

# MACFOS LIMITED

Reg. office Add : S. NO. 78/1, Dynamic Logistics Trade Park,  
Sumant Building, Bhosari Alandi Rd, Dighi, Pune, Maharashtra 411015  
CIN- L29309PN2017PLC172718 | GST- 27AALCM3536H1ZA  
🌐: [www.robust.in](http://www.robust.in) ✉: [info@robust.in](mailto:info@robust.in)  
☎: 1800 266 6123 / +91 20 68197600

**Dated: 02/05/2026**

To,  
The General Manager  
DCS-CRD  
(Corporate Relationship Department)  
BSE Ltd.  
Rotunda Building  
P.J. Tower, Dalal Street, Fort  
MUMBAI-400001

BSE SCRIP Code: ROBU | 543787

**Subject: Transcript of post-results Conference Call held on 30.04.2026.**

Pursuant to Regulations 30 and 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Please find enclosed herewith the transcript of the Earnings Conference Call held on 30<sup>th</sup> April 2026 in relation to the financial results for the half year and year ended 31<sup>st</sup> March 2026 (H2 & FY 2025-26).

Kindly take the same on record.

Thanking you.

Yours faithfully,

**For Macfos Limited**

CS DCG(ICSI) SAGAR GULHANE  
COMPANY SECRETARY AND COMPLIANCE OFFICER  
MEM. NO. 67610



“Macfos Limited  
Earnings Conference Call”  
**April 30, 2026**



**MANAGEMENT:** **MR. ATUL DUMBRE – CHAIRMAN AND MANAGING DIRECTOR – MACFOS LIMITED**  
**MR. BINOD PRASAD – WHOLE TIME DIRECTOR AND CHIEF FINANCIAL OFFICER – MACFOS LIMITED**  
**MR. NILESH CHAVHAN – FULL-TIME DIRECTOR – MACFOS LIMITED**

**MODERATOR:** **MR. PRABAL MAHESHWARI -- HEM SECURITIES LIMITED**

**Moderator:** Ladies and gentlemen, good day and welcome to the Macfos Limited Earnings Conference Call hosted by Hem 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 ‘\*’ then ‘0’ on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Prabal Maheshwari from Hem Securities Limited. Thank you and over to you, sir.

**Prabal Maheshwari:** Thank you, Danish. Very good afternoon, ladies and gentlemen. Thank you for joining Macfos Limited Q4 and full year ended 31st March 2026 earnings call. Joining us on the call today from the management team are: Mr. Atul Dumbre, Chairman and Managing Director; Mr. Binod Prasad, Whole-Time Director and CFO; and Mr. Nilesh Kumar, Whole-Time Director of Macfos Limited.

We will now commence the call with the opening thoughts from the management, post which we will open the forum for the Q&A session where the management will be glad to respond to any queries that you may have.

Before we move to the main call, I would like to read the standard disclaimer. There may be forward-looking statements about the company and its subsidiaries, which are based on the belief, opinion and expectation of the company's management as on the date of this call. The company does not assume any obligation to update these forward-looking statements if those belief, opinion, expectation or other circumstances changes. These statements are not just guarantees of future performance and involve risk and uncertainties that are difficult to predict. Consequently, listeners should not place any undue reliance on such forward-looking statements.

With this, I hand over the call to Mr. Atul Dumbre, Chairman and Managing Director of Macfos Limited to take it forward. Over to you, sir.

**Atul Dumbre:** Thank you. Dear shareholders, we are pleased to share our business progress and financial performance for financial year 25-26. This year reflects the steady and focused efforts made across all areas of the organization. During this year, we have achieved a revenue of roughly INR312 crores with EBITDA margin of INR39 crores and profit after tax of INR25.65 crores.

For a fair comparison, we have excluded one-time bulk sales of roughly INR71 crores which was done in H1 of financial year 24-25. On a like-to-like basis, this represents a strong year-on-year growth of roughly 67% in revenue, 103% in EBITDA, and 105% in PAT. These results reinforce our confidence in the strength of our business fundamentals and our execution.

With the completion of this financial year, we mark three years as a listed entity. We are proud to have sustained our growth trajectory, despite global uncertainties. This reflects the resilience of our business model. We would also like to thank you for keeping faith in Robu.in and trust me, this is just the start. We have a long way to go together.

We believe that the market opportunity remains strong. The key challenge lies in building capability to effectively capture and serve this demand. Accordingly, we continue to invest in strengthening our capabilities, which are enhancing our customer support experience, expanding our product portfolio, upgrading our IT systems, and improving our fulfillment infrastructure.

Demand for our products remains robust. We are witnessing increased traction from corporate customers along with encouraging repeat purchases from existing users. This growing trust in Robu reinforces our confidence in the sustainability of our growth. Our expanding product portfolio, competitive pricing, and reliable customer support continue to be key drivers.

Additionally, our participation in domestic exhibitions has helped improve brand visibility and enhance more organic, cost-effective marketing. Our key business indicators, including website and app traffic, order volumes, average order value and customer retention continue to show positive trends.

Our business is built around two strategic focus areas, which are Robu 1.0 and Robu 2.0. For those of you who are new here, Robu 1.0 is our electronics distribution business, while Robu 2.0 focuses on developing our own products.

Now let's talk about them one by one. Robu 1.0 is our core distribution business and it remains the backbone of our company. We are focused on delivering quality technology products at competitive pricing, supported by quick deliveries and dependable customer service. We continue to work closely with suppliers and invest in systems to improve procurement efficiency and reduce delivery timelines while steadily expanding our product portfolio to strengthen Robu as a one-stop platform.

Robu 2.0 is focusing on developing our own products, particularly in drone segment. Over the past two years, it has gained strong momentum while increasing acceptance of our in-house solutions. These capabilities have enabled us to undertake customized development projects, including engagements with government and defense organizations.

Additionally, we have launched key drone-related products under our proprietary brand, SmartElex. We sincerely thank you for your continued trust and support. It inspires us to keep improving, innovating, and building a stronger and future-ready Robu.

Apart from the regular updates, I would like to clarify some data mismatch in the updated presentation. So first one is total order served in financial year '25/'26, H2, that is second half of the year. In the presentation, the number is 3 lakh. This was a typo mistake; actual number is 2,67,126.

Second is, total unique visitors data which is on our website and app. So up till last year, that is financial year 24-25, we would download the data from our system, let's say for quarter one, then for quarter two, then for quarter three, and then for quarter four, and add that data up to give an annual unique visitors on our website.

This year, we have changed the methodology and downloaded data from first quarter to last quarter, that is first day of financial year to last day of financial year in one go from our systems

and reflected that data in the presentation. However, this has created a mismatch with quarterly data of financial year '25 and '26. I will just explain how this has happened.

So if you download, let's say quarter one data and it reflects that we have 1 lakh unique customers, and then you download quarter two data and it says that we have 1 lakh unique customers. But let's say 20,000 customers which visited us in quarter one also visited us in quarter two, so they are common in both the quarters. So if you download the data for H1 in our system, it will not be 1 lakh plus 1 lakh is equal to 2 lakh; it will be 1.8 lakh. You have to reduce those 20,000 from -- the system will reduce those 20,000 from the overall data.

So I think to avoid any confusion hereafter, what we have decided is, that we will continue with the old system that we will download the data quarterly and just represent sum of four quarters as annual data. That way everything remains clean and trackable on quarter-to-quarter basis, also this year to last year's quarter basis.

These new corrected presentation will be uploading very soon so that any new shareholder or any new investor looking into our numbers, they will not have the same confusion while studying the old data.

With this, I would like to end my presentation and move on to Hem Securities team for Q&A session.

**Moderator:** Thank you so much, sir. Ladies and gentlemen, we'll begin with the question and answer session. Our first question comes from the line of Kiran D from TableTree. Please go ahead.

**Kiran D.:** Hi, thank you so much for the opportunity. Many congratulations Macfos team for a fantastic set of results yet again. You've outdone yourself almost every quarter every year. I have two questions, one a clarification and one more of a strategic question. So the clarification is, in H2 '25-'26, the average order value was INR6776 as per presentation.

