SEC/SE/057/2026-27
Chennai, August 07, 2026

To	To
National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra(E), Mumbai – 400051 NSE Symbol - DATAPATTNS	**BSE Limited** 25th Floor, P.J. Towers, Dalal Street, Mumbai – 400 001 Company Code: 543428

Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Transcript of Earnings Conference Call

Dear Sir/ Madam,

Further to our earlier letter no. SEC/SE/047/2026-27 dated July 28, 2026 intimating the schedule of Earning Conference call on the financial results for the quarter ended June 30, 2026, please find enclosed herewith the transcript of the Earnings Conference Call held on Friday, July 31, 2026 at 12:30 P.M. IST.

The transcript of the earnings call is also available on the website of the company.

We request you to take the above record and oblige.

Thanking You.

For **Data Patterns (India) Limited**

R PRAKASH Digitally signed by R PRAKASH

Prakash R
Company Secretary and Compliance Officer
Membership No. F13620

Encl: As above

“Data Patterns (India) Limited
Q1 FY '27 Earnings Conference Call”
July 31, 2026

MANAGEMENT: **MR. S. RANGARAJAN – CHAIRMAN & MANAGING DIRECTOR – DATA PATTERNS (INDIA) LIMITED**
MR. VENKATA SUBRAMANIAN – CHIEF FINANCIAL OFFICER – DATA PATTERNS (INDIA) LIMITED

MODERATOR: **MS. PRAYASI PATEL – GO INDIA ADVISORS**

Moderator: Ladies and gentlemen, good day, and welcome to Data Patterns (India) Limited Q1 FY '27 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 the conference call, please signal an operator by pressing star then zero on your smartphone. Please note, this conference is being recorded. I now hand the conference over to Ms. Prayasi Patel from Go India Advisors, Thank you, and over to you, ma'am.

Prayasi Patel: Thank you, Huda. Good afternoon, everyone, and welcome to Data Patterns (India) Limited Call to discuss Q1 FY '27 earnings call. We have the senior management of the company on the call Mr. S. Rangarajan, Chairman and Managing Director; and Mr. Venkata Subramanian, Chief Financial Officer. We must remind you that the discussion on today's call may include certain forward-looking statements and must be therefore viewed in conjunction with the risk that the company may face. May I now request Mr. Rangarajan sir to take us through the company's business outlook and financial highlights, subsequent to which, we will open the floor for the Q&A. Thank you, and over to you, sir.

S. Rangarajan: Thank you, Prayasi. Good afternoon, ladies and gentlemen, and a warm welcome to all of you for the Q1 FY '27 earnings call of Data Patterns (India) Limited. We sincerely appreciate your continued trust, support and participation. I hope all of you have had the opportunity to review our earnings presentation, which has been uploaded on the stock exchanges and on our company website. Before Venkat takes you through the financial performance, I'd like to share a few key business updates and our outlook for the coming quarters.

The quarter marks another important step in our long-term growth strategy. As our strategic investments over the past several years are beginning to translate into tangible business, business opportunity and a stronger market position.

We continue to witness healthy customer engagement across multiple defense programs with increasing opportunities for larger value and complete contracts. We secured orders across avionics, radars, electronic warfare and automotive test equipment programs from various customers, including Ministry of Defense, DRDO and BrahMos, reflecting the growing confidence in our technology capabilities and execution track record.

We also continue to pursue several large opportunities and are currently at various stages of discussion evaluation. A key milestone for us has been the successful transition of several products from the development stage to complete system solutions. This significantly expands our addressable market and enables us to participate in larger and higher-value programs.

With differentiated capabilities, we're trying to convert them into single vendor opportunities. We're also leveraging our existing technology platforms and reusable building blocks to develop new products faster and more cost effectively, improving both scalability and speed to market. Our order book stands at INR2,654 crores, including orders negotiated, providing a healthy revenue visibility over the coming years.

Our international order book currently stands at INR39 crores, and we continue to actively engage with customers across global markets to expand our export footprint. We also remain confident of securing around INR2,000 crores of fresh order inflows during FY '27 over and above the orders already received and negotiated.

Policy environment also remains highly favorable. The government's continued focus on higher indigenous content and defense procurement is creating significant opportunities across the ecosystem, including the armed forces, defense PSUs and private sector companies.

With a strong in-house design capabilities and proven execution track record, we believe Data Patterns is well positioned to benefit from this structural opportunity. Another encouraging development during the quarter was the initial traction in our drone and counter drone business, where we have started receiving orders. We believe that this business will become an important growth driver as demand for indigenous unmanned and counter UAVs solutions continue to increase.

Coming to the quarter, our revenue trajectory continues to remain on track. As indicated earlier, we continue to invest in strengthening our engineering talent and future capabilities, resulting in higher employee cost base, is expected to remain elevated over the coming quarters. In addition, changes in the product is also impacted margins during the quarter. There are conscious investments that strengthen our long-term competitive position and prepare us for larger opportunities ahead.

Looking ahead, the outlook of the Indian defense sector remains highly encouraging, supported by a robust order pipeline, expanding product portfolio, increasing export opportunities and favorable policy content, we remain confident of achieving our full year guidance, growth guidance of 20% to 25% revenue growth while maintaining EBITDA margins in the 35% to 40% range.

We remain committed to investing in the technology, innovation and indigenous capability development while creating sustainable long-term value to all our customers. With that now, I hand over the floor to our CFO, Venkat, to take through the financial performance in greater detail.

Venkata Subramanian: Thank you, sir. afternoon, ladies and gentlemen, and thank you all for joining us today. Let me take you through the financial highlights for the quarter first quarter of financial year 2027. Revenue from operations for Q1 FY '27 stood at INR116 crores, registering a healthy 17% year-on-year growth, driven by continued execution across our diversified defense programs. Gross profit increased to 16% year-on-year to INR91.5 crores while gross margins remained strong at 78.9%, reflecting the high-value nature of our product mix.

EBITDA stood at INR31.4 crores with an EBITDA margin of 27%. Margins during the quarter were impacted by high employee costs associated with capability expansion and changes in the product mix. Profit after tax stood at INR22.1 crores with a PAT margin of 19%, reflecting a temporary impact due to uneven quarterly revenue.

