

January 24, 2025

To,
The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai– 400051

Company Trading Symbol: FROG

Subject: Transcript of interaction with Analysts/Institutional Investors/Funds (Group Meet) – Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

Dear Sir/Madam,

This is in furtherance to our letter dated January 19, 2025 and January 23, 2025, wherein we had given advance intimation and Audio recording, respectively, of the Q3 & 9M FY25 Results Concall (Group Meet) held on Wednesday, January 22, 2025 at 04:00 p.m. IST to discuss the Q3 & 9M FY25 financial results.

Pursuant to Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Transcript of the Q3 & 9M FY25 Results Concall (Group Meet).

The above information will also be made available on the website of the Company at www.frogcellsat.com.

Request to kindly take the same into record.

Thanking You

Yours Faithfully,
For Frog Cellsat Limited

Rajat Sharma
Deputy Company Secretary
& Compliance Officer
M. No. A70274

Encl: as above



Frog Cellsat Limited Earnings Conference Call

Event Date / Time: 22/01/2025, 16:00 Hrs.

Event Duration: 1 hr 19 mins 58 secs

CORPORATE PARTICIPANTS:

Mr. Konark Trivedi
Managing Director

Mr. Umesh Singh
Dy Chief Executive Officer

Mr. Charanjeet Kalra
Chief Financial Officer

Mr. Tushar Pendharker
AVP – Equity Research

Q&A PARTICIPANTS:

- | | |
|--------------------|--------------------------------|
| 1. Rohit Singh | : Nvest Analytics Advisory LLP |
| 2. CA Garvit Goyal | : Nvest Analytics Advisory LLP |
| 3. Tej | : Niveshaay |
| 4. Gunjan | : Niveshaay |
| 5. Ankit Shah | : Individual Investor |
| 6. Thwanil Desai | : Turtle Capital |
| 7. Shreyans Patani | : SG Securities |
| 8. Vignesh Iyer | : Sequent Investments |
| 9. Rohan Patel | : Turtle capital |
| 10. Ankur Kumar | : Alpha Capital |
| 11. Rohit | : Mittal Analytics |
| 12. Vishal Pandiya | : Arrow Capital |
| 13. Vineet | : Individual Investor |
| 14. Santosh Kumar | : Individual Investor |
| 15. Aditya Lutha | : Individual Investor |

Moderator:

Ladies and gentlemen, good day, and welcome to the Frog Cellsat Limited Q3 and 9M FY25 earnings conference call hosted by Ventura Securities Limited. 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 * and then 0 on your touch tone phone.

Please note that this conference is being recorded. Before we begin, I would like to point out that this conference call may contain forward looking statements about the company, which are based on the belief, opinions, and expectations of the company as on date of this call. These statements do not guarantee the future performance of the company, and it may involve risks and uncertainties that are difficult to predict. I would now like to hand over the floor to Tushar from Ventura Securities. Thank you, and over to you, Tushar.

Tushar:

Thank you. Good day, ladies and gentlemen. On behalf of Ventura Securities Limited, I welcome you all to Frog Cellsat Limited Q3 and 9M FY25 earnings conference call. The company is today represented by Mr. Konark Trivedi; Managing Director, Mr. Umesh Singh; Chief Executive Officer, and Mr. Charan Jeet Kalra; Chief Financial Officer of the company. I would now like to hand over the call to Mr. Trivedi for his opening remarks. Thank you and over to you, sir.

Konark Trivedi:

Thank you. Thank you and good morning, everyone. A warm welcome to all of you. I'm delighted to have you join us today as we review the performance of Frog Cellsat for Q3 FY25. As many of you know, that the industry is undergoing rapid growth driven by technological advancements and the increasing demand from seamless connectivity. At Frog Cellsat we are proud to be at the forefront of this transformation, contributing to the evolution of mobile network and ensuring reliable high-quality service for millions of users worldwide. I am pleased to announce that our performance this quarter has been outstanding. We are focused on developing cutting edge solutions, expanding our product portfolio and successfully fulfilling the growing demand for RF equipment and telecom infrastructure.

These efforts have translated into strong financial results reflecting the strength and effectiveness of our strategy. I am excited to share that our total revenue for Q3 FY25 reached an impressive INR 911.5 million representing a remarkable 104% percent YoY growth compared to the same quarter last year. Our EBITDA for the quarter surged by 375.7% to INR 220.2 million, while our PAT grew significantly by 484.9% to INR 152.5 million. This exceptional performance was driven by the successful delivery of our 1 DAS solution for major projects at Noida International Airport, Chhatrapati Shivaji Maharaj Mumbai International Airport, and Navi Mumbai International Airport.

The completion of these high value deployments underscores our capability to efficiently and precisely execute complex projects, further solidifying our leadership in the industry. I'm also excited to share several key developments that are propelling our growth. We are successfully completely -- we have successfully completed the delivery of 1 DAS system for major airports, including Noida International Airport and Chhatrapati Shivaji Maharaj International Airport. We are also preparing to deliver 1 DAS system for Guwahati Airport and upgrade the active DAS system at Lucknow Airport to support 5G coverage.

Our order book remains strong at INR 1050 million as in December 31st, 2024, indicating sustained demand for our telecom solutions. In addition to this, we are further expanding our capabilities with the launch of the new SMT line set to go live by March 2025, allowing us to manufacture products like SSPs, IP cameras and Wi Fi routers under our own brand.

We are also preparing to enter the global active DAS market valued at over USD 1 billion, which has represented a major growth opportunity for us. Looking ahead, we remain confident in our ability to capitalize on new opportunities as the telecommunication industry continues to evolve. Our focus on innovation, scalability and operational excellence will remain at the core of our strategy ensuring that we continue to deliver sustainable value to our stakeholders. We are deeply grateful for the trust and support of our dedicated team, customers, shareholders and partners. Thank you for joining us today and I look forward to addressing any questions you may have.

Moderator:

Thank you, sir. Ladies and gentlemen, we will now begin the question-and-answer session. If you have a question, please press * and 1 on your telephone keypad and wait for your turn to ask a question. If you would like to withdraw your request, you may do so by pressing * and 1 again. Ladies and gentlemen, if you have any question, please press * and 1 on your telephone keypad. First question comes from Rohit Singh from Nvest Analytics Advisory. Please go ahead.

Rohit Singh:

Hi, am I audible, sir?

Konark Trivedi:

Yes, Rohit. Yeah.

Rohit Singh:

Good evening, sir. Congrats for a decent execution this quarter. I want to understand, the near term to medium term visibility. Like, our order book is INR 105 crore, which is slightly higher than our, this quarter revenue. So, can you help me to understand, like, INR 90 crore, we did it this quarter. So, two questions. One is, how much was from the acquisition of the order book that we had at the beginning of the quarter? Secondly, what is driving our non-order book revenue? Like, how sustainable is it in the upcoming quarters, sir?

