



“Astra Microwave Products Limited Q4 FY-16 Results
Conference Call”

April 30, 2016



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Moderator: Ladies and gentlemen good day and welcome to the Astra Microwave Products Limited Q4 FY16 Results Conference Call. As a reminder, all participant lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference, please signal an operator by pressing ‘*’ and then ‘0’ on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. S. Gurunatha Reddy – CFO and Executive Director at Astra Microwave Products Limited. Thank you and over to you sir.

S. Gurunatha Reddy: Thank you and good morning ladies and gentlemen and welcome you all to this 4th Quarter and Yearend Conference Call. Yesterday, we have taken the results on record, at the Board of Directors meeting and I hope you might have seen the results in today’s newspapers,.However for the information of all concerned, I read out some of the bullet points:

For the 4th Quarter we have done about Rs. 124 crores and for the year ended we have done about Rs. 418 crores of net sales with operating profit of around Rs. 22 crores for the quarter and for the year about Rs. 71 crores with a net profit of about Rs. 19 crores for this quarter and for the year ended is about Rs. 56 crores.

In terms of the order book, at the year end we have about Rs. 538 crores with exports being about Rs. 45 crores and the cumulative order book; that is orders booked in the current year is about Rs. 404 crores.

With this brief introduction, I will open this discussion for questions and answers.

Moderator: Thank you very much. We have the first question from the line of Ranjeet Shivram of Antique Stock Broking. Please go ahead.

Ranjeet Shivram: Just wanted to know, what is your order intake for the full year, sir I just missed on that?

S. Gurunatha Reddy: Full year it is about Rs. 404 crores.

B Malla Reddy: Actually we have another LOI of Rs. 140 crores which we have not included.

Ranjeet Shivram: Okay, so this will get added into our order book in first quarter.

B Malla Reddy: Yes.

Ranjeet Shivram: So this is Rs. 105 crores?

S. Gurunatha Reddy: Rs. 140 crores.



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- Ranjeet Shivram:** And next year I think we have an order intake target of around Rs. 550 crores. Is there any change in that order intake target for FY17?
- S. Gurunatha Reddy:** No, we are in the same line. We are expecting about Rs. 550 crores. Apart from this Rs. 140 crores, whatever we have mentioned, another Rs. 550 crores of orders we are expecting in this year.
- Ranjeet Shivram:** So that will be in addition to those Rs. 140 crores. And we had initially given a revenue target of Rs. 500 crores for FY17 and Rs. 650 crores for FY18, so that stands the same?
- M.V. Reddy:** No, actually this year we are basically we are restricting to Rs. 450 crores the reason being the export order which impact I was mentioning we were hopeful of getting in the last quarter itself. So we had planned some sales in this year but because of the delay in the order that business what we have expected in this year, we will be shifting to the next year. So this year we will have only Rs. 450 crores in sales.
- Ranjeet Shivram:** And in terms of PAT?
- B Malla Reddy:** PAT roughly about Rs. 65 crores we are expecting.
- Ranjeet Shivram:** And for FY18?
- S. Gurunatha Reddy:** FY18 sales will be about Rs. 550 crores.
- B Malla Reddy:** PAT could be Rs. (+80) crores.
- Ranjeet Shivram:** And Sir, just on your balance sheet, when I look here that over this short term loans and advances have sharply come down from Rs. 65 crores to Rs. 20 crores, so what was the reason for that?
- S. Gurunatha Reddy:** You mean in comparison with last year?
- Ranjeet Shivram:** Yes, last year it was Rs. 65 crores.
- S. Gurunatha Reddy:** See, largely the short term loans is the working capital drawings that is open cash credit drawals will be shown under that account. As of current year end, the drawals were almost zero.
- Ranjeet Shivram:** So, and your debtors had gone up by Rs. 65 crores.
- S. Gurunatha Reddy:** See in the last quarter we did about Rs. 125 crores of billing. At least I would say about 90% of that will be shown as outstanding in the books of accounts. So that itself will be close to about



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Rs. 90 crores or Rs. 100 crores kind of thing and the remaining thing is for whatever billing we have done in the current year.

Ranjeet Shivram: Okay, so there is no major risk because of these debtors?

S. Gurunatha Reddy: No.

Ranjeet Shivram: Like we get to hear that for this 'Light combat aircraft' project, the DRDO is planning an AESA radar and we hear that Astra and BEL will be the production agency for that; so can you throw some light on that? How big that opportunity and when can that happen?

