



“Xelpmoc Design and Tech Limited
Conference Call”

June 30, 2022



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Ravi Udeshi: Good evening to all of you. Welcome to this group conference call of Xelpmoc Design and Tech Limited. We have with us today the top management of Xelpmoc represented by Mr. Sandipan Chattopadhyay – Managing Director and CEO and Mr. Srinivas Koora – CFO. With that I would now like to handover the call to Mr. Srinivas Koora. Over to you sir.

Srinivas Koora: Thanks Ravi. I will now cover the financials. For the full year FY22 our operating revenue was INR 80.5 million as compared to INR 140.5 million in FY21. There is a PAT loss of about 12.8 Crores vis-à-vis 4 Crores for FY2021. In this 12.8 Crores, ESOP expenditure was to an extent of about 8.24 Crores. If you look at our portfolio, we have close to about 18 companies, which also include our subsidiaries and associates with a cost of investment of about 6.23 Crores and in case if you look at fair value as of March 31, 2022, it is about 62.35 Crores.

With that now over to Ravi. You can open up for Q&A.

Ravi Udeshi: Thanks Srinivas Sir. I now request the participants' that in case you have a question, you may please either you can raise your hand and ask questions. We would encourage the participants to ask the question directly by raising their hands rather than going to the chat box. We have a first question from Mr. Saurabh Shah from AUM Advisors. Mr. Saurabh Shah, I have unmuted you, so you can please go ahead.

Saurabh Shah: Srinivas either I am asking for too much, but this is the first time we are having an interaction with the company. If you could just explain to us what is the business model that you proposed to follow with each of these investee companies that you have named and looking now at the current stage with some of the largest companies.

Srinivas Koora: Just to brief you about our Company, what we do basically we work with startups, corporates, and governments, so startup was the main focus initially when we started our company in September 2015 that is where we went ahead and partnered with the startups where basically we were looking at a non-tech co-founders to help them in building their technology, having a long-term relationship, helping them in product development, product building that is where we have been to prototype initial alpha, beta and followed by corporates, wherein corporates we would be working mainly on the innovation front. In case if somebody comes and asks hey! Can you develop this developer website or app we will not unless and until there is some sort of an innovation there and with these startups what we do is we take equity ranging from 10% to 30%, 35% at what stage they are into, and our main focus especially from the second year, third year was on HEAL.



We were concentrating on sectors of health, education, agriculture and livelihood, that is where if you look at 4TiGo, which will again do livelihood and Mihup, Snaphunt, InQube, etc. InQube was mainly focusing on the agriculture front.

Saurabh Shah:

If you could give us the sense of the business model. Few years down the line, what do you expect; do you expect these companies to build or take additional technology from you or the only return you are seeking is being able to monetize the value of the equity that you are getting and if you can give us a sense of maybe the top two or three companies where you have placed in terms of what you contributed that these companies are in sense on the monetization because I did not see your representation have some valuations and other things, if you give us that sense.

Srinivas Koora:

First basically, I will take an example of two companies which is 4TiGo Network, which is into logistics and Mihup Communications Private Limited, which is like a speech to the text engine converter where like in most of the TATA Cars, which you are now able to see the product is now live. So after completion of three years, it does not mean that development starts; what we do is we help those startups to build tech teams in their own companies and what we do is we act as their advisors and we help them in building the product, it does not mean that within three years our role is over. Our role is not just an investment we are technical experts where we guide them with respect to what technology should be build, how, what and what sort of product that it would build. For example, in case 4TiGo; 4TiGo was our first company where we did a very minor investment and today the value is Rs 21.6 Crores. If you look at who are the investors of the company like 4TiGo, there is Accel Partners, there is Nandan Nilekani, his family has also invested, likewise even in Mihup Communications, we have investors like the Accel Partners and India Ideas.