Now in Q3 you did INR6000 so that means Q4 is almost INR7300 per order. So that was substantial jump from I mean, INR6000 to INR7300 almost in Q4. Could you just elaborate the reasons why we are seeing such jumps in average order value? Is it the nature of customers or is it the basket or anything else? If you could clarify that'd be great.

**Management:** Kiran ji, if I let me just summarize what you asked. So you're saying that average order value from Q3 to Q4 of this financial year there is a substantial jump and you just want to know why. I mean, the basis for it, right? Hello? Are you there, Kiran ji?

**Moderator:** I'm sorry, but the participant has left the queue.

**Management:** Okay. So, I'll just answer his question. So I think in last quarter of financial year, there are a lot of B2B customers as well as B2G customers which are consuming their yearly budget and that's why we generally see this jump in last quarter of financial year. So I think it is very normal to see this jump for us.

**Moderator:** Thank you. Our next question comes from the line of Swaraj from Perpetual Capital Advisors. Please go ahead.

**Swaraj:** Congratulations on a good set of numbers. My question was are you seeing any increased demand for Raspberry Pi and similar development boards due to AI led use cases and how is this trend shaping your product strategy?

**Management:** Overall AI related products I would say we are we are seeing a jump, but it is not substantial because if we look at AI, currently more or less it is based on things like ChatGPT, Claude, Poe or some Groq similar applications which are driven in cloud. So though there is a lot of AI hype, a lot of those people are using cloud-based hardware for doing their AI things.

We may or may not see this converting to local AI, so tomorrow because of security and all other reasons people would like AI on the edge, that means they would like to run AI into their laptops, into their mobile or some hardware like Raspberry Pi or similar Nvidia boards.

So this everybody in the industry is saying that this trend to run it on the edge will grow but nobody knows anything for sure now and no I don't think this will shift any strategic, this will make us to shift strategically in any direction because we are already covering the hardware side on the edge, so we are selling Nvidia boards, we are selling high-end Arduino, we are selling Raspberry Pi and some other boards which may come in higher demand in future and I'm not claiming they will again. But Yes, so we really do not need to do any strategic shift.

**Swaraj:** Got it. Thank you. And which product categories have been impacted by memory chip shortages and have you been able to pass on those cost increases or benefit from any inventory gains?

**Management:** So it is very so any product which have memory, so I think mostly these development boards or drone controllers, they have all been impacted, I mean the prices have increased because of memory shortages. And about passing the gains to customer or keeping it to ourselves, as a business we have to be opportunistic to maximize our profits.

However, we also have to keep an eye for what other people are selling it for, what international markets, how are they reacting. We have some agreements with our suppliers where we may or may not be able to increase the prices and profit.

So I think it's a balancing act and we just take the decisions at point in time. Of course we don't want higher profits but Yes, we have to balance it with the competition as well as the customers' expectations, as well as the suppliers' rules and all those things.

**Swaraj:** Got it. And you mentioned new products that were launched so like agri drone frames and ready to fly FPV. And how has been the early market response to these newly launched proprietary products?

**Management:** So we have seen we have seen market adoption so whenever we are launching these products our expectation is that we see some sales in the retail segment and then we get some feedback. So we have launched our charger, Pro Charger, agriculture frame, drone remote very recently. Then we have some ESCs of our own, we have some video transmitter receivers of our own.

So we are seeing good initial response for some product, moderate initial response for some other products. However, what the expectation is that the products will go into the market, we'll get customer feedback, what's going well, what features they would like to have, the price and everything and we'll learn along the way. So it is as per expected basis. That's it I think for now.

**Swaraj:** Okay. Great. And you've collaborated with platforms like Raspberry Pi or Arduino to develop SmartElex products and what specific product categories are being built under these partnerships?

**Management:** So I think it's out in the public, we are we are already developing I think you're talking about RD what we are doing with Arduino, so we are developing some educational kit from school level to the university level according to the syllabuses that are taught in universities or schools and colleges.

And that's a very normal thing I mean, I don't want to get expectation high suddenly because this is happening because it's very common we've been doing this with multiple brands since we started. So I think it is a part of the business, nothing new and we do not expect it to have a substantial impact on our revenues in short term or long term for that matter.

**Swaraj:** Okay. But so I saw one product called Raspberry Pi Neo board so are these in line with the existing products or these are new products that are being built?

**Management:** I think it is a some misunderstanding about that product. So basically Raspberry Pi is also a silicon company they make RP2040 as an IC, small IC 20 RP2040 or 2350. So that IC we have used in our product. So basically it's a SmartElex so as a part of Robu 2.0, we have these SmartElex modules which are small 300 modules in our portfolio right now. They are small products starting from INR100, INR200 rupees to INR2000.

One of those modules, one of those 300 modules uses a Raspberry Pi Silicon, Raspberry Pi's IC and whenever you use Raspberry Pi's IC you can name your product as Raspberry Pi 2350 development board whatever. So it's not some association with Raspberry Pi, it's just a very normal thing. I think the board sells for odd INR500, INR600 so it's not something very substantial.

**Swaraj:** Got it. And just one last question, SmartElex products are also being sold on product marketplaces like Amazon through players like Robocraze. So just wanted to know your thoughts on that?

**Management:** That's good to hear. We have planned it that way. I mean it's something that we're making in India and India is a big market, why wouldn't we like it to be sold in as many places as popular so that sorry, as many places as possible so that it become popular and we get more traction for our products, better branding for SmartElex. I mean that was the whole point of calling it SmartElex and not ROBU modules so that we can distribute it through other people as well.

**Swaraj:** Got it. Thank you so much, I'll get back in the queue.

**Management:** Yes, thank you.

**Moderator:** Thank you. We'll take the next question from Aman Soni from Nvest Analytics Advisory LLP. Please go ahead. Mr. Soni, you may please proceed ahead with your question. Mr. Soni, you may unmute and proceed ahead with your question. As there is no response from Mr. Soni, we'll proceed ahead with a different questioner. Our next question comes from the line of Urmish Shah from Moneywisers. Please go ahead.

**Urmish Shah:** Yes, hi. Am I audible?

**Management:** Yes, you're audible, sir.

**Urmish Shah:** Yes. My question is on the previous participant question only, on ROBU 2.0. Could you just elaborate because you have mentioned that your long-term goals for 5 to 10 years, that is why you are aligning ROBU 2.0. So what's your goal, I mean in terms of revenue share, how much from your own proprietary product do you expect in the next 3 to 5 years, how is the order inflow and order size if you can just quantify as a ballpark number?

**Management:** Okay. So we are not giving any revenue numbers as of now for ROBU 2.0 because I think ROBU 1.0 itself is a huge revenue. And right if we start putting agar chote bacche pe hi bohot zyada load dene shuru karenge toh wo bada kaise hoga? So right now, the strategic approach for ROBU 2.0 is hamare khud ke product banate hain, unko market mein hum dalte hain aur dekhte hain ki kaun se segment se humein achha response aa raha hai, kaun se product hum bana pa rahe hain, price match karna hai, quality match karna hai. Customer ko wo requirement bhi hona chahiye.

So, we started I think roughly two years ago, we started with three segments, one was Drone, second was Modules, third was Sensors. So far, we have seen the best response for drone products as I have already mentioned earlier that the response is both from retail market, we see some traction from government side, we see some traction from military side.

So, it's still finding its place. We have allocated a lot of I'll not say a lot of, but we have allocated resources accordingly. Jahan pe traction dikh raha hai wahan pe hum thoda aur bullish ho rahe hain dheere-dheere. So currently our focus area you can say in ROBU 2.0, major focus area is Drone, second is SmartElex, usko bhi market se traction hai.

But because of the geopolitical situation drone ko jo ya drone ke product ko jo humko traction dikh raha hai, waisa SmartElex mein sudden jump nahi hai, it's steadily growing. So this is where we are. Two years down the line hamare SmartElex ke 300 modules roughly develop ho chuke hain, drone ke I think 5-10 product hamare develop ho chuke hain. Market se humko pata hai ki hum bana sakte hain. Shuru mein bohot challenges hain, mold hi nahi ban raha hai ya phir PCB mein kuch issue aa raha hai, range mein kuch issue aa raha hai.

