

**ASTRA MICROWAVE PRODUCTS LIMITED**

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February 15, 2021

To
The General Manager
Department of Corporate Relations
BSE Limited
Sir Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai -400 001

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: 532493

Scrip code: ASTRAMICRO

Dear sir,

Sub: Conference call transcript.

We are sending herewith Conference call transcript held with analysts on 12th February, 2021.

This information is also uploaded on the website of the Company www.astramp.com.

Thanking you,

Yours faithfully,
For Astra Microwave Products Ltd

T. Anjaneyulu
Dy.G.M - Company Secretary



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“Astra Microwave Products Limited Q3 FY21 Earnings Conference Call”

February 12, 2021

**MANAGEMENT: MR. S. GURUNATHA REDDY - MANAGING
DIRECTOR, ASTRA MICROWAVE PRODUCTS
LIMITED
MR. M V REDDY- JOINT MANAGING DIRECTOR,
ASTRA MICROWAVE PRODUCTS LIMITED**



Moderator: Ladies and Gentlemen good day and welcome to Astra Microwave Products Limited Q3 FY21 Earnings Conference call. We have with us today from the management, Mr. S Gurunatha Reddy- Managing Director and Mr. M V Reddy- Joint Managing Director. As a reminder, all participants' 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 '*' then '0' on your touchtone phone. Please note this conference is being recorded. I now hand the conference over to Mr. S Gurunatha Reddy. Thank you and over to you sir.

S Gurunatha Reddy: Good afternoon Ladies and gentlemen and welcome you all to this Q3 Conference call on financial performance of the company. I wish to inform you the results of operation for the nine months and the quarter ended December were taken on record by the board of directors at their meeting held on 10th of this month. Subsequently, the information was shared with all of you in terms of broad financial numbers. I am sure that you might have received this information along with the invitation for the call. However, I will repeat some of the broad performance details before we move onto the question and answers.

For the quarter ended, we did about Rs. 148 crore of net sales, this is after adjustment of late delivery charges, goods which are billed but not received by the customers by the end of the quarter. I will repeat again, we have done about Rs. 148 crore for the 3 months period and cumulatively it is about Rs. 350 crore, as compared with Rs. 286 crore for the 9 month period ended December 2019. In terms of profitability, earnings before interest and tax for the quarter is about Rs. 10 crore and for the period ended is about Rs. 8 crore as compared with about Rs. 54 crore for the nine months period ended 2019. Profit after tax for the 3 months period is about Rs. 5 crore, whereas for the 9 months we are still in a negative of about Rs. 1 crore or so, as compared with about Rs. 36 crore of profit made in the 9 months of the financial year.

Largely, the profitability is affected because of the product mix achieved by the company during this year. In the overall sales of about Rs. 358 crore, the domestic sales are about Rs. 32 crore, whereas exports is about Rs. 67 crore, as compared with domestic sales of about 65% and exports about 35% in the corresponding period of last year. This mix is the only reason for the change in profitability and this mix is also reflected in terms of the gross margin achieved by the company for the 9 months period, it is about 26% as compared with about 48% in the corresponding period of last year.

Coming to the orders on hand, we have about Rs. 1694 crore worth of orders in hand, out of these about Rs. 933 crore is exports order and the balance is domestic. During the nine months period the company has booked about Rs. 733 crore of orders and within this about Rs. 379 crore is exports and the balance is the domestic one. With these broad financial numbers, I will open this discussion for questions and answers.



