



AFFORDABLE ROBOTIC & AUTOMATION LTD.

Investors and analysts call on 03.07.2021

F. Y . 2020-2021



Strictly Private & Confidential

Our Products



Sr. No.	Product	Description
1.	Industrial Automation	<p>Robotic Welding Automation offerings are Project Management, Supply and Installation of turn-key Robotic Lines, including: Process Study; Ergonomic Study; Layout Preparation; Engineering & Design (Including Material Handling and Bulk Storage System); Assembling; Welding Fixture Manufacturing; Robotic Simulation; Control & Automation; Offline Programming; IOT; Industry 4.0 & Predictive Maintenance Enabled System; Quality & Certification; Training</p>
2.	Multi-level Car Parking	<p>Car Parking Automated Solutions offerings are Stack Parking System (Motorized/Hydraulic); Puzzle Parking System (Over ground/Pit); Tower Parking System / Puzzle Tower Parking System; Mini Rotary Parking System; Horizontal Circulation Parking System; Chess Parking System; AGV Based; Annual Maintenance Contracts (AMC)</p>
3.	Warehousing Automation	<p>Warehousing Solutions offerings are AS/RS; (Automatic Guided Vehicle) AGV; Truck Loading and Unloading Solutions; Order Fulfilment; Conveyor Systems; Carousels and also provides for Robotic Applications for Palletizing De- Palletizing; Stretch-Wrapping; Pick & Place.</p>

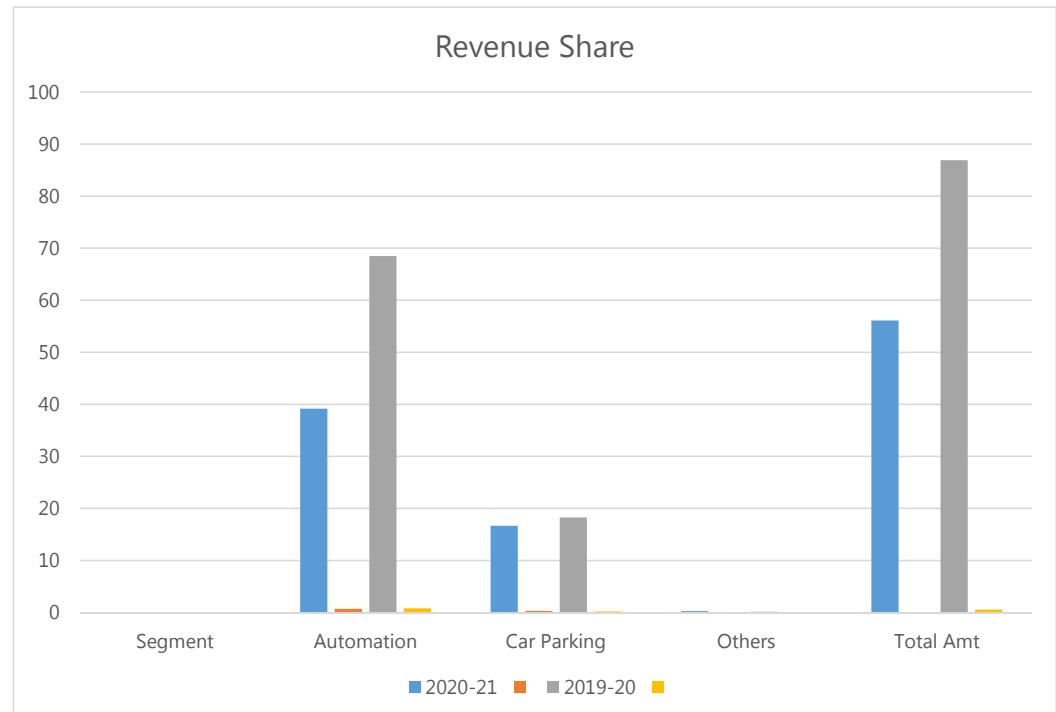
Financials - Revenue



Affordable Robotic & Automation Limited

Details of Revenue

Segment	2020-21		Amt in Crore	
	Amt	%	Amt	%
Automation	39.17	69.8%	68.49	78.8%
Car Parking	16.66	29.7%	18.27	21.0%
Others	0.27	0.5%	0.15	0.2%
Total Amt	56.10		86.91	