Konark Trivedi:

So, look, firstly, thanks for the appreciation. Yes. The quarter was really good for us, Q3, and the order book is healthy. But I would like to, you know, again, say that, yeah, while the order book stands at INR 105 crores, in all likelihood, we'll be -- we should be only possibly doing somewhere in the range of INR 50 to 60 crores in this quarter. And then the we are still maintaining the same guidelines, which we have given at the start of the year that we'll be overall doing our revenues for the year at 30% plus growth, the revenues maintaining the EBITDA of 15% plus. So that that's our outlook for the year end, is this what we started with, yes.

Rohit Singh:

Like, sir, I also want to understand, how much, this quarter revenue belongs to the order book that we were having, at the beginning of the quarter, and, how much was from the non-order book revenue?

Konark Trivedi:

What do you mean by non-order book revenue?

Rohit Singh:

Like, is it something like, any recurring revenue that, we get from any stream, which is not reflected in our order book? Or 100% of the revenue is coming from the order book that we had in the beginning of the quarter. That's what I want to -- I want to understand, sir.

Konark Trivedi:

Okay. So, look, so everything comes from the order book only. But this, this is the, the way it works is, you know, we have like, like in December, and we have order book of INR 105 crores. But then order also keeps coming during the quarter. So, what we declare to you is, is what is the order book position at the end of the quarter. But then order, still keeps coming during the quarter. Some of them get served during the quarter itself, and some of them gets carried over. Right? So that, that's how it works. So, to answer your question, in the INR 91 crores, which we did in Q3, see in the start of Q3, our order book was, I think, INR 115 crores. So, it would, it would.

Rohit Singh:

Yeah. It was in [inaudible 0:09:58].

Konark Trivedi:

Yeah. So then to that INR 115 crores, you know, some orders further came during the quarter, which would have increased that order book. And out of that, total, you know, INR 115 plus whatever new additions would have come, we have built INR 91 crores.

Rohit Singh:

Understood. So, what is the visibility for, the order inflow, for this particular quarter? Like, how do you see orders coming and adding up to our order book and then execution, like you mentioned, INR 50 to 60 cores in this quarter. So, what kind of order book do you see at the end of this ongoing quarter?

Konark Trivedi:

Rohit, see. You know, we, we, we are -- if you're, if you're asking about the projections, so look, we -- I've told this earlier also, that in our industry, we should not be actually looking into QoQ. Though, we are giving the results declaring that the results on quarterly, this is the moment can.

Rohit Singh:

I am asking for the order info. The order info.

Konark Trivedi:

Yeah. So, I'm telling you. So as far as market projection guideline is concerned, we should be looking at, not quarterly guidelines, but at the annual guidelines. Right? So, it's like, you know, some quarter might be not so good, some quarter will be good, but overall, we should be achieving the annual, targets, and annual guidelines. This is, this is, how it works. So, if you want to know more about the next financial year, although it is pretty early for us to project, but we are still, aiming for the next year also to achieve thirty percent growth on the closing value of this year.

Rohit Singh:

Got it, sir. And, one last question is on the industry dynamics, sir.

Moderator:

I'm sorry to interrupt sir, can you join back the queue please? Dear participants, I request you to ask only 2 questions in the initial round and join that the queue for more questions. Next question comes from Garvit Goyal from Nvest Analytics Advisory. Please go ahead.

CA Garvit Goyal:

Hello? Am I audible sir?

Konark Trivedi:

Yes, Mr. Goyal. You are.

CA Garvit Goyal:

Sir, my question is with this Starlink gaining popularity in India, maybe, say, in medium town, what impact do you see on mobile operators like Vi and Airtel, along with the demand for our products, like RF detectors, optical DS, interference mitigation systems, like, do you think if Starlink provides me Internet directly, by satellite to user inter -- inter terminal. Why would I need this traditional RF repeaters for optical DS? So please provide help us to understand this.

Konark Trivedi:

Okay. So, Mr. Goyal, this Starlink, or a similar service, satellite service, is primarily designed for serving the areas, which are remote. You know, that's the basic, basic of their business model. Even in, in the developed countries where the Starlink is available today, not, not everyone in, in the city is, is started to use that. It's, it's primarily being used in the remote areas. So Starlink might be new for India market, but it's a, it's an established service in US and, Europe market. It's available, and it's, you know, being used.

Now if, if you look at in the in these geographies, the mobile operators and mobile networks are still working the same way as it was working. While, you know, the Starlink can let, let's say the use case. So, if there is a residence or an office, you put a Starlink, so you can use that Starlink to access Internet at a fixed location. It's, it's not meant like, you know, like a mobile you can carry it on anywhere. It's not a satellite phone. It's, it's still a satellite terminal.

So, it cannot replace your mobile phones. So, let's, let's imagine, you know, you are going for -- to an airport, traveling. At airport, you still need to use your mobile phone. Right? Or if you're traveling in metro, you still need to use your mobile phone. So, it's a these two are addressing different market segments and, not essentially competing with each other.

CA Garvit Goyal:

Thank you, sir.

Moderator:

Thank you. Next question comes from Tej from Niveshaay. Please go ahead.

Tej:

Thank you so much for the opportunity. And am I audible?

Konark Trivedi:

Yes. You are audible. I didn't catch your name. Sorry.

Tej:

Tej.

Konark Trivedi:

Tej. Okay.

Tej:

Yeah. Once again Sorry. congratulations for an in a good set of numbers. So, my first question is, sir, I just wanted to get an understanding, from you. You have a broad sense of the opportunity, the time that which we have for example, what would be the, you know, opportunity for you? What amount of equipment probably will go in? Let's say, one tower -- telecom tower, and let's say one airport would require probably about what value of DAS would go probably into one airport. I know, you know, the size would vary accordingly, the value would also vary.

But if you just can give a broad range of value for of 1 DAS going into an airport and then, you know, what kind of opportunity in terms of how much equipment goes into a one telecom tower.

Konark Trivedi:

Right. So, look, firstly the growth that we are seeing in our business and where our major focus is, is into digital repeaters and active DAS system. So those, those are the active equipment and has less competition, gives better margins. So that's our key area. Now your question, about the DAS. So, at the airport, if you talk about the airport, then airport projects depending on the size of the airport, it can be, you know, done maybe in let's say INR 6 or 7 crores. And can go up to INR 30 crores or, or more. You know, that, that's the basic bracket which airport projects work in, in the Indian scenario.

Tej:

Got it.

Konark Trivedi:

But, could tell you, so far, we were addressing primarily Indian market with our DAS product. Globally, this market stands at, USD 1 billion plus annual revenues. And now our next step after creating these many references in India for ourselves, because the technology was the same way. You know, it's, it's no different, what works in India, it works outside. So now our next step is to take our products global markets, and tap into this USD 1 billion market.