Sandipan Chattopadhyay:

Saurabh just to add to what Srini has said, there are startups which have different ranges of engagement with us. The first three years surely, we have deeply involved, but post that as Srini was saying that we come in a need-to-basis. In many cases you have to realize that the tech team that comes in not both qualities are often available in a tech team. There is a growth and innovation phase and then there is a business-as-usual phase. Often what we have seen is that we come in better as in the growth and innovation phase, augmentation to their schemes and sort of give a bus to bridge to their time to market for new launches and stuff like that, so that engagement goes on with our startups, but one thing that you have to realize is it is a continuum. We are looking at newer and newer startups. So yes, from the older vintage ones, the exits would come typically from the kind of equity we hold in them, from the exact work with them, but that volume and all is not a regular volume it is on a need-to basis, but there are some sort of the news that



something like Srinivas was saying, which is basically for Mihup. With Mihup, we are actually giving combined offering for services to the Government and to the corporates wherein they do the speech-to-text part, which is their core competency, but after getting the data, analyzing it and giving kind of insights, which are focused towards the particular business that is something Xelpmoc does. It is a combine offering that goes. I think there are different kinds of startups and for each of them the strategy is separate.

Saurabh Shah:

Thanks Sandipan. The strategy is different but your ability to monetize largely depends on the subsequent round, which the secondary portion or the way the company scales, you just invest in kind of product development for these companies, which you added in your portfolio.

Sandipan C:

Correct. You we must understand that it is not a regular investment; it is more like a founder's equity kind of a level that we enter in and we are exactly like intellectual capitalists because we are entering in the early stage almost at a co-founder level and also essentially doing that tech role for them. Our investments are low because we enter at very early stage.

Saurabh Shah:

I get a sense from the presentation about your own tech abilities. The second question was more in terms of sound like there are two distinct categories of your kind of process. One is being able to add value by contributing to product development for startups, which may not be able to do this on their own, so looking to bootstrap and the second part is really more the investments, identifying the startups which can get them for you, but maybe this as of against the end of the piece which is really identifying the high potential startups right, you have startup so how do you kind of screen and you give us some sense of the funnel that how many guys come to you or you may get we have identified that I am going to back or put my money only on these two or whatever number you get. Sense of funnel how do you screen and what are your quick idea when you added the kind of these are the company we are going to back with your technology and cash?

Sandipan C:

Essentially, it is a slightly different for us because we are not money investor, but we are going to work with them so our criteria have been very different. Firstly, we started with our own hypothesis and market research on our own and this we did before we started XELP now so we had a theory of what we call GDP hold, which is it is the problem that we are trying to tackle is a significant part of India's GDP, but the tech penetration in that particular problem is very low that is the short list we did and we have our own hypothesis. We are very clear about the problem that we did and we roughly said that 24 problems are what we are targeting and there will be six jokers because there will be some entrepreneurs will come and sort of surprise us with the simplicity of the idea or a



new area, which we have not thought when we researched, so we kept scope for it and that is almost is the portfolio thesis. Now the singularity of these is three aspects; one is they are all catering to the next 500 million Indians and that is the unification of our tech prowess and our design understanding and market understanding because whether it is a farmer or it is the farmers kid or it is the person transferring to the same demography the kind of owns they have, the kind of tech infrastructure they have the kind of cultural context they have that is agnostic of the particular problem, so we essentially become kind of theoretically a place where each problem we are solving is actually helping us solve the other problems too. We know what we want to do which direction we do not want to do in a particular startup and what is the potential of that particular sector. We wait for an entrepreneur who brings the X-factor and impresses us that he has got something which is congruent to what not to do, but also has freshens of idea and a kind of a hack to enter that market. Now unlike a financial event kind of us like VC screening and all there are certain things that we follow. For one problem, we only work with one startup entrepreneur; we bet on each race with only one horse because we are co-creating, we are co-innovating with this guy, we cannot cannibalize him, so that is the first thing. Second aspect is that chemistry matters us a lot more because it is not just a question of signing a deal and getting a valuation and getting a percentage, you may get 40% or you may get 20%, but at the end what matters is 40% of what and 20% of what, and the principle being that a 1% of a billion is 10 times more than 100% of a million or more. Those are the principles by which we go and we essentially look at the long-term value addition which we can do, the alignment with the startup in terms of chemistry and simply that we can respect each other intuitively and we can work together. Our criteria is much, much different and it is more towards the co-corporation or a co-working kind of a model. Filtration, I would say that for every startup, we have had probably we have met 70, 80 startups. Does that answer your question Saurabh?