The company continues to maintain a strong balance sheet remaining net debt free with cash, bank balances and investments of INR530 crores as on 30th June 2026, providing ample flexibility to support future growth initiatives. Our order book stands at INR920 crores as on 30th June 2026, with orders received in July and orders negotiated, the order book currently stands at INR2,654 crores.

We remain focused on disciplined execution, operational efficiency and prudent capital allocation as we continue to invest in technology and support the company's long-term growth. With that, I would like to open the floor for question and answers. Thank you.

Moderator: Thank you very much. The first question is from the line of Hardik Rawat from IIFL Capital. Please proceed.

Hardik Rawat: First question would be with regards to other expenses. So while our gross margins have largely not changed much on a Y-o-Y basis, and despite only 17% sort of growth in revenue or other expenses have risen by 64%. So is there anything that is peculiar about other expenses in this quarter?

Venkata Subramanian: Increase in other expenses is due to some additional repairs and maintenance costs, which is incurred because the facility is going through some revamping. So we had to spend some additional expenditure on repairs and maintenance. And also close to INR2 crores, we have additionally provided for against the long-standing receivables as per our policy. These two have contributed increase in the other expenditure. Otherwise, it's in line with our budget.

Hardik Rawat: Got it, sir. And sir, on revenue in the press release, sir, alluded to the fact that there were some temporary delays in customer approval. And we are expecting normalization in the coming quarters. If you could provide some information there. So is there any quantum of revenue that was basically slipped from recognition in this current quarter because of this issue?

S. Rangarajan: We can't be specific because it involves customers, and I can't talk about it to open channel. We have these issues -- we had these issues in the past also where products are ready, but inspection team doesn't come because their own requirement to deliver has probably got delayed. So automatically, they don't come to inspect. But these are all aberrations, which will continue to be there. As long as we are dependent on them with the order book model to revenue model being very near. So these issues will come into the picture.

We try and manage it by other orders, executing other orders to see that our projections are maintained. But sometimes it is not feasible because we are not a quarter-to-quarter business. We are a yearly business and all the projects are long term. So it's not a production month-to-month, day-on-day production business. So obviously, that's an impact on our revenue quarter-to-quarter.

But having said that, the important thing is to how to alleviate this quarter-to-quarter performance deviation is to see that the order book substantially goes up to at least 3 years of our revenue projection, then we should be able in a position to say what quarter-wise we should do and how do we deliver with this.

So Data Patterns is aiming towards getting a sizable order book in the coming year or so or 2 years to see that we cross the INR3-odd crores revenue projections, then we should be able to be in a better position to handle these kind of problems. So I think you need to bear with me for some time till the order book starts coming the way we want. We've invested substantially in product development, continue to invest substantially in differentiated products where we stand alone in some of the markets, and those are very desperately needed by our MOD.

So as and when that happens, the order book would substantially increase. And we believe that our revenue projections will be met quarter-to-quarter as we go along. It's going to take a bit of time. Till now, we need to be patient on a yearly model of growth, with what we have now.

Hardik Rawat: Got it, sir. That's really helpful. Sir, one last question before I fall back in the queue, Sir, our order book orders negotiated but not yet a part for order book now stands at about INR17-odd billion -- from INR1,726-odd crores, if you could just help us with the time line as in how should we expect this to turn into order book? Should this convert into order book in the -- say, for example, in the next 6 to 9 months, what is the average conversion time line to conversion to order book for these orders that have been negotiated?

S. Rangarajan: Okay. This question was asked during our AGM in the morning, and I almost slipped answering this question. So anyway, we would write to them, our shareholder and address this. See, this order book normally should not take this long a time to get converted into contracts. And in this particular situation, because of a long and a big program and the program position delays on finalizing the program before the order can get placed, they went through certain approval stages and it took a lot more time. It's taken additional 6 months than what it is.

The whole program has been stretched by more than 1.5 years because of which some of the contracts, we expected a lot of the programs, though negotiation is completed, order couldn't happen. But what I'm told now is they've taken additional extension for another 2 months from us. So we expect in another 2 months of those contracts should happen. And also some of the orders we expected, the order has got postponed, but we didn't negotiate those orders. We did some negotiation, but a lot of protracted negotiations. That's also coming to an end now. That also should happen.

So I think these orders will get converted in the next few months in my -- actually, it has converted in a week, 2 weeks' time, but maybe converted in few months to be on a safer side and the order book is there, and we have already negotiated contracts. These are all long-term larger contracts, and that is how the decisions and delays are happening.

On top of that, we've also told as part of the opening remarks, other than the contracts which you are seeing now with order book, we're also pursuing some very large similar contracts to the extent of another INR2,000 crores, which we expect to happen during the course of this financial year. So I think the orders slowly started growing the way we want. In the coming years, it will grow substantively is what we believe.

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

Rishika: Sir, could you please share an update on the testing of jammer pods for Su-30 along with the revenue contribution you're expecting from this in the medium term? That's my question.

S. Rangarajan: Okay. So that product is going on well in the development stage. Customers had a view of this product and they have said they're quite happy with the progress which we made on the jammer pod. So we are going through the qualification exercises to maybe outfit it in the Su30. We believe that, that should happen before December.

We should have the first trials to start by then, maybe a few months of flight trials once we satisfy the requirement on specifications. I think the commercial production should start after that.

So I can't -- I don't want to guess -- I have a number in mind. Of course, we know what we're working on, or we don't invest our money. But I think it's not appropriate to talk about a future order, which has not has come as an inquire tender and to say how much we're expecting out of it. There are 2 kinds of contracts we're expecting. These are all INR7,000 crores. And at the present moment, we need to provision the contracts. Exact value, we would not like to disclose at the present moment.

Towards closing of the contract happens, I expect in the next 2 years' time, this contract will start happening, then that's the right time to announce. Yes, we're working on really large opportunities and we took money from to QIP to fund such development programs where we are confident of our IP creation and our capability to build this. It's a multi engineering approach building, building pods, building a cooling systems, building the electronics, building the algorithms to see that it's a complex system, it goes to flight trials.

We're taking it as a challenge to do this because we need to scale our business substantively in the coming years. So that is why we are doing deep work kind of product development, which is going to be larger horizon to maturity, but we are on track.