M.V. Reddy: Well, it is a basically the total requirement would be around 400 numbers LCA production. So, in that the first phase probably they are planning around close to 100 numbers, so initially we will be doing some 2-2 numbers each; BEL and ASTRA. This is something which is in the discussion stage, it is not finalized yet. So, once we take up this pilot development activity then probably...

B Malla Reddy: Once completing the pilot development, then the production order started to come.

Ranjeet Shivram: So, per aircraft how large this can be?

B Malla Reddy: Well, at this moment we wanted to keep that figure confidential.

Moderator: We have the next question from the line of Pooja Swami of Pan Capital. Please go ahead.

Pooja Swami: Firstly, sir I wanted to know about your R&D expenses in this year.

S. Gurunatha Reddy: R&D expenses, revenue is close to about Rs. 28 crores and the capital expenditure is about Rs. 2 crores.

Pooja Swami: Secondly, sir you were supposed to do some investments in your Radar Testing at Bangalore and some other investments in JV. Have you done with those investments or you are supposed to do those?

S. Gurunatha Reddy: JV investments are yet to happen; whereas R&D facility construction activity that is what is proposed, they have just started and we have already placed contract on test range required for the R&D facility.

Pooja Swami: But the investment from your side is done for this facility?

S. Gurunatha Reddy: No, not yet. The activities have started, just our investments have begun.

B Malla Reddy: Some monies are going.



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- Pooja Swami:** The investment is Rs. 45 crores in the R&D facility?
- S. Gurunatha Reddy:** It is close to Rs. 50 crores; that is what we have projected.
- Pooja Swami:** So any other investments in future you are expecting of this kind, for your capacity expansion or R&D facilities?
- S. Gurunatha Reddy:** Currently for the augmentation of the existing activities we will be spending about Rs. 30 crores.
- Pooja Swami:** And all this will be done through your internal accruals only?
- S. Gurunatha Reddy:** See, we have raised some money in the last year so part of that will be used for this. In case if it is required, probably we may go for a small term loan also.
- Pooja Swami:** And sir, last question for my side – what is the timeline do you expect that our RoE can reach 20% from the present 14-15%?
- S. Gurunatha Reddy:** Maybe about I would say 2 years from now.
- B Malla Reddy:** Our next question is from the line of Megha Hariramani of Pi Square Investments. Please go ahead.
- Megha Hariramani:** My question is on the cash side – as we see there is lot of cash at the end of March that we have on the balance sheet. How do we plan to utilize this for Rs. 85 crores of cash?
- S. Gurunatha Reddy:** See, out of Rs. 85 crores about Rs. 20 crores is related to the various bank guarantees and other things. Therefore, the free cash is about Rs. 65 crores which is the part of the money what we have raised in the last year and this will be used for the expansion plans which are coming up in the current year namely the R&D facility which we are building at Bangalore and small investment into the JVs.
- Megha Hariramani:** Okay and what about the cost of materials, even that has gone down substantially for this year?
- S. Gurunatha Reddy:** It was largely because of the change in the sales mix. See last year the export sales were close to about 60% of our overall sales whereas in the current year the export sales are about 20%. Export sales material content is close to about 85-90%, whereas the domestic sales material content is between 45-50%. So, that change in the sales mix explains the reduction in the raw material consumption.
- Megha Hariramani:** And do we still see that change going forward? Next year also we expect low export orders versus the domestic front?



