Basically, we started our EW journey almost about 20 years back, and we basically started building components and subsystems. And now we started building the systems, especially for the airborne platforms, we started developing in the concurrent designs with DRDO.

And there is a reason why we got that EW suite order like, you know for Virupaksha. I'm sorry, on our Angad project. And apart from that, we were also focusing a few EW systems like ESM and ECM systems, especially ESM for the naval applications that we started off a couple of years back. In between we put that project on hold because of the few specifications were changed.

So now, again, we are resuming that. And probably in a couple of years, we'll be in a position to complete that and deliver to -- or demonstrate to Navy. So likewise, we started both in ground as well as for airborne applications. We are slowly building the capability in all broad spectrum of the EW segment.

We have a core design team with us, and we have an advantage of having the core design team who understand well, right from the components to the entire system level. And recently, we have added a few guys who got a good experience in system engineering that adds value to all the existing team. So with that, we can -- we are confident that we will be in a position to develop EW systems.

Moderator: Next question is from the line of Analyst. Please go ahead.

Analyst: Sir, firstly, congratulations on great margins and for giving such a fantastic outlook for FY '30. Sir, just wanted to ask, so you have given for FY '27, '28, '29, '30 as well. So if you can throw some light how are you planning to close this year maybe on the top line basis on the margin front?

Management: Margins should be there. M.V, do you want to handle this?

Management: Yes. I think our guidance is for INR1,150 crores to INR1,200 crores, if I'm not wrong. That's our guidance. I think we'll meet it hopefully.

Analyst: Yes. So, this was the guidance that was given earlier. So you are already on track?

Management: We are on track. INR1,150 crores to INR1,200 crores. INR1,150 crores to INR1,200 crores is the range. But guys, listen, most of our efforts are now for the next year and the next 3 years thereafter. So that's what where our focus is. MV, do you want to add something?

Management: Actually, Nikhil, the question is not clear. You are asking about the margins for the coming year.

Management: Current year. No, current year. Current year, S.G. He is asking for current year's guidance.

Management: Current year, the gross margins will continue to be what we have delivered now. I would say in terms of EBITDA or PBT, we should be able to maintain the margins what we have delivered up to now. I see some positive side out of this, but minimum is whatever is delivered now, we should be able to maintain.

Analyst: And sir, for FY '27?

Management: So, I have given you for FY '26. Now for the going year FY '27, FY '28 kind of thing, gross margins continue to be around 45% to 50%. That is what the standard for the last 2 years. Once we maintain that, the follow-up margins will continue to be what is there with a slight positive increase there.

Management: Bias is on the positive side.

Management: Bias is on the positive side.

Management: Very well put here. Very well explained.

Analyst: Okay, sir. And sir, just wanted to confirm you said that in Q3, you will receive newer orders for INR400 crores and INR600 crores in the last quarter, right?

Management: Yes, that's right.

Management: What's happening when they are hanging up? Somebody is hanging up, I think. Again, S.G, is that you and me?

Moderator: Sir, I have promoted another participant.

Management: Okay

Moderator: Keyurkumar Vadaliya, you there?

Keyurkumar Vadaliya: Yes. Hello. So my question is, sir, if you track our last 8 quarters, like second quarter, you have delivered a number of N-defense related to INR160 crores, right? So why the peers all are putting the great numbers and why our number is not in the growth aspect. So first question is that. And second is like in last quarter, you had told us that S-Band naval radar and the Seeker they are under trial and further on that we expect all the orders from. So, what are the position on that, sir?

Management: Is it not a function of what products, which client is -- which company is delivering in which quarter, right? We cannot comment on any quarterly numbers. But look at the trend, do the half-year numbers. We cannot be looked at quarterly, right? This is not the company, the right company and the right industry to look at on a quarterly basis.

I think we have made it amply clear. We don't want to address this again and again, okay? We are here to present to you in a long product cycle, long gestation product business. We are here to deliver consistent value over years.

Keyurkumar Vadaliya: Yes, sir.

Himanshu Jindal: Hello.

Keyurkumar Vadaliya: Hello. I'm able to hear you, sir.

Management: I don't know. Somebody else -- Something said something else. So, we cannot be looking into that on a quarterly short-term basis guys. Look at us in blocks of years, see where we were 2 years back, where were we 4 years back, 6 years back, right? I think the trend will be very, very clear to you of what we are trying to do.

We are, for the first time, giving you a 4-year vision, right, okay, where we are. X is becoming 2x plus, 2x plus, okay, on the back of orders, which are there in sight, okay? So that's how we need to be -- that's how we look at the business. It's your prerogative how you look at the company, right? We are nobody to comment on that. But that's how we look at our business, right, if I may say so. So, there was a second part of the question, which I think on the Seekers, which M.V can answer thoroughly

Management: Seeker part, most of the tests have been completed and some repeat orders we are expecting in the next couple of months with the limited series production numbers. The exact quantity we'll come to know only by next month, but we are expecting at least 20-plus numbers by March '26.

