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August 17, 2026

To
The General Manager
Department of Corporate Relations
BSE Limited
Sir Phiroze Jeejeebhoy Towers,
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 11th August, 2026.

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

Thanking you,

Yours faithfully

For Astra Microwave Products Limited

ANJANEYULU THALLAPALLI
Digitally signed by ANJANEYULU THALLAPALLI
Date: 2026.08.17 11:57:50 +05'30'

T. Anjaneyulu
Company Secretary & Compliance Officer

"Astra Microwave Products Limited
Q1 FY27 Earnings Conference Call"
August 11, 2026

E&OE: This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on August 11, 2026, will prevail.

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 the Astra Microwave Products Limited Q1 FY27 Earnings Conference Call. 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 this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on the date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

I now hand the conference over to Mr. S.G. Reddy, Managing Director. Thank you, and over to you sir.

S.G. Reddy: Thank you, and good morning, everyone. A warm welcome to all the participants joining the post results earnings call of our company. I'm joined by Mr. M.V. Reddy, Joint Managing Director; and Atim Kabra, Strategy and Development Director; and SGA, our Investor Relations Advisers. The results and the investor presentation for Q1 have already been uploaded on the company website and stock exchanges. I hope you had a chance to review them.

In terms of the performance, the quarter performance is on the expected lines. The revenue and profitability were moderate -- modest, I should say, primarily due to temporary delays in customer approvals and closing some of the last stage technical issues, which are expected to normalize in the coming quarters.

Overall, India's defense industry is increasingly moving towards indigenous design development and manufacture of advanced subsystems and systems with the total solutions. We believe companies with proven engineering capabilities and experience in these areas are well positioned to benefit from this transition and Astra being one such company.

In terms of the opportunities, our stand-alone order book as of quarter end stands at INR2,156 crores, providing strong visibility for the upcoming period. Around 66% of this order book is from defense and the rest that is 34% is from space, metrology and hydrology sectors. Our consolidated order book stands at INR2,849 crores, which includes service orders of about INR244 crores, which are typically more accretive to margins.

Staying in the order book, I would like to highlight that in the month of July, we secured a significant order worth about INR2,205 crores from Hindustan Aeronautics Limited for procurement of critical subsystems for Uttam Radar. As you know, this is a landmark achievement for our company and reflects the long-standing trust placed in our capabilities, technology and execution track record in the defense sector.

My colleague, M.V. Reddy, will throw more insight into this order, its execution cycle, etcetera. Looking ahead, we continue to see healthy progress through our key programs and remain confident in our growth trajectory. We are targeting a top line growth of more than 15% year-on-year, resulting into about INR1,350 crores for this financial year, maintaining a healthy bottom line.

With the addition of the significant new orders, we see substantial long-term opportunities ahead and remain focused on leveraging our capabilities, strengthening our execution and delivering sustainable multiyear growth over the long term.

I now hand over to Mr. M.V. Reddy and later on Atim Kabra, who will provide more insight into new product developments, the business outlook for the near and long term and the strategies adopted to take the company to the next level of growth cycle.

I request M.V. to take it over.

Dr. M.V. Reddy: Thank you, S.G. Good morning, everyone. I extend a warm welcome to all investors, analysts and stakeholders joining today's earnings call. We are pleased to present our key business updates. First, as S.G. had mentioned, we have achieved a remarkable and significant milestone at the end of July '26 with the receipt of long-awaited strategic order.

As on date, this is the single largest order in the history of Astra, and it is a direct result of a decade of continuous efforts, the landmark of Uttam Radar, which I was talking about, which has effectively doubled our entire order book. So with this major win, our total order book sells to a record-breaking of INR4,300 crores as on date.

I'm also pleased to announce that we have emerged as the lowest bidder in AAAU of AMCA program. This is a news of a few days back. And probably in a month's time, we will be able to get this particular contract. Alongside this major milestone, the daily operations remain strong. We booked new orders worth of INR185 crores in Q1, matching our performance guidance exactly.

Revenue for the quarter stood at INR182 crores, driven by robust operational execution and steady demand for our advanced technology. Similarly, our joint venture, Astra Rafael Comsys performed well, both in terms of order book and also the execution is going in within the guided figure. As on date, ARC, that is Astra Rafael Comsys has an order book of INR836 crores. In the current year, we are planning to book sales of INR360 crores. We continue to strengthen our positioning across the defense, space and semiconductor segments.

During this quarter, we secured one good order from Bharat Electronics about INR45 crores worth of contract for all MMIC chipsets, proving our strong capabilities in radar core components. We also won significant contracts from key defense and space entities, including BDL and Space Application Center.

Our production lines demonstrated timely execution and robust delivery capabilities. We successfully built and delivered wide profile of high-technology systems like RF 5G, Ashlesha and Rohini modules, MPR modules and also in EW segment, we have delivered the Shakti, Nayan and other programs.

Beyond manufacturing, we are also making great steps in innovation. I'm pleased to inform that in the month of July, we conducted successful technology demonstrations in Jalandhar for 2 unique first-of-the-kind products, the electromagnetic wall and vehicle-mounted anti-drone system, which we were discussing with you for a few months.