Saurabh Shah:

Yes, it has in various sense of what you are saying. The larger question was remained that even identifying in this is a space kind of link with the large problems as well because if you have funded you missed out on those people because you are looking only for people who are addressing large opportunities as defined by you and within that....

Sandipan C:

Yes, that is surely the bias that we have and that is obviously the opportunity we are losing because we are not only going or do not going thesis for our own . That is the call that we have taken right at the beginning that we will follow what we understand and not go for what seems to be very attractive.



- Saurabh Shah** No. What I meant was the second part so you want somebody who is addressing in your view what is the need and the opportunity, but essentially you also want someone who does not want to pay in cash once you kind of dialing.
- Sandipan C:** No, the model is equity plus cash. We get our cost back. We are not funding them in that sense and doing work for free; it just that the hands and legs and tech force that is needed whether it is employed there or it is employed at Xelpmoc that makes a huge difference in total cost of operation. Because we have a tech bank, we are able to give the right expertise at a much lesser total cost because you are actually using the right product at the right time and amortizing it across startups that is the benefit they come to us for not that because we are giving freebies. We are getting the equity purely because of the value we are bringing in not because of the cost benefit. Yes, some part of the opportunity cost is being done. We are not booking profit for our startups; we are giving them at cost.
- Saurabh Shah** Whatever your basic cost, which I think it is purely manpower is the largest.
- Sandipan C:** It is a zero profit.
- Saurabh Shah** For each of these startups you get your cost back.
- Sandipan C:** That is correct.
- Saurabh Shah** Okay and then coming back to the point that we must be did earlier that we have a very large ESOP cost and that is the reason why you have a negative one your financial performance and your costs are 100% getting cash by ESOP cost.
- Sandipan C:** No, we still have R&D cost, we still have corporate cost as we are expanding the team and as Srini said that we did change our tactics, not our strategy because we did raise about Rs 27 Crores odd money for the 5% we did with NewPort Asia and the reason for taking the money was to jumpstart our international operations and also to augment management bandwidth because we see a huge opportunity grow, so and there is R&D cost there are new researches that we are doing. There is a market building cost that we do for getting into the services business which we have seriously started from this financial year first quarter so that was always in the plan. Till now we have been doing services trying to choose where is the best fitment for our skills and the value we can extract from market and we have come to certain hypothesis and with that we are now going for the Indian Market as well as the overseas market as to what we will look to service. It is essentially a three-phase growth engine where we have covered the startups



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first, now we are looking at the services part of it both in the corporate and the government.

Saurabh Shah

I have more questions, I wanted to hold off for now.

Ravi Udeshi:

Thank you. Nishit Desai has a question. You may please go ahead.

Nishit Desai:

On one of the data pages, I was referring to mentioned that Woovly had raised \$0.5 million in April 2022 from Shiprocket, and others. So can you please confirm was there a round or more of a news.

Srinivas Koora:

I think it is more of a news.

Nishit Desai:

No round has happened.

Srinivas Koora:

Even when I have gone through an article, the article says that see we are looking at it. It is not that they have raised.

Nishit Desai:

No sir I am talking about the database so article of course mentioned that looking at a much larger sale out but, on a database mentioned \$0.5 million maybe a convertible round of it.

Sandipan C:

If we were sure of it would have you reflected in our record, not that we will know a news and hide it, there is complete transparency is there from our part. To our understanding as of now we have not got an intimation to reflect on to that part so it is conjectural on the part of any data base or news I think that you may have an access to.

Nishit Desai:

The recent articles on Woovly also mentioned that they have now turned positive and if there any cost you can maintain cost, we are incurring this on the marketing side and expansion side so can you give us a sense on what exactly is the current burn monthly amount or it is still confidential.