Toh abhi wo stabilize hote hue dikh raha hai ki haan haan bana sakte hain, market mein bhi ek traction response dikh raha hai. Revenue-wise, hum internally usko revenue target ROBU se align karke nahi le rahe abhi kyunki fortunately for us, I mean I'm very happy, nothing to complain ki ROBU 1.0 bhi bohot fast badh raha hai.

Toh usko catch up karne ke liye humne 2014 mein company chalu ki thi. Abhi 2026 aa gaya toh 12 saal lage ROBU ko yahan tak aane ke liye. Aur agar hum wo smart ROBU 2.0 ko push

karenge percentage revenue proportion mein, toh wo uska toh dam ghut jayega, I mean it will be really bad for that.

**Urmish Shah:** You have mentioned it on your slide ki next 5 to 10 years mein aapka long-term goal hai, that's why I asked?

**Management:** No no, I'm not I'm not I'm not I mean you should ask, I mean we like ke jab humko zyada pyaar hai ROBU 2.0 wale product se kyuki wo apna product hai khud bana rahe hain, Make in India hai. Toh we also we always like to talk more about it. However, main I mean we are very clear on this ki this is khud ke product banana, unko popular karna, that is a totally different dynamics, that is a totally different if you say business kind of thing.

We are doing that because in long run hum 5 to 10 years dekhte hain ki this distribution business eventually wo scale hota rahega toh there'll be margin ka pressure aayega, there'll be competition which will be increasing. So ROBU 2.0 mein jo bhi product hai, that will give us cushion. Wo substantial revenue hoga toh we'll be very happy with it, I mean why wouldn't we want it, isiliye toh hum uspe bhi kar rahe hain invest itna.

Par substantial revenue nahi bhi hua agar ROBU ka ek chhota sa component bhi raha so usmein hum margin better control kar payenge, hum market better control kar payenge khud ke product ke liye, data toh ROBU 1.0 ke paas hai hi hai ki kya chalta hai, kaise chalta hai. Toh that is the whole philosophy and we are happy the at the point where we are ki hum product bana pa rahe hain, hamara confidence bada hai, customer ka bhi confidence bada hai.

Isiliye toh jo SmartElex ka bol rahe the ki Amazon pe bhi bik raha hai kisi aur store mein bhi bik raha hai. I think we are on the right track. Revenue side hum usko uske revenue ko year on year track bhi kar rahe hain aur push bhi kar rahe hain. But as jo investors ka ek dekhne ka nazariya hai ki haan bhai overall revenue mein kitna ho raha hai, ROBU 1.0 aur 2.0 ka jo split hai, toh humein lagta hai abhi bhi hum usse thoda door hain usko wo push matlab us level tak paydan tak pahunchne ke liye and definitely there will be a time when we will be sharing the revenue aur uska ek growth alag se wo hum layenge. I think we still...

**Urmish Shah:** Because agar margin mein impact hai, if the margins are going upwards when ROBU 2.0 meets your targets, internal targets jo bhi aapne set kiye rahenge, toh how much I mean I just I know you will not give a guidance currently it's too early, but ballpark kitna aapko lagta hai if you can just quantify because our margins are quite healthy that way?

**Management:** So margins ke maamle mein hum bolte aa rahe hain ki hamare jo regular products hain, usse at least 10% margin hum extra dekhte hain ROBU 2.0 wale products mein in gross margins. Toh - - that is what we are targeting, ki hamare jo regular margins hain, usse 10% extra margin hum ROBU 2.0 wale products se kamaaye.

And margin ke maamle mein hum pehle se clear hain aur publicly bolte bhi aa rahe hain uske baare mein. Just jo revenue ka proportion hai, compared to overall business, usmein abhi wo thoda matlab kaafi chhota hai. Toh wo ek level pe pahunch jayega when we are confident ki haan comfortable and confident ki haan isko abhi saamne rakhte hain and then it is what it is.

We are honest people, honest company, toh jo uska growth hoga ya nahi hoga ya jaise aage jayega, toh right it will be what it is -- what it will be.

**Urmish Shah:** Right. Could I'm new to the company so could you just tell me what are the OEM products in ProRange? I mean because we have added 650 SKUs this time so what are those products and you know how are we bullish on that?

**Management:** So, if you talk about ROBU 2.0, I'll just give you overview of ROBU 2.0, currently usmein aapko teen mote-mote leg dikhenge, one is our SmartElex products, other is our SimplyFly products and then our ProRange products.

And jo hamare ProRange ke products hain, wo ProRange ke products mein hum different-different segments ko target kar rahe hain jaise ek hai sensor wala segment hai. Toh usmein humne kuch SKUs add kiye. ProRange is something that we have been doing for last I think four-five years, uspe aggressive nahi the, last two years se thoda aggressive ho gaye hain.

Toh usmein sensors hain, alag-alag tarike ke sensors aate hain, usmein I think sau-doh sau sensor humne add kar liye honge. Phir usmein kuch-kuch modules aate hain ProRange ke jo hum nahi bana sakte lekin hum OEM karke le rahe hain. Toh wo modules mein, phir 3D printing ke filaments humne ProRange ke at least 100 add kar liye honge pichle ek saal mein.

Then pichle saal hum kuch drone ke products ka bhi OEM pe focus kiye hain, I think motors humne add ki thi, kuch propellers, kuch frame humne add ki hui hai. Toh jo mota-mota mujhe yaad aa raha hai wo this is around that, also tools, measuring instrument, multimeters waghera wo bhi add kiye hain kuch-kuch. Toh mota-mota ye teen-chaar jo category hai usmein humne add kiye huye hain ProRange ke products.

**Urmish Shah:** Okay. That helps. Thank you, I'll join back the queue for more questions.

**Management:** Thank you, sir.

**Moderator:** Thank you. Our next question comes from the line of Parin Gala from SageOne. Please go ahead.

**Parin Gala:** Good evening. Atul, sorry again harping on the same question on drones a little bit and all. I understand it's preliminary and everything but can you just explain in drones what exactly have we developed and when you say in the defense sector, you know right now there is the sector's very hot and there is a lot of inquiries and there's a lot of competition also. So what are you doing there and are you collaborating with somebody are you directly engaged with the defense ministry or how is it working?

**Atul Dumbre:** Okay, Parinji. So I'll explain that scenario to you guys. So basically in drone segments two years ago we started making our own products and then I think as you said the sector is very hot, we started receiving inquiries. we started working with defense directly, we are as of now we are working directly and we are supplying some low value and low volume products to them.

The strategy right now is drone agar aap bolenge toh aapko ek doh kilo se lekar teen sau-chaar sau kilo tak usko drone hi bolte hain. So there is a vast array of drones. It's just like saying ki

gun because agar military ke liye gun hai toh ek chhoti si gun bhi hai, phir AK-47 hai, phir wo pata nahi jeep pe mount karne wali aur bhi koi badi si gun hoti hai.

Toh I think drone mein bhi bohot saare segment hain, usmein I don't want to share the details exactly, but humne hamare hisab se ek ya do SKUs pe focus kiya hai ki ye ek-do SKUs hum agar bana payenge aur achhe se isi do SKUs ko lekar engage honge military ke saath toh if we crack that, toh we will have a sustained long-term business with them. That is the whole strategy or philosophy.

At one side hum investors ko batana chahte hain ye baat ki hum ye cheezein kar rahe hain, ROBU 2.0 kar rahe hain uska ye fayda hua hai ye engagement chalu hua hai direct. On the other hand, we don't want you guys to get too much excited kyunki drone hot keyword hai aur main das baar drone bolunga toh I don't know it will I know it will have a good impact on share and all this, but I don't want to do that. Main usko reality pe stick karna chahta hoon. Toh wahan pe humein kuch bohot bada substantial revenue nahi mila hai. Yes, success humein jo mila hai ki jo engagement mein hamare trials-wials huye hain usmein humein kuch-kuch success mila hai, products hamare hum de rahe hain low volumes mein aaj ki date mein bhi unko.

But uska substantial impact hone ke liye jo I I'm foreseeing ki agle do saal mein either we'll be in or out of that business. Toh we are trying our best, developing new product, as you said there is a lot of competition because hot segment hai bohot saare log aa rahe hain. So that is the situation as of today.

**Parin Gala:** Sure, Atul. Thank you.

**Management:** Thank you, Parin ji.

**Moderator:** Thank you. Our next question comes from the line of Yogesh Bhatia from Sequent Investment. Please go ahead.