Strictly Private & Confidential

Financials - Profitability (Standalone)



Sr. No.	Particulars	Figures in Lakh			
		Mar-21		Mar-20	
		Amt	% of Revenue	Amt	% of Revenue
	Revenue from operations	5,610.42		8,691.64	
	Other Income	17.2		10.41	
A	Total Revenue	5,627.63		8,702.05	
B	Expenses :				
	Cost of materials consumed	3,705.54	65.80%	5,683.52	65.30%
	Employee benefits expense	1,108.52	19.70%	1,323.90	15.20%
	Other Expense	774.28	13.80%	960.76	11.00%
		5,588.35		7,968.18	
C	EBITDA	39.28	0.70%	733.87	8.40%
	Finance costs	222.99	4.00%	170.71	2.00%
	Depreciation & amortization expense	176.44	3.10%	170.93	2.00%
	Extraordinary items			89.05	
	PBT	-360.15	-6.40%	303.18	3.48%
D	Tax Expenses:	-6.82	-0.10%	80.95	0.90%
E	PAT / (Loss)	-353.33	-6.30%	222.23	2.60%

Strictly Private & Confidential

Financials – Balance Sheet (Standalone)



ARAPL
"globalising automation"

Sr. No.	Particulars	Amt in Lakh	
		As on 31.03.2021 (Audited)	As on 31.03.2020 (Audited)
I) EQUITY & LIABILITIES			
1) Shareholder's Funds			
a) Share Capital		1,017.96	1,017.96
b) Reserves & Surplus		3,570.16	3,923.43
c) Money received against share warrants		-	-
2) Share Application Money Pending Allotment		-	-
3) Non Current Liabilities		-	-
a) Long term borrowings		1,102.48	916.83
b) Deferred Tax Liabilities (Net)		-	-
c) Other Long term liabilities		50.20	33.17
d) Long term provisions		-	-
4) Current Liabilities		-	-
a) Short term borrowings		1,400.22	1,410.69
b) Trade payables		2,600.72	3,290.46
c) Other current liabilities		1,256.57	549.90
d) Short term provisions		164.96	312.16
	TOTAL	11,163.27	11,454.59
II) ASSETS			
1) Non Current assets			
a) Fixed Assets			
i) Tangible assets		1,383.29	1,494.42
ii) Intangible assets		22.83	36.09
iii) Capital work-in-progress		1,324.81	1,209.60
iv) Intangible assets under development		-	-
b) Non current Investments		40.69	-
c) Deferred Tax Assets (Net)		7.66	0.84
d) Long term loans and advances		60.53	60.43
e) Other non current assets		-	-
2) Current assets			
a) Current Investments		-	-
b) Inventories		3,475.41	4,124.54
c) Trade receivables		4,215.54	3,897.73
d) Cash & cash equivalents		235.13	172.44
e) Short term Loans & Advances		136.89	166.14
f) Other current assets		260.48	292.36
	TOTAL	11,163.27	11,454.59

Strictly Private & Confidential



Thank you.

Strictly Private & Confidential



AFFORDABLE ROBOTIC & AUTOMATION LTD.

Investors and analysts call on 03.07.2021

F. Y . 2020-2021



Strictly Private & Confidential

Questions from Some Lead Investors



1. Management has mentioned FY22 will be a year of strong growth, what is the basis of this expectation and strategy in place to achieve same.

- We expect a lot of pent up demand to boost up economy in this post covid19 scenario also looking at our order book we expect the current year to surpass all our previous years in terms both topline and bottom line , however we expect there is no further disruptions in market.

2. Management has come out with a ESOP policy for top management, based on 5 years goals for them to be achieved- what kind of goals have been given

- The goals are set keeping in mind, The shareholders interest and customers satisfaction which we believe to be the 2 key pillars to our growth story
- We believe that the top management having been delegated adequate authority and empowerment to accomplish the company set goals. i.e Business Turnover, Cash Flow, Profit Margin and customer satisfaction.
- The target for the employee's will be set every year as per the company goals. The total of 1.5% of present equity has been earmarked for the ESOP Trust.
- Like- wise this, we plan to earmark equity participation to bring in expertise in the form of advisory committee members for our future business.