- Moderator:** Thank you very much sir. Ladies and gentlemen, we will now begin the question-and-answer session. We have our first question from the line of Anurag Patil from Roha Asset Management Company. Please go ahead.
- Anurag Patil:** Sir can you provide the orderbook breakup in terms of different segments?
- S Gurunatha Reddy:** As I said, out of Rs. 1694 crore, exports is about Rs. 933 crore and the balance about Rs. 761 crore is domestic. Within this Rs. 761 crore, Defense and Defense PSUs is about Rs. 475 crore, Space is about Rs. 198 crore, Hydro mat is about Rs. 82 crore, the others is about Rs. 4 crore. So, that makes up Rs. 1694 crore of orderbook.
- Anurag Patil:** Okay and sir can you provide any guidance in terms of Q4 and FY20 resilience and margin trajectory?
- S Gurunatha Reddy:** Q4 we are likely to do about Rs. 200 crore which will take us close to about or in excess of about Rs. 550 crore for the whole year. The margins at PBT level will be about 4% - 5% of the net sales of the company. Going forward for '21-22, we may do between Rs. 675-700 crore of topline with exports of about Rs. 300 crore and the balance coming from domestic.
- Anurag Patil:** One last question, how is the situation on the receivables side, is there any improvement?
- S Gurunatha Reddy:** There is a slight improvement but still we have to cover some more ground but otherwise as of today, okay we are comfortable.
- Anurag Patil:** And sir in FY22, can we expect any considerable improvement in the margins for us?
- S Gurunatha Reddy:** Sorry I did not hear you?
- Anurag Patil:** FY22 next year, margins any guidance will it be significantly higher compared to this year?
- S Gurunatha Reddy:** Yes, since the mix is going to be more skewed towards domestic sales, we expect an improvement in our margins. Probably the gross margin, gross margin in the sense at pre-tax level. it should be around 10% - 12% but I would like to add that, in the projections given for Rs. 675-700 crore, we have factored about Rs. 75-100 crore of sales from space segment is factored in but as on today we have a hold on execution of those orders. So, we are expecting a clearance to come in by end of Q1, therefore we will be able to execute those orders in Q2 and Q3. With this expectation, we have given the number of Rs. 675-700 crore and also it has a bearing on the margins whatever I shared you between 10% - 12%.
- Moderator:** Thank you sir. We have next question from the line of Kirti Jain from Sundaram Mutual Funds. Please go ahead.
- Kirti Jain:** Sir in the current year what will be the likely domestic export mix sir, roughly?



- S Gurunatha Reddy:** The exports are about 67% and balance is domestic. Probably by year end, it may be around 65% - 35%.
- Kirti Jain:** Okay and in terms of order flow, what is our expectation in the current quarter and for the next year sir?
- S Gurunatha Reddy:** I request M V Reddy to take this call.
- M V Reddy:** In the current quarter we are expecting orders worth Rs. 194 crore and in that Rs. 80 crore for export those orders will come from DPSU but it is basically for that export and the rest all from the Defense sector.
- Kirti Jain:** Okay and for next year any expectation we have drawn up sir?
- M V Reddy:** As on date the projections that we have about Rs. 600-630 crore worth of orders are in pipeline.
- Kirti Jain:** Sir it would be more of domestic sir or export, how would be the mix in?
- M V Reddy:** Out of that, I think only about Rs. 30-40 crore is from exports and the rest all from the domestic.
- Kirti Jain:** Sir despite like next year, relatively a favorable mix like, why margins we are expecting to be at 10% - 12%, like with this kind of thing, mix you have done sometimes better also, any particular reason like we have?
- S Gurunatha Reddy:** See at PBT level of about 10% - 12% and on a topline of about Rs. 675 crore to Rs. 700 crore, it is close to about Rs. 80 crore I do not think this is a small number.
- Kirti Jain:** No, what I meant was like generally we have done Rs. 460 crore in FY20 and we have done Rs. 63 crore of PBT earlier itself and now given the operating leverage is there, some of the cost would be not increasing in that same proportionate of the revenues, sir PBT margins slightly can it be slightly better also like, are we factoring in conservative some in the current numbers or how we should read about it sir?
- S Gurunatha Reddy:** See, in Rs. 675-700 crore, we said about Rs. 300-350 crore is exports, so the mix is going to be different compared to '19-20 number whatever you have mentioned and also now you have taken only the favorable things, even this order booking also, it is very competitive, even the domestic order booking, therefore the margins are slightly got corrected, so it is a conservative number but that is how we would like to stand as of today.
- Kirti Jain:** That is good sir, currently how is our balance sheet, net debt or anything or what is our current position sir in terms of debt and cash flows?