**Yogesh Bhatia:** Yes sir, hi. Sir, I actually wanted to understand that we have grown you know, from 30 crores topline in 5-6 years to a 300 crores topline company. So, what is the addressable market of the products that we sell because you know it's quite niche products that we are selling. So and wanted to understand that what is the you know TAM that we think is available for the products that we sell or we can sell going forward?

**Management:** Thank you, Yogesh ji for this question. Hamare liye total addressable market nikalna thoda sa tricky ho jata hai because if you go two years before today there was no drone and there was no hot segment called as drone, uska itna demand nahi tha. Uske agar aap do saal aur peeche jayenge toh maybe AI aur IoT jaise un cheezon ka demand nahi tha. Aur do saal peeche jayenge toh 3D printing waise technologies ka demand nahi tha.

Toh because we are into new tech and those kind of businesses toh TAM nikalna because there are no conventional setups and conventional models in this wo thoda sa hamare liye tricky ho jata hai. We have tried but hum convincingly nahi nikal paaye hain. Having said this, there are international companies somebody like DigiKey, Mouser, Arrow or Farnell, element14 jinka

India mein bhi hai, toh those companies are doing like DigiKey is I think doing \$2 to \$5 billion, it's a big difference number but yes I think they are doing \$2 billion \$3 billion revenue a year.

Mouser, I think usse aadha kar raha hoga, yes billion I'm talking about, billion so 15000-16000 crore. But we cannot say ki unka aur hamara bilkul exact same hai, wo business model kaafi alag hai wo ek jagah warehouse karke and all over world distribute karte hain, hum India as a market ko target kar rahe hain khali. Toh it's very tricky. Humne pehle ek study kiya tha jismein humne I mean mujhe abhi yaad nahi aa raha hai ki kya parameters exactly set kiye the, but yahi saari companies ka revenue nikala tha roughly India mein kitna kar rahe honge, phir kitna ye aage growth hoga aisa, toh hamara ek tha ki by 2030 we'll have around 10,000 crore ke aas-paas India ka market. Ab ismein bohut saare if and but hain again ke phir aaj agar itna market hai 2030 mein toh 7000-6000 aaj hoga toh phir wo kaun kar raha hai kya hai toh it was just a study.

**Yogesh Bhatia:**

Aap thoda samjha payenge ki matlab jo apne order aate hain ye bulk orders hain ya matlab aur if they are not bulk orders then are they lot from education institutions or from research institutions or from you know people who are prototyping, matlab sab thoda naya hai ekdum niche hai isliye samajh nahi aa raha hai so trying to understand ki you know what is the profile.

**Management:**

Yes, I'll tell that wo main samjha sakta hoon. Toh basically hamare jo customer hain use hum bolte hain Hobby, Education, Research and Engineering. Toh aapne jaise bola kuch log shaukiya taur pe drone banate hain Raspberry Pi ki kuch cheezein karte hain toh that is one market which is very small segment small revenue for us right now.

Education mein phir aap school ke bacchon se le lijiye engineering college hoga PhD ho gaya toh usmein bohut saare trainers hain jo ja ke apne kids lagate hain ya lab setup hota hai toh direct college wale kharidte hain. Atal Tinkering Lab hai government schemes hain unke under hota hai educational segment mein market kaafi. Toh wo ek educational ka segment hai. Hum directly abhi train nahi kar rahe school college mein ja ke, jo trainers hain wo hamare customer hain mota moti. Agar lab lagani hai toh lab lagane ke liye hum directly school college ko material de dete hain.

**Yogesh Bhatia:**

20-30% sales would be coming from educational institutions or this kind of?

**Management:**

I mean we have stopped giving the breakup of the revenue because of the competition thing. But yes, I would say that this is one of the customer base. Then second is research, jo aap bol rahe the ki startup hai ya badi companyon mein bhi prototyping waghera use karte hain wo and then engineering. Toh engineering is something which is going for production, toh sau-paanch sau-hazaar-do hazaar quantity jisko chahiye apne product monthly kuch bana rahe hain uske liye. Jo bohut high volume mein jaise Tata ki koi car ban rahi hai aur usmein koi IC ja raha hai, display ja raha hai, chipset ja raha hai wo hamare customer nahi hain and in long term very high volume jo hai wo alag tarike se cater hote hain because volumes itne bade hote hain ki wo directly jo manufacturer hai brand hai unke saath kaam karte hain.

Hamare saath bhi kar sakte hain but I'll say proportionally kaafi kam rahega wo in long run even. So this is overall business of Robu and the overall customer base of Robu I would say. And do you only sell products which are with you in inventory or depending on the requirement you can

import and then sell it also so you are like you know more efficient just in time. Yes, to hum dono karte hain hamare paas inventory mein hai toh hum turant de denge and agar aapko waisa hai ki ye product chahiye toh lead time hai toh whatever 15 days 30 days lead time wo lead time pe bhi de dete hain. Which is of course more advantageous for us inventory mein nahi rakhna hai order pehle do toh I mean I can just back to back aake milta hai.

**Yogesh Bhatia:** So how much of your order generally would be an order which can wait and you know people are okay with 15 days 20 days delivery time?

**Management:** So most of the orders we serve from our inventory because as I said earlier ki hamare bohot waise customer nahi hain ki Tata ki gaadi ban rahi hai Mahindra ki gaadi ban rahi hai usmein ja raha hai toh even in our case high volume is hazaar-do hazaar-paanch hazaar product quantity ek product ka quantity. Toh because we are doing business for almost more more than a decade now das-bara saal se kar rahe hain toh more or less hum inventory apne paas rakhna prefer karte hain that is also what is customers' preference. Okay. Agar wo nahi hoga toh jo customers ke volume hain paanch sau-hazaar-do hazaar toh they are willing and ready to wait, unko hum kuch quantity de dete hain and then they are waiting for whatever generally around a month's time to get the product.

**Yogesh Bhatia:** Okay. And do you think that the past growth can be achieved or you think it can plateau because frankly not able to understand the size of the market only. So you think we'll be able to

Yogesh ji, aap thoda mujhe bhi nahi samajh mein aa raha, matlab I'm I'm a realist toh main bhi main bhi khud se ye sawal poochta hoon ki yaar ye growth kar rahe hain hum effort laga rahe hain hum revenue ko upar rakhte hain matlab hum zyada waise hain ki yaar nahi hoga kyun nahi hoga aur uske peeche chalte hain matlab wo target lete hain uske liye jo resources jugaad karte hain aur wo ho jata hai.

However, we believe matlab ye toh mujhe bhi andar se kahin na kahin lagta hai na ki yaar kabhi toh ye saturate hoga ya jo market electronics, online ye sab jo segment abhi drone ka hai AI ka hai sab badh raha hai toh kabhi na kabhi toh ye sab segment bhi toh saturate honge. Lekin touchwood ab tak toh nahi hua hai, naye naye trends aate hain naye technologies aate hain hum usko early capture karte hain and we get fruits of it.

Toh that I mean I would love to have it as long as possible. But yes, your guess is as good as mine. Sitting today, I I can see ke wo regular electronics aur wo wala market abhi hot rahega aane wale at least do-teen saal toh mujhe dikh raha hai with geopolitical and everything going the way it is and aap life mein bhi dekhoge toh dependency badh hi rahi hai badh rahi hai electronics aur waise cheezon ki. Yes short term mein toh I think it's a good segment good high growth segment and plateau ka jitna late ho utna achha kabhi toh hoga toh dekhenge.

**Yogesh:** Done sir done sir, all the best sir and I think you will definitely do well because demand is there, we can't understand but I think it is definitely there.

**Management:** Thanks Yogesh ji,

**Yogesh:** thanks a lot. Yes sir.

**Moderator:** Thank you. Our next question comes from the line of Rohit Prakash, an individual investor. Please go ahead.

**Rohit Prakash:** Thank you for the opportunity and an amazing performance as always. So my first question is I mean, as you indicated that the growth is remaining strong, but if we continue to grow the same way, we would have to take more debt to fund the growth. So in terms of debt-to-equity ratio we are already probably at the highest we've ever been. So any thoughts on till where we are willing to be comfortable to take on debt to grow or at some point do you think you would need equity? Any thoughts on that?