Sandipan C:

It is something that is as the prerogative of the entrepreneur to disclose, but I can tell this is the correct news because Venkat himself has put an article and the news on that effect on LinkedIn, so I can verify that to the knowledge on that part. The thing is even if we know, it is not for us to disclose, we do not have that right. We make sure that the entrepreneur is completely in charge of the ship and any disclosure is at his discretion.

Nishit Desai:

Correct, and in terms of the runway do you think they are said 12, 18 months covered broadly at Woovly.



- Sandipan C:** I think they are doing pretty good.
- Srinivas Koora:** We can give you more details with respect to how they are doing, what is that they are looking at in Q1 analyst call once it is done because whatever data that we had that covered it in March 2022.
- Sandipan C:** Actually, if look at the analyst call report that we had in the last part. I think we have covered whatever the latest known status of Woovly was as of 31st March in that call.
- Nishit Desai:** On Mihup, we understand of course it is in the public domain that they have deeper partnership with Tata Motors, so want to understand are they looking at partnering with some of the other OEMs and we are looking at and of course I do not want any names but what is the traction there.
- Sandipan C:** Mihup has multiple businesses again this is our public domain data if you follow the company. What you are talking of is the auto domain and they are apart from Tata other OEMs were also showing interest and we are doing it that is what we disclosed that is the product we have. Apart from that Mihup has products which are focused towards the call center space and there also we have disclosed some customers and clients in public domain which continues to exist and new clients are being added on top of that again public domain data the sales figures and the kind of an ARR has gone up by three folds in the last one year.
- Nishit Desai:** Correct there is no mention of absolute ARR number or revenue number right.
- Sandipan C:** I do not know if they have disclosed it there, but no we cannot do it. We can give it to the level they are giving to us on 31st March and whatever data we have ever disclosed that already.
- Srinivas Koora:** Since it is a closely held company and their audit has not yet done so as and when we receive any information that we will be happy to share with you.
- Sandipan C:** Please understand we are not controlling the startups and that is not the idea. We work as second fiddle, and we leave them with their complete independence and we respect that and we will continue doing that. Whatever is regulatory required from our side to file for our records and all we are completely 100% compliant of that, but whatever is a strategic intent and what is at the discretion of the root company we leave it to them.
- Nishit Desai:** If you could help us understand a little more about Signal Analytics and what has been the development so far for the last six months and in next 12 to 18 months. If you could



detail little more about the road map on what are the areas that are we going to focus on and how are we targeting monetization what kind of target user segment that we will look at, it will help us because it is a substantial equity from our side could you elaborate on that.

Sandipan C:

We have covered this in past conference calls, I will summarize that to some extent. So Signal is focused on that area of why do I need to learn in young minds and we are tackling it by looking at the four pillars of Content, subscription-based system to make sure the right curated content is reaching the kids, our gaming system and our smart core system; not all of it will be simultaneously launched, we will be going through this entire paraphernalia over time in the near future and all. We will not be launching simultaneously all of these things, which are within their separate setup under Signal. What Signal does this does the common part of data analysis and essentially Signal processing across all the patterns that we see emerging from that. As of now, we have already and as disclosed I think we have already declared that Signal has already taken 60% stake in our content company, which was the first pillar to cover any way and this is a Delhi-based company which we have been tracking we have talked to lots of startups like we always do in the contents sectors. These guys we found them. The funding company's charter is to make sure that they have great aesthetic sense and together with Xelpmoc's technical capability, they are going to explore the world of newer content generation so making a great video is good, but being able to make a story work for a great video and being generate that in HTML file is greater and that is the need for the future being able to make a movie with a gaming engine is going to be the future. Those are the areas we are exploring there and our primary focus is going to be the kids we are going to serve to that part. We are currently looking and sort of working towards building and finding entrepreneurs or building up the business for the subscription part because now that the content is ready with a little bit of lag we should start the content via the subscription business soon, and once these are all settled the gaming will be next and the smart toys will be last.

Nishit Desai:

Any of the existing Edtech companies, which are doing it this way which what we are thought of or...