These are all initial based first-of-kind versions that can be fully customized in months to come to meet specific end user requirements. To support this rapidly growing volume and complexity of work, we have invested steadily in automated process engineering workflows and advanced infrastructure. Our production lines and our team are fully ready in all aspects for seamless large-scale execution.

Future is exceptionally bright and armed with INR4,300 crores order book, as I mentioned, and also a healthy pipeline in coming quarters, scaling technical capabilities, we are confident in our ability to deliver consistent growth and long-term value. Our core focus remains on executing our current order book efficiently and while aggressively pursuing new opportunities in both domestic defense and global export markets.

Thank you. And now I wanted to hand over to Mr. Atim Kabra, our Director of Business Development and Strategy. Over to you, Atim.

Atim Kabra: Yes. Thanks, guys. Hi, everybody, and congratulations S.G. and M.V. For a fantastic order win. I think it cements our role in the overall aero defense ecosystem, and we are very, very grateful to our DPSU partners like HAL and BEL for their trust and faith in our abilities. Besides the fact that Astra has grown under the tutelage of various defense labs and DRDO. So from a bottom of my heart, I think our hearts, a sincere heartfelt thanks to everybody who has been our partner.

But with these kind of orders comes a very heavy execution responsibility. And after attending one of our review meetings recently, I think it is not an understatement to define how proud we are of our colleagues who have worked and are working relentlessly in a focused manner to further the cause of defense ecosystem in India.

We often talk of orders, strategy, vision, but fail to highlight that we are defined by our human resources. Infrastructure and capital can be sourced by many, but it is our human resources cultivated over decades that define us. And we are very fortunate to have created an ecosystem of colleagues who are now increasingly coming together and collaborating across their domains, sharing their knowledge towards creating systems.

I was playing the game of Jenga recently, and I realize that as we move up to greater heights, we are only as strong as our base. While everybody has a critical role to play in the ecosystem, we can build a tall pyramidical structure only if the base is strong enough and wide enough to support the growth.

I think that's where the strength of Astra lies. Analogically speaking, the base has to be wide, multi-scaled, sustaining and it has to be recurring. It has to have a steady, defensible margin. On top is what I call the next-gen solutions, wherein will lie the future as it unfolds, where we might have higher margins right now.

But as more solutions emerge, what's at the top comes into the middle level and becomes more sustainable margin-wise and more mainstream. But all this is possible only if you have multi-talented, multifaceted teams that are unified by a common vision.

As I was thinking about our conversation today, I look back and I realized that in the last 18 months or so, we have inducted many new leaders into our company to supplement the continuous influx at the middle levels, new resources as well as replacements for folks who have moved on. Resource rejuvenation has become the order of the day. Just to elaborate, we've had a new CTO, a new Head of HR and Admin, a new quality head.

We strengthened our purchase department with a new head besides new domain heads who have joined our R&D team. And this is not to miss our new Head of Sales and Marketing. And it is these veterans combined who bring into the company new varied experiences and the knowledge that lays the foundation for higher sustainable growth.

So we are very confident and comfortable with our order book. So the obviously, obvious focus shifts to execution. And that is what ought to be keeping us awake at night. Just to put things in perspective, in the next 5 years or so, we are expecting to do at least 6 to 7x our last year's annual turnover. Let me pause for a second to have that sink in. Every single year, we will do more than what Astra achieved in the last 33-odd years, and that's no mean order by any means.

Thankfully, Astra has worked on the scale before during our offset business times, and we have the experience of driving significant business volumes through laser-focused execution. So we are beefing up our purchase departments and other departments as the risk, which I also want to highlight is stretch supply chains across the border, across every country because everybody is restocking on their ornaments inventory. So we've got to make sure that our supply chains remain intact and stuff comes in within the defined time lines.

So what makes us fairly confident about our future order book? I think M.V. alluded to it. Astra is emerging as a significant player in the aircraft -- in the airborne segment. There are various airborne platforms, which are in the works and Astra happens to be a key part of many of these, be it Tejas, where Uttam Radar is Astra's and the recent INR2,200 crores order. Actually, it's around INR1,870 crores without GST.

So we have to keep that distinction in mind or AEW&C Mk-2, where we are part of the supply chain or the supply chain for Mk1, where we will have, I think, at least 25%, if not more, of the designated supply chain or the Su-30 upgrades, be it on the radar side or be it on the EW side, where we are Tier 1 and Tier 2, respectively, or be it AMCA , we are already -- we and BEL, right, okay? We are L1, L2 for the 4 units of AMCA with prototyping, which is going to be done. And that's huge, right? They are across every platform.

So what does it mean in terms of numbers? M.V.R. confirms that we will see at least INR1,600 crores being added this year. And we may improve that number by the way, over the next few quarters. So the way we look at it over the next few years' visibility, when we did our QIP, we made a commitment and Astra more or less delivers on its commitment. Again, that's another thing which we need to highlight.

We had said that we are looking at somewhere between INR8,000 crores to INR10,000 crores worth of orders coming in over the next 5 years. Of this, and we just confirmed INR4,300 crores is already in the bag, INR5,700 crores, if we are looking at the higher end of those order books, okay, or just INR3,700 crores to be added to make up that commitment. But I am glad to say that we are upping our visibility for the next 4 to 5 years.