**Management:** Thank you, Rohit ji, for this question. So we are we are not worried about the debt anytime like pichle das-bara saalon se jo bhi hum company chala rahe hain, toh we are never worried about the debt for company because hum jo bhi debt lete hain most of it or almost saara debt we convert it into inventory, jo inventory we are going to sell and make revenue for company.

So, I think it is part and parcel of our business model. So, it is a very low risk debt if I understand my, our business model correctly. And hum hamesha sales ko aage rakhte hain topline ko ki achha ye segment Robu ka total revenue hai toh let's say chhe ya aath segment mein divided hai wo segment mein phir supplier aayenge phir uska trend dekh ke usko grow karne ke liye scope hai.

Kya toh phir achha ye inventory badhani padegi ye naye product badhane padenge is segment mein toh aisa karne se humko jab lagta hai ki revenue badhne wala hoga tab wo demand aati hai ki achha yahan yahan se itna itna paisa lagega toh sum karke itna paisa lagega hamara generated paisa itna hi hone wala hai toh ye extra paisa milega toh itna revenue kar lenge.

So, because our fundamentals are strong hum shuruwat wahan se kar rahe hain toh we are never worried or afraid of debt, we are confident ki haan isko move kar lenge agar demand slow hoti hai toh wo saamne se hi nahi aayega ki are nahi yaar purana wala inventory utna fast nahi move ho raha toh naya kyun chahiye? Toh once that happens, I think it our system will automatically take care of it wo aisa nahi hai ki chalte hi jayega demand kam bhi ho gaya toh.

Secondly, our inventory management is very good toh we have been focusing on building a good inventory management system and we are happy ke wo achhe se perform karta hai jo product nahi chalte wo dheere-dheere peeche ja ke obsolete ho jate hain uska bohot dead waghera bhi generate nahi hota hai, jo chalte hain product wo bhi sahi time pe aate hain aur humein revenue mein support karte hain.

Toh, I think with these strong fundamentals we, I would not say we don't care, we do care about that but we are not afraid, hum usko ek opportunity ki tarah dekhte hain that's a business opportunity. That's our strength jo hamari revenue hai sorry hamari inventory hai that's our strength, curated sahi product sahi price pe sahi time pe hamare paas hona is our strength and I think with this agar wo saamne se demand aa rahi hai hamari system demand generate kar rahi hai aur phir debt badhta hai toh we don't have to worry anything about it.

**Rohit Prakash:** Understood. So, ah similar any question or thought from the bank ki I mean we have a 90 crores equity which will get to whatever number let's say down the line, toh do they say ki ye ratio ke upar we are not comfortable giving debt or no conversation like that at this point in time?

**Management:** Toh as I mean they are comfortable as long as they see the revenue. Toh wo har saal ka ek hamara banking partner I think saat-aath saal se toh same banking partner hai hamara. And every year whenever we are having more debts, wo convert hota hai unko dikhta hai ki wo inventory mein convert ho raha hai, inventory ka revenue mein convert ho raha hai.

Toh I think with these numbers around us they are very comfortable with debt matlab I don't remember a conversation where they are uncomfortable with these ratios and everything. I think it's how well you are converting it into revenue, as long as it is happening everyone is comfortable, us, banks, investors. So Yes, I think the focus should be on that.

**Rohit Prakash:** No, perfect that was helpful. So, I want to follow up on that average order value question. I mean very strong growth on the average order value, right? So, year on year growth itself is quite strong, like we were sub 4000,5000 or something last year, abhi we are I mean last quarter you said above 7000 but let's say more than 6500 we are between 6500 to 7000 right now. So, is that order I mean are we bunching up orders or is it that the average order value is increasing and why is it I mean how is it increasing so strongly?

I would understand number of orders increasing because we've also discussed the trends of I mean we are in the right market in terms of trends and a lot of things are hot but how is the average order value increasing and is the number sustainable and is the growth sustainable?

**Management:** Rohit ji, I think we have there are two sides to it. I think one is overall the Indian market is maturing there are a lot of companies who are working in electronics they are growing from startup to mid range companies also from mid to high. So since we are catching them early and serving their requirements when they are small they trust us when their requirement grows. So uski wajah se ek organic boost milta hai humein average order value ka.

Secondly, humne hamara jo product portfolio hota hai wo jab badhate hain toh bhale hi number of customers ka growth ka ek limit hai ki kitne fast badhta rahega, but same customers in electronics segment pehle hamare chahr wo the toh ab usko naya hamara product portfolio add hua hai tools and measuring instrument toh wo usse khareedega, components humne add kiye toh unko component kahin na kahin lagte hi rehte hain.

Toh I think it is more of ek chhote kirana dukan dar se agar aap DMart ban jaoge toh kirana dukan dar wale ka cart value chhota hi rahega sau-doh sau, but aap DMart mein jaoge toh aapko wo saamne dikhta hai kharidte hi lo. So it's more of that kind of phenomena. Yes, we will also like to take a small credit, small one, ke humne kuch-kuch strategic decisions waise liye hain to increase average order value. Toh I would not like to discuss them for obvious reasons but yes...

**Moderator:** I'm sorry to interrupt you, sir, but your voice is breaking.

**Management:** Yes. So, I was just saying ke ek toh market ka growth ho raha hai aur dusra humne product portfolio badhaya hai plus some other strategic decisions unke wajah se hamara average order

value pichle saal bada hai uspe humne thoda effort bhi liya hai and baaki bhi dynamics hain. Toh I think that answers your question Rohit ji.

**Rohit Prakash:** Yes yes, and I think we are close to listing main board listing, 3 years is up and I think we meeting the net worth requirement also which I remember is around 75 crores. Toh are we there? And what is the plan here?

**Management:** Toh hum jab SME mein list huye the teen saal pehle toh tabhi humne decide kiya tha ki yaar humko kabhi na kabhi main board pe jaana hai badi company banna hai toh badi company wali aadatein daal lete hain. And from day one we are giving Q3 ka result, I think maybe first time humne miss kar liya tha uske baad hum sorry quarterly results.

Toh hamara intention toh day one se hai ki yaar badi company banna hai toh aisi aadatein daal lo quarterly results do. At this point in time obviously humne wo kuch decisions liye hain jo public hai ke jo main board pe jaane ke liye rules regulations hain unko follow karne ke liye. However, we don't have any specific date or time in mind as of now. Whenever we will have any update regarding to this we'll just announce it publicly. I think that's the best way to do it.

**Rohit Prakash:** Perfect. And last question on margins so again a very healthy margin, gross margin is 24 which is among the best we've done and even PAT margin also among the best, so with scale are we getting the scale advantages and these margins are sort of sustainable going forward?

**Management:** Margin we have taken conscious effort during last year to put our foot on margin and say ki nahi hum kam margin, margin ko as a currency use karenge toh phir business toh aayega hi. Toh, we have put our foot and set ourselves ke nahi hum thoda margin pe bhi pressure rakh ke business badhane ka koshish karte hain. I think it has worked well in last year for us and we believe rather we hope ki it will work in future as well.

Let's see. It is a very I would say hamare control mein kuch cheezein hain kuch cheezein market dynamics bhi hain, jaise competition ek part hai uska, dusra part hai kaun sa segment upar ja raha niche ja raha hai. Toh jo segment mein humein margin achha hai agar wo mix up ka zyada proportion wo karta hai toh then we'll obviously have a little bit leverage in margin.

Baaki if you remember maine bola tha ki hum component do saal pehle humne chalu kiye the, uska thoda bohot inventory jo dead inventory wo bhi bada hai but we are getting better margins out of that category wo category abhi lag rahi hai ki set ho gayi hai. Toh these kind of efforts we have taken and there are some market factors as well jiska cumulative effect hai.

We would like to keep the margins as there, however ek thoda natural flow hai wo margin ko kam kam karne wala hi hota hai jaise scale badhega competition badhega where there is honey there will be honey bees wala hai. Toh ROBU 2.0 component jaise segment scale ka advantage waisa leke hum koshish karenge ki usko jitna high possible hai utna rakhein.

**Rohit Prakash:** Understood no thank you, as always very helpful conversation, appreciate it. Thank you and all the best.

