HSIE Results Daily

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Results Reviews

- **Astra Microwave Products:** AMPL recorded a robust Q2FY27 performance, reflected in the 22% YoY revenue growth to INR 2,628mn, led by healthy execution and the clearance of orders pending in Q1FY27 due to technical design-related customer approvals. EBITDA margin surged to 33.4% (+1110bps YoY) due to superior execution and operating leverage. We expect margin to normalize to 28% in FY27E. The company's standalone order book is at INR 39.4bn, supported by order inflows of INR 20.4bn in Q2FY27. In Jul'26, AMPL bagged a large order worth INR 18.9bn from HAL for AAAU chips, with a delivery timeline of five years. The order enhances order book visibility and provides a steady foundation of revenue growth. The estimated pipeline consists of QRSAM (INR 7.5bn), Su-30 Angad & Su-30 Virupaksa (INR 30bn combined) and regular JV orders (INR 5bn p.a.). We have introduced FY29E estimates and project an 18.6% revenue CAGR, an average EBITDA margin of ~27.5%, and a 22.7% PAT CAGR over FY26-FY29E, driven by a strong order book and increasing revenue visibility. We maintain valuation multiple and raise the TP to INR 1,500 (40x FY29E EPS); however, we retain REDUCE due to the elevated valuation.

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Astra Microwave Products

Robust execution on the back of a strong order book

AMPL recorded a robust Q2FY27 performance, reflected in the 22% YoY revenue growth to INR 2,628mn, led by healthy execution and the clearance of orders pending in Q1FY27 due to technical design-related customer approvals. EBITDA margin surged to 33.4% (+1110bps YoY) due to superior execution and operating leverage. We expect margin to normalize to 28% in FY27E. The company's standalone order book is at INR 39.4bn, supported by order inflows of INR 20.4bn in Q2FY27. In Jul'26, AMPL bagged a large order worth INR 18.9bn from HAL for AAAU chips, with a delivery timeline of five years. The order enhances order book visibility and provides a steady foundation of revenue growth. The estimated pipeline consists of QRSAM (INR 7.5bn), Su-30 Angad & Su-30 Virupaksa (INR 30bn combined) and regular JV orders (INR 5bn p.a.). We have introduced FY29E estimates and project an 18.6% revenue CAGR, an average EBITDA margin of ~27.5%, and a 22.7% PAT CAGR over FY26-FY29E, driven by a strong order book and increasing revenue visibility. We maintain valuation multiple and raise the TP to INR 1,500 (40x FY29E EPS); however, we retain REDUCE due to the elevated valuation.

- **Q2FY27 highlights:** The revenue stood at INR 2,628mn (22% YoY), EBITDA at INR 879mn (84%YoY), and APAT at INR 511mn (114% YoY). Gross margin expanded to ~57% (+600 bps YoY) due to efficient inventory planning. The EBITDA margin surged to 33.4% (+1110bps YoY) due to rapid execution, clearance of previous quarter backlog, and operating leverage.
- **Strong order book:** The order book on a consolidated basis was INR 47.1bn at Q2FY27-end (standalone: INR 39.4bn), led by inflow of INR 20.4bn in the quarter. The standalone order book split stands at production - 82% (INR 32.3bn), development - 8% (INR 2.9bn), export - 4% (INR 1.7bn), and AMC - 6% (INR 2.5bn). The production-heavy order book provides visibility for strong revenue booking and steady margins until FY30. In Jul'26, the company received a prestigious order for 122 AAAU and 121 interface frames for Uttam radar from HAL worth INR 18.9bn, deliverable over five years. Additionally, it received an order worth INR 710mn from BEL for radars. It believes it could receive INR 12bn worth of more orders in FY27.
- **Product development:** The company successfully built a counter drone radar and delivered to DRDO for final integration and trials. This highlights its engineering capabilities and indigenous focus. It has taken up design and development of small and medium range surveillance radars, next generation RF seekers, broadband jammers, ammunition electronics, technology enhanced Doppler weather radar, etc. Many of these are in the advanced stages of development and will move to field trials Q3FY27 onward. These products provide visibility for future order pipeline. We expect the order book to increase to INR 55bn by FY28E on a consolidated basis.
- **Order pipeline increasing revenue visibility:** Major orders in the pipeline are order flows from QRSAM (INR 7.5bn), Su-30 Angad and Su-30 Virupaksa (INR 30bn, together), Shatrughat & Samaghat (INR 1.2bn), electronic mines, and some regular JV orders (INR 5bn p.a.). The company plans to execute a cumulative order book of INR 80-100bn in the next five years, led by estimated order inflows mentioned above. We believe this is realistic, given the strong order book and a healthy pipeline.

Financial Summary

(INR mn)	Q2FY27	Q2FY26	*YoY*	Q1FY27	*QoQ*	FY25	FY26	FY27E	FY28E	FY29E
Net Revenues	2,628	2,146	*22%*	1,767	*49%*	10,512	11,628	13,466	16,067	19,400
EBITDA	879	478	*84%*	331	*166%*	2,690	3,338	3,730	4,451	5,413
APAT	511	239	*114%*	123	*314%*	1,535	1,930	2,375	2,861	3,569
Diluted Consol EPS (INR)	5.3	2.5	*112%*	1.3	*312%*	16.2	20.3	25.0	30.1	37.6
P/E (x)						105.4	83.9	68.1	56.6	45.3
EV/EBITDA						61	49	44	37	30
RoE (%)						14.9%	16.0%	16.7%	17.2%	18.2%

Source: Company, HSIE Research

REDUCE

CMP *(as on 13 Nov 2026)*	**INR 1,704**
Target Price	**INR 1,500**
NIFTY	**25,144**

KEY CHANGES	OLD	NEW
Rating	REDUCE	REDUCE
Price Target	INR 1,280	INR 1,500
EPS Change %	FY27E	FY28E
	-4%	*-6%*

KEY STOCK DATA

Bloomberg code	ASTM IN
No. of Shares (mn)	95
MCap (INR bn) / ($ mn)	162/1,717
6m avg traded value (INR mn)	1,161
52 Week high / low	INR 1,960/836

STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	0.2	53.3	67.8
Relative (%)	(4.3)	43.9	71.2

SHAREHOLDING PATTERN (%)

	Jun-26	Sep-26
Promoters	6.54	6.54
FIs & Local MFs	16.09	16.52
FPIs	10.75	10.48
Public & Others	66.64	66.47
Pledged Shares	-	-

Source: BSE

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Rating Criteria

BUY: >+15% return potential
ADD: +5% to +15% return potential
REDUCE: -10% to +5% return potential
SELL: > 10% Downside return potential

Disclosure:

Analyst	Company Covered	Qualification	Any holding in the stock
Amit Kumar	Astra Microwave Products	CFA	NO
Aryan Singh Dalal	Astra Microwave Products	BCom	NO

Price movement



Disclosure:

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