Our order intake over the next 3 to 4 years, I think should be in the region of at least INR8,000 crores to INR9,000 crores to be executed over the next 5 to 6 years. How are we coming at these numbers? INR4,300 crores is our current order book. This includes, by the way, a little bit from the QRSAM, which we are expecting will happen -- will come to us partly before this year-end.

So that will leave at least INR700 crores, INR800 crores worth of orders to be added from for QRSAM for the first 3 regiments only, at least for now. We are looking at least INR500 crores to INR750 crores orders from our Astra Rafael Comsys, our joint venture, and at least INR3,000 crores worth of business coming in from Su-30, Virupaksha as well as Angad. This, if you add it up, is INR8,000 crores to INR9,000 crores worth of business alone coming in order intakes.

So this does not include, by the way, chip sales, which may happen at a scale, which is better than imagined. It does not include anything from counter UAV solutions, electronic wall, which we are building. It doesn't include more products like the area denial systems, which we are making.

And it does not include anything from exports to other countries where we are already fielding a couple of inquiries, serious inquiries. So guys, that is the kind of order prospects and business, which we are looking at. I would seriously insist that we look at our ability to deliver our year-end revenue targets to you, INR1,350 crores for the current year, plus/minus INR25 crores.

Next year, you're looking at about INR1,600 crores plus/minus INR50 crores. And it is expected thereafter. that we will be in a different trajectory as production orders will play out for both Uttam and QRSAM, completely different trajectory from '29 onwards.

I will wind up with a note on Space and Weather divisions being spun off as a separate listed company, replicating exactly the same shareholding pattern as Astra Microwave. You own 5%, you will get 5% in the new company.

But the positive spin over there is that S.G. Reddy has graciously accepted the mandate to groom this new company and establish the same rigorous methodologies and standards as AMPL with almost -- utmost undivided attention. We will be discussing and sharing with you the detailed plans and introducing the new leadership teams in the next few quarters as we go along.

But the company shall operate as an independent entity from April 1, 2027, is our expectation. We hope that our shareholders will experience tremendous value growth in the new company also like Astra Microwave Products. We continue to work on unlocking further value for our esteemed shareholders.

So, with this, I'll open the session for question and answers, please.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Amit Ashok Thawani from Clear Blue Capital Advisors.

Amit Ashok Thawani: My first question is the press release says that we are targeting a top line growth of 10% to 15%, but the presentation says that we are -- our target is 15% to 20%. As a matter of fact, the same was the case even in the last quarter. Can you please explain which is the correct number?

Management: Yes, in excess of 15% that is 15% to 20% growth is the right one.

Amit Ashok Thawani: Okay. My second question is what is the target year-end order book, both on stand-alone and consolidated?

Management: See, apart from the Uttam, the order, we have guided to have an order book of about -- booking of order book of worth about INR1,600 crores for the entire financial year. We stand by that.

Moderator: The next question is from the line of Amit Dixit from Goldman Sachs.

Amit Dixit: The first question is around the order inflow. And you mentioned in the great level of details, platform-wise where we are expecting order inflow. Just wanted to understand if we have some play in the EW systems, ASPJ pod for Tejas for Su-30, etcetera. And also if we have some participation in LCH program of HAL?

Management: Yes. Mr. Amit, as far as the EW is concerned for Tejas, yes, we are there as a part of pod jammer. We are having one of the major subsystem, AATRU, which has been already qualified for the Tejas

LCA Mk1A platform. As you are aware that particular EW suite is under final phase of qualification. And once it gets qualified, then it will be inducted in the production program.

So we will have the production orders also for that. Similarly, for Su-30, as Mr. Atim had mentioned, we are ready to take it for development of EW suite for Su-30 that is called Angad program. And we are one of the consortium partner, which has taken it up, and it is going steadily. And we are expecting this program will be completed within the time lines. So we are there both in Tejas and as well as the Virupaksha platforms in EW.

Amit Dixit: And LCH sir?

Management: LCH also, we have been delivering some subsystems.

Amit Dixit: So if we take these 3 opportunities, these are probably not covered in the overall order inflow guidance that you gave. How much will be these opportunities? I mean, if I add all these 3, let us say.

Management: Actually, whatever we have mentioned about next 4 years order book projections in that we did -- we consider like Angad for a few numbers and also a few numbers of the subsystems from LCH and all. But of course, this Tejas Mk1A is something which we have -- recently, we have taken it up. And then I think probably another, let's say, INR500 crores to INR600 crores may add up in the overall business in the order book projections.

Amit Dixit: Great, sir. The second question is essentially on -- you mentioned 2 very interesting products, EM walls and vehicle-mounted counter drone system. Congratulations for conducting the test on both of these. Just wanted to understand the opportunity size. I mean, a very rough number will do. Also, in the last call, you mentioned that by Diwali, we will be having some 5 IP products with our own IP. Are these 2 part of that particular group?

Management: Actually, let me take that MV. We had mentioned 3 products at least, okay? EM wall, if you break it up, right, is itself 2 products, right? You have the counter -- you have the vehicle-mounted complete soft killing and soft kill and hard kill program. EM wall itself is an extension with possible additional layers of interceptors, etcetera, being thrown in. We are very well on track for Diwali, somewhere around Diwali, actually, for at least 2 complete radars of our own and one drone-mounted intelligence, electronic intelligence product. So we should have them.