Sandipan C:

There surely are people who are doing many of these things. If you think of it subscription, Magic Trade was always there, but their approach was different. We are trying to hold back to the curation of the old days because of some logic and physiologically that we think is important still, even if you remember when we were kind, we had Chandamama depending on the region of where they are coming from and that sort of fostered our exposure because it was curretted by great editors and today the



problem on the internet is it is a problem of plenty everything is there for the kid and the name just confuses them. We want to put some charters and again create and foster the interest in the kid as to why he should look at a particular subject, why should he study let us say a particular topic in mathematics. We want to do that to emulate great people who have done it to inspire them this sort of stuff is what we are mainly looking at and gaming and all instead of him play PUBG the whole day and making them addicted, how do we use that natural curiosity kids have towards gaming that use it positively by making lessons or principles of the subject they are learning coming as part of the game itself. It is a big idea, to our knowledge in India or a worldwide they will always be people who are thinking of the same thing. It is all about execution and looking at it. The fact that we are taking an all-encompassing part of it and looking at a sum of whole, I think that not too many people are doing. I am sure that in bits and pieces in for every vertical there are people who are trying different things out.

Nishit Desai: Any other portfolio companies from your portfolio would deliver larger outcome at least it showing some traction very strong interest.

Sandipan C: We are already expressing the startup that we are investing in right. We have already disclosed our investment in startup called First Sense and First Sense wants to do with video what Mihup has done with voice and Mihup's technical skill is it is Mihup is localized. It can process speech to text in vernacular languages, which is very important from the next 500 million Indians in a non-internet scenario also, that is why it is being used for cars. It does not need the internet to run it always use the internet to learn itself, but it does not need the internet to function. These are the things we are looking at and with more compute power coming on the edge, edge computing especially in video computer vision and all is important so far sense in there. Srinu you can tell what the other things we have disclosed probably that will be helpful.

Srinivas Koora: In case if you look at other companies like The Star in Me, again which is purely focused on women entrepreneurs, women corporate professionals, even that is growing really well and Slate, which is like again building business analytical tools for bookkeeping and accounting even they are also doing great. Apart from 4TiGo, Mihup and Signal what Sandipan had narrated.

Sandipan C: You also know about Woovly yourself you meant so.

Nishit Desai: Yes, and last one from my side. You have also mentioned that the way that you have give that Signal for Edtech at some point of time also want to look at healthcare segment and



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if you could have some Holdco sort of setup, which could cover multiple aspects from the Edtech side also any development there or it is still probably...

Sandipan C: It is not a whole score. It is basically what we call a GPT kind of a centralizer right. All of these companies need data science, need analysis power, instead of trying to build it in four companies separately we were centralizing that and giving that as a common service and also being able to cross pollinate right. In healthcare also some opportunities we think at constraint and it is an experiment which we succeed as we succeed, we will keep on doing and remember that we do not want to put too many things and get confused. We want to take a few things, focus and do it and any startup activities have failurepossibilities. The idea is not expose yourself and make the same mistake in parallel, it is better to make them in sequence and learn from the older mistakes and not repeating in future.

Nishit Desai: Thank you so much.

Saurabh Shah Sandipan, it is possible to give that I have two kind of questions. One is any track record so far is being able to exit any of these equity position so far.

Sandipan C: We have had some exits and on paper and all it is about 25x and all, but honestly there were exits because we did not see any growth possibilities with them. Please understand that we are our self is seven-years old so the vintage of our oldest company is six and a half years old and the model vintage is two and a half and these are all fundamentally strong companies in each sector, which we believe in so I do not think we are thinking of that, that said, we are closing the seven-year mark and at the time of leeway we thought at the beginning we will give. From now on looking at the environment, looking at the situation, we will see some exits coming up in the near future probably in the next one-to-two-year horizon, but it is still not immediate, the current environment issue is not conducive to think of those things at the moment and secondly the maturity level is still not reached or peaked enough for us to get an interest onto that part. Till now we have exited or taken some returns out for companies that were not adding value and we did not see much growth potential for our valuing contributor.

Srinivas Koora: Just to add what Sandipan has said like in case if you look at we enter at a very early stage before even seed funding or a family, friends, we enter at a very early stage.