- Keyurkumar Vadaliya:** Okay. And sir, last thing, in last quarter, you have commented that you submitted many RFI on the counter drone side and there was kind of a ground penetrating radar that we can get like 100 units every year. So, what is the status on that, sir?
- Management:** On counter drones, let me answer the counter drones, right? On the counter drones, we were L2 in 3 bids. We lost out on them. There are many more opening up. Hopefully, we'll get something, okay? But it's a bid-based process. On GPR, I think it is -- we -- that's the kind of outlook we have. That's one of the product lines. But M.V, if I'm not wrong, none of the GPR bids have been opened, right? Is it?
- Management:** No. We have participated in a few RFPs. We'll come to know in the next couple of months. Actually, counter drone now we are working out a strategy to optimize further the technology to make sure that we can offer a different solution to different market segments.
- Initially, the product what we have developed is basically kind of a generic and a product -- for a few of the customers, it became a bit costly. So hence, we lost out in a couple of cases. But now we are further optimizing this technology. Our team is working on that to make sure that each segment will have kind of a competitive solution.
- Management:** So, guys, here, I think what M.V is saying is we don't want to be competing at the low-end, low-volume space in counter drones. I think we'd rather be going for specialized high-value, slightly more complicated multi-faceted solutions. That is our strategy on which we are working on right now.
- Keyurkumar Vadaliya:** Any comment on the metrology product you were saying last quarter?
- Management:** We've got the order, and we will explain. Yes, please.
- Management:** Yes. Metrology front, we have already bagged a good number of orders. And going forward also, now one contract is almost finalized. We have concluded negotiations. We are expecting orders soon. And also two more tenders we have participated for which TAC is going on.
- In a way, I would say, in Mausam Mission program, especially in the radar front, weather stations front, we are the leading supplier and we bagged maximum orders till date. And going forward also, we have a very competitive solution. So hence, we are confident of bagging majority of the share.
- Moderator:** Thank you. The next question is from the line of Vipul Kumar from Sumangal Investments. Please go ahead.
- Vipul Kumar:** So, what is the current outstanding order book for Astra Rafael Comsys System Private Limited?
- Management:** The overall order book as of 30th September is somewhere around INR336 crores. And we are expecting around close to INR800 crores to INR850 crores in next 6, 7 months.
- Vipul Kumar:** For Astra Rafael, right, sir?
- Management:** Yes, yes.

Vipul Kumar: And what was their contribution to revenue and EBITDA for this 6 months, sir?

Management: Contribution, I think it is close to about 35%. I don't have the exact number of Rafael contribution. I don't have a clear number of revenue contribution. They have made a profit before tax of about INR11 crores for the half year. And for Q2, it made about INR7 crores on a top line of about INR78 crores of sales.

Vipul Kumar: Okay, sir. And so over the next 6 months, what type of execution we can see in this Astra Rafael?

Management: By end of the financial year, it is attempting to do a business of close to about INR350 crores, close to that.

Vipul Kumar: INR250 crores for the entire year. That should be the revenue, right?

Management: For the entire year, yes.

Moderator: Thank you. The next question is from the line of Aayush Jha from Sagun Capital. Please go ahead.

Aayush Jha: Sir, my first question is regarding the improvement of the gross margin. If you compare Y-o-Y, gross margin has been improved by 1,000 basis points and for H1, it is improved by 600 basis points. And I want to know the reason. And the second question is regarding the other expenses. It is INR26 crores. If you compare to the other, it is significantly higher. So what was the reason? That was the two questions from my side, sir.

Management: Yes. As we said many times, gross margin is directly related to the product mix that has been sold by the company in a particular period. I will not be able to give specifically why it has gone up, but it is entirely due to the product mix. Probably we might have sold some of the products where the gross margin is slightly higher compared to the standard margins, and that is the reason why it has gone up.

Secondly, the other expenditure, there are one or two expenditures like equipment maintenance, which is a long-term contract with the supplier, Keysight Technologies, which was pending for quite a long period of time that got finalized in this quarter and we are under obligation to pay them. That is one line item, which has increased the other expenditure in a big way.

The second one, which I can recollect is about the CSR expenditure. The entire CSR expenditure for this financial year was close to about INR2.65 crores incurred in this quarter. So, these are the two external items, which pushed up the overall other expenses.

Moderator: Thank you. The next question is from the line of Hansal Thacker from Lalkar Securities Private Limited. Please go ahead.

Hansal Thacker: Firstly, let me congratulate the entire management for painting such an ambitious mural of a vision. It's just very heartening to know that the company is going to grow leaps and bounds from here. I have a specific question regarding the recent order that the company got with respect

to the communication system. I just was wondering if this is the Manpack SDR order that we got?

Management: No, it's not Manpack SDR. Manpack SDR, POC is still going on. Most probably by December or Jan will get completed. The order which we bagged is from Indian Air Force for the different communication sets. That is under emergency procurement. They place the order.

Hansal Thacker: Okay. Got it. And sir, how do we feel about this Manpack order whose POC will complete in December? Do we have any color on that?

Management: Trials will get completed. And we are expecting by March, I think they may open the bids.

Moderator: Thank you. Due to time constraint, that was the last question. I would now like to hand the conference over to management for closing comments. Over to you, sir.

S. G. Reddy: Yes. Thank you, ladies and gentlemen, for participating and interacting with us. We hope we were able to answer all of your questions. And happy to see you again at the end of third quarter. Thank you.

Dr. M. V. Reddy: Thank you.

Moderator: On behalf of Astra Microwave Products Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

Atim Kabra: Thank you, guys. Bye.