Tej:

Got it. And I'm really sorry. What, what two products did you say [inaudible 0:17:47], you know, the, the most selling on the repeaters and what? Sorry.

Konark Trivedi:

Active DAS.

Tej:

Okay. Got it. And the repeaters are mostly for telecom towers. Right?

Konark Trivedi:

No. So repeaters, and active DAS both works almost the same way. The only difference is the digital repeaters work for a smaller venue. It can be like a small, a small corporate office, or maybe hospital, whereas, DAS system works at large venues like airports or stadiums or, metro's tunnels.

Tej:

Got it. So, in terms of telecom towers, right, how much are of our equipment goes into telecom towers? Because we are serving that market as well. Right?

Konark Trivedi:

Yes. We are serving that as well. So, again, depending on, depending on what all operator wants to buy for that tower, we can supply from let's say, you know, for a tower, we're supplying only jumpers. That jumper makes something like, you know, maybe, INR 10,000 cost for the jumper. But if he's adding to that jumper, let's say, you know, or, asset piece or simply cable, or feeder cable or, you know, lightning arresters and racks. So, then it can go even up to, you know, INR 550 lakhs rupees, for a tower.

Tej:

Right. So currently, I mean, currently, the major portion is jumper. Right? The additional part is still less for us. Right? Please correct me if I'm wrong.

Konark Trivedi:

No, so look. Things, things keep changing. What you are saying, I think the jumper is more, is a picture which was like, two years, three years back.

Tej:

Alright.

Konark Trivedi:

Now, other, other, parts are also growing. And, the portion of the.

Tej:

So, is it right to say that probably your order value probably would from a telecom operator or from other entity would be probably INR 2-3 lakh in the number we are at INR 2-3 lakh per tower right now for you?

Konark Trivedi:

No that's too much of value because, we are not doing that much.

Tej:

Is it one I mean, should we just give a [Inaudible 0:20:06]

Konark Trivedi:

It can be, you can take it, like, you can take it, like INR 25,000-50,000.

Tej:

Got it. And who is a major client in this telecom operator? Or any, any single client who contributed in a major way?

Konark Trivedi:

Look. Airtel has been, you know, our key customer, so far. So, but at a point, they were contributing almost 70% plus revenues, which helps, which is coming down because other, other revenues, resources, or other customers are increasing. So, Airtel and the overall revenue perspective should be still more than 50%.

Tej:

Okay. Okay.

Konark Trivedi:

Then, yeah, other, other customer additions have happened, which are bringing in larger revenues as well.

Tej:

Got it. And, for the current order book, that is about INR 110 crore outstanding. How much would be DAS, and how much would be RF, I mean, telecom equipment's?

Konark Trivedi:

In current order book, I think, the DAS is going to be about, maybe I think, around INR 20 crores.

Tej:

INR 20 crores. And.

Konark Trivedi:

Maybe INR 20-30 crores. Yeah.

Tej:

Got it. And what's our scope of work in DAS? Do we do the installation also or are we just providing the equipment to the operator or maybe, say the system integrator?

Konark Trivedi:

It depends on how the deal is designed. So, we work in all the models where we, you know, in some cases, we supply just the equipment. In some cases, we supply the equipment and do the installation as well. So, it depends on how, how the deal is.

Tej:

So, what's the margin for profile for the DAS projects? Because I believe it's quite high than the telecom equipment which you are using. Right?

Konark Trivedi:

Yeah. So, it's good. It's very decent, which is getting reflected in our numbers of Q3, you know.

Tej:

Any number to it, I mean, about range or something like that?

Konark Trivedi:

Look, you know, I'm, I don't want my customers to get offended with this.

Tej:

Okay, no problem. And since you are saying you are probably also trying to go, go global, global, right? And so, have you -- are we in talk with any user, let's say, airport operator or something? I know. Any, any, any pipeline in terms of DAS, or are we probably building team on that side? What's the focus?

Are we probably going to push DAS more, or still the focus would be telecom and the split will be around same?

Let's say, higher would-be telecom only always. So, I just wanted to get your idea and your view of what you are thinking on their side.

Konark Trivedi:

No. So our key focus is on the DAS and digital repeaters. Then we, we speak about taking global, so these are the products which we are taking global. Yeah.

Tej:

So, I'm I just wanted to get an idea. So, what could be the opportunity for you? You know, a lot of, let's say, airports in different cities are probably coming up. Right? So, do you see, I mean, what number, if you could just what market size do you envisage in let's say the next 2-3 years in the DAS? And then who are the major competitors in this space? And, you know, probably what's our right to win? How, how do you get the customer? I just wanted to get an idea on, you know, more on DAS about how you win the order and what the potential pipeline is in the next 2-3 years.

Konark Trivedi:

Look. The major competition, global competition, there are, there are, you know, total four companies, four, which are which are dominant in the global market. So, one is Comstock. Second one is JMA, JMA Wireless. So, these two are American companies. Then, third one is Solid, which is a Korean company. And, then there is a Chinese company called Comba. So, these four are primarily leading the market, or has, has the largest market share. So, I think out of the total current market share, they are holding almost 90% between them.

Tej:

Okay. So, what's our entry point? I mean, are we providing those services at, let's say, a lower cost, or is it technology? I'm just trying to understand because from one of you, what's, what's an entry point for us. Right?

Konark Trivedi:

Yeah. So, look, for a small considerably small player like us, there, there are two entry points for us. One is, lower cost, and still delivering the good service, with, with pretty large references in place, like Mumbai airport or Noida airport.

Tej:

Got it. And are we manufacturing all components, even the baseband unit or, let's say, the net band units? Are we all probably making it in house, or we are assembling it or, like, probably we are importing it and then just installing?

Konark Trivedi:

No. We, we, we are making and keeping in, locally. Our product is security approved as well. We are part of a government PLI scheme for Making India.

Tej:

Got it. Any replacement demand from this kind of products, whether it, whether it is telecom or DAS, you know, what's the replacement demand for, let's say, 19 hours do I mean, is there any, you know, servicing component which requires replacement every few years or probably months?

Konark Trivedi:

Look. The technology keeps changing, you know, from initially, it was 2G, and then 3G, then, you know, 4G, 5G. You'll see, you'll see every, you know, three years, there is a new tech which is coming in. On and off, this three years is the time. So once the new tech comes, you need to upgrade the system.

Tej:

Got it. And, sir, when you say that government is just a second. Sir, when you say government is preferring the local, you know, players for the telecom equipment for the safety of the country. But if I look at the, I'm just trying to understand, is there any pro probably a list or something, or is there a government, specific scheme which are, you know, supporting the local manufacturer? Because the names you see it, which is holding 90% of the market share are all international peers. Right? So, I'm just trying to get a 90%

Konark Trivedi:

So, this no. So, this 90% market share, I said global market share. Right? Not India market share.

Tej:

Okay. So, what will be the India split? I mean, how much would be the HR market share or the other Indian players, and who are the major Indian players, and what will be the market share of these big players? And that's a global target.