- S Gurunatha Reddy:** We are in a multiple banking environment with 5 bankers. We do not have any issues in terms of availing finance from the bankers as of today.
- Kirti Jain:** Okay so we are net debt free or we have some debt sir as of now?
- S Gurunatha Reddy:** Long-term debt we do not have any long-term debt but otherwise consistently we are a working capital-intensive company, so on an average we borrow about Rs. 100-120 crore to manage the working capital position.
- Kirti Jain:** Sir in this new program when we will get that order sir with regards to the new fighter jets for that Uttam radar sir?
- M V Reddy:** Yes, actually we are now, it is in the trial stage in DRDO and all, like you know we are discussing with DRDO just to have some trial order for this particular business. I think once this gets through, probably we will have production orders for future. It takes time, I think maybe another couple of years.
- Kirti Jain:** Sir, just if you can turn this swindle, when we would be, has to be touching a Rs. 100 crore revenue or a Rs. 100 crore kind of PBT, anything when our company's ambition is to go towards that trend, like Rs. 1000 crore or a Rs. 100 crore PBT, when you will be able to touch, in your view Sir?
- M V Reddy:** See, we are basically targeting few systems like, which are in pipeline and I think once we get these systems through that, I think FY2023 in all possibility probably we may see that four-digit figures' revenue.
- Kirti Jain:** Okay and the three digits in PBT, should be there like Sir, if four digit is there in revenue?
- M V Reddy:** That PBT also should be in comfortable because like what are the systems we are trying to build, all are indigenous make, so I think the profits are also reasonably better as compared to the exports sales.
- Kirti Jain:** Okay, so then we have that working capital limits and everything because as Sir told our business is really working capital intensive, all are tied up sir?
- M V Reddy:** Yes, as of today for whatever the requirement is there, they are tied up.
- Kirti Jain:** Good Sir. When will we come to know about whether we are winning or is it a tender-based order or it is just a nomination and we are the first preferred partner, how is that, in the large order which you have told, will work?
- M V Reddy:** So we are working on various programs, some of them are tender based, some of them are, like we are trying to build up you know, make two category and all.



- Kirti Jain:** No, so you are telling us know, something we are targeting some large new systems and 2023 in all possibilities we can touch Rs. 1000 crore. So what would be the challenge or like what is the possibility of going to that Rs. 1000 crores in three years? What are the challenges, you would say, in getting or not getting the order?
- M V Reddy:** No challenges are, basically we are living in a competitive environment, so I think though we are hopeful of getting at least few programs sort of, you know multiple programs what we are addressing, see unless you win the bid, we will not be sure of like you know, how that background has. So these are all in competition.
- Moderator:** Thank you sir. We have next question from the line of Bhavik Shah from M. K. Ventures. Please go ahead.
- Bhavik Shah:** Sir, can you help me with the split of inventory, like how much is export and how much is domestic and what is the inventory in hand?
- S Gurunatha Reddy:** Inventory on hand, inclusive of work in progress is about Rs. 315 crore. Out of this, the export inventory, WIP and the basic raw material should be around Rs. 200 crore.
- Bhavik Shah:** And Sir, like any CAPEX guidance for FY22?
- S Gurunatha Reddy:** Yes, there is a requirement of about Rs. (+30) crore for meeting the existing operations which we are going to implement in phases throughout the year.
- Bhavik Shah:** So this will be funded by internal accruals or any long term loan should be taken for this CAPEX?
- S Gurunatha Reddy:** We have to go for a little bit of long-term loan, maybe we will go to a bank for a term loan.
- Bhavik Shah:** So the entire thing will be funded by them or the entire thing will be like Rs. 30 crore will be of loan?
- S Gurunatha Reddy:** No, out of Rs. 30 crore probably we may go for about Rs. 15 crore for the bank assistance and the balance maybe through internal accruals.
- Bhavik Shah:** Okay and Sir any specific reason apart from change in mix for the decline in say revenue for FY21, which in Q2 conference call was guided at Rs. 600+ crore but now it is coming around at Rs. 550 crore. So any specific reason apart from change in mix?
- S Gurunatha Reddy:** No, in terms of the guidance we have not changed it. It is only Rs. 550 crore, Rs. 600 crore is the number what we said as far as the order booking for the next year is concerned. So, we are not coming down from the guidance what we have given, the drop in margin is only because of the mix of the sales; exports and domestic.