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- S. Gurunatha Reddy:** Yes, largely for this year and next year majority of the business will be domestic business.
- Moderator:** Thank you. Our next question is from the line of Shubhankar Ojha of SKS Capitals & Research. Please go ahead.
- Shubhankar Ojha:** Just wanted to check for FY17 revenues are at Rs.450 crores, how much of these will be exports?
- S. Gurunatha Reddy:** Exports will be about Rs. 45 crores.
- Shubhankar Ojha:** Also, if you can guide us; there has been lumpiness in our revenue booking. Generally, H1-H2 of FY14 was different and FY15 and FY16 has been different. So FY16 you had a large revenue booking in the H2, how will the FY17 be?
- M.V. Reddy:** Well, the 1st Quarter we are about Rs. 75 crores, the 2nd Quarter would be around Rs. 100 crores and the 3rd Quarter we are about Rs. 150 crores and 4th Quarter we will be around Rs. 125 crores. So, this is how we are planning.
- Shubhankar Ojha:** Great, and sir this export order will get executed in Quarter 1?
- M.V. Reddy:** No, it is in Quarter 2.
- Shubhankar Ojha:** So that quarter margin probably will be a little lower compared to the other quarters.
- S. Gurunatha Reddy:** Yes.
- Shubhankar Ojha:** And also, if you can repeat that you said for your domestic order the RM as a percentage of sales is about 40% to 50% you said that?
- S. Gurunatha Reddy:** Yes, 45% to 50%.
- Shubhankar Ojha:** And for export it is about?
- S. Gurunatha Reddy:** 85% to 90%.
- Moderator:** Thank you. Our next question is from the line of Ashok Shah of ICICI Securities. Please go ahead.
- Ashok Shah:** One of my questions is; are we looking at BEL and BDL were looking at expansion of capacity for 'Akash' missile, anything further on that; are we looking at any orders booking from their side for 'Akash'.



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- M.V. Reddy:** Well yes, for the future orders of 'Akash', we are already there in the subsystems of 'Akash' so we will be expecting those orders; both from radar front from BEL and from the missile front from the BDL. So, is the basically they are expecting the Indian Air Force order maybe in a couple of months' time now. Once they get the order, I think they will be placing these orders on subsystems.
- Ashok Shah:** This is the Rs. 550 crores order that we are expecting in the financial year to come, so anything a part of that is from Akash?
- M.V..Reddy:** We have taken the Air force order; that is what I have mentioned, by March we should be getting that order.
- Ashok Shah:** March of '17.
- M.V. Reddy:** Yes.
- Ashok Shah:** That will be reflected in the '18 numbers.
- M.V. Reddy:** Yes, that is right.
- Moderator:** Thank you. The next question is from the line of Ketan Gandhi of Gandhi Securities. Please go ahead.
- Ketan Gandhi:** Yes Sir. It is regarding JV with Rafael, what happened to that?
- S. Gurunatha Reddy:** Well, we have signed the agreement and the Rafael is now in the process of getting their MoD clearance. Once they get a clearance, we will start our operation and also parallely we will be applying for Industrial license. In the meantime, we have started the marketing activities on for the JV.
- Moderator:** Thank you. Our next question is from the line of Rahul Gajare of Quant Capital. Please go ahead.
- Rahul Gajare:** Just a couple of questions – can you give us some update on what is happening in the Singapore subsidiary? You indicated that the technical team is in place marketing activity has commenced.
- B Malla Reddy:** Marketing activity has commenced, one person has joined and he is trying to identify two or three more engineers at that place but we have not found yet because it is very difficult to find people with our requirements at Singapore. So maybe we have to find elsewhere in the world and get permissions to bring them to Singapore, so that we are in that process. But the main person has joined and business development person also has joined, both of them are there. Business development person presently working from India, the other person is in Singapore.



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- Rahul Gajare:** Sir, second thing is – you were expecting that the precision approach Radar testing will be complete by this month. So can you give us some update on what is happening over there?
- B Malla Reddy:** It is in fine tuning, yes at HAL Airport.
- M.V. Reddy:** It is in fine tuning and the trials would be sometime in the month of June.
- B Malla Reddy:** Yes, AESA trials will be in June.
- Rahul Gajare:** This is the same radar which ...
- B Malla Reddy:** Yes.
- Rahul Gajare:** Okay, second and the last question I have right now is; you were looking at opportunities in the BARAK 8 missile, you know LR-SAM missiles, so any development in that side?
- M.V.Reddy:** Some of the subsystems we have taken into that development, so that development part is going on by the replacement of the import one and then apart from that the seekers which I mentioned in the last conference call, so that program is on. We are developing both X-band as well as KU-band seekers.
- Rahul Gajare:** Just one last question; any update on project Uttam?
- M.V. Reddy:** Well as I mentioned in the first call the development of 1-1 unit we have already started and we are likely to complete in a couple of months' time and then after that we will be getting order for initial quantity for the production. Then subsequently production order will be followed.
- Rahul Gajare:** Sir, I actually wanted to understand how large can this order be?
- MV. Reddy:** Only numbers I can tell you – the total as of now what we got information from sources that it is about 400 numbers, so in that 400 numbers as a first phase they wanted to go for 100 numbers and second phase 300 numbers.
- Moderator:** Thank you. Our next question is from the line of Kamlesh Kotak of Asian Market Securities. Please go ahead.
- Kamlesh Kotak:** Could you help us with the breakup of the order intake and the order book between exports and domestic?
- S.Gurunatha Reddy:** I think you have joined late into the call. Order book outstanding is about Rs. 538 crores as of today, out of that the exports is about Rs. 45 crores. In terms of order book, during the year we have done about Rs. 404 crores, out of that Rs. 59 crores were the export orders.