Rishika: Sir, secondly, could you please share more color on why did we have lower margins this quarter? And how are you expecting this to pan out in the coming quarters for '27?

S. Rangarajan: Actually, we have more margin. I don't know -- if you look at the gross margins, the gross margins are higher than what was probably done last quarter, last year first quarter. But what happens is the overheads are fairly high because whether we deliver products or not this quarter, we continue to spend on other expenses, which is probably one of the highest in our industry to spend on that. Then Venkat explained to you that the other expenses write-off of certain costs, depreciation and all...

Venkata Subramanian: Basically, uneven revenue in quarter. You have to look at it only annually because the revenue is not distributed evenly through all the quarters. And the expenditures remaining almost the same quarter-wise, the contribution from gross margin that is distributed with a higher cost, the margins are seen lower. Otherwise, we are confident of achieving the full year targeted margins.

S. Rangarajan: Yes, yes. Our budget is towards the year-end targets. Quarter-to-quarter, it will vary depending on what is the level of turnover we achieve.

Venkata Subramanian: It's very in line with our internal targets.

S. Rangarajan: Revenue in one quarter is 1/4, then the margin will be changed. Since the revenue is not equally distributed across the quarters, you're finding the so-called EBITDA margins coming down. That's not true because the gross margin remains very healthy. That's the actual fact.

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

Dipen Vakil: Congratulations on decent execution. Sir, my first question is on order inflows, sir, one thing is that we have like negotiated contract with INR17 billion and of that, I believe that last quarter, we had mentioned that HAL has like an order of more than, say, INR10 billion. Sir, so whenever it gets converted into order book, what would be the time line of execution of that order considering that it's one large order from a single client?

S. Rangarajan: Okay. See, this varies with the contract, varies with the customer delivery, because if you take HAL, they deliver aircraft over a period of years. So then it -- though your order is given one lot, execution takes over a period of time. So that is one. If it's a project order, the value is high, project execution maybe is about 18 months, 24 months, and the projects gets execute within those time frame.

If it's a small subsystems orders, which is on DRDO, then the deliveries are faster because all the contracts take a longer delivery time based on the actual application and the demand of what has to be delivered, developed and delivered and integrated and accepted.

So this actually varies from a few months to maybe a few years. So, unless we work with every product order, I can't answer the question correctly. But of late, I find HAL also wants pretty decent delivery in over 2 to 3 years' time. We actually expected far higher delivery delays and that they are saying, okay, this is being negotiated. Whatever we've talked now on the orders negotiated do not include HAL contracts.

We are under discussion on all these things. Negotiations are on place. I found that a lot of people are asking questions to me directly regarding GeM portal release that we are L1 in one large contract. I didn't comment on it because we are undergoing negotiation, which is a single vendor contract. Negotiations are initiated. And we're going to deliver, as and when it happens, we will announce it in the stock exchange and on our website.

Dipen Vakil: Got it. That's encouraging to hear that it's out of -- beyond the INR17 billion negotiated contracts already. So yes, that helps. Sir, my second question is on the lines of counter-drone business and export business that you mentioned that are gaining traction. So what would be the product portfolio likely that is gaining traction? And are we supplying the complete platforms? Or we are looking at more from a subsystem play for the counter-drone business as well?

S. Rangarajan: We are not in the platform business as of now. It is a sensor business. So we have 2 or 3 areas where we can do counter drone, one is active detection, that is in radars. We build a full radar, which are required in quantities for counter drone requirements and operators that we fully develop and we have some unique products there, which meets MOD requirements is not yet addressed in India. So it is imported now. So we believe we have a good order pipeline that we have. We've already started getting contracts. As we go along, we expect a far more healthier order book on the active detection.

Second is the passive detection for counter drones that is on electronic intelligence and communication intelligence. Decode what is happening in the drone and then locate where the drone is, direction of the drone, and then this is another area. So we've already done a host of products in electronic intelligence. We're modernizing these counter things to suit the market size. And so that also is almost getting ready. We expect contracts to happen there also.

The third area is not only just detecting, but also do a countermeasure as to jamming or jamming which we have done. We have products which are built for the jamming also to see that the signals are jammed when we -- be on communication network jam, but also -- so there's a group of us working on the products. We believe it will cover the entire specification. Some of the applications also vary because they are Kamikaze drones and they want to even target the drones into the end projectile.

So there also the direction or the radar and tracer subsystem are required by them. So there's a requirement -- varied kinds of requirements are coming up from the market. And MOD has decided to place an order on multiple of these vendors to experiment 10, 20 systems in each. So a number of them have started approaching us for suitable sensors for all these applications. So we're working with them. And I think in the next 3 to 6 months' time, this contract should start getting fructified and we should grow this. This is on the counter drone area.

On the exports, we continue to build the -- for the last so many years, signal processor for radars, airborne radars for U.K. company. And now we started getting the first orders we got last year for an antenna, redesign of an antenna for an absorption management for a fighter aircraft system. So we will be delivering it in the next 6 to 8 months' time. There's also a lot of interest from the same organization. It's a multinational, very large corporate in Europe.

There are other areas, even proposals to many of these systems and they are very keen to see that -- use these systems because the time frame which we are talking about is far, far lower than what they expect their own automation to build, especially with Europe having manpower shortages in this area and sudden requirements of contracts and scaling up, we find a lot of opportunities are getting created for us with our competency in building products, delivery time lines, which is very short. So I expect that business also in the next few months' time, to a multimillion dollar business, we should start getting.

Third area, we're also looking at civil aviation kind of obsolescence management and upgrades. Again, very large OEMs in the U.S. We expect that those contracts will also start coming in, in exports. See, our normal business has been in DRDO, MOD, public sector. That is what the business has been here.

We want to now look into new markets, which is the export business, where we do product development, our IP goes into their requirements and the market sizes are becoming much bigger. So there, we can also look at a business which is in the annuity business, not just project only entry. So very keen we're putting an export group to address the market. And I think in the next 2, 3 years' time, scaling substantially into export business should also start.