Konark Trivedi:

So, if you see the recent, deals in the last nine months, all the deals that have been closed for active DAS has been, won by us.

Tej:

Okay. Great. So, on the visibility, I mean, although you said, you know, I mean it's not possible probably you to give numbers. But still, on the DAS side, I mean, what, what is the team building? What, what we are looking at? And does SMT line help us to manufacture, you know, more of DAS component in house? Probably we have backward integrated or the SMT line products are all, you know, separate new products or a new entry segment. So, if you just throw some light on that also, please.

Konark Trivedi:

Right. So, look, SMT line per-se is not going to help us with the active DAS solution, because that, that anyway, you know, is already developed product for us. SMT line is meant for a new segment of market, new products, which we are bringing in, like, SFTs, IP cameras, Wi Fi routers. So, these are totally new product, new segment of business, which we are getting into.

Tej:

Got it. And what could be the scale we can achieve, with the CapEx which we are doing, and what's the amount of CapEx, we probably are putting up, and what's the revenue which we can do?

Konark Trivedi:

Look. It's, it's pretty early days for us. But in terms of CapEx value, we are implementing almost, about INR 10 crores CapEx for now in the SMT line.

Tej:

Got it.

Konark Trivedi:

But, so, yeah, we'll have more idea on the market size and everything in the coming months.

Tej:

Got it. And, sir, last question from my side is, are we doing subcontracting for any major Indian players, maybe like Tejas or HFCL or something, other players or any international players?

Konark Trivedi:

No. We are not. We are not. We, we are avoiding doing the contracting jobs, because they are very low margin jobs. So, you are seeing the big players, who are doing contracting jobs there, they are making only 2-4% margins.

Tej:

Got it. Got it. And I mean, at the current so what's the utilization are, are we operating currently. I mean, what shifts are we operating and?

Konark Trivedi:

Yeah. So, look, we, we, we have pretty flexible system. So as and when we need, we operate in shifts, otherwise, we just operate in one shift. So, like, in the last quarter, most of the time, we have been working in two shifts of 12 hours each. And then now, now we, now we are working in the normal shifts.

Tej:

Hello?

Moderator:

Thank you, sir. The next question comes from Gunjan from Niveshaay. Please go ahead.

Gunjan:

Thank you so much for the opportunity to follow-up questions and the previous questions. So, like in the airport, when we deploy that, so what's the timeline on which we get the order? I mean, at what point on the airport construction do we get the orders, and, how is it billed? Because the major portion of your revenue got billed in Q3. So how does the order execution cycle work in that?

Konark Trivedi:

Right. So, look, again, there is no hard and fast, rule in this, when the ordering will happen. Like, you know, okay let, let's take example. So, Lucknow Airport project, we have, when we have received the Lucknow Airport project, it was during the construction phase of the airport. So, the airport was getting constructed, and it was, it's still, you know, for the launch, it was still, almost two and a half years away, when we got there. So, the revenue realization happened quite late from the order receiving aspect.

Whereas, these projects, which are, like, you know, Noida Airport or Navi Mumbai Airport, they are also under construction currently. But when we received their order, they were at pretty advanced stage of construction, whereas the launch is visible, you know, in the coming months. So, both these, Noida and Navi Mumbai are ready for launch, from 1st April. And so there was quite rush, rush for them to get the equipment in time. And we delivered it within December, for both these projects.

Gunjan:

So, don't you pardon?

Konark Trivedi:

[Inaudible 0:31:58] Mumbai airport?

Gunjan:

Yeah.

Konark Trivedi:

Mumbai airport is, is a live airport. So, they again need a system for operate operating 5G there, and upgrading their current DAS. So that, that's, so it, it's totally different. There is no hard and fast too.

Gunjan:

Okay. So, the Lucknow Airport, I put actually you [Inaudible 00:32:22] right now the order book that we have from there is -- that is executable in how much time then?

Konark Trivedi:

Okay. So, see this, this order book, what we have, its again, very difficult to predict for us. You know, out of this order book, how much will get billed at this quarter? Because lot of, subjectivity remains.

And especially in this quarter, you know, our order book execution depends on operator rollout. So, if operator is doing a fast rollout in this quarter, then they will pick up the equipment pretty fast.

But if for some reasons, their rollout is slow and they, you know, they have their, their own reasons, they have their own plan, then they pick up the material slowly. So, you know, you can, you can see that trend from the last few quarters, because every quarter, we do give projection of, how much is the order book. And then give them then you'd see the next quarter how much we are billing it. So, I think you can get a fairly good idea from that as well.

Gunjan:

Got it. So, in the other part of the order book, like, we have around INR 105 crores. So, part of the order book is, dialled the other telecommunication equipment, then how much, what is generally the order execution for that one? On your or how much is it? Generally, in terms of telecommunication, so a large part of our orders is repeaters or jumpers apart from that because that is a very small component as of now. So, the other products would be repeaters and jumpers or accessories. What is it?

Konark Trivedi:

Yeah. So, look, our, you know, we have five product verticals. The first one is digital repeaters. Second one is active DAS. Third one is IBS accessories, which includes, you know, MIMO panel antennas, Omni antennas, splitters, couplers, like that. Then we have network accessories, which includes jumpers, CPRI cable, SSPs, etcetera. And the first one is, small antennas. So, these are the five broad verticals that we have. And, yeah, in this INR 105 crores, each one is contributing to it. As I mentioned, in this INR 105 crores almost like, INR 25-30 crores mostly from the DAS. And yeah, everything must be having contributing, something for that.

Gunjan:

So, the can you approximate me what's the rate normally for your product? How much?

Moderator:

ma'am?

Gunjan:

I'm, can I just ask one more question, please? Then I think I'll be done.

Moderator:

Sorry. Can you join that the queue, ma'am?

Gunjan:

Sorry?

Moderator:

Can you join the queue, ma'am?

Gunjan:

Okay.

Moderator:

Thank you. I request the participants to just stick with 2 questions in the initial round and join back the queue for more questions. Next question comes from Ankit Shah, an individual investor. Please go ahead.

Ankit Shah:

Thank you, ma'am. And, sir, congratulations for a fantastic result.

Konark Trivedi:

Thank you,

Ankit Shah:

Yeah. So, I have a question regarding the sudden increase of EBITDA margin. So, what led to such a high EBITDA margin? And, second question would be if you have any, you know, if you can give some certification of the current existing orders. So, which are the areas and what are the big parties? I mean, what are the big clients, are contributing to those orders?

Konark Trivedi:

Right. So, I get the, for the jump in the EBITDA margin, there's a simple thing. We have done almost, you know, double the revenues, keeping our fixed cost same. Right? So that that is, that is one, one thing which has impacted the margins. So, we, we did we have not added any resources or anything more to achieve these extraordinary revenues. Second is, most of this revenue has come from our active DAS solution. And the active DAS solution is relatively high profit margins business, being, being an active product, and being having low competition in that space. So, these are the two reasons for increased repertoire.