Amit Dixit: Sir recent…

Management: These are the solutions. None of -- not even a penny of these is -- none of a penny from these is included in our numbers, which we give you. That's all upside. If it happens, when it happens, if it doesn't happen, it was not there in the numbers. So that's all upside.

Amit Dixit: My guess is it will be more than pennies. It will be rather in pounds. But anyway, the question is, sir, BEL has indicated a few very interesting orders in their con call, Shatrughat and Samaghat orders for

P-75(I). I'm sure we will have some play over there also. So very broadly speaking, if you could highlight the opportunity size for us in these 3 platforms?

Management: Yes. We do have some subsystems for Shatrughat and Samaghat. We are there in the part of the development program with DRDO. And we do expect production orders from BEL as and when they get orders. Approximately around INR100 crores to INR120 crores worth of orders we expect for these 2 programs put together.

Amit Dixit: Okay. Sir, the last question, if I can squeeze, is in the interest cost, which we saw was down substantially in this quarter. So is it due to the lower working capital commitment we have or something else?

Management: Yes. If you recall, at the end of last financial year, there is a significant amount of positive cash available in the books of accounts. So because of that, the utilization of the overdraft during Q1 is very minimal. So that is one of the significant reasons why the overall interest cost is down compared to the previous period.

Moderator: The next question is from the line of Bhavya Gandhi from Bajaj Alternate Investment Management.

Bhavya Gandhi: Sir, first question is regarding the Uttam Radar order. What is the average execution time line? And what is the revenue booking that we can see over the next 2 to 3 years?

Management: Yes. The overall, the execution period is about 5 years, as we have mentioned in the press release. Before FY '32, we must complete the total order. And the first Phase 1, the 12 numbers, which we are supposed to complete by September '27. exactly about 14 months from the date of order. And thereafter, almost every year on the average of 25 numbers plus, we should execute. As we ramp up the production, we can -- we are even thinking of executing the overall total quantity by FY '31 itself.

Bhavya Gandhi: Got it, sir. Got it. And earlier on the margin front saying that margin is a key metric. So just wanted to understand what could be the margin range going forward because you'll be introducing a couple of new products as well. So on a longer-term basis, if you can provide some guidance on the margin?

Management: Let me take that. Solution product pricing will be a function of the market, okay? I think the feedback from global markets, which we have received -- actually from not markets, one global market is that we are fairly competitive and that's at a very nice margin, okay? So that gives us the confidence that we should be able to maintain more or less our current margin trajectory.

But we don't want to commit to you on the margins because there are a lot of factors which will come into play from incremental products, number one. Number two, I think what we are pitching for, what we are looking at is as we go into more and more systems and DcPPs, right, okay? You will actually have a long tail building in of business, okay?

You will have AMCs, etcetera, which will kick in, upgrade cycles, which will kick in. So we have to look at the profitability across the product life rather than the initial margin. So there might be a trade-off between the order size and initial margin. But overall, we expect it to be healthier, if not as healthy as our current business at least. That's how we would like to address it.

Moderator: The next question is from the line of Vikash Singh from ICICI Securities.

Vikash Singh: Your 5- to 6-year guidance, if I just chalk out the revenue plan, then we would cumulatively would execute somewhere around INR17,000 crores to INR18,000 crores. While on the order booking perspective, we have given INR8,000 crores to INR9,000 crores kind of the road map visibility. So are we -- so could you give us any other bigger orders chunk which we are expecting to receive in FY28-'29, which would get executed in '30-'31. If you could give us some idea about the thing?

Management: Vikash, I think there's some confusion there. I don't think we are executing INR18,000 crores, INR19,000 crores. The order book, which we are talking about, which we will take in over the next -- which builds up over the next 3 to 4 years, is to be executed over the next 5 to 6 years. So around INR9,000 crores to INR10,000 crores -- INR8,000 crores to INR10,000 crores if you take a range, right, is what we are looking to execute, right? So the idea is that when we -- let's say, I don't -- hold me to the years, plus/minus 1.

Let's say, if you're talking of FY31, right, and let's say, we are doing a revenue of $350 million, $400 million, okay? At that point in time, we need to make sure that we have enough irons in the fire to do $600 million to $1 billion. That path has to be chalked out by that time. We see -- we are fairly optimistic, honestly, guys, that given the kind of depth of engineering talent we have and the ability now to work with others and create solutions building on our core capabilities, we should be in a position to kind of aim much higher.

But in terms of when we broke up the order visibility, we just gave you the current order book, okay? And obviously, we did not add over there, the annual incremental orders which we will get, okay, from our regular business. And we added 3 more programs, QRSAM, ARC and Su-30s to give you to reach the number of INR8,000 crores to INR9,000 crores, INR10,000 crores, okay?

Obviously, we are expecting much more. The regular business, which we do, that also should be kicking in. But from an estimate point of view, Astra would rather be conservative, right? As it unfolds, let it be a positive surprise, right, for you. But those are the kind of numbers we are comfortable sharing at this point in time.

Vikash Singh: Noted, sir. My calculation is basically coming from that our guidance was INR1,350 crores this year, then INR1,600 crores. And we think by FY32, if you wanted to have even a 5x growth would have been INR5,500-plus crores. So cumulative execution, it's not about the single year.