Dipen Vakil: Sir, just one last question, if I can squeeze in. Sir, can you comment on your acquisition on ST Advanced? And what is it targeted at, namely as to what kind of project, whether it is like -- and how it can increase our market opportunity. So are we targeting it mainly for MiG-29 upgrades and Su-30 upgrades? Or there is a much wider application for this acquisition?

S. Rangarajan: ST is a very sound company, a small company, very sound and very innovative organization. We believe that in our sensor business, we also have to have a requirement of composite for radomes, both for electronic intelligence as well as for radar requirements. It's one area we're already getting contracts with them, and we are getting the products there from them, which is working very well for us.

We're also supplying to Bharat Electronics and other organizations, the advanced composites for aircraft systems in MiG-29. So the important is to try to see whether we can enhance the capabilities hold it into larger requirements which we have in India and abroad, both India and abroad, along with our sensors and part of systems is a requirement of composite.

So if we can combine this together, and build a whole system rather than piece of system, customers are much more happier because they take a full contract, develop all the system. So we thought this is the right approach to build an ecosystem which can feed each other's capabilities and grow it as overall sum game, it will go up. That's the reason we took it up, and we need to do a lot more work to bring this company up from where it is today to a much larger scope of business.

And we have a lot of ideas that kind of capabilities, which is the promoter of the company has, and we've had some discussions with them. We want to spend more time, ideate with them, invest in the company to see that infrastructure is created and look at long-term development plans for these contracts. where we have a sustainable business model for its growth. So at the present moment, it's a bit too early because yesterday only we only finalized the go, and we need to spend more time and work on the strategy.

But yes, it's a small company, but we believe it's an important acquisition for both that company as well as us and we can give a product offering as a whole. We also look at some export business, which will directly go to him as well as to us, seeing that we increase our business.

Moderator: The next question is from the line of Vineet Prasad from Investec Capital.

Vineet Prasad: Just a couple of questions. One is if you can broadly highlight larger platforms which you are focusing on to participate in, not as a platform, but more as a systems or subsystem developer. And that too, not from a near-term perspective, but over the next 3 to 5 years, where all can we participate and contribute? That's number one. And number two, just wanted to hear your take on HimShakti project. Where is that we were going to receive a few orders. Have we received those? Or where is the -- what's the project status there?

S. Rangarajan: Okay. On the larger platforms, there's a mail program and bigger programs is taken up. Larger brands have come up with tenders. As a sensors developer, most of these are all now on the existing vendors are all imported origin. We believe we should make a mark in providing our products in these areas in terms of radar warning receiver, communication intelligence, electronic intelligence, the IFS, radio relays.

There are so many other SATCOM, downlinks, radar links. There are so many areas which we can work on as a full system to give indigenous contribution to these kind of big programs, larger platforms.

We're actively engaging with 2, 3 companies to offer them to these both provide clearance with them see that repeat requirements can come in the numbers as you go along. But the market is changing from manned to unmanned. So there's a lot more opportunities to come. The same thing also will be applicable outside India. So on a combined system, if we can do this in India, along with the platform, we should also be able to export it.

So these are exciting new opportunities where we already have existing competencies and products, which are already flight proven. I need to tweak for the particular platform in mind and see that we go through trials. So this is one area we're looking at.

We're also looking at the counter-drones for various other surveillance applications so we can outfit the systems. We are continuously getting calls from various UV manufacturers to see how can we give sensors for their birds. So we are exploring all those opportunities where competency exists and a mutual benefit in terms of giving a product to the end customer at a very high fast turnaround time can be addressed. So these are areas which we can do in terms of platforms.

We're also now looking at trying to build these kind of products for naval platforms. We want to start discussion now on giving very modern systems for these larger platforms in Navy and also some of the upgrades which India is going through for various aircraft upgrades, which goes to same sensors, which we're talking about in terms of GW and radars can get provided with that. Again, we're looking at addressing those markets.

The first question which is asked on the SPGA is one such requirement with the electronic warfare suite getting developed for the Sukhoi-30 platform, which is 270-odd aircraft. So similar aircraft are there, multiple systems are happening. And also DRDO is also taking up a number of airborne Netra 2 and whole lot of other projects, which MMA and things like that, where we feel that our sensors can go fit into the programs as we want and with world-class specifications.

So on a product level, we are assessing markets and seeing that we can reuse these products for various areas. There are a number of such applications. It will take a lot of time, so we'll go through it, but I'm giving you flavor of fully drone business. There's a lot more areas where we can actually look into the applications -- the products on those kind of end applications. As regards HimShakti, I think we delivered the original products. New requirements, BEL is talking about another program.

They have been in discussion with us. I can't tell you whether they have the RFP and back-to-back and they can do something. I'm still not -- I don't have full data with me. I guess, interactions are all with some of the products, which is proven in Dhanshakti. They are also talking to us to see whether this can be fitted for the next-generation platforms.

In the meantime, we are also upgrading our technologies and this add more value in terms of not just the hardware and software, but also the RF front end, also the antennas. So we have a large antenna division now. We design it. So optimally solution end product, not depending on foreign companies and define for the applications will give you much better product performance. Also, we're not keeping quiet in the last 2 years.

We've done a lot of development in all these areas. Development is still on generation programs and communication intelligence, RWR and things like that. We're not waiting for the contract. We are going ahead, building the products will be ready in the next over time. We expect that the technology edge which we have, we should be able to convince the customer and the end user that these are the appropriate products for their requirements. But I can't comment exactly on when the contract will happen.

Vineet Prasad: Understood. Understood. Sir, lastly, on the HAWK radars, which we've developed, have we found any application out there or any way to monetize what we've built? And could that find a way into Su-30 upgrades or some of those larger platforms. So any discussions with the customer, any indications where we can monetize such a fantastic product? Anything on that front?

S. Rangarajan: Sure. We have done the hardware for both MiG as well as Su-30. But then we need the software for them. Original concept we give the software for some didn't work out, but the hardware we continue and develop is world class. So we are in discussions with to see whether we can collaborate with them for putting this together.

We're also in discussion with the Russian counterparts on the OEMs to see whether both are going ahead. I can't very clearly say which will happen when faster. We expect in the next 2 to

3 months' time should get some breakthrough in this and our systems can get -- the software can be ported and then we go to flight trials after that.