Ankit Shah:

Okay, sir. And any regarding the order book, do we have any, you know, split if you can share?

Konark Trivedi:

Look. We, we don't, usually, you know, get that share etc. So, it's a mix of operators and a mix of DAS customers for us. So, DAS customers, as we keep announcing it all, I need, I need for the DAS projects, our wins. So, there are orders from, Metrotel. There are orders from Airtel, there are orders from L&T. And, so there is a mix of, these customers. But then we have, we have orders for, from Transmedia. We have orders from Adani. We have, and for the operator business, we have orders from, we have orders from, Airtel and Vodafone. So, it's a mix of all these.

Ankit Shah:

Okay. So, any highest dependency on the any of the client? I mean out of this one, not INR 105 crores?

Konark Trivedi:

I think almost 50% of it must be from Airtel.

Ankit Shah:

Okay. Thank you, sir. Best of luck.

Konark Trivedi:

Thanks.

Moderator:

Thank you. Next question comes from Thwanil Desai from Turtle Capital. Please go ahead.

Thwanil Desai:

Hi. Good afternoon, sir. And congratulations on very good set of numbers. So, my first question is on the 1 DAS side. So, you know, I think in the last call, you had indicated that the domestic market, you know, can you, we can consider around INR 400-500 crores, you know, annually, calculating the number of records that are going to come in next 4-5 years. So, even that we are the only domestic manufacturer, how do we look at market share in this market?

That is one. And second, sir, we also think that we would now because we have references in place, we would want to go and explore export markets. But, you know, if I understand correctly, this also requires, you know, servicing, implementation, enhancement, power, etc. So, what's our strategy to go to export market, which are the feed markets, any game plan around export part of this 1 DAS, if you can elaborate on that, that would be useful. That's my first question.

Konark Trivedi:

Right. So, look, yes, domestic DAS market is there. It's increasing by the day, because a lot of upgrades are required. Even at the existing airports, there is an upgrade requirement. So far, you know, 5G was not allowed at airports, but in, in December only last month, government has allowed, having 5G at the airports. So, all the airport DAS systems, even in the existing airports, will need an upgrade to 5G. That a big market. And again, new airports are also coming, so they will also need DAS. New metros are coming, they will need DAS.

So, yes, this is a big market, and, we are focusing on that, and we are more likely to have those wins. As I mentioned, in the last nine months, whatever the DAS projects have come in the market, we have win all of them. So, we hope to continue that even going forward. As far as export is concerned, the way we are modelling ourselves is we are forming collaborations with partners, with system integrators, partners, resellers, globally. Currently, our focus is in Europe and Africa market. So, these two markets, we are taking ourselves. And, we are also participating in key exhibitions in these regions, meeting operators, meeting the players there. So, yes, that that's what our game plan is, and we are on it.

Thwanil Desai:

Got it, sir. And so, second question on the margin side of it, I think, you know, over last few quarters, I think we had earlier started with 14-15% margin expectation. Then I think we brought it down to 12-13%, and in the longer term, that's a 10%, you know, or 3-4 years out. And this year in stocks right that we'll probably you know, we'll mention that we'll end up with 15% margin, so it's much better than what we expected. So, how should we look at this margin piece? You know, is it that, it's a function of is this the 10% of the base margin? And then depending upon how the product profile, you know, pans out in terms of what contributes to growth, the margin will evolve from 10-15% range. That's one.

And second, we are we would say that we are now kind of focusing on digital repeaters and 1 DAS which are inherently better margin profiles. So, does it mean that ten percent is the base and, you know, we can probably do better also if things pan out properly? That is how we should think about it?

Konark Trivedi:

Yes. You were correct. So, it's the, what percentage margin we'll be finally hitting actually depends on what is the mix of products that we are finally able to sell. So, you know, we, in the start of the year, we do make a plan and we do have some visibility that, okay, this is what mix of it we will do. But eventually, the numbers will depend on what actually we will do. Right? So, we usually take average of, okay, this much, this will, this product we will sell or this much this product we will sell. So, yes, so 10% is not of average, but, you know, depending on the product, we can, we can do, you know, 15% plus EBITDA as well.

Thwanil Desai:

Got it, sir. I have more questions, but I'll come back in the queue. Thank you.

Konark Trivedi:

Okay. Thank you.

Moderator:

Thank you. Next question comes from Shreyans Patani from SG Securities. Please go ahead.

Shreyans Patani:

Hi. Good afternoon, sir. So, my questions are on the SMT line. So, we are actually entering, like, a completely new segment. Right? So just trying to understand what the business model would be there. Are we going to, like, be selling our products on, like, marketplaces or, you know, through distributors, and, like, basically, I would think that we would want to build a brand and, you know, not something that is of our primary competence, as such. So just trying to understand that line of business, how you intend to grow.

Konark Trivedi:

Okay. So, look, SMT line, we are setting up for our own in-house manufacturing of these products like SFPs or, IP cameras or, you know, Wi Fi routers or even CCTV cameras. So, because what is happening is, there is a lot of trust on Make in India products. Government is, you know, bring has already brought

a lot of regulations and is bringing a lot of new regulations, with which it will become essential for users to have Make in India product. So, to tell you, you know, this, BharatNet project, which is, happening, it has a need of very high volume of, SFPs.

And because the regulation is in place, they have to be manufactured locally in India. They have to be Make in India product. So, we are eyeing that market in a big way with this new setup. Second is, on the, on the CCTV cameras, there is a big regulation which has come up, whereby, in the CCTV camera, no Chinese ICs will be allowed. And so far, all the big names that you know of with CCTV camera, they all use, Chinese ICs.

And so that is going to see a change from first April. And first from first April, no CCTV camera deployed will be able to use Chinese IC. So, these things are happening and coming. So that this is the opportunity which we are eyeing at, and we are going to address with this. So we are, in the process of partnering with non-Chinese technology partners to bring in the technology from them, but produce, these equipment in India under our brand.

Shreyans Patani:

Got it. Got it. My second question is about the railway's opportunity, the VHF product that we spoke about in the previous call. So what stage, are we at? And I just trying to understand what the opportunity size would be. And is it based on, like, the number of locomotives that are added or, the number of stations or just trying to gauge, you know, what is the dependence for that?

Konark Trivedi:

Right. So, look, railways, improving their systems, and also enhancing their communication network. So that is a big opportunity. Our product is, as you mentioned, it is still under the trial phase. And hopefully, you know, in the new financial year, we'll have some business closure with railways as well on the VHS side. We are already, participated in a couple of tenders and, awaiting the results, for that.