Cumulative execution would have been to the tune of INR18,000 crores, out of which INR4,000 crores plus another INR5,000 crores, INR6,000 crores guidance we had. So just to add back in this, what is the average annual repeat orders, which you just said that you would continue to receive from the existing customer? Any numbers you can...

Management: M.V. you want to take that?

Management: I think there's some confusion.

Management: Yes. I'm not still getting the INR17,000 crores.

Management: Probably what we can do is maybe I think we'll give you more clarity when one-to-one. I think I don't know how you arrived at that particular figure of cumulative INR17,000 crores. Even if we add all these things, it won't cross more than INR10,000 crores. So anyway, I think probably we will have -- we'll give you more clarity in one-to-one discussions, yes.

Vikash Singh: Noted, sir. Sir, second aspect to the exports. You just said that you have pointed out that you are fairly competitive versus global players. Our export segment had not been growing. So any light you want to throw.

Management: Yes. We did not have anything to -- we did not have any solutions to export. It is only now that we have built products, which are -- which can stand in the market along neck to neck with others. So as and when they play out, that's an incremental revenue stream and order stream, which will add to our business. We didn’t had anything to export till now -- so what did we have as a complete solution? We did offset business, so-called exports, which was not really exports. It was deemed exports.

Vikash Singh: And sir, execution of this trial order would start from?

Management: Sorry, M.V. what are you saying?

Management: Yes, yes. Actually, let me just clarify both on the export front. As you know, like we started off our export only on the BTP front, fulfilling the offset obligation that over a period of last about a few years. And subsequently, like we -- since offset guidance have been changed and also our business model, we have changed and we came out of the BTP business, we focus more on the BTS.

So we have a couple of orders on the BTS front from a couple of players that which we have executed also and given some prototypes for qualification and all, which take time. And apart from that, on the MMICs, that is on the components front, yes, we have been pursuing it aggressively now and we are getting good leads from U.S. and other European countries. Probably it may take at least another couple of years to get the sizable orders for the -- our components, which we have been doing it.

So these are some of the things which we have been focusing. And apart from that, as Atim had mentioned, the solutions what we worked out, we put complete solutions, which we wanted to prove it in for the Indian defense first. And there after that, we will start looking at the export.

As and when we approach many OEMs and also services in the foreign countries, they have been asking us to provide a comprehensive solution, which includes other sensors apart from the radar, what we have been doing it. So that is the reason we have been focusing on the overall solution so that we can go to the customer with a complete solution. So that may take about a year or 2 to reach the particular stage.

Moderator: The next question is from the line of Prerit Jain from Motilal Oswal.

Prerit Jain: So you have painted a very clear picture on the defense side, like what the opportunities are going ahead and what kind of execution you're expecting. Can you shed some more light on the -- basically a satellite business and also a metrology business because metrology, the projects Mausam Mission -- Project Mausam is going on? And what kind of Doppler weather radars are we expecting there? And also on the satellite part, we were building our own satellite. So any updates on that part as well?

Management: We will like to do this in a structured manner over the next few quarters, right, if you will allow us that luxury. But to -- suffice to say that we are building our own satellite, which should be launched within the first 6 months of the new entity being listed. It is focused not on optics, but on some other use cases.

We will be launching. It's a part of a constellation of satellites, which Astra will be launching. There is -- there are multiple product lines, which are being looked at, including being part of global supply chains for LEO satellites. But we would like to shed more light on it in a structured manner as we go along.

Management: On the weather...

Management: On weather also, we'll combine it together. We'll combine it together.

Management: Actually...

Management: Do you want to give an overview? Please go ahead.

Management: Yes. Let me throw some light on Doppler weather radar, which he was asking. So as you know, we are the first Indian company to develop this Doppler weather radar in India to be supplied to IMD and having got it commissioned. And we have supplied more than 45 numbers of Doppler weather radars in various frequency band. Almost we have covered in every frequency band in last 4 years. And we have been supplying. We have orders on hand, which have to be executable for the next 2 financial years.

And apart from that, under Mission Mausam, we expect more orders in the current financial year which probably we may go for execution in another 3 to 4 years. So we have a visibility to continue this particular production for the next 4 to 5 years to make sure that we will maintain the leadership. We set up the good infrastructure and as well as the resources. And as Mr. Atim had mentioned, we have wanted to go for a special focus entity as such so that we will have more focus to develop new products in this particular segment. So our focus is on the metrology and as well as in the hydrology segment, and we are coming out with the new products very soon.

Prerit Jain: Yes, yes, yes. Very helpful, sir. And sir, one more question on the UAV part that we are building up. What is the scope of what that will be built in-house by Astra? Like I know Astra like for the soft kill, we have the in-built capabilities. But for the hard kill like the artillery or the laser system, will that be procured or supplied by the customer itself?

Management: Yes. We are looking at 2 parts to it. One is the guns, right? We are not in the guns business. So we will leave it to the client to mount whatever guns they want on to the system, number one. Number two, there is an interceptor drone capability, which is being built in, okay? It is -- we are working on it actually as we speak. And so it will be a dual kind of a thing.

But the whole structure is modular which means primarily that my radars and detectors should be able to give you the direction, the speed of the incoming, the velocity, the lat-long and align the counter kill measure in the direction for the decision to be made to deploy it, okay?