We're also investing in next-generation HAWK program and next-generation radars, which will be what is production-oriented line. But also we're going to develop in the next six months' time. As the first contracts come in, we'll be ready with the second, the more advanced systems of that nature will also be available, give a technology edge to the end customer. So we are waiting for this to happen. In the meantime, we're also developing our own software. Now we just started developing our own software. We have on platforms using UAVs as platforms for our trials, which is what some of our customers are wanting us to do.

So we are also going on the third thing that develop the systems. As a complete system leader, then we are not dependent on any organization on technology to drive the business orientation. So that also we've initiated. So it will take a few more months before we get a correct path as to where it's going to go. But yes, we are determined to see that these products work and fly, putting efforts to see that more modernizing the system, learning from mistakes, correcting it, building additional software capabilities, a whole lot of other stuff to see that this project is successful.

But it will take some time before I can give you more data on when the possible success can happen.

Moderator: The next question is from the line of Kavish Parekh from 360 ONE Capital.

Kavish Parekh: Sir, do we have an update regarding BrahMos. We have been supplying fire control systems for the same and also have been working on developmental orders for seekers. Any color on time lines for receiving commercial orders for the seekers?

S. Rangarajan: We expect this will happen this year, this financial year. But the approvals and qualifications will take time. Products are ready. As soon as the qualification is completed in right time, I think the contract should happen or even quality itself, that should happen. We believe that it should happen this year. We expect it earlier, but there are some delays. I expect this to happen before end of this year. It is one of the projections which we have for this year revenue in terms of order intake. So not the revenue, but order intake for this year.

Kavish Parekh: Further do you have any comments on development of new subsystems for BrahMos? If we do that, what incremental wallet share are we targeting to gain here? And lastly, again, you've seen BrahMos has seen increased interest from a few countries, and we have also from other suppliers to the program about them ramping up capacities for those respective components. How are we placed to meet the growing demand for BrahMos?

S. Rangarajan: See, what happens is once you develop a product, various vendors are developed towards the BrahMos Missile with DRDO and BrahMos together. Those are getting contracts. Those who have done that are getting contracts for particular things which we have done. But I don't see it's so easy to change the supplier, redevelop and qualify the systems. So I don't expect that much to happen. The volumes coming with the more orders from them, back-to-back orders will come to us, what we expect and we'll deliver this. So that is one part.

Second also, we are talking about our next-generation BrahMos. If the existing BrahMos happens and they don't select us for some of the programs for this, we'll be very happy to see that our volume business to them also can go up. We have the capability. But whether it will happen or not is something we cannot guess. The capability exists to a whole lot of stuff. In the last 20 years, nominal capability we build patterns across domains. So we can do very fast turn over time depending on the market. That's all I can say today.

Moderator: The next question is from the line of Neelotpal Sahu from JM Financial.

Neelotpal Sahu: Am I audible?

S. Rangarajan: Yes.

Neelotpal Sahu: Sir, my first question is on this existing order book of INR2,600 crores. Can you give us some color of like how much of these are production and what level would be development orders?

S. Rangarajan: No, I don't know. I have not classified it accordingly to give you a direct answer. Venkata, do you have a classification of this...

Neelotpal Sahu: Sorry, can you please come again? I could not hear you.

S. Rangarajan: No, no, I have not classified it. I don't have an immediate answer, but Venkata is looking into the orders and giving you the data. But come to the second question if you have?

Neelotpal Sahu: Sure. Secondly, on this order prospects that you have of INR20 billion to INR40 billion, these would include the potential HAL order as well as the BrahMos seekers order. Is that understanding right?

S. Rangarajan: Yes, BrahMos seekers also is a potential order. Until the contract comes with everything is potential only.

Neelotpal Sahu: Talking about prospects, right?

S. Rangarajan: Pardon?

Neelotpal Sahu: These are included in our prospects for INR20 billion of single vendor orders that we are targeting?

S. Rangarajan: Yes, yes.

Neelotpal Sahu: And the HAL order would also be included in the same prospect?

S. Rangarajan: I believe so. Some portion of it, I believe so. Yes, it is part of the additional order.

Venkata Subramanian: Additional INR20 billion, it is included, not as part of the negotiated basis.

Neelotpal Sahu: Understood. Understood. So sir, can you highlight some of the prospects that are currently under development aside of BrahMos wherein you are expecting conversion to production orders like over the next 2 to 3 years? Okay to not mention the quantum, but just broadly on the product lines?

S. Rangarajan: See, we -- I don't know how long you've been following Data Patterns, but we spent a substantial amount of money in developing space, air defense long-range radars. Those are very, very well appreciated by the customers. The systems have been delivered, and they believe they are of strategic importance to India.

So there is a drive from the customer base, multiple such contracts would have to be executed across India to see that we are protected from the space, pre into vehicles and things like that. Back to back, I expect in the next 1.5 to 2 years' time, substantive business running in a few thousands of crores for such contracts where we have a competency established in terms of electromechanic systems, cooling systems, electronics, software, everything put together the complete radar, we will be the first company to do that in India under development with us, and it is well received by the customer.

We believe some more orders will have. This is a very exciting time for us. And already, there are some inquiries in this area, modified systems, which has already been delivered for applications, which is on air defense. So there is a number of contracts we're expecting out of that, which are not shown in this INR2 billion or whatever INR20 billion we talk about, is expected probably.

Because still no inquiries have not come, so we're not included all of those things. So once and when it happens, and we have a hold of this when the contract comes, we'll announce -- but yes, we think we are looking at a larger business proposition of an addressable market of more than INR40 billion to INR50 billion....

Venkata Subramanian: Yes, INR4,000 crore.

S. Rangarajan: No, it should be around INR40,000 crores to INR50,000 crores is -- see we are trying to address markets with our products. So we're looking at a very large-sized product mix and a lot of complex systems, but that's where the direction of the company is being driven today, a very large growth as we go along if we are successful. But of course, these are all in the future. But yes, the products we're talking about in this has already worked well. So we expect repeat contracts and all of these areas as we go ahead.

We are expecting substantial growth in the coming years based on already executed contracts, new products in development. I don't want to be specific on what products are being developed on an open forum now. But we are very clear which markets we want to address and we want to address it. And then we are developing products for those markets. Even whatever we delivered has got a substantial potential for several thousand crores of additional business going ahead.