- Moderator:** Thank you sir. We have next question from the line of Subrata Sarkar from Mount. Intra Finance. Please go ahead.
- Subrata Sarkar:** Sir just a request, if you can elaborate little bit on the new systems which we are working or which we are planning to bid for later on, in the time period?
- M V Reddy:** See we are working for a project called a Shipborne radar and also like we are building that one FXPR for anti-drone system and similarly one more radar we are building up for bird detection system. So these are all radars, specially we are working in the radar domain and we are trying to market to DRDO as well as to the MoD.
- Subrata Sarkar:** Sir any qualitative information regarding like at what stage we are on this development of the system and as per our estimate what are the extra time it will, when it can, there is a possibility to get completed and then we start interacting with them on that.
- MVReddy:** Each project has different days like some of the radars we have already completed about more than 60% to 70% and few radars are in almost 20% to 30% stage, so like that in various stages it is.
- Subrata Sarkar:** Sir just last question on our side, giving this, the change in the defense approvals, different norms like with the advantage of 15% tax rate on the new companies, if you can share any thoughts like are, we thinking of forming a JV or a subsidiary to take advantage of this 15% tax advantage as well as, in a JV there is any possibility of any foreign companies participating?
- S Gurunatha Reddy:** Yes in terms of the 15% tax rate know, it is applicable only to the startups. See I cannot have a subsidiary and eligible for 15% taxation, that is very clear therefore that option is not available to us. In terms of the JVs, we have one JV already with an Israeli company but our experience with JVs is, the profits are very negligible. Very limited scope for the JVs to actually, it all depends you know, it is a very long-term shot where the JVs can establish themselves and start bidding for the Indian programs but depending on the exports to the parent foreign company, the margins are very limited.
- Moderator:** Thank you sir. We have next question from the line of Anurag Mehta from Bluewater. Investments. Please go ahead.
- Anurag Mehta:** Can you tell me what kind of order book is in the pipeline or what kind of tenders is in the pipeline, can you just throw some light on that because we all are eagerly waiting since quite some time for the order book to swell to Rs. 2000 crore to Rs. 3000 crore but it is just not happening since the last three, four years?
- S Gurunatha Reddy:** I do not know how long you are waiting for but already now, we have moved from Rs. 400 crore, Rs. 500 crore to close to about Rs. 2000 crore order book. Anyway, regarding orders in



the pipeline, Mr. M V Reddy has already shared with the members but anyway he will repeat once more.

Anurag Mehta: Yes sorry, I just missed out. I joined the conversation late. Can you please repeat, if possible? Thank you.

M V Reddy: Okay. coming quarters, we are likely to book about Rs. 194 crore, in that Rs. 80 crore basically for again that export, the item which we have been shipping for the export customers, the rest all from the domestic sector. And going forward, for FY22 as on date, we are confident of booking about Rs. 600 crore to Rs. 640, crore as on date.

Anurag Mehta: Okay Sir, so any, so the largest order book is, the largest order in the pipeline may be Uttam radar, right, that will take one to two years?

S Gurunatha Reddy: Yes, that will take about two years' time period.

Anurag Mehta: And are you confident about Uttam or only time will tell?

S Gurunatha Reddy: As on today, we are confident.

Anurag Mehta: Okay and how big is the Uttam order?

S Gurunatha Reddy: It all depends like you know the number of radars that take off, you know it all depends upon the plan, probably I think in the next coming few quarters we will come to know about exact what it is, how many we can roll out and all, all depend.

Anurag Mehta: Roughly what will be the order size, roughly.

S Gurunatha Reddy: Difficult like I just said, it is difficult to tell anything about that order size and as well as the volume, maybe I think you have to wait for another at least one or two quarters.

Anurag Mehta: So, in these one or two quarters, we will get to know the size at least and we are confident of getting the order also.

S Gurunatha Reddy: That is right.

Moderator: Thank you sir. We have next question from the line of Abhishek Kapoor, an investor. Please go ahead.

Abhishek Kapoor: My question is, what is the consolidated debt as of now, by December 2020?

S Gurunatha Reddy: You are asking about the debt is it?

Abhishek Kapoor: Correct sir.