Shreyans Patani:

Got it. Okay. So, and last question is, so for the domestic airport, like the 1 DAS and active DAS systems, so pretty much, how many would be covered by the systems? Like, would it just be like, I know you've mentioned upgrades, but, are there airports which currently do not have that system or do not even need it? Or pretty much most airports, would need a DAS system, you know, in terms of, like, understanding the opportunity side.

Konark Trivedi:

Okay. So, look, depending on this, firstly every, airport will need a DAS system. There is, there is a something called passive DAS, and there is something called active DAS. Now, the smaller airports, like, probably kind of, Jaipur Airport, can be done with a passive DAS system, whereby you don't need our equipment. And, you need some just, you know, some network of, cables and antennas, and you can deploy it. But larger airports or even, you know, midsize airports like Lucknow Airport are, I'll consider the midsize airport. There you need, active DAS system.

And anything over and above that, you need active DAS system for providing coverage to all the mobile users at the airport. So, whether it is Delhi Airport, T1, T2, T3, whatever, then Mumbai Airport, again, T1, T2, T3. So, all the airports need the system. The old airports already have the system, and, but

when the system was deployed, it was already, you know, at least 3-4 years or 5 years' time frame. So, the system needs upgrade from that aspect as well. And plus, essentially, it needs upgrade for the 5G.

Shreyans Patani:

Understood.

Konark Trivedi:

So, you know, when they got deployed, there was no 5G there.

Shreyans Patani:

Got it. Got it. Just one, thing on the metro opportunity. So, basically, what kind of product

Moderator:

I am sorry to interrupt, sir?

Shreyans Patani:

Sorry?

Moderator:

So, can you join back the queue, please?

Shreyans Patani:

Yeah. Sure. Thank you.

Moderator:

Thank you. Next question comes from Vignesh Iyer from Sequent Investments. Please go ahead.

Vignesh Iyer:

Oh, good. Thank you for the opportunity and congratulations on a very strong set of number. I want to understand more on the CapEx side of teams. Right? Firstly, more on how much we have actually spent in the first nine months on this year and how much we are going to spend, in the last three months and what the number would look like in FY26.

Konark Trivedi:

So, Vignesh, on the CapEx front, you know, in the in the nine months, we have spent a nominal amount of CapEx. So, we have got some equipment for this large volume production of active DAS equipment, which was amounting to, I think, in the range of INR 4-5 crores. And now in these three months, the new CapEx, which will be used will be about INR 10 crores, which will be for SMT line. So, this is, so this year CapEx addition total will stand at something like maybe around INR 15 crores.

Vignesh Iyer:

So, this INR 10 crores will be coming up, in this Q4 is what you are saying?

Konark Trivedi:

Yes. It'll be it'll be coming in Q4. Yeah.

Vignesh Iyer:

Okay. And this

Konark Trivedi:

Okay.

Vignesh Iyer:

Sorry. Sorry. Yeah.

Konark Trivedi:

Yeah. Yeah. No. Please go, please go ahead.

Vignesh Iyer:

No. Yeah. So, this INR 10 crores includes, is it a brownfield CapEx or the Greenfield? I mean, do we have land already in place for setting up the SMT facility?

Konark Trivedi:

Yeah. So, Vignesh, you know, when we did IPO in October 2022, the funds raised by us was raised for building the facility in Noida, which, you know, has been built, and we moved in. So, from last 18 months, we are working on that new building, I think. This new building is, has 1.60 lakh square feet of space spread over, six floors. And, so we have a space there, where we'll be setting up the SMT line.

Vignesh Iyer:

Okay. And even after setting up the SMT line, would we still, left with any space in the building or any other?

Konark Trivedi:

Yes. Yes. We will have the space still left for that expansion.

Vignesh Iyer:

Okay. So, coming to this SMT facility, what would be, you know, our asset on this facility? What is the potential turnover that we can reach, like this time for the CapEx?

Konark Trivedi:

Look, it's a bit early, for me to, do the projection now. But as I mentioned to the earlier caller, for next year also, we are looking at about 30% growth from the numbers we'll close this year.

Vignesh Iyer:

And that would include, some numbers coming from SMT. Right?

Konark Trivedi:

Yes.

Vignesh Iyer:

Okay. Got it. Yeah. That's all from my side. And all the best.

Konark Trivedi:

Thank you. Thanks.

Moderator:

Thank you. Next question comes from Rohan Patel from Turtle capital. Please go ahead.

Rohan Patel:

Yes. Thank you for the opportunity. Yes. Can you just give up the breakup of revenue in Q3 between, DAS repeater, network accessories?

Konark Trivedi:

Rohan, sorry, but, you know, we don't, give segmental reporting in these segments. You know, it exposes us in the market to our competitors, and to our customers. So, we avoid giving this breakup.

Rohan Patel:

Okay.

Konark Trivedi:

Sorry.

Rohan Patel:

So, if you can just view about, like, what was the contribution of, you know, three airports, in this DAS? Like, how much did the three-airport project generated as well?

Konark Trivedi:

You see, we have been doing consistent press releases, and, releases on NSE also for every win. If you look back, then I think, then we have given Noida Airport, we mentioned the sales value to be around INR 20 crores something. And for Mumbai Airport, it was around, INR 30 crores. And for Navi Mumbai Airport, it was around, I think around INR 15 crores something. I don't have exact numbers right now in front of me, but I think it was in this range.

So, part of, part of Noida Airport is still to be delivered in terms of services of the material has been delivered, some material is still pending to be delivered, but most of it is being done. And, similarly, for Mumbai also, most of it has been done, but some portion is yet to be delivered.

Rohan Patel:

Okay. And considering that the DAS component as a percentage of our revenue is increased this year, so how much of that DAS component has that service and spares element? Which would be more recurring? Like what would be done?

Konark Trivedi:

Okay. So, look. While, Noida Airport, we are doing the implementation service, for as far as Navi Mumbai and Mumbai is concerned, we are just supplying the equipment. So, we are not doing this service there. The so and if services included the service portion is around 10% of the budget.

Rohan Patel:

Okay. And considering that you if you guide might have evaluated. The things that what kind of airport we have in terms of the passengers as well as the size of the airport. And considering that going forward, the new airports that are going to come as well as the existing airports that would need the upgradation of DAS, what would be the addressable market for this active DAS for us?

Konark Trivedi:

Look. It's again very subjective thing. You know? It's because some airport may decide to upgrade it now. Some airport may not decide to upgrade. So, it's just, it's very subjective. You know? So, I don't want to put a figure and, you know, confuse yourself, by giving a number. You know, in general public domain, we know, you know, in India, there are, almost 30-40 large airports which are there, which will be needing an upgrade for 5G. And in some may need a complete evolving of the system. So, yeah, that's all that I can give you as an indication.

Rohan Patel:

Okay. And considering that the, like, the broad number that you gave around that week in network towers, around, like, INR 25-30 thousand worth of equipment or accessories we provide. Are we planning to increase that share, like bringing more niche technical products?