So be it a directed energy weapon, we are not making one, by the way. So it's a lean -- if you remember, our LEAP strategy, lean and learn, right? So we will be procuring a few countermeasures, right? If the client wants directed energy weapon, we take that and we put it out there. But we will give the client the ability to mount whatever hard kill solution they want on that.

Prerit Jain: Got it, sir. And one more question, if I can squeeze in. What are the key projects that we are expecting to execute in FY27?

Management: A few contracts what we have in development contracts like in Radar segment, HISAR and Su-30, Virupaksha, AAAU. There are a few other subsystems and also some of the subsystems for BEL, especially the FOPM orders, whatever we have received in the last quarter, we are planning to execute before March for the QRSAM. Apart from that, there are other subsystems like Atulya and all those are all -- will be executed. So most of them are in production in nature. We don't see any major challenges to execute this. In EW front also, we have a few orders for the existing programs of BEL Hyderabad.

All those orders also can be executed in this current financial year. And in space, we have a plan to execute around INR100 crores, which we have orders from DRDO a few years back that will be executed in the next quarter. Similarly, metrology, we have a couple of other orders on hand. This order also, a few numbers will be executed by before March. So these are all a few projects which we can complete it before March '27.

Prerit Jain: Got it, sir. And sorry, one last question. What can the working capital cycle be like we saw it coming down sequentially in this quarter? So for the full year, since most of the orders which are being executed can be on the FOPM side, can we expect working capital to moderate even -- like come down even a bit more than FY26?

Management: No, I don't think so. I think normally the Q1 and part of Q2, generally, the working capital cycle looks much better because of the comfort being derived from the execution made in the previous financial year. As we move forward in Q3 and Q4, again, the pressure builds up on working capital. Therefore, I'm not expecting any significant change in the working capital position as compared with the previous year, more or less similar. We may be in the same position. But let us wait and see probably on end of Q3, we should be able to give a more clear update on that.

Management: I would like the opportunity to reiterate our fundamentals which are driving us a few things. Till we have accretive nonorganic opportunities, we will not dilute for working capital. We are fairly comfortable on that part, which goes on to increase our return on equity, which is already has moved up substantially. And as execution happen, will move up even better.

And more importantly, the positive operating cash flow, which was our focus and has been achieved. As we scale up, you will see nice numbers kicking in on an operating cash flow basis. So I think this is sovereign debt. We don't believe that we should be diluting for any working capital requirements, just answering a few questions which we have received from others also. So we believe equity is to be respected and is a very expensive form of capital.

Moderator: The next question is from the line of Dipen Vakil from PhillipCapital.

Dipen Vakil: Congratulations on decent execution and margins. Sir, my first question is on the lines of your current order book. So you mentioned that your current order book is close to around INR2,850 crores. So what would be the cyclicity of the order book in terms of how much are the short-cycle orders which are executable in the next 1 to 2 years and longer than that? And the follow-up to that would be that what would be the tune of short-cycle order that you expect annually over the next 1 to 2 years?

Management: See, we have given the guidance for the current year, as mentioned, about INR1,350 crores and then we are expecting another 15% to 18% growth for the next year. So the orders, whatever we have an order book today, I think more or less like will be executable next 2 financial years, except the one which, in fact, we got that Uttam, which need to be executed in 4 to 5 years. Otherwise, most of the orders, whatever we have, they are basically will come for execution in the next 2 years.

Dipen Vakil: Got it, sir. Sir, any annually short-cycle orders that you expect, say, something on the regular nature, maybe it is on the services side, something on annual quantum?

Management: Generally, for us, the short cycle orders are very limited. So it is difficult to quantify how much of that is going to be, but it all depends.

Dipen Vakil: Got it. Sir, second question is, if you can give us a slightly elongated comment from your L1 for AAAU for AMCA program as to what would be the quantum of it? And what kind of opportunity can we expect in the AMCA program?

Management: Yes. This is basically a development program as probably you are aware that ADA, they have given this development of Radar to DRDO LRDE, in that the AAAU portion of that been -- came out of tender. So we and the other company, BEL, we both of us, we emerged as L1 and L2, and we will be getting this order for -- like the way we got the order for Uttam AAAU, similar the same way we have participated for development of Active Antenna Array Unit for AMCA order.

As far as the size is concerned, as you know, the numbers are already available in the site, whatever the number of AMCA quantity, which government is looking for. So that anyway as a lead, it has DcPP, this RFP is already out. I think they have shortlisted 3 consortium partners. So whosoever wins the particular bid, and they will be taking this order -- this radar from the radar designated production agency. So we will be part of the supply chain.

Management: We don't know the numbers. That you have to ask ADA and AMCA guys.

Moderator: The next question is from the line of Mithoon from Kyaivah Advisors.

Mithoon: Just wanted to understand any guidance on the full year EBITDA margins? Do you expect to maintain what you did last fiscal? And also wanted to understand, secondly, on the space sort of the business, out of the INR1,350 crores, how much would come from that sector?

Management: Actually, we didn't get you the first part of your question. The second part, I can answer. Out of INR1,350 crores of projected sale for this financial year, I would say close to about INR120 crores to INR150 crores is going to be from the space sector.