Questions from Some Lead Investors



3. As mentioned by management they are seeing a 20-30% increase in RM prices, so how is this affecting companies margins and how much of it are we able to pass on to end user. Secondly management has mentioned R&D has helped them save and manage costs, can they throw some light on it.

- Though there is increase in raw material cost, we have been able to mitigate it partly by cost reduction through value engineering and the balance has been partly absorbed by us and rest have been passed on to the customer.
- Our proportion of raw material consumption cost has gone up by 0.5% YOY. Our material consumption would have been lower if there was no steep rise in material cost.
- The new orders for which production was yet to start, we have gone for cost escalation or taken care of escalated cost.
- In Car parking we have standardized designs and processes. We have made modular designs, which has helped reduce the cost.
- In Automation we have strengthened our bought out purchase and reduced the cost.

Questions from Some Lead Investors



4. Currently what are the revenue % from various business segments and margins, going forward what should we expect. Last year providing automated solutions & programs for customers was 80% and car parking 20%. Any new segments added.

- FY 22 we estimate Automation 60%, Private Car parking 20%, Govt. Car parking 20%, Blended Margins would be around 33%.
- FY 23 our projection is Automation 55%, Private Car parking 15%, Govt. Car parking 10%. Blended Margins should be approximately in the range of 35%.

5. Export market opportunities and work we are doing. Like management has told they are focusing on Europe and America, so what kind of numbers should we expect from export market and management plans.

- We have channel partner's sales and service office active in Brazil (South America). We expect to have some traction in this financial year however we have not considered those revenues in our projections.
- We started Our North America Office in Feb 2020, however due to covid19 we suspended our operation in March 2020. We plan to restart this in the year 2023

Questions from Some Lead Investors



6. Current order book

- We have order book of around 66 Cr as of now.

7. Some details on 7 new robots we are planning on warehouse solutions.

- The warehousing market is expected to double in the next 2 years reaching INR 500Bn and the technology is a natural progression for usfurthermore there are very few Indian players in this market
- These are AGV Based robots and turnkey warehouse automation solution for city center and distribution centers. Which will be focusing on retail, fashion, grocery, FMCG, e-commerce in this vertical.

8. How does company aim to monetize from Masterji AI, kind of feedback and traction they are seeing

- We are planning to launch by second half of 2021. And planned to have around 15 lakh subscribers by FY2024. The product is still under development stage and tractions will be visible post launch.

Questions from Some Lead Investors



9. Performance/ developments for our China subsidiary and USA Office development

- We started Our North America Office in Feb 2020, however due to covid19 we suspended our operation in March 2020. We plan to restart this in the year 2023.with current products and mew additions.
- Regarding China, since the start of the pandemic we have stopped operations.

10. Company had mentioned in last Annual report about venturing in packaging solutions for FMCG companies, any development at that end.

- We started working on packaging automation and realized that there is a lot of customization and hence higher product cost. As company focus was more on productization, we decided to divert our resources in more scalable product.

11. Company was also in talks with Dheeyantra to develop NLP specific robot and development from there

- Dhreeyantra labs have developed NLP engines for nine Indian languages. We see a lot of potential in conversational AI, our future robots will have capabilities to chat and talk in various Indian languages. Masterji.AI is conversational bot and is based on Dheeyantra's NLP engines.

Strictly Private & Confidential

Questions from Some Lead Investors



12. Over the years we have seen operating margins coming down, what should we expect?

- In early years we used to do more of design jobs where margins were high, however these were not scalable and future prospects for growth was less
- Over the past four years Research and Development cost has been incurred which has been used to develop various new products. Increase in raw material cost also played a role.
- Competitive environment also played a key role impacting the margins, We have also been more competitive with our prices to help enter wider market segments.

13. Auditor has emphasized about service tax related liability of 1.2 Cr and gratuity provision of 88L not provided, can it be explained

- The liability of service tax is not payable and will be squashed in appeal. As a custom gratuity is not provided in books, being notional amount as well as we are paying to LIC through gratuity to take care of the gratuity.



Thank you.

Strictly Private & Confidential