Neelotpal Sahu: Got it, sir. If I may squeeze in a small question lastly, what is the capex plan that you have for the next 2 years?

S. Rangarajan: Yes. There is another thing which we are going to spend money. We're spending money on product development. We're also spending a whole lot of capex, maybe INR200 crores plus, we should be able to be spending more than that in the next 2 years' time for infrastructure abilities, we want to build a building in car parks and things like that and also some clean rooms, some integration facility.

And in the large contracts, data -- the volume will come in the future, where we need to set up production as lines and test equipment in process testing to see that the reliability is maintained and delivery schedules are also met the customer requirements are done. So there will be a lot of investments will also happen. We started investments actually. We started the foundation work already in the building.

And some of the infrastructure equipment also placed an order and a lot of the units are coming here. A lot of investments will happen in the next 1 to 2 years' time as we go along because we'll do this in parallel to order expected. So the execution also is kept in mind to do this. We can't do it sequentially. We are doing in parallel. The substantive come, but we more than INR200 crores plus...

Venkata Subramanian: INR150 crores to INR200 crores minimum -- definietly based on the requirements.

S. Rangarajan: Yes, and today, we're also investing a lot of server money because of AI. There are a lot of investments also happening in computer servers, IT infrastructure to support the AI-driven initiatives that the company has taken up very seriously. So these are investments which will be made in the coming year or 2 years.

Moderator: The next question is from the line of Arnabh Bhatt, an individual investor.

Arnabh Bhatt: Sir, I firstly, just wanted to understand there's a question put to you, I think, 1 year or 2 years back around space. And at that point of time, I think they had basically deferred it. But what is your stand now in that area of things? Because I believe that we are seeing sort of some traction in that sector, do we stand the same?

S. Rangarajan: We discuss this in the board meeting yesterday also. Yes, we discuss this. We have a capability to do in different satellites, but we need an order book to do that or on an indication of a contract for us is investing. We have the money. We have the competency to do this.

We have taken money to actually invest in building those satellites. We are actually doing a basic design work, which is doing. But whether it will be commercialized and go ahead, this is depending on our interaction with the government, find out whether the funding will happen and the actual need. There is a need, but that has been postponed because mostly Department of Space addresses this need. And now what happens is a lot of start-ups in the space.

So they are all doing everything free of cost. So they're getting valuations and getting free of cost. They're trying to develop these kind of space systems and satellites. Now we won't -- want to have take that model. We'd like to have an understanding.

We don't mind investing now, but we need to look at the revenue model as you go along and the bottom line business go along. If capability exist, but I'm still unsure about what investments will happen from government. And then based on which we'll take a decision. We are also going to need 3 to 4 months' time to see that we take a decision on how to proceed with this. So that's where we are now. And as and when some clarity happens, I will definitely inform the investors.

Arnabh Bhatt: My second question will be around the acquisition. I mean, I do understand that this is sort of a backward integration for our business. But we won't bring any value to this subsidiary, this business of ours, right? Like we're not capable of material science. How do we plan on grow this company from -- grow that particular pyramid company from here? What is our stance on it? How do you plan to do anything about it on the future?

S. Rangarajan: Contribution to the company doesn't have to come only on technology. Contribution to the company comes from revenue growth, bottom line business, process and -- approval process and validation, reach to customers, okay, addressing new markets. So many things come in, a small companies there isolated, very, very difficult -- it's very difficult for them to address and even access the market space.

And they mostly quote on lowest quote basis and make a lot of loss. This is what maybe happens for most of the SMEs. So you need to graduate from that to see that we have access to markets and we have access to investments. We don't get into cash flow issues and also to see that revenue businesses for new markets also brought in by the larger company.

I believe we are -- we will do that for this company, bring in the larger market audiences, as and we expose themselves from bigger requirements and larger requirements, which scale can happen substantially, bring in the investments necessary, see that we can deliver on the promises made to end customers, whole a lot of other things on our process.

Whatever we developed over many years, the strength of our process, see the mistakes don't happen, the quality consciousness, the clear procedures and inspection systems, what we can do and see that the process is also done passed on. See colonizing homogenizing the whole system. This is where we think we can add value, and we will bring substantial business as we go along to this company. This is our belief. I believe we will do this. It takes a bit of time, but I think we will do that.

Arnabh Bhatt: Just one last suggestion, if you can upgrade....

Moderator: The next question is from the line of Krishang Shah from DAM Capital.

Krishang Shah: So I just wanted to understand one thing that was the development of the Hawk-based radar that you're talking about. As I understand, Astra Microwave is a DcPP partner for it. So I just wanted to understand what are we trying to do there?

S. Rangarajan: Hawk radar is ours. There's no partner.

Krishang Shah: But what I'm trying to say is basically that Astra is already the DcPP partner.

S. Rangarajan: It's not a DcPP partner here. Astra is a DcPP partner for MCA variant, not the Su30 variant as I understand. Maybe they are one part of the antenna being supplied by them and BEL also the second customer, a supplier. So they are developing the products. They have an independent development team from DRDO.

We are doing it in parallel. So that's where it is. So it depends on where we can qualify our products and get a contract or we don't qualify it, and they qualify it and they get a contract. So both of us.

Krishang Shah: Okay. Just to understand from my understanding, sir. So basically, the DRDO is going to be making the software bit and Astra is going to be making the hardware, right? So the integration will be done by DRDO. So just to understand if you are making the Hawk radar, so the software will ultimately have to come from DRDO, if I'm not right -- if I'm not mistaken, right?

S. Rangarajan: It is one option. The other option, we can develop the software and also put it. Software came from third ware country also -- other country also. So it's a full product offering. Air force per se do not mind where it comes from.

They're willing to give us the aircraft platform to try and qualify it. Those processes will have to go through the requirements have to come up. So it is not specific that only this will happen, only that will happen. Market is open. It's up to us to prove that we have the product capable and prove to customers that this makes better sense.

