



**CHAIRMAN'S ADDRESS TO THE MEMBERS OF
ASTRA MICROWAVE PRODUCTS LIMITED**

**at The 31st Annual General Meeting through Video Conferencing/Other Audio
Visual Means
on Monday, the 22nd August, 2022 at 3.00 P.M**

Ladies and Gentlemen,

Welcome to the 31st Annual General Meeting of Astra Microwave Products Ltd., It is a pleasure to connect with all of you again, although virtually. On behalf of Astra Board of Directors, I want to thank you for taking your time out to join us today. Your support and confidence in us, even in uncertain times like these, drive us to look for more ways to do more, and create greater value.

Results of Operations:

The Company could achieve around 25% top line growth for the year with good mix of domestic and export sales. Corresponding growth is also recorded in Profit before and after tax.

The Board of Directors of your Company recommend a final dividend @ 70%(previous year 60%) on the paid up Equity Share Capital of the Company i.e., Rs.1.40 per equity share on face value of Rs.2 each, for the financial year ended 31st March, 2022.

Business Highlights & Business Prospects:

Major product deliveries made during the year are:

- Qualification of Long-Range Radar Sub-Systems completed and executed development contract.
- Delivered Sub-Systems for proto AEW&C Mk-2.
- Delivered 10 No's of X-band DWR to IMD.
- Achieved Export Sales of 344 Cr. for Radar modules.
- Delivered various sub-systems to DRDO & Defence PSUs for Radars and EW Systems.
- Delivered Sub-Systems for Akash and Astra projects.

Major Achievements in Business Development:

Obtained orders in a competitive bid from DRDO labs for development and supply of:

- AAU for Naval Radar and Uttam AESA Radar.
- AESA Seeker Head.
- RF Sub-Systems for Defence Satellite.
- 16 AATRU for LCA Mk 1A ASPJ
- S-band TRMM Spares for AEW&C
- Avalanche Radar
- Tera Hertz Proximity Sensor

Other major business developments during the year are:

Obtained order from HAL for supply of indigenous Converter Amplifier for Su-30 as part of import substitute.

Obtained Orders for Ashlesha modules – CU & AU from BEL-(G)

Booked Export Orders worth 175 Cr.

Received ToT for Coastal Surveillance Radar and CUAS Radar from DRDO.

Cumulative effective of above efforts resulted in booking orders worth Rs.760 crores during the year and overall order book of Rs. 1,551 crores as on 31st March, 2022. This order book is executable in the next 12 to 30 months period.

Outlook for Product Delivery during 2022-23:

Company is expected to supply following systems and critical sub-systems during the year:

- Phased Array Telemetry System & 7.3 mtr Ground Telemetry System to DRDO.
- Radiation Mode Test & Evaluation Facility for Radar EW systems to DRDO.
- Multiple AESA Seeker Heads to various DRDO labs
- ESM modules for multiple programs to BEL-(H)
- Various modules for Aslesha, Rohini & Revathi Radars
- Export of Radar modules to global OEMs

Outlook for Business Development:

We are expecting the following Production Orders during 2022-23:

1. MPR Radar modules for 8 Systems
2. Limited Production of AAAU for AESA Radar
3. LRSAM Radar modules
4. Dual Super heterodyne Tuner (DST) for EW Suite.
5. Revathi, Akash Prime, Swathi Radar Modules
6. ESM modules for Navy EW Programs.
7. Akash Missile Sub-Systems.
8. AEW&C Sub-Systems.
9. AESA Seeker Heads.
10. Supply of various electronics including Radio Altimeter and Telemetry products.

Expansion programs:

The company will continue to look at organic and in organic options to stabilize top line performance as present business is project driven and hence lumpy in nature.

To augment present operations we have budgeted to spend Capital expenditure of about Rs.20 cr which will be funded through internal accruals and term loans.

Joint Venture and Subsidiary Companies:

As you are aware, Astra Rafael joint venture has started its commercial operations during last financial year and is exporting software defined radios to M/s Rafael, Israeli. Presently it has comfortable order book and is expected to turn profitable by the end of FY 2023.

As informed last year, your joint venture Company is one of few Companies selected to develop and demonstrate Software Defined Radios for Indian Army on NCNC basis. This opportunity will open doors for top line growth in the years to come if your Company comes out successful in NCNC trails. Development of these products is progressing well and is scheduled to deliver for evaluations during this calendar year.

I am pleased to share with you that your joint venture company has reached an understanding for technology transfer and support with M/s Rafael, Israel to manufacture and supply Electro Optics products for Indian market. The existing joint venture agreement is suitably amended to facilitate this new business line which is likely to add significant business growth in the years to come.

M/s. Aelius Semiconductor, Singapore, wholly owned subsidiary is engaged in design and development of MMICs. It is doing well on technology front and reported Rs.6.89 cr of revenues for the year.

M/s Bhavyabhanu Electronics, wholly owned subsidiary which was set-up for meeting captive consumption of AMPL has reported Rs.46.72 crores of revenues for the year.

Both the subsidiaries are in good shape and expected to do well in the coming years.

I would like to conclude by saying that your company has delivered excellent performance during the year and the coming years are promising.

(Dr. Avinash Chander)