- S Gurunatha Reddy:** We do not have any long-term debt but otherwise in terms of the working capital at the end of the quarter we have about Rs. 130 crore of cash credit and working capital demand loans.
- Abhishek Kapoor:** And what is the interest rate you are paying on that?
- S Gurunatha Reddy:** Working capital demand loans they are charging around 8.5% - 9%, whereas the cash credit carries about 10%.
- Abhishek Kapoor:** 10%, okay and sorry to ask you if I have missed that, our last year December operating margin was 20+%, this quarter it is very minuscule compared to that, not even 10%, what is the main reason sir?
- S Gurunatha Reddy:** See this is only because the exports sales are more in the current nine months period compared to the previous year, which exports generally have a lower margin compared to the domestic sales that is the reason why the overall margins have come down.
- Abhishek Kapoor:** Okay can you give that split also, this quarter exports and domestic versus last year domestic and exports?
- S Gurunatha Reddy:** This quarter wise I do not have it but otherwise in the nine months period, in fact it is mirror image of current year in a reverse way. Last year the domestic is about 65%, exports are about 35%, whereas in the current year it is about 35% domestic and exports is about 65%.
- Abhishek Kapoor:** So, the export orders margins are so low that in the last quarter we went negative and this quarter also it is not up to the mark, despite having that 20% of in this revenues? Is it 1:3, 1:4, something like that?
- S Gurunatha Reddy:** No, exports generally have a gross margin around 8-10%.
- Abhishek Kapoor:** And domestic of gross of 25% is it?
- S Gurunatha Reddy:** Yes, generally is.
- Abhishek Kapoor:** And domestic are based on R&D and export orders are kind of manufacturing, is it...
- S Gurunatha Reddy:** Yes, absolutely in fact the export is basically conversion thing what we do, it is a production what we do, all the designs and bill of material everything is given by the export customer, whereas the domestic is something which is actually designs are developed by us, there are lot of value addition exists in the domestic business.
- Abhishek Kapoor:** Okay and last few years like 2016-17-18 actually the operating margins were always in the range of 25% - 30%, for the last 6 years we are not reaping anywhere, so we are more concentrating on export orders or the domestic are not falling or some competitors are taking, how is the scenario?



- S Gurunatha Reddy:** No doubt competition is coming in the domestic market also but otherwise, the mix of sales is something which has hit margins in the current year but otherwise in '19-20 financial year we are okay, it is comparable with the best years of us in the previous years.
- Abhishek Kapoor:** Last year you can we reached somewhere around 18-20% and this year also anyway, this automobile sector is facing issues on the semiconductor, is it the scenario with us also?
- S Gurunatha Reddy:** I do not know myself about, I will not be able to comment on that.
- Abhishek Kapoor:** No, we also would be using some semi-conductors are we facing any issues in the supplies?
- S Gurunatha Reddy:** No, we do not have any issues, we do not have any issue in getting the raw materials, no issues.
- Abhishek Kapoor:** And the prices also are stable for us in those materials?
- S Gurunatha Reddy:** Pricing of the raw materials?
- Abhishek Kapoor:** Yes, cost of materials and ...
- S Gurunatha Reddy:** Yes, it is there in some cases, it is stabilized in some cases some increases happened, it is a mix of all the scenarios.
- Abhishek Kapoor:** And that reduces our profit margin when we take order and when we execute, it happens like that, if prices of raw materials go up then our margins shrinkage right?
- S Gurunatha Reddy:** Yes, there is some effect of that.
- Moderator:** Thank you we have next question from the line of Prabir Adhikary from Ratnabali Investments. Please go ahead.
- Prabir Adhikary:** I have a couple of questions. First of all, if you can tell me once again the sales mix in quarter 3 and then I have two other questions. What is the orderbook of ARC and when, at what time, at what year we can see its revenue? Then I will ask another question after that?
- S Gurunatha Reddy:** Yes, sales mix for 9 months; exports are about Rs. 243 crore, Space is about Rs. 22 crore, Meteorology is about Rs. 13 crore and Defense is about Rs. 77 crore. That makes it Rs. 358 crore.
- Prabir Adhikary:** Okay and ARC orderbook?
- S Gurunatha Reddy:** ARC orderbook, you want ARC orderbook?
- Prabir Adhikary:** Yes, I want orderbook of ARC.