Mithoon: Right. My question was more on the EBITDA margin guidance. Would your margins be similar to last year? Or is there any room for increase?

Management: Definitely, definitely, the margins are going to be similar to last year. You can expect a delta increase on that -- positive increase in that margins.

Mithoon: Got it. And just wanted to understand, since the space business will be demerged, what sort of plans do we see in that part of the business and opportunities which will come up, which maybe we did not have so far?

Management: Space, we'll detail it out in the next few quarters -- over the next few quarters in terms of what specific areas we'll be looking at. Our intention is to create substantial value addition for our shareholders from Space and Weather division combined as a separate entity. So you'll be getting in an absolutely rock bottom in my opinion, for a sector, which is looking quite promising, okay? Suffice to say, we are not going to be banking on domestic business alone, but we will be looking at participating on a slightly larger scale, global scale. As and when they are finalized, we'll share it with you. 6 to 9 months.

Mithoon: That business will have a run rate of about INR150 crores as we speak, right?

Management: Possibly. More than that, combined, more than that. So I think I'm on record for no point -- so no harm in repeating it. Our first year guidance for the space business should be in the range of 300 -- space entity as a stand-alone entity, space and weather should be in the range of INR300-plus crores with at least 18% to 20% PBT margin. So it will be a profitable entity right on day 1 with its own cash flows and everything. But we'll detail it out please in the next few quarters. A lot of things are being finalized as we speak.

Our focus is right now on the personnel. As I said, people are the most important assets in Astra. And right now, I hope you understand and appreciate how difficult or how a difficult task it is with all of us here to kind of make sure that everything happens in a smoothest possible manner.

The facilities are being demerged stand-alone. The people have been identified, put across into different segments, different buckets and accounting and S.G.R. has ensured that accounting has been happening on a stand-alone basis right from the beginning of the year. So for us, it is extremely simple now.

We've done -- we've just completed migration to SAP/HANA , and congratulations S.G. for that and successfully. And to do all these things without disruption to the existing business is a fairly dedicated task. So we are focused on that and then subsequently, everything else will flow. But we hope that this business itself will be as value creating for Astra shareholders as Astra has been.

Mithoon: So sir, just last one. You said INR1,350 crores.

Moderator: Sorry to interrupt Mr. Mithoon. May we request return to the question queue for a follow-up question. The next question is from the line of Abhijeet Singh from Systematix Group.

Abhijeet Singh: Sir, first question is what is our capabilities and product offerings in the BrahMos program? There has been significant interest coming in from exports from different geographies in the Southeast. And I understand that we have been developing seekers, the RF seekers from the BrahMos program. So apart from that, apart from seekers, in totality, if you can answer in terms of both development and production, where are we in that? What all do we supply? And going forward, what is the plan on that program?

Management: Yes. The existing BrahMos missiles, we are there as a part of supply chain for the gimbal-based RF seekers. In that, we are supplying a critical RF component to the OEM. Apart from that, we also supply telemetry products to BrahMos missiles. And also, we have taken up a proactive development for BrahMos new generation that NG missile. There, I think that seeker, whatever we have taken it up, it is in the development stage, may take another few months for us to complete that and then go for testing and qualification. So we -- this is what we have been focusing as far as the BrahMos missile is concerned.

Abhijeet Singh: Understood, sir. And sir, have we factored in the BrahMos whatever development we are doing in the order inflow that we projected?

Management: Only existing orders that whatever the development we have completed and which we have been producing, those numbers only we have factored. But otherwise, the new program, which we are working out on the NCNC or maybe on the proactive development, those numbers we have not taken into account.

Abhijeet Singh: Right. So sir, is there a possibility of upward surprise on this because that program promises to be significant, possibly.

Management: Yes, yes, there's a possibility.

Abhijeet Singh: Right. Sir, lastly, revenue decline this quarter. I mean, logically, I would assume that there could be some kind of shipping issues at the end of the quarter, and we might be sitting on a larger finished good inventory. So is there a deferred revenue situation in Q1? And if it is, yes, how much is the quantum?

Management: As we mentioned in the opening remarks, there are a few programs which we plan to book sales in the first quarter, but because of some inspection issues and there was a delay in -- from our side in the sense to prove the specifications. So there were a few issues in the development cycle. And also there were some supply chain issues. So there are coupled with all this, we missed out to execute these few programs in the first quarter, but we will be able to cover it up, I think, in coming quarters.

Mostly, like in Q3 and Q4, we will have a good execution as we have almost received all the material for those 2 quarters. And also the development projects are in the final stage of clearance. So I think next coming quarters will be promising. And overall, whatever the guidance we have given in the beginning of the year, that I think we are confident to meet that.

Management: So gentlemen, I must add here that we don't -- our quarterly numbers are our internal numbers, which we are constantly fine-tuning. And since we don't even break them out and we only give you the yearly numbers, right? So whatever estimate you feel like, please make the estimates, but we know what we have to achieve at the end of the year. And that's the guidance we are working on.

So we don't -- like other companies, which have told everybody, which are very clearly spelled out, this business is not a quarterly driven business, right? There are so many things which lead into this particular program, right, which lead to seeds to revenue realization that yearly targets are the ones which we focus on, okay? So I don't know what is the basis. But at the end of the year, we will deliver what we say we are looking to deliver. That's our -- that's what drives us.