So then we will get a contract. So that is what we are trying to aim, not really go at loggerheads with anybody else, but it's a parallel path which we are designing. And here we develop the full system. Every other part is also developed, not just the antenna, signal processor, the cooling systems, vapor compression machine, everything else. The entire thing, including the radome we're developing so with the other partner company we have.

So a whole lot of stuff we can develop with our end system to take the load off to the end customer and maintain that for the next 20 years. So there are advantages in one or the other. We're trying to see whether we can give an offer an advantage to DRDO to see whether we can work together to build a faster program product meeting end specifications. Can we do that? So this is based on technology, we are trying to push it. Let us see where it goes.

Moderator: The next question is from the line of Abhijeet Singh from Systematix.

Abhijeet Singh: My question is on the naval program. Sir, there has been a lot of capex happening on the naval side. So do we have any plans to increase our share coming from the naval programs? I -- correct me if I'm wrong, but right now, our exposure overall, if you look across the 3 services, I think in terms of naval exposure, we are comparatively lower. You can correct me if I'm wrong there.

But what is our plan going forward in terms of development and production -- participating in production programs for the naval side, given that we have a substantial market, a lot of capex happening on the platforms in Navy.

S. Rangarajan: We hope to work with DRDO on the naval platforms on developing some of -- for example, we are actually doing parts of system. It doesn't directly go to Navy from us. We work with DRDO for their sonar subsystems, the VHF communication links to sonobuoys, all this has been done and that is being procured by Bharat Electronics and others. We're also building some of the products on the airborne systems for the naval applications that's we're doing. We also got a couple of first orders from DRDO for the platform -- radar for naval applications.

2 radars for naval applications, and also going to some multiple as you go along. Similarly, our radars, which has been hardware has been designed and software done by DRDO. Requirements of 30-odd systems for coast guard. We hope that we can win that contract. So on sensors like this, we are doing it.

Now we're also trying to do an outreach to do that on electronic intelligence. We'll do directly with the Navy. So yes, we are going to start dialogue with them and fit an aircraft systems, fit the systems, naval platform. We're going ahead what we can do. We're also talking to Navy in terms of their MiG-29 other aircraft where the jammers and things that they require, we're trying to upgrade the existing jammers within the applications.

There is an advanced stage of accept -- probably be in flight trials very soon. Once it is done, some contracts will happen with then as well as the Air Force with the similar requirements there also. So we're doing a whole lot of stuff in sensors like this. And we are going to see whether there are more opportunities can be created. We have a naval officer in Delhi working with us and his task is to find out in our areas of expertise, can we look at some applications. We have identified a few and we need to pursue on that.

Abhijeet Singh: Right, sir. And lastly, on the order inflow prospects of INR20 billion that you mentioned for the current year, sir, what is the risk of those orders getting delayed? Because those orders would be linked to some of the large projects that we are expecting part of the subsystems that we intend to provide. So what are the risks that you see that those INR20 billion worth of orders within them that they could get delayed to FY '28 or beyond? Given that we already have some kind of delay in the negotiation...

S. Rangarajan: Tenders are already on. We already addressed tenders and given the tenders. That is why I've given myself 9 months to see when contracts can happened. We believe much before this contract should happen.

What we've not projected to you in our pipeline is the tenders which has not happened. So we expect a substantial much larger business. Tenders not happen based on already delivered products. Tenders have not happened. That is why we have not projected it.

The pipeline, we're looking matters the market. That's why I say more than INR40,000 crores to address the market we're looking at and we have products equivalent address those markets. So as and when things come nearer to tendering stage or clarity or order happens, we'll be announce to the market.

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

Bhavya Gandhi: So just wanted to understand what would be the market size or the addressable market for our key products? If you can just help me understand that. And second question was regarding the counter drone business that we are looking at. What could be the total revenue or order wins over the next couple of years? Yes. That's it from my end.

S. Rangarajan: Okay. Investor investing in products, addressable market value of about INR30,000 crores. And based on what we've already developed, repeat contract, we are looking at another INR10,000 crores INR12,000 crores. So looking at addressable market about INR40,000 crores. We have an estimate as to when this will happen, but it's a bit premature for me to talk about it now because it's not come to a stage that I can disclose these things.

But that is the market size, the idea is take the USP and start product development to see that we're scaling from a small company to a large company. And we are actively doing that we're getting differentiated products, which will be world class developed in-house with our money and take it to trials, convince customers that the products are working well, so that their immediate needs are addressed.

So that is the idea with which we took money and we are spending money in this. We are also spending continuous money on our early learnings also. We spent a lot of money on building products for immediate next year kind of customer requirements, so that we get a unique position in this with demonstrations and products, outbuilding specifications that the customer wants.

We continue doing that. The addressable market size is fairly large. And also we're looking at seeing whether we can address new markets outside India, which can be even larger as we go along. So both the civil aviation as well as the defense markets, we want to look at. So we're putting a team together to look at those markets with our competence in engineering, can we address them.

The idea is to build a substantial scale, substantial size as we go ahead from here and grow the business very fast is what we're planning to do. But it has taken us many years to come here. We expect that in the next 1 or 2, 3 years, we should do multiple times what we've done last year is what we are expecting it to happen and the order book size also is much larger order book size gives us a comfort zone of we are investing ahead and going to other areas. We have fairly ambitious targets set for ourselves. And I think we are in the right track going there and meeting those targets.

So with the AI coming in, we're also investing a lot in AI, see the product development and even the process within the organization modernized and modified, so that the technical skill sets are much higher to see that we get products and programs as well as process to address the large markets and accelerated product development delivery. So these are what we are trying to do. So size of the market is very large, and we are trying to build products for that. The second question you asked was on the drone. It's in the beginning stages.

Drones are getting sold. We need to get a number of players in the market. So some of them are talking to us. Let us build a few systems and deliver it and look at performance. And then I'll be able to answer the question on size of drone business, where we are going.

We're trying to again reuse building blocks what we've done earlier, the cost of development has brought down. And also with the size, the numbers are going to build up, need to have a infrastructure of production, but we are also buttressing the production and calibration infrastructure to address the market as and when the contract happens.

We believe that contract will happen several hundred crores. Contracts will happen during the course of this year, but that is not projected as revenue projections, not covered in the INR20 billion because these are new things, inquiries have not come. We believe it will come and we should take business what we think.

