

**SUMMARY OF THE OUTCOME OF THE ANALYST / INVESTOR MEET HELD AT ARIES AGRO LTD. ON MONDAY, 14<sup>TH</sup> AUGUST 2017.**

- Q) What is the progress in Q1 as against guidance provided?  
Ans) As against the revenue guidance provided of Rs.305 Crores gross sales, the Indian operations have had Gross Sales of Rs.67 Crores in Q1 (20% of the guidance) which is good, considering Q1 is off-season.
- Q) Where do you see the Company in the next 5 years?  
Ans) EBIDTA – 20% by 2020. Current year it will be 17 - 18% and the first quarter showed an EBIDTA of 14%  
Sales – Rs. 400 Crores by 2020
- Q) What is the major focus area for attaining the planned turnover?  
Ans) Acquaculture  
Set Bonanza Schemes  
Loyalty programmes and Farmers Insurance based loyalty schemes
- Q) Do you intend to increase the number of farmers in future ?  
Ans) Looking forward to deeper penetration and larger ticket size per farmer rather than widening the farmer base.
- Q) What are the things that have changed after you took over as CMD and how have you bettered the business?  
Ans) Order book creation  
Succession planning across all levels of the organization  
Operational restructuring  
Digitization  
Clean energy sources for factories.
- Q) Any scope of expansion in the product range and realization !  
Ans) We are adding new formulations and crop specific products as per need to stay ahead of the market
- Q) What is the degree of competition?  
Ans) Direct competition is limited. However there is always competition from substitutes
- Q) Do you have repeat customers?  
Ans) We have loyal customers and the repeat demand are always consistent.
- Q) What is the percentage of discount offered and how?  
Ans) We offer quantity discounts, Dealers meeting budget, total payment discount, Short term schemes, cash discounts, etc.  
The Scheme budget is maximum 18% across all products.

For ARIES AGRO LIMITED



KAISER P. ANSARI  
COMPANY SECRETARY

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- Q) What is the amount of trade advance?  
 Ans) The advances from trade is Rs. 4/- Crores as of end Q1 but changes from month to month.
- Q) What is the scope of Aquaculture in India. How much business do you envisage in FY 2017-18?  
 Ans) It is a new market and is a non monsoon dependant sector. Last year we had sales of around 12 Crores in Andhra Pradesh, West Bengal and Chattisgarh in this sector.  
 We are looking forward to around 15 – 16 Crores in the current FY  
 Currently this is a unregulated market but there will be regulations in the forth coming years, which will be good for the sector.  
 Existing agri products are being positioned in aquaculture – no additional cost except a few technical support staff.
- Q) What would be the percentage of revenue Aquaculture by 2020?  
 Ans) Increase from 5% to 10% of the total revenue
- Q) Hydroponics and its advantage to Aries. What is the cost incurred ?  
 Ans) We have started a Pilot project on the roof top of Aries Head Quarters. The cost incurred would be approx Rs.30 – 35 Lakhs. Once it is successful, it will definitely attract attention to urban farming as it has the potential for becoming a new business opportunity in our cities for Aries products in the long term.
- Q) What is the percentage of Micronutrients, Water Soluble Fertilizers and other fertilizers in the overall Indian Business?  
 Ans) Micronutrients – 50%  
 Water soluble fertilizers – 20%  
 Secondary nutrients – 15%  
 Pesticides – 15%
- Q) Which is the highest revenue yielding brand and its percentage?  
 Ans) Agromin – 20%  
 Chelamin – 15%  
 Plantomycin – 15%
- Q) What is the major raw material used ?  
 Ans) EDTA – Imported  
 Boron & Zinc – Locally procured
- Q) How feasible is to put up an EDTA plant?  
 Ans) As one of the inputs is Cyanide, the licensing policy is very tedious. We are not looking to put an EDTA plant in the near future. We are getting good stable rates from our suppliers of this input.
- Q) The interest for stand alone shows 4 Crores and consolidated is 6 Crores?  
 Ans) The additional interest on consolidated is the interest on SBLs for overseas units

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- Q) You have indicated before that there is power shortage in UAE which is a constraint for manufacturing in UAE. Is it solved?  
Ans) Power remains a constraint in Fujairah and is yet to be resolved.
- Q) Any substantial capex till 2020?  
Ans) Not much capex is expected till 2020, except maintenance and overhauling.
- Q) Do you have any term loan?  
Ans) No
- Q) What is the share of exports expected this year?  
Ans) We are expecting exports of 12% of the total revenue
- Q) What are your R&D plans for the coming years?  
Ans) This year we have applied for R&D recognition. Once it comes through there will be a proportionate tax break.
- Q) What is the Dividend Policy?  
Ans) The dividend, though not formally stated as a policy has been consistently in the range of 15 – 20%
- Q) What is the revenue break up for the four quarters?  
Ans) Highest Revenue in Q2 and Q3  
Second Highest Revenue in Q4  
Lowest Revenue in Q1



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