Konark Trivedi:

Look, frankly on the BTS tower, if you look at it, there are no much technical product in addition to what we are doing currently. So, the only thing that, we can possibly add to it, which is a high value, or slightly higher value is, what you say is a rack, which goes in where the where the equipment gets

installed. So, we are still evaluating on that side, that if we can do medium margin business there for that. It's very complicated. You know, working with any passive item is very complicated because, it's easy to do, and a lot of players are there.

So, our focus, per se will remain with the active market involving active DAS equipment or digital repeaters or interference mitigation or maybe, you know, with products where we can have some ads, like, you know, doing Make in India of SSPs or, IP cameras or CCTVs.

Rohan Patel:

Okay. And, last couple of questions. One is regarding

Moderator:

Sorry to interrupt, sir. Can you join that queue?

Rohan Patel:

Yeah. Sure.

Moderator:

Next question comes from Ankur Kumar from Alpha Capital. Please go ahead.

Ankur Kumar:

Hello, sir. Thank you for taking question, and congrats for a very good execution.

Konark Trivedi:

Thank you. Thank you.

Ankur Kumar:

I wanted to understand regarding your 30% outlook for 30% growth outlook for next year. What gives you the confidence? And is there operating leverage in the business? As in this year, we could do 16-17% EBITDA while your PPT is guiding for 15 plus. Can next year be much improved because of 30% growth, sir?

Konark Trivedi:

Look. We firstly, the 30% growth factor is also coming from the new setup that we are putting in terms of SMT line. That will be, helping us to grow our revenues and margins. And the second is, so we are also seeing some funnel in place, or somehow click on the market for next year, some projects that we are already participating or that we are seeing them as a funnel. So yeah, it's based on that. In terms of EBITDA margin, again -- in terms of EBITDA margin, maybe we'll be aiming at 15% plus, because, now, our focus, the way we want to we are looking at things is we want to do more of active items, where we can have healthier, EBITDA.

Ankur Kumar:

Got it, sir. And, sir, on this INR 105 crores order book, what is the execution time? Can this be done in, like, two quarters?

Konark Trivedi:

Yeah. Two quarters will for sure, it will be done in two quarters, and it's not, this INR 105 crores. You know, we keep getting orders every day. So, this INR 105 crores, was the situation on 31st December. Between then and now also, we would have got some orders. And so, it's our order keeps building up.

Ankur Kumar:

Got it, sir. In terms of disclosure on exchanges, we disclose some orders, but we don't disclose all orders. Is that right, sir?

Konark Trivedi:

Yeah. That's right. So, we have a practice of disclosing large orders, on exchange, which are usually in excess of INR 10 crores value.

Ankur Kumar:

Got it, sir. And, sir, you are saying INR 50-60 crore acquisition in Q4?

Konark Trivedi:

Should be likely. Yeah.

Ankur Kumar:

Got it, sir. Thank you and all the best.

Moderator:

Thank you. Next question comes from Rohit from Mittal Analytics. Please go ahead.

Rohit:

Hi. Thank you for the opportunity. Am I audible?

Konark Trivedi:

Yes, Rohitji. You're audible. Thank you.

Rohit:

Sir, I want to understand, what is the one-time nature of these order, and opportunities in 1 DAS in India, and its competition.

Konark Trivedi:

Okay. So, look, as we mentioned, the opportunities for 1 DAS orders primarily are airports and metros. So, these are the two opportunities which are there. Third, third one, which is a market which has not yet been tapped in India, But, globally, it is a big market for 1 DAS is stadiums and venues, event venues, where there is a large crowd, you know, watching the event together. So, these are the places where if 1 DAS solution goes.

Rohit:

Okay. And, sir, out of these, like, what are the, like, one time nature of order in this? Like, is it repeatable order or a onetime order only? I want to know.

Konark Trivedi:

So, look. It's mostly a onetime order. But typically, the system needs upgrade, as the technology usually is seen, you know, for the last few decades, we are seeing that every three years on an average, technology sees an upgrade. So, from 2G, it goes to 2.5G, then 3G, then 4G, and it's now 5G, and then we are already talking 6G. So, every three years, so there is a technology upgrade, so you need to upgrade the system.

Rohit:

Okay. And then second question is, like, what is the export opportunity in 1 DAS? And, like, when can we see the scale up for this product in exports?

Konark Trivedi:

Right. So, as I mentioned, we are now working in geographies of Europe and Africa market, where we, you know, that's where we first want to focus and get some business from there. Yes. So, we are addressing that market now. And it globally, it's, USD 1 plus billion.

Rohit:

Okay. Thank you so much.

Konark Trivedi:

Thank you.

Moderator:

Thank you. The next person comes from Vishal Pandiya from Arrow Capital. Please go ahead.

Vishal Pandiya:

Yeah. Thank you for the opportunity, sir. Sir, I wanted to ask about the, interference mitigation system. Some couple of quarters back, you mentioned that there were some trial runs that happened with the Mumbai and Pune circle. I'm sorry, I think Delhi or Pune circle and for Reliance and for Airtel. And then we are expecting some big orders on that. So, can you throw some light on that?

Konark Trivedi:

So, Vishal, you know, the decisions are still on, on that. The challenging part is, you know, cost versus budget from that. And, while the need is there, the product needs to be, it's, we need to still bridge the gap between the cost and the expectation of the price, by the customer. So, we are right now trying to find the ways and means on how to bridge that gap. And that the only bottleneck currently on that front.

Vishal Pandiya:

Okay, sir. And can you, also highlight about the TAM of for that particular product, and what will be the margin profile?

Konark Trivedi:

So, margin profile, so if it we usually the high-tech products give us, you know, some somewhere like 20% plus EBITDA. That's what we have looked at. So, we will be working on those kinds of things profile only. But depends on, you know, right now, as I said, you know, the cost and price are the major challenge there. So can't comment where we'll close it, how we'll close it. But let's see. We usually, you know, for active products, we always aim for 20% plus EBITDA.

Vishal Pandiya:

Okay. And, some highlights on the TAM? And what can we be, going forward, what can, it contributes to your total revenues?

Konark Trivedi:

Look. It's, if it happens, and when it happens, it can contribute to an annual revenue of, anywhere like, you know, fifty to seventy crores. Yeah. That's what we are looking at. And, once it happens, then, yeah, we, once it will start, from the ordering, we'll need at least six months' time to deliver it.

Vishal Pandiya:

Okay. Thank you. That's it from my side.

Konark Trivedi:

Thank you. Thanks.

Moderator:

Thank you. The next question comes from Tej from Niveshaay. Please go ahead. I repeat person comes from Tej from Niveshaay. Please go ahead.

Tej:

Hello. Am I audible?

Konark Trivedi:

Yes. Yes.

Moderator:

Sir, you are audible sir, yes. So, there is no response. The next person comes from Vineet, an individual investor. Please go ahead.