Moderator: The next question is from the line of Shirom Kapur from Jefferies.

Shirom Kapur: My question is on some of this guidance that you've given for the next 5 years, talking about 6 to 7x revenues versus FY26. Apologies if I might have missed this earlier, but is this purely on defense side? Like are you guiding for this x of the space and meteorology business that's going to be spun off?

Just want to understand the guidance that you're giving going ahead even on all the orders and a few quarters back, you had given some guidance on what the sales could be in FY29 and '30 as well as

INR2,200 crores, Is that all purely going to be in the defense company? Does that include your space business as well?

Management: Actually, we broke it up into constituent parts of the same thing, right? So barring the next 2 years, there's nothing from space. So the space portion is only reflected in the existing INR4,300 crores that we spoke about, okay, the current order book. And the recurring business, which will come in, but which we did not take into account here in this calculation of INR8,000 crores to INR10,000 crores, okay? So mostly, it is defense side that we are talking about. Space we'll address as and when we get long separated out.

Shirom Kapur: Right. So that 6x to 7x in the next 5 years, that will be 6x to 7x of your FY26 defense sales. Is that understanding broadly correct?

Management: See, right now, when we talk of Astra, we are talking of Astra as a unified company, right, okay? The separation has still not happened. So till the time it happens, we are talking of a combined business. So when we talk about, let's say, INR1,057 crores, which was the revenue last year, okay? That is both actually is both the companies combined, right?

So when we are talking of an order book to the tune of INR8,000 crores to INR10,000 crores order intake over 3 to 4 years, we are talking of multiples of the combined INR1,057 crores entity. And so similarly, execution is based on the historical number of INR1,057 crores which was, I guess, which took 33 years in the making, right? And now this is the growth phase, which we are expecting.

Shirom Kapur: Right, sir. That's clear. And just secondly, on your -- to ask about your space and meteorology business. So would it be fair to look at the business as a function of the kind of capital investments that the government is making in the space and meteorology -- is that -- or are there any opportunities beyond government programs that we are looking at in this business? Just want to understand currently as well as from a future point of view.

Management: Yes. So our current business is focused solely on the Government of India programs. Going forward, we will be -- we are -- as I said, within the first 6 months of the space business coming on its own, we would be launching our own satellite, which will be a part of a consortium of satellites, okay? So there is a data monetization business, which is substantial.

If you think about it, when we talk of data being the new gold or all the so-called topic which used to happen, right, it has been so far confined to our personal databases, financial sector, etcetera, etcetera, right? It is now space where the inflection point has come where space will be able to get industrial grade, industrial sized databases and ability to process that into tangible defined outcomes.

We hope to play on that. And thirdly, we are -- we want to be -- we desire to be a part of the international supply chain. But we'll detail all these things out probably 2 quarters down the line as we finalize our numbers and are much more certain of what we are doing. We hope to come to you with something real tangible.

When we speak to you, we try and keep it -- we try and keep our conversations to what is actually in the bag and highly visible with limited scope for error. That's exactly what we want to do for space also. So all these multiple strategies shall tie in together, but there's going to be much beyond Government of India programs, hopefully.

Shirom Kapur: Understood, sir. If I could just squeeze in on your meteorology business. So of course, the last couple of years, we've seen a sharp scale up even on the government end with Mission Mausam coming through, and there's been a ramp-up in the budget as well for FY27 driven by Mission Mausam. How long do we expect this to continue? Are we going to sort of see FY28 onwards that kind of start to trend downwards again? Or is there -- is this a sustainable program where this level of capex by the government could sustain for the next few years and drive the opportunity?

Management: You asked us about our opinion and we actually were discussing amongst a few of our directors the other day. We -- somebody -- one of our directors drove down from Haridwar, okay? And the kind of situation which exists on the roads, right, okay, where people are cut off, right, okay, because of land slides, because of extreme weather and extreme rains and climate change, you have to be a believer in that if we are believers, right? So given all these things combined, I think there should be and there ought to be and from indications are, there will be a sustained focus on meteorological budgets. So we hope to capitalize on that.

Management: So just to add to Atim, what he had mentioned is basically, apart from Doppler weather radar, we also are trying to develop new radars in this particular segment like Avalanche Radar and the weather forecasting applications we are trying to enhance as to provide a complete solution. So our journey is on. And while addressing this requirement of IMD, we are trying to provide a complete solution on the weather platform. And that probably we will get ready by next year or 2 years. And demand will be there for next 8 to 10 years.

Moderator: Ladies and gentlemen, due to time constraints, we take that as the last question of the day. And now I would like to hand over the conference to the management for closing comments.

S. G. Reddy: Yes. Thank you, and thank you all for being part of the discussions. I also would like to share with all of you. This is my last interaction with you as a Managing Director of the company. I am passing on the baton to Mr. M.V. Reddy and Atim who are more energetic. I'm sure that they will be able to deliver much more than what has happened in the last couple of years.

Atim Kabra: S.G. you created a legacy, you have created a legacy, right, okay? And I think it's going to be -- you leave us with a very strong footing, and we hope to live up to your expectation. And seriously, thank you for everything.

S. G. Reddy: Thank you.

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