- S Gurunatha Reddy:** ARC orderbook is about Rs. 693 crore, as of today.
- Prabir Adhikary:** Sir I have another question, whenever you are talking about Uttam, you are talking about systems or you are talking about TRA, when you are saying that I am confident in next 1 or 2 years that can come, so if you can clarify this?
- MV Reddy:** Can you repeat the question?
- Prabir Adhikary:** You just said that you are confident about Uttam that can come in next 1-2 years, so you are talking about systems orders or only TRA?
- MV Reddy:** Right now, what we were talking about only the modules to the Uttam radar and the Uttam that goes for the production we are also one of the contender in taking up the production as complete system.
- Prabir Adhikary:** Okay sir and any update about HPR?
- MV Reddy:** HPR the TEC is going on; I think it may take at least another one year to get finalized.
- Moderator:** Thank you. We have next question from the line of Vaibhav Badjatya from HNI Investments. Please go ahead.
- Vaibhav Badjatya:** While providing FY22 sales guidance of around Rs. 675-700 crore, you have mentioned that you have included Rs. 75 crore which is as of hold as of now, so is this from space sector which order is on hold for Rs. 75 crore or is it from some other sector?
- MV Reddy:** Yes, it is from space sector, as of today it is on hold because of some technical issues and probably we are expecting that clearance from the customer in the first quarter of the next year, if we get it by June, I think we can roll out those sub systems in Q3 and Q4.
- Vaibhav Badjatya:** So, it is due to some technical reasons, there is no funding issue as such from ISRO side?
- MV Reddy:** No, it is technical reason.
- Vaibhav Badjatya:** And sir in the last quarter you said that there are some pressures at ISRO on the budget side and that is why payments are getting delayed from ISRO, is it the situation still, still we are getting delayed payment from ISRO or the situation has improved?
- MV Reddy:** Situation has slightly improved but long outstanding are still there, so I think quarter on quarter it is getting improved, so probably by next in two quarters, I think we should be in a position to get all old dues.



- Vaibhav Badjatya:** Right, and are you seeing any kind of revision of the delivery timeline for our ISRO order into this funding crunch that ISRO is into? Any indication from the customer as some of the orders will have to be delivered later as compared to what was the plan earlier?
- MV Reddy:** Because I just said, these are on hold because of the technical reasons and so hence I think we will be late, get extension to deliver these existing orders without LD, we are confident of getting extension without LD.
- Vaibhav Badjatya:** Right, so I was not talking about this Rs. 75 crore order in particular but other orders that we have from ISRO, are those orders getting delayed due to funding problem at ISRO or they are as of now on time?
- MV Reddy:** Some of them are due to funds issue and the priority wise, like ISRO now have gone for a bigger priority for the satellite, so hence some of them are orders which we got it, are in the low priority. So that probably we get converted to sales in FY2023. So that is the reason, though we have orders worth of Rs. 200 crore as on date, so we are taking only Rs. 75 crore to Rs. 100 crore for the next year execution.
- Moderator:** Thank you sir. We have next question from the line of Dhruv Saraf from Ratnabali Securities. Please go ahead.
- Dhruv Saraf:** I just wanted to understand the order execution timeline for the JV, you all have put an order book of Rs. 700 crore, so what is the timeline in with this to be executable, Sir?
- S Gurunatha Reddy:** I think it is going to take next two calendar years, they are completing their entire execution plan by 2022-2023.
- Dhruv Saraf:** Right Sir. So, you are just about to begin production, right?
- S Gurunatha Reddy:** Yes.
- Moderator:** Thank you sir. We have next question from the line of Bhavik Shah from M. K. Ventures. Please go ahead.
- Bhavik Shah:** Yes, just a follow up question regarding the inventory breakup of Rs. 200 crore of exports, like when will it be converted into sales? Is it in Q4 or will it stretch to next year?
- S Gurunatha Reddy:** See the WIP part, that is work in progress which is close to about Rs. 75 crore, that will be executed in the current quarter whereas the balance will move to the next financial year.
- Bhavik Shah:** Okay and sir, just one more thing to understand, regarding the guidance you have given of Rs. 700 crore, does that include revenue from ARC?



- S Gurunatha Reddy:** No, it does not include, it is our standalone. From ARC I cannot take revenues, I will be taking only the share or profit or loss.
- Moderator:** Thank you sir. We have next question from the line of Kirti Jain from Sundaram Mutual Funds Please go ahead.
- Kirti Jain:** It is not a question Sir, actually it is a suggestion, Sir you guys are doing a very wonderful job, you have scaled up the company and almost tripled the order book. Anything and you are looking for Rs. 1000 crore also. Sir, just I would suggest that you should suggest for an ESOP for your team because your wonderful team has built the organization very nicely, that is my suggestion I am placing in the conference.
- S Gurunatha Reddy:** Okay, we take your suggestion, thank you.
- Moderator:** Thank you. As there are no further questions from the participants, I now like to hand the conference over to the management for closing comments, over to you sir.
- S Gurunatha Reddy:** Thank you. Thank you, ladies and gentlemen, for joining us and having a discussion and look forward to meeting you again at the end of the financial year. Thank you very much.
- Moderator:** Thank you very much. So, ladies and gentlemen, on behalf of Astra Microwave Products Limited, that concludes this conference call. Thank you for joining with us and you may now disconnect your line.