Vineet:

Hello, sir?

Konark Trivedi:

Yes.

Vineet:

Like, I was going to the previous phone call also. Right? So, did you mention in the SMT line, can you contribute nearly INR 130 crores revenue to us?

Konark Trivedi:

Look. It can contribute for sure. It can contribute, this and maybe more. It can contribute even more. So, but this is the initial days, you know, that the line is yet to be set. We are bringing in new products. So, I don't comment on the line per se or how much, the revenues we are going to get from that, probably, you know, six months from now will be a better time frame to answer that question. But right now, you know, I, all what I can do is give you a broader outlook on the next financial year.

Vineet:

Okay. So, sir, like, you are saying that, you cannot give as of now the guidance. Right? On the SMT lines, what projections we have needed. So, like, what gave you the confidence of telling this INR 15 crore in the previous call? But I want, I want to understand the target, the market that we are targeting.

Konark Trivedi:

Look, as I mentioned, you know, the products that we are planning to do using this SMT line, SFPs or, IP cameras, CCTV cameras, those have, this, those are very large market segments. And that's the indicative number which, I mentioned.

Vineet:

Okay. And that was annual number. Right? An indicator number, the [inaudible 1:11:40]

Konark Trivedi:

Yeah. Yeah.

Vineet:

Okay. That's it for my side. Thank you.

Konark Trivedi:

Thank you.

Moderator:

Thank you. The next question comes from Santosh Kumar, an individual investor. Please go ahead.

Santosh Kumar:

Thank you. Congratulations on the great numbers. Am I audible? Yeah. I've been here since.

Konark Trivedi:

Yeah. You're audible.

Santosh Kumar:

The past two years. And we'd like to thank you, sir, for your leadership and, fantastic vision throughout all these.

Konark Trivedi:

Thank you for believing in us.

Santosh Kumar:

Very much, sir. Very much, sir. So, I have only a couple of questions. Most of my questions are answered. As you're into telecom products, and there is lot of buzz around, like data centre space in India, do you have any, like, new opportunities, that can serve or cater to this data centre space?

Konark Trivedi:

Look, data, you know, technology growth is happening in all the directions. So even in data centre, there is, there are some changes which are happening. Some new techs are coming. So, yes, we are observing that. Not yet, you know, ready to jump into it, but we are currently observing it. As of now, I feel that we have a lot on our plate to manage. We want to manage that, you know, properly. And, but we are, we are in observation mode on the data centre. So yes.

Santosh Kumar:

Got it, sir. Yeah. I mean, I do understand. You have a lot of your replay right now with the amount of business you're talking to you. So, one last question, sir, as we are in the SME space here in MSC, any plans to migrate to the main board, in the near future?

Konark Trivedi:

Yes. So that is also under consideration. I understand that, from your, listing at SME, within the three years, you on completion of three years, you can move in an automatic mode to main board of MSP and BSE. So, we are considering that our three years will be completed in October, this year. So, yes, so that that is a possibility.

Santosh Kumar:

Got it, sir. Thank you for your time, and, all the best for you.

Konark Trivedi:

Thanks, Santosji.

Moderator:

Thank you. Next welcome comes from Aditya Lutha, an individual investor. Please go ahead.

Aditya Lutha:

Hello?

Konark Trivedi:

Yes. Adityaji.

Aditya Lutha:

Sir, I have few questions on the book keeping side. Yes. Sir, how much of the PLI revenue, are we, we are still having to book it? Or how much have been booked and how much has to be booked?

Konark Trivedi:

Okay. So, for this year, you're talking about year or you're talking about the overall?

Aditya Lutha:

Current financial year, FY25.

Konark Trivedi:

Okay. So current financial year, so far, we have booked, PLI incentive of about, INR 4.4 crores. And, we have a limit, so we, I think we had a limit of about, INR 6.5-7 crores overall. So, yes, we have still, some limits left.

Aditya Lutha:

So that will be booked in next, the coming quarter or next financial year?

Konark Trivedi:

No. See, these limits are yearly based. So, for next financial year, it will be a new limit. So, yeah, this is, going to be, so and so we have a limit whatever, we'll produce as per the guidelines. We'll be able to get the incentive for that. Yeah.

Aditya Lutha:

So next quarter, we'll get around INR 2-2.5 crores?

Konark Trivedi:

Depends on, you know, how much, revenues we generate of the products which are part of PLM.

Aditya Lutha:

Okay. And so how are we planning to steer our company into future, future industry like, data centre or railways? Because in last call also you mentioned, and I know, previous participants have asked a question about it. But still, because this quarter was very good and this this quarter on this EBITDA margin has given us a huge amount of cash also to deploy in in some futuristic sector. So, what are your plans going into next financial year or go going into future regarding these sectors?

Konark Trivedi:

Look. See, we have, we have as I mentioned, we have too much on our plate currently. Firstly, with the success of active DAS System, and we having created so much references now for ourselves, for our product. It makes logical sense to tap into this huge USD 1 billion market globe. So, we need to tap into this market globally because this is the time to do it. Right? So, this is, this is what we are focusing on currently. A lot of energies are going in that side. Second is, now, we are setting up the SMT line and new set of products, we are, digging in, SFPs and IP cameras, CCTV cameras. So, this itself is going to be a big market.

So, again, it requires, a lot of energies to address that also. So, we don't want to, you know, spread ourselves to thin on too many things. So, what you are saying, as I answered in the earlier caller's message also that, yes, data centre market is quite big, and there also a lot of things were changing, like, you know, now GPUs are coming, the even the SFPs or the way servers are connected, there is, going to change. New technologies are coming for that. So, we are closely monitoring that. And, but I think the right time to jump into that will be once we settle down with these two large things we have in our hands.

Aditya Lutha:

Okay sir. So approximate, so we'll spend this amount of cash on these two things only by expanding our sales and marketing and marketing of these products.

Konark Trivedi:

Yes. You're right. By expanding the market for these products.

Aditya Lutha:

Yes. Okay. Thank you. Thank you. And many congratulations on a good set of numbers, sir.

Konark Trivedi:

Yes. Thank you, Adityaji.

Moderator:

Thank you. Now I handover the floor to Mr. Trivedi for closing comments.

Konark Trivedi:

So, thank you everyone for joining the conference call and for your insightful questions. The discussions we have had today have been valuable, and I believe they will help us continue to do our best moving forward. This is a journey, and we look forward to continuing it together. We will be in touch again in next quarter for another discussion. Before we wrap up, I would like to wish you a very happy Republic Day from our team. Take care and stay safe. Jai Hind.

Moderator:

Thank you, sir, Ladies and gentlemen, this concludes your conference call for today. Thank you for your participation. You may now disconnect your lines. Thank you, and have a good day.

Konark Trivedi:

Thank you.

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- Note:** 1. This document has been edited to improve readability
2. Blanks in this transcript represent inaudible or incomprehensible words.