**Atul Dumbre:** Thank you, Rohit ji. Thanks a lot.

**Moderator:** Thank you. Our next question comes from the line of Praneeth Borumisetti, an individual investor. Please go ahead.

**Praneeth Borumisetti:** Hi, thank you for the opportunity. So in terms of I was trying to understand our own branded products. I understand that right now we're investing and we're seeing how it is going to go. So at this point of time how much are you investing into this and what is the kind of outlay we expect to invest in the next year?

**Atul Dumbre:** Thank you, Praneeth ji for the question. So we are not investing in terms of either equipment or in terms of inventory in those products compared to our main business. So abhi jo investment chal rahi hai, it is the team that we are building rather we have built for development of these products.

Just to give you a rough idea, maybe do saal pehle hamare paas chaar log the jo development ka kaam kar rahe the product, now we have a strong team of roughly 20-25 people whatever three-four brands that we are doing combined. Toh that is number one. Second I think is the investment in terms of my, Binod's and Nilesh's time and attention.

Toh it's a conscious effort toh hum jo ROBU 2.0 hai usko ek ROBU 1.0 ki tarah hi respect se ek alag segment ki tarah chalte hain uspe dhyaan dete hain uspe hamara time dalte hain attention dalte hain toh the team knows it is important. And I think these are the key investments that we are doing. Abhi usko kuch humne factory daal di hai ya kuch kiya hai aisa nahi hai, mostly it is in the product development and product development team plus our time and attention.

Uska jo ek saal ka hai wo toh main utna surety ke saath nahi keh sakta hoon lekin I think 3, 4 years down the line we, we think it will help us to control margins in a better way, jaise maine pehle hi bola hai ki hamare plus 10% ka expectation rehta hai jo hamare general margin hain distribution wale products ka usse 10% zyada hum ProRange, SmartElex, Simplify, EasyMech ye sab brand se kama paaye aur hum we are we have been able to do that so far.

And then uska market acceptance kitna hoga usko kitna scale kar payenge I think that is a bit tricky. Toh uspe we'll just time help to time will have to tell us ki wo kitna scale kar paate hain. We want to scale it, hum time usmein daal rahe hain team build ki hai, unka salaries ho gaya ya baaki jo hai usmein efforts laga rahe hain abhi. Toh let's see and I I hope for the best.

**Praneeth Borumisetti:** Okay. Understood. So you mentioned that in this business team is the big part right? So in terms of scaling our revenues team will also play a huge part. So are we actively hiring more people or with the existing I'm not talking just about the own brand products, I'm talking about the remaining team who are running Robu as it is, like the ROBU 1.0 which is going forward.

So are we going to aggressively hire more people in terms of to grow sales or how are we going to grow sales? I understand that you can do development and all of that but it's mostly a people thing right? They have to develop their own sources and customers. Could you explain how are you planning in terms of team and growing the pie from there?

**Atul Dumbre:** Toh last four-five years hum jab bhi saal ka budgeting karte hain ya saal ke revenue numbers lete hain ki agle saal kya target hai, kya expenses jayenge and kya profit bachega, toh usmein

hum har saal hamare jo manpower ka jo component hai, salary ka jo component hai we try to reduce it slightly lower because agar aap doguna business karenge let's say for example agar aap business ko double kar lete hain toh aapko double manpower nahi chahiye.

Thik hai aapko double agar average order value badh gaya toh aapko double package bhi pack nahi karne. Phir aapke jo existing supplier hai wo sau, supplier se sau quantity ka order kar raha tha wo do sau quantity ka order kar raha hai same purchase person hai. Sales person ko bhi double customer nahi honge, thik hai 1.2 badhenge 5 badhenge 6 badhenge 1.5 times 1.6 times.

Toh us hisab se hum pichle chaar-paanch saal se wo optimize karte aa rahe hain ki revenue jitna times grow hone ka expectation hai uske hisab se manpower ya uske expenses nahi badhne chahiye thode kam hi hone chahiye. And we got a hang of it now ki haan yaar itna itna realistically hota hai us hisab se karte hain.

Toh I think that is where we ROBU 1.0 ke liye toh wo kaafi calculated aur abhi ek saanche mein baith gaya hai. Jab ROBU 2.0 ka baat aati hai toh hum sochte hain ki nahi yaar ye product develop karne wala separate banda chahiye le lo. Usmein wo sab mat socho ki uska salary jayega extra agar usko zyada kaam nahi aadha hi kaam hai toh kya?

Aadha kaam hai toh bhi le lo because uska hum future ki taraf dekhte hain ki wo product jaldi timely develop hona zaroori hai. Toh I think we are more aggressive when it comes to ROBU 2.0 and more conservative when it comes to ROBU 1.0 in terms of at least manpower development.

**Praneeth Borumiseti:**

Understood. And one more thing in terms of the margins you mentioned that the own brand once it develops is likely to help with the margins. So could you explain you mentioned that 10%, is it 10% higher than our existing gross margin or is it 10% extra, so it's let's say if it's 25 today, it's 35 for that or is it only like 27.5?

**Atul Dumbre:**

No, it's roughly 10% extra than our existing gross. Toh agar yahan pe 24-25 hai toh wahan pe 34-35. That is the expectation from our own branded products and that is when it will cut off right? Toh agar hum overall revenue ke 5% bhi kar paate hain let's say five year down the line, I'm not quoting number just an example.

Toh agar 5% product pe mera 10% extra margin hai aur comparatively uske expenses utne nahi hai toh wo plus 10% ka main aadha percent 1/20th, 5% is 1/20th toh 10 ka 1/20th is aadha percent. Toh main aadha percent margin meri overall company ke margin mein bada lunga agar mere 5% product ka delta jo margin mein wo 10% hai higher side. Toh main overall revenue ko aadha percent sorry overall company ke margin ko aadha percent bada lunga.

Agar yahi wo contribution 10% karte hain overall revenue mein toh mera overall margin 1% se bad jayega and I think you guys know it better than me ke 6% PAT level wali company aur 8% PAT level wali company ko dekhne mein bohot antar dikhta hai toh I think we are just striving for that plus 1% to 2% in long run.

So that is the whole that is the whole philosophy and second is control, ki hamare brand hai hamare products hain toh koi competition nahi aa jaye, competitor cut nahi kar payenge easily.

Brand image logon ke dimaag mein ban jaati hai toh it helps us new product jo hamare brand mein karenge unka sell karne mein. Toh all those factors are also there.

**Praneeth Borumiseti:** Got it. And in terms of the company positioning. In the last year, two-three years, they went up, we grew quite a bit. And but there also have been existing players who are also growing at equal pace or let's say a little lower than Robu.in in terms of distribution. Could you, could you give an idea on like what kind of market share we might occupy in some of the segments, at least the popular segments, and how are the other people competing?

So in terms of understanding overall market because it's an extremely unorganized market especially locally. So could you explain on how the market, how the market is positioning Robu and where do we want to be?

**Atul Dumbre:** I think jo unorganized market hai uska percentage aur vo deta hai na wo available hi nahi hota. Toh its very difficult to reach to a number ki haan ham 50% market share karna chahenge 70%. I think ye jo hamara segment hai who utna mature nahi hua hai abhi may be 10 years down the line I don't know. Maybe then we can say okay, jaise international market me hame bhi bolte hai na ki DigiKey is the king DigiKey sabse bada hai uska arda revenue lag bhag Mouser ka rehta hai phir uske baad Element14 Farnell group aata hai phir Arrow aata hai aur unho ne apna apna ek niche me bhi special niche bana liya aur uske hisaab se customers bhi unke segregate hote hai.

But I, those companies are like DigiKey celebrated 50 years of their existence just I think 23 or 24. Toh ye market bhi mature hoga 10 years down the line and then we can better discuss these numbers ki haan Robu number 1 pe hai aur iska itna market share hai aur ye teen chaar mota moti player hai. Baki ka chod do niche ka 10% to 20% market rate hoga. Toh ye teen chaar player hai to percentage wise discussion aur wo sab baat kar sakte hai. Abhi ke liye I think it is very hard to convincingly put a number to it.

**Praneeth Bommisetti:** But at least could you tell like how the market is split? So let's say organized players like you and Millennium and versus let's say on more unorganized smaller players versus the international players like Mouser. Because Mouser and all these people also have like basic presence with website or like a basic team, right? So could you explain how it is split between these three categories?