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- Kamlesh Kotak:** And when you guide for the next year; Rs. 500 crores odd; that also goes to the..
- B Malla Reddy:** We are guiding about Rs. 550 crores, apart from that there is one letter of intent, which is already issued by the customer which we will be getting as an order in the current quarter, which is about Rs. 140 crores.
- Kamlesh Kotak:** So these also are domestic or export Sir?
- S. Gurunatha Reddy:** There is a domestic one, Rs. 140 crores basically it is export only because it is coming from a EOU Center within India, it will be in dollar order, therefore it will be an indirectly an export order.
- Kamlesh Kotak:** This Rs. 140 crores you are saying.
- S. Gurunatha Reddy:** Rs. 140 crores, yes.
- Kamlesh Kotak:** Secondly, any color on this JV which we signed with the Canadian company for broad band; how progress has that been?
- M.V. Reddy:** Well, we have started their marketing activities further and as we have informed them now, we are basically focusing broadcasting and also for the satellite high power amplifier business segment and also medical side we wanted to establish the production for the high power amplifier for MRI, so these are the areas we are targeting. And we are expecting couple of tenders; one is from the broadcasting in couple of months' time, so we are gearing for that and also we are in discussion with the medical equipment manufacture OEMs to set up manufacturing for this high power amplifiers for MRI.
- Kamlesh Kotak:** So sir, any color in terms of the next 2 to 3 years; how much of the revenue would add to come this, Singapore and Rafael's adventure, any color on that?
- B Malla Reddy:** From Canadian and Rafael or you are talking about Singapore and Rafael?
- Kamlesh Kotak:** All three, if we can get some color on that.
- M.V. Reddy:** Yes, from The Canadian joint venture; the business will start from FY18 onwards, next year and we are expecting at least next 5 years we should have at least close to Rs. 300 crores of turnover from this Canadian JV. Similarly, from the Rafael JV also, revenue will start from FY18, if we complete all the formalities in this financial year, so in the next 5 years we have the prospects for about close to, I would say Rs. 1500 crores.
- B Malla Reddy:** Singapore, this year we are expecting about \$500,000 revenue, next year maybe about \$1.5 million.



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- Kamlesh Kotak:** Okay, one last question from my side; can you get some inclination on the new Defense policy has been laid, how that is going to impact our business positively or any other way. I mean, if you can share some thoughts on that?
- M.V.Reddy:** It is a boost to companies like us because this incorporating this ITDM category, which effect Astra will have definitely a weightage over all other Defense equipment companies because Astra is one of the companies where we have strongly in the design and development of these sub systems for which in fact we have been over the last two decades we have been supplying to DRDO, now this provision definitely enables us to, you know, it basically motivates us to take up more and more systems and to address directly to the Ministry of Defense. This a boost to the companies who have already got a development center and they are working in this particular areas.
- Moderator:** Thank you. Our next question is from the line of Ranjeet Shivram of Antique Stock Broking, please go ahead
- Ranjeet Shivram:** Just continuation of the previous with regarding that project Uttam; when do we see this ordering happening, is the most likely possibility, will it be an FY18, FY19 order?
- S. Gurunatha Reddy:** FY17 we should be having a development contract at least minimum 2 numbers; that is what we are expecting and in FY18 should be a pilot production order.
- Ranjeet Shivram:** So that means FY18 we can see an order, formal order intake for this?
- B Malla Reddy:** Yes.
- Ranjeet Shivram:** And regarding that Akash we hear that BEL is also planning this QR-SAM, so in that will we be also production agency for the sub systems and also the QR-SAM?
- M.V. Reddy:** Yes, we already have orders for T/R modules for the QR-SAM radar and for then the missile front, we are planning to develop a seeker on NCNC basis and a proactive development, we have initiated the design and probably we would be able to complete in a one-year timeframe now.
- Ranjeet Shivram:** And the order can likely happen in FY18 for this QR-SAM?
- M.V. Reddy:** Yes, FY18 yes. FY18 definitely I think it should happen.
- Ranjeet Shivram:** And lastly, on our that BrahMos seeker with RCI; so what stage are we and are we completed? When can we get orders for that?