But anyway, this is the future. So we can't comment much on it on when exactly it will happen. But we're working towards the product development area and getting customer requirements in these areas.

Bhavya Gandhi: Sir, on the INR40,000 crores addressable market, that would be spread across how many years? That is for any market address.

S. Rangarajan: See, I don't want to say this because I have no control over the market when it will happen. So we will not talk about it at the present. It's suffice to say that we are gearing ourselves up. Products are getting ready. The products are already -- some are ready, already delivered, some are getting ready.

And to get a substantial scale, we need addressable markets. It's very easy to say so much of millions of dollars are being spent by INR2 lakh crores is being spent by India on defense. That means it's not that I can do INR2 lakh crores with them. It's not going to be possible. So we need to have addressable products where with our technology and products, it meets the requirements.

So it gives you a competitive edge we can convert it. So I'm looking at how do we carve out this addressable markets, what products are necessary. So we started a bit back. Not that today I'm starting this, started a bit back with the new technologies and applications coming in. We're trying to adapt the competency and knowledge base to address new markets, which we didn't think was possible 2 years back.

So a lot of things are opening up today. We are very excited today like a start-up to see that we can develop these products for these markets. But this time is a conscious mind that it's a business and we need to end -- not just make the products and satisfied, but also make the bottom line out of it. The earlier days in my life, it's only doing the product was more important than the business. Today I can't.

We are a listed company. We have a Board which is more responsible to do that. So we are mindful of all that, making very clear plans and decisions are to see how to address market and scale this into a larger -- much, much, much larger revenue and bottom line.

Bhavya Gandhi: Got it.

S. Rangarajan: The direction is clear. The direction is clear, commitment is clear, work diligently and honestly. I don't see why we can't get that contract which you want.

Moderator: Ladies and gentlemen, due to time constraints, that was the last question for today. I now hand the conference over to the management for closing comments. Over to you, sir.

S. Rangarajan: Thank you. Thank you. Thanks all of you for joining us in this Q1 conference call, investor call. I'm very happy to answer any of your questions within the restrictions of what I can say. But I've been more than open with most of my interviews with all of you and the questions have been answered much more in depth is what I see.

The only thing I want to give an impression is that, one, we have done substantively different kind of technologies, multidisciplinary technologies in the last 2 to 3 years' time, where we have developed delivered air defense radar involves enormous mechanical capability design, 100% designed by us, over 100 engineers and mechanical designer in the company, we call ourselves electronics engineering company.

So we designed very accurate pedestal positioning, very large platforms, payloads of 140 tons, movement mechanisms for all of them, all designed by the cooling systems. So many things we have done, which to make the system engineering capability, instead of outsourcing everything we have done ourselves here.

So we're building a competency model, not just in electronics, but electromechanical systems and applications and creating infrastructure in terms of people, capability as well as production and test infrastructure to see that we address future markets as we go along. All these products we have done has got substantial requirements going ahead in the next 2 to 3 years' time.

I believe our customers will see us favorably based on the execution, which we have done and the quality and the reliability of the products delivered. I believe that they wi ll come back to us for more such requirements, which is what we're hoping for. And also, we are building the infrastructure to address customer rational that happens to that. This is one portion. Second is we've taken upfront investment in radar and electronic warfare and communication systems, which are all maturing.

And especially the EW is maturing to a very large stage. We go through qualification and flight test. We expect large business to happen after that as long as we meet customer expectations we do. We will make our best attempt to see that and meet and excel if they have customer expectations, world class. And these things are also required for other programs outside India.

So we will also address those markets as we go along, probably another 6 months to 1 year from now. Once the product becomes more visible, we should be able to address the market. So this is another area where we bring substantial growth. The third area now with AI coming in, we're trying to build a whole lot of products and capabilities and fine-tune our products, technology, increase the product capabilities in all these areas and come out with a whole lot of exciting products in the next 1 year or 1.5 years or so to address new markets, which can be also several thousand crores. So India is changing.

The markets are changing worldwide. India is also catching up and changing. Indian entrepreneurs are also ready to get stand up and get counted. The Skyroot is one such organization, they did their our own launch, which is outstanding. So we have a lot of companies.

We've been trying to work with the OEMs, platform suppliers to see whether the sensors we can do together. And so that's another exciting thing which we're trying to do. And we're not waiting for a contract. We're developing products, taking it to trial, go through flight trials, get it ready so that by the time some contracts happen, they are there. And these are required in numbers as you go along because much lower cost of fighter aircraft and this is much lower cost and redundancies things that we made available here.

So market -- the applications are changing. So we want to adapt ourselves to application with a common scientific basis on what we have done and with all the component availability and new technology coming in, with AI coming in. We want to be abreast of all of them to see that we give world-class products very fast. The third area we will be focusing on is exports to see that we get new opportunities, which we never looked at very seriously.

Now we're seriously looking at it because people who have come here from both U.S. and Europe and the U.K. have all found our capabilities good. They found our process very good. So they are inclined to engage us in specific programs. I expect that this will start in the next few months, and it will expand.

And with one success, we should be able to see several success going ahead. And we also put a team to look at markets to see how we can contribute to faster delivery, faster turnaround, world-class subsystems products and so on. And as and when our products become ready, we can also sell it to the Western or the other world to see that we are competitive, reliable and those products can be done. Idea is to build the full systems and take it global as and when possible.

But look at the Indian market, which is very large, address the market, test it here, take it global, see scale can happen. We are very conscious of what we're doing, very determined to do what we are doing. We're very happy with our shareholders supporting us through all with this kind of shareholder support, investor support, we believe the sky is a limit. We can do a whole lot of stuff.

There is nothing we could do this much, with so much money and so much of capability and infrastructure and development capability and process, which we have imbibe making mistakes over so many years, if we can trust on them, build further with the youngsters with a lot of enthusiasm, lot of passion. We should be able to build larger scale, larger products and take it global.

So this is our dream, and we are living a dream right now. We will grow the business very fast is what we believe. Thank you very much for listening to me, listening to us. If you have any further questions, you can write to Go India, and we'll be very pleased to answer all your questions. Thank you once again.

Moderator: Thank you. On behalf of Go India Advisors, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you