**Atul Dumbre:** So since you are insisting, I think positioning bahut alag hai, jo local market unorganized market hai, unka positioning alag hai. Unke paas utne SKU nahi hote Woh bahut kam SKU pe specialized jaise Lamington Road in Mumbai. Toh wahan pe koi banda motor bech raha hai toh woh 100-200 SKU motor ke leke baithega aur woh saare market mein koi bhi motor lene aayega toh usi se lega.

Phir dusra banda hai woh wire bech raha hai, toh woh wire pe karega . Koi Arduino, Raspberry Pi jaise category pe kar raha hai, toh woh uspe karega. Koi 3D printing mein kar raha hai, toh woh uspe karega. Toh unka market waise chalta hai.

DigiKey aur woh log jo hai, toh woh higher volumes mein play karte hai. Woh distribution model 50 saal se baithe hai toh Tata Mahindra jaise companiyon ke jo projects hote hai woh bhi

woh own karte hai. I don't think DigiKey but Arrow zyada usme play karta hai. Phir unka product portfolio

I think if I am not wrong DigiKey ke 30 lakh product hai website pe. Toh unka product portfolio alag hai. Woh alag -- ab mere paas I don't know ek sava lakh jo bhi product hai toh 30 lakh aur ek sava lakh ka main kaise comparison karun aur kaise positioning karun usko.

Toh unka jo overall aaj ka business model hai aur revenue model hai woh apple-to-apple comparison karna thoda mushkil hai. Same with the local markets. Yes there are some three-four players jo alag-alag segment mein aaj India mein Robu, Robu ka bol sakte hai competition hai jahan pe apple-to-apple possible hai.

Jaise 3D printing segment mein koi players hai ek do. Drone segment mein hai. Koi player hai jo Raspberry Pi, Arduino jaise segment mein hai. And we know ki woh jaise-jaise company grow hogi, market grow hoga, woh players aayenge, kuch jayenge, settle hoga. Toh that will happen. But right now we don't see any player jo saare segments mein Robu ki tarah cover kar rahe hai atleast in the Indian market.

**Praneeth Bommiseti:**

Got it. Understood. So one more thing I wanted to ask is in terms of exclusive partnerships we're making with some of let's say the component makers. Because in this business SKU curation is one thing and the exclusivity of a product also can play a huge role in terms of moat, right? So do we have any exclusive partnership of such or those things might not be in the future? Could you explain that?

**Atul Dumbre:**

There are some exclusive partnerships, but I've been telling this time and again ki wo exclusive partnership jo hai wo, they don't mean a lot in market like India bohot badi country hai. Toh yahan pe wo partnership generally aye -- I recommend brand ki yaar tum pehle chaar-paanch logon ko do distribution, tum dekho kaun tumhare liye achha perform kar raha hai. Not necessarily ki Robu saare brand ke liye achha perform kare

Aur agar Robu substantial tumhare liye 50%-60% of your revenue drive kar raha hai toh then I'll go and talk to the brand and ask them for privileges, mujhe buy-in do, mujhe credit line do, mujhe kuch aur special wo karke do marketing waghera mein meri help karo whatever.

Toh I think exclusivity se uska wo nahi hai, kal ko wo brand bol sakta hai ki nahi tumhare saath jam raha hai revenue nahi ho raha chalo main dusre kisi ke saath kaam kar leta hoon. Because we are working with so many brands and so many products. I think woh exclusivity wala jo ek security ya wo jo aata hai dimaag mein ki then you can control the market wo itna nahi hai hamare segment mein. That is that is how I feel about this.

**Praneeth Bommiseti:**

Understood. So basically in terms of SKU addition, did we do any substantial SKU addition this quarter or this year?

**Atul Dumbre:**

Every year we keep on adding new SKUs. I mean that is adding the SKUs is part and parcel of our business. I think last do saal mein humne wo component ke SKU add kiye the toh volumes kaafi zyada dikhte the numbers. But abhi wo utne bade numbers nahi dikh rahe honge. But yes, doing this revenue requires us to add SKUs.

Koi segment mein dekhta hoon toh dekhta hoon ki ye segment mein abhi itne hain toh wo segment achhe se grow ho raha hai toh kaun se naye supplier add kar sakta hoon existing supplier ke kaun se naye product add kar sakta hoon toh nayi technology aati rehti hai naya segment add karna hai.

It eventually leads to new SKU addition. It's a result of targeting a particular revenue for a category or a segment. It's it never starts with ke humko SKU add karne hain. Toh I think wo part and parcel of the business hai and I'm not sure with the number but das-pandrah hazaar toh saal mein humne bohot comfortably add kiye honge.

**Moderator:** We'll take the next question from the line of Swaraj from Perpetual Capital Advisors. Please go ahead.

**Swaraj:** Thank you for the opportunity again. One question was on the line in terms of warehousing capacity. Do we have enough space at the current infra to fund growth for coming years or are we looking at expanding?

**Atul Dumbre:** Ah, we are always looking for expanding because one thing which is unavoidable with this kind of growth is the higher the number of SKUs you have proportionally higher space you need to keep them, proportionally higher space you required to manage the shipments. I mean until and unless you just think of some automation which will reduce the -- which will increase the space requirement obviously will reduce the manpower requirement.

But yes, increasing our warehousing space, increasing our order processing capacity has been part of our annual target since I think day one. Aur har saal grow kar rahe hain isliye har saal hota hai ki yaar wo jo hai 30%-40% zyada hi rakhna chahte hain. Aaj jo mera average order processing hai usse 30 to 40% mera capacity zyada hona chahiye.

Toh it's always part of the business part of the game. Uske liye jo investment aur wo lagne wala hai toh I think we'll have to take a leap of faith at some point in time where jaise humne jo hamara abhi ka setup hai wo chaar-paanch saal pehle ek bada setup thoda le liya tha toh wahan pe move kar gaye the ki yahan se dikh raha hai agle chaar-paanch saal at least hum stably kaam kar payenge.

Khair wo setup bhi humein do-teen saal mein hi kam pad gaya but yes, I think wo hum time to time assess karte rehte hain ki kab wo jump lena hai and wo part of business hai almost everyday.

**Swaraj:** Any plans for this year, any capex that you're planning this year for the warehouse?

**Atul Dumbre:** Not as of now.

**Swaraj:** One thing was average monthly visitors, they were I think 723, 582 in December and 891 around in March '26, but average for H2 was far lower at around 6 lakhs. So was there a steep decline in January and February and what explains this decline? So was there an element of seasonality or...

**Atul Dumbre:** I think wo jo visitors wala data na wo maine jo disclaimer diya tha at the end of my presentation ki agar hum pura ek saal ka nikalte hain quarter ka alag-alag nikalenge toh unique visitors hote hain toh quarter ka alag-alag pichle saal tak hum quarter ka alag-alag nikal ke sum karte the.

Ish saal humne saal ka pura nikala hai toh jo common visitors hain har quarter wale wo kam ho gaye usmein toh data thoda sa tweak -- I mean it's not the right data, not be appropriate to talk on that.

Yes humne check kiya hai aur internally hamare jo ye growth matrix hai visitors waghera ke they are growing. Toh jo updated data hai wo hum -- we will -- next week will update the data jo last year ke tarike se karte the ki quarter-quarter ka alag aur uska sum karke hi saal ka denge. I think it will just remove this question from your your mind.

**Swaraj:** And number of unique customers, how much was it in quarter four, and what initiatives are we taking to expand customer base?

**Atul Dumbre:** I don't think I have that number on hand for Quarter 4. Annual jo hai that is 1.85 lakh roughly jo last year 1.45 lakh tha wo 1.85 lakh ho gaya hai and it is not part of our KPIs. Hum sales revenue brand segment growth pe zyada focus karte hain because there are hundreds of things that you can track.

Toh majorly hamara sales revenue brand growth segment growth uspe revenue maintain karna uspe zyada wo rehta hai product badhana. I think this new customer and more orders it falls into place automatically.

**Swaraj:** Sorry you said new customer and...?

**Atul Dumbre:** Number of customers growth and number of orders growth wo automatically fall in place ho jata hai because agar aap das matrix leke chalenge toh focus hi nahi kar payenge. Toh hum zyada revenue, margins, category growth uske taraf zyada wo karte hain product growth and we know ke agar wo sahi ho gaya toh ye apne aap numbers apne aap grow ho jayenge.