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- M.V. Reddy:** We have initiated as I said the development part and it is going on; that is still in the progress, probably it may take another 10-12 months' time to complete the field evaluation and to approach BrahMos for the orders.
- Ranjeet Shivram:** So probably that can be an order intake in FY18?
- B Malla Reddy:** FY18 or max it go to FY19.
- Ranjeet Shivram:** And any other big programs which we are targeting which I had missed, we have missed out?
- M.V. Reddy:** Well actually, we are apart from these radars and we also targeting this Fixed Doppler head radars and also Pulse pace tracking radars from the missile test ranges wherein the quantities are basically one or two numbers. We are addressing all these radars to consolidate and also to strengthen our system development activity, so that by at least next 2 to 3 year's timeframe now, we should be able to have in-house all skills and to take up much bigger programs from the ministry of Defense. So these are the pilot radar orders which are helping us in getting all skills acquired in to develop these systems.
- Ranjeet Shivram:** So these two radars will be completely done by Astra, there is no..
- B Malla Reddy:** Yes, it is 100% indigenous development by Astra.
- Ranjeet Shivram:** And when will we start supplying this?
- B Malla Reddy:** Well, last year we had one order; you know that in Yes Bank; that is in Fixed Doppler Head radar, that is almost nearing completion which we are supposed to complete by March end but it is going for another two months more for the test and evaluation, so probably by first quarter end, I think we should be able to complete that and few more orders we are expecting in this FY17.
- Moderator:** Thank you. Our next question is from the line of Anil Desai of Premji Invest. Please go ahead.
- Anil Desai:** My question is regarding this clarification on the export order of Rs. 140 crores, you mentioned that the ultimate customer is export or it is like an offset kind of an arrangement?
- M.V. Reddy:** It is export order. Ultimate customer will be that product is going for export, in fact the user will be Indian again, it is basically offset. Yes, it is an offset order, so user is Indian body only. It is going to Israel and then again it is coming back to India.
- Anil Desai:** And when you give a profit guidance for next year and the year after that, you are accounting for the change in margin mix because of this export order, which I am assuming will come at a lower margin that would have been in your domestic order?



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- B Malla Reddy:** Yes, that has been factored in.
- Anil Desai:** Sir, second clarification is in this LCA, this AESA radar orders, now this first phase of 100 aircraft, there are some news articles that some Israeli firm will do the radar because the Indian development is not yet reached a stage where it can be deployed, so is that right or even for the first phase of 100 you would have a fair chance of bidding and getting orders?
- B Malla Reddy:** See, as of now the information is only up to the press but it is not any authenticated but otherwise also there is a good number of requirement is there for that particular program, so even if it first phase of 100 numbers, if it goes also, we will have sufficient quantity to produce and supply.
- Anil Desai:** So, you do not see that as a concern for.
- M.V. Reddy:** No, it should not be a concern for the indigenous development program.
- Anil Desai:** And sir if you can give a sense on the Rs. 400 crores of orders that you got this year, so which are from 2 or 3 large ones that you got or some breakup between defense and non space base?
- M.V. Reddy:** Well most of them are, almost I would say 70% are from the defense, in the sense we got T/R modules for; one is the QR-SAM and other for Uttam, T/R modules and both in C and X band and then also we got orders from ISRO for the space application center, couple of orders for the communication receivers and all and we also received order that is for airborne EW system; that is basically active paced array unit that is from again DRDO), like that we have multiple orders and also we have a pilot order from AWACS Phase-2. Yes, for airbus DRDO is planning to make the proto array, for that we have a pilot order.
- Anil Desai:** Are you the only one there or is that some peer competition?
- B Malla Reddy:** Yes, we will have competition in the production phase; this is only basically for the initial development phase.
- Anil Desai:** And sir finally; one housekeeping question, the employee expenses in this quarter shows quite a bit of increase, so is this into due with manning the Singapore subsidiary or, this seems pretty high on a run rate basis of about Rs. 18 odd crores?
- S. Gurunatha Reddy:** It is due to more than one factor; the first one being that the R&D centre at Bangalore, in the beginning of the year we had about 10 people working, currently we have close to about 45 people working there; that was a significant addition and also there was a change in our performance incentive pay policy, earlier it used to be a lump sum payment, which used to go out as a provision in the books of accounts, now we made it a uniform thing throughout the year. So, these are the two reasons why the manpower cost is slightly higher compared to the previous year.