I mean uske liye hain efforts aisa nahi hai ki hum dekhte hi nahi hain, uske liye bhi efforts hain jaise hum marketing mein abhi maine bola ki hum exhibitions waghera mein jaana shuru kiye wahan pe marketing naya channel marketing ka we explore kiye hain aur bhi kuch-kuch brand ke saath marketing activities add ki hain.

Naye customers ko alag se target karte hain hamare marketing activities mein usko thoda sa zyada marketing budget assigned hota hai. However, company level pe jo main hamare KPIs hain usmein wo nahi aata hai.

**Swaraj:** Okay, got it. And you said abhi ki we are deploying all our debt for inventory currently rightly, but how do we optimize inventory days going forward such that the transition towards -- it becomes a transition towards self-sustaining accruals for inventory rather than debt?

**Atul Dumbre:**

Toh I think increasing debt is a function of how fast we are growing. Toh dono cheezein expect karna galat ho jayega ki Robu bohot fast bhi grow kare aur saath mein debt bhi na uthaye internal accruals se badhe aisa kaise ho sakta hai?

Toh jab tak hum fast grow karenge wo debt ka funda rahega hi and as I said earlier ki hum usse darte nahi hai, hamara system set hai hum aise-aise calculate karke aayenge toh jo paise ka demand aayega wo aane do. Wo paise ka demand aata hai toh hamare system se aaya hua hai toh wo sahi hai

Aur agar hum bechenge toh zyada paise ka demand aayega hamara system. Toh aisa paisa aa raha hai. To paisa aah raha hai wo inflow debt ismein ho raha hai -- debt aa raha hai aur inventory mein convert ho raha hai wo bik raha hai tab zyada paise ka demand kar raha hai hamara system.

Toh I think naya demand wala system aur inventory rotation wala system jab tak sahi hai tab tak we are we have nothing to worry about it. And inventory rotation days it's always a target to keep on reducing inventory rotation days. I don't want to share the number ke hamara kya internal target hai

But yes, that is one of the key parameter along with sales even on company level. Kyunki humein pata hai ki jitna sales aur margin zaroori hai utna inventory optimization bhi zaroori hai. Toh mota-moti revenue with margin and inventory dead inventory ya inventory optimization ye do hamare topmost KPI hain company level pe aur hum uspe bohot bohot aggressive rehte hain.

**Swaraj:**

Accha, badiya. Aur ye jo abhi I think small number of SKUs add kiye huye hain toh usmein apne I think slowdown of inventory that has increased from 2.5 to 6 something. So could you provide ki breakdown kitna hai across product categories and kya steps le rahe hain hum ki wo jo slow moving inventory wo say let's say industry ka jo bhi ek metric hai let's say 6% to 10% ho slow moving inventory wo usi range mein rahe.

**Atul Dumbre:**

Toh humne do saal pehle jo component ki category add ki thi tab se hi ye main bolte aa raha hoon ki uspe thode margin zyada hain lekin wo category ka side effect ye hai ki thodi inventory badhegi, dead inventory usse badhegi. And wo mindset tha ki wo inventory badhegi toh we are okay with that.

I mean that was a -- it is not an aftermath, it was a calculated move, aur uska hamara margin maybe impact hua hai. Toh it was a one-time thing ki usko humko product fast add karne hain toh thoda inventory, dead inventory badhega. So be assured ki wo jo inventory bada hua dikh raha hai wo majority wo jo delta hai bada hua that is from the component category and rest is under control.

Toh we have nothing to worry about it. Aur uska simple funda hai ki jitna bikega bikega teen chaar paanch saal down the line agar mujhe do chaar karod ka revenue paanch karod ka inventory agar dead declare karke phenkna bhi pad gaya toh bhi wo category mujhe utna revenue aur margin de degi ke ek saal ke maybe jo delta margin hai usmein wo sab cover ho jayega.

That is that is how that is the thought process behind it. Toh I think we are okay with it, it's a calculated move.

- Swaraj:** Right, makes sense. And what would be a normal industry range of that this is an optimal slow-moving inventory percentage?
- Atul Dumbre:** It varies vastly, it varies vastly. Main abhi number dekh raha tha ki jo DigiKey hai wo pure saal mein apna inventory ek baar hi rotate karta hai. It's out in the public. Aur jo Mouser hai wo I think teen mahine mein ya chhe mahine mein karta hai. Toh it varies very vastly it's company to company. I would not like to share the numbers here but yes, if there is no industry standard flat of.
- Swaraj:** Okay, no problem. Thank you. And last question was what proportion of short-term loans and advances relate to advance given to suppliers in FY'26?
- Atul Dumbre:** Wo cycle ka part hai. Hum generally supplier ko advance dete hain. Kuch time credit milta hai kuch time advance dena padta hai. International supplier se toh material transit nahi hota hai. Toh it's not an advance such as, paisa diye hain toh material transit mein hota hai toh you can consider it as material in transit.
- Swaraj:** But what would be the number in for FY26 that was given to the supplier?
- Atul Dumbre:** Wo number kuch bhi ho, doesn't matter. Wo keeps on fluctuating based on day you look into it. Ab wo results ke liye waisa aata hai ki 31st March ko kya hai, but usko hum control karne ka nahi sochte, jo aayega wo aayega. Humko order karna hai agar yahan pe inventory nahi hai mere paas stock nahi hai stock mangana hai toh order kiya hai.
- Ab wo jab aayega tab aayega wo cycle hai wo hum 31st March pe usko control karne ka nahi sochte hain. Toh it is what it is because it's just material in transit. So I don't think uska koi significance side effect ya kharab wo hone wala hai. Wo number bada bhi hoga aur kisi saal chhota bhi hoga thoda kam bhi dikhega.
- Swaraj:** Right. Got it. Okay. Thank you so much. All the best for the upcoming quarters.
- Atul Dumbre:** Thank you.
- Moderator:** Thank you. The next question is from the line of Chinmay Nema from Prescient Capital. Please go ahead.
- Chinmay Nema:** Hi sir, hope I'm audible.
- Atul Dumbre:** Yes, yes, Chinmay ji, you're audible.
- Chinmay Nema:** Sir, since you're not giving the split between B2B and B2C, could you give some directional understanding as to how much each of the segments have grown or some color around basically how each has done individually?
- Atul Dumbre:** It's a bit tricky one because we have already decided ki hum wo split nahi denge. Jo bohot generic baat main bata sakta hoon that is ki in long term we always see ke hamara jo B2C customer hai that will be more of placing low value but higher number of orders

Aur hamare jo B2B customer hain that will be placing high value but less number of customers in that sense. Toh jo uska percentage hai, revenue mein jo proportion hai wo B2B ka proportion dheere dheere dheere badhta jayega until in settles down to a particular number.

I don't know which number. And number of orders mein jo online hai uska proportion ya B2C bol lijiye bol lo usko uska proportion badhte jayega. I mean that is the best that I can tell you.

**Chinmay Nema:** Got it. And secondly, the increase in working capital days compared to end of last year, there's some 20-odd day increase. I mean, I think this is a repeated question, but like could you explain which component of the business is driving this part?

**Atul Dumbre:** As of now, I don't have the relevant data on hand to explain this. But maybe you can reach out to us on mail and then we'll look into the relevant data and reply you with the right data or appropriate facts.

**Chinmay Nema:** Okay, sure. That's it from my side. Thank you.

**Atul Dumbre:** Thank you.

**Moderator:** Thank you. Ladies and gentlemen, we will take that as the last question for today. I would now like to hand the conference over to Prabal Maheshwari for closing comments. Over to you.

**Prabal Maheshwari:** Thank you, Danish. On behalf of Hem Securities Limited, I would like to sincerely thank the Macfos management team for taking the time to join us today and for responding to all the queries in such a detailed and insightful manner.

I would also like to thank all the participants for joining this call and for their active participation. With this, I would now like to hand it over to Danish for closing remark.

**Moderator:** Thank you. On behalf of Hem Securities Limited, that concludes this conference. Thank you all for joining us. You may now disconnect your lines.