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- Anil Desai:** So, this Rs. 51 crore which is the full year number, so that should be the new base for the future or there could be some one-off here?
- B Malla Reddy:** That should be the new base.
- Moderator:** Our next question is from the line of Ketan Gandhi of Gandhi Securities. Please go ahead.
- Ketan Gandhi:** Sir can you throw some light on opportunity in Software Defense radio space?
- S. Gurunatha Reddy:** Well, in that basically for that the main purpose of having this JV with Rafael is to address this particular market segment, where Astra does not have expertise into the Software development, so they are into these particular radius, so as you know they participated in Indian Air force tender, so they are likely to get that particular contract, apart from that we are together addressing this Army as well as Navy requirement of SDRs.
- Ketan Gandhi:** So, it means that JV will also do the work for any Indian order which can be get by Rafael?
- B Malla Reddy:** No, not get by Rafael. All these equipments will be manufactured in India and supplied by JV. So, Rafael will not be booking any order for Indian services directly to be supplied by them in future.
- Ketan Gandhi:** So, it will be booked by the JV, so everything will come to the JV for Indian business?
- B Malla Reddy:** Yes.
- Moderator:** Thank you. We will take the next question from the line of Pratik Chheda of CRISIL. Please go ahead.
- Pratik Chheda:** Sir we have heard about this BEL-Thales JV for the production of fire control radar, so do we have any business opportunities for supplying any sub systems to that JV?
- S. Gurunatha Reddy:** Well that is in the initial phase, anyhow we are in discussions with them and probably we may get some opportunity to supply sub systems to them, particular program.
- Pratik Chheda:** And we are also looking at quite a few JVs being formed by the private players, is there any direct competition to Astra as of now?
- S. Gurunatha Reddy:** Competition like you know; in this RF line as of now I have not seen any significant JVs have been formed, number of JVs have formed in addressing various systems that other requirement and directly in our line we have not seen any major JV rather I would say in the recent time.
- Moderator:** Thank you. We will take the next question from the line of Ranjeet Shivram of Antique Stock Broking. Please go ahead.



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- Ranjeet Shivram:** Sir just on this Software Defend Radio, BEL is already indigenously producing and supplying Software Defend Radio and we come to know that even Tata Power SED is having a tie-up with Rockwell Collin, so in that context how will we differentiate ourselves in that?
- B Malla Reddy:** See the total expected business opportunity, the numbers are mind boggling numbers; \$10 billion they are saying, so I do not think any one supplier in India will be able to supply all that, at least 5-6 such suppliers can survive.
- Ranjeet Shivram:** And this will be a huge opportunity in that tactical...
- B Malla Reddy:** Over a long period of time, it is not one year, the opportunity they are talking is very huge opportunity and that is why people are coming and trying to setup shops, so whoever are there in the world with product, readymade product and they will join with somebody in India and then create. There may be 3-4 JVs like this coming up.
- Ranjeet Shivram:** And the major chunk of this opportunity will be from tactical communication system and BMS?
- B Malla Reddy:** Yes.
- Ranjeet Shivram:** So, in that only the people who are in the consortium will be able to capture to that opportunity? For example, BEL is one of the consortiums and Tata Power SED is another consortium, so are we in talks with any of these guys for supply?
- S. Gurunatha Reddy:** Yes, we are in talks with them.
- Ranjeet Shivram:** With which consortium sir, BEL or Tata Power SED sir?
- B Malla Reddy:** It is both.
- Moderator:** Thank you. As there are no further questions from the participants, I now hand the floor back to the management for closing comments.
- S.Gurunatha Reddy:** Thank you gentlemen for your participation and look forward to meet you again at the end of the first quarter, thank you very much.
- Moderator:** Thank you members of the management. Ladies and gentlemen, on behalf of Astra Microwave Products Ltd. that concludes this conference. Thank you for joining us and you may now disconnect your lines.