Sandipan C: I want to caution that, that profile is changing as we are getting more popular as we are getting more known. There is a keen interest coming from some even matured startups and in the near future, we may see that we are entering at a much different stage also.



There are not set rules, we are learning on the way we did not, there was no magic button that we had we knew that this is a discovery phase of the company, hopefully will ever be so because that is evolution; Srinu back to you.

Srinivas Koora: That is the reason why in case if you look at it like five years, or six years, or seven years we feel that is a very shorter period unless and until company goes with the series A, series B sort of a thing I think thinking about taking an exit would be too early.

Sandipan C: Please do understand that our stable is more of the impact startups; they are late bloomers they took more time to mature and that is the patience game we as a conscious decision have taken right at the beginning when you stuck to the HEAL segment and mass market segments and the impact segments in the next 500 million, that is the choice. So you will not see Xelpmoc doing into a very high profile thing like let us say sports bidding startup or a crypto startup, we never ever delve into those things.

Saurabh Shah: Your last commentary Sandipan. Is it because, there is a vision to only impress with an impact kind of it is for example you see a very large commercial opportunity, I do not know it is a counter kind of thing but saying crypto or say very strong gaming company with a skill that you have on TINMN etc. will you run them and all?

Sandipan C: We were do a services space for them mostly for the overseas market, but to be very frank for anything we do in India we want to feel we are actually adding value to the masses; it should not be a flash in the pan; if we do not believe in it we do not touch it.

Saurabh Shah Belief has to be for making as you said at a sustainable or...

Sandipan C: Yes, it has to put a smile or increase their income or make a lifestyle better for the common Indian.

Saurabh Shah Second question I had given the skill set that you are adding to these companies, it seems to be that the most sought after skills AI/ML and all those kinds of things, how are we looking to get these guys?

Sandipan C: Mission matters, and because we are very upfront and very ethical about what we do the right people do come to us. There is always a little bit of flutter here and there and always been there even in our past capacities people used to wonder how do I get people for a basically a call center like Just Dial, but we had one of the best tech teams, so as long as you are very clear in our vision and you are honest about, you will get the right people valuing around you. That said, are tough in the current part, but we have not been



probably that much affected like people who are just rolling on the current level of the season. Our stability our congruity and the fact that we are very vis a vis to them. We are completely straight forward I think a certain part of the community helps. We are not for everyone we understand that and that is the reason we value these guys and they are actually equity owners in ourselves that justifies and actually explains why the ESOPS are so heavy. It is a socialist model and we want to create that model.

- Saurabh Shah:** Yes has been any kind of a situation wherein if you have seen major attrition on our own.
- Sandipan C:** We have seen some attrition in the recent past and that was more of a style of working. We are insisting come work from office and we had some difference of opinion in some of our people, quite a sizable number of them and whoever did not understand and appreciate our philosophy, we asked them to look for a change and many of them did, but not for other reasons is what I am made to understand.
- Saurabh Shah** Thanks.
- Ravi Udeshi:** Thank you Saurabh. In case anyone has had a question, you may please raise your hands. Yes, Punit please go ahead.
- Punit Motihar:** I just had one question. The inauguration of the new T-Hub, are we affiliated to that in anyways.
- Sandipan C:** No. We are not.
- Punit:** But are we trying to be visible in that space, so that we attract more startups.
- Sandipan C:** I do not think we need to do anything extra and as you know that is one of the cofounders of T Hub is currently heading our startup ventures, so he was very much present there and he was part of the lot of things so whatever happens of capacity as individuals is what we do, but nothing in terms of PR activity or business development activity specific to that.
- Punit:** Alright that is it from my side.
- Ravi Udeshi:** Thank you Punit. In case anyone else has a question, you may please raise your hand. Yes, Mr. Ravinder please go ahead.
- Ravinder:** Thank Srinivas. I have one question on the services revenue part, what is the outlook for the current year and in the coming year.



Sandipan C: We have started it; it seems to be going good. We can disclose that we have got our first multiyear contract, which we have never done in the past. It is ongoing and seems to be positive for the moment, but it is too early days. We have just started it with the focus from 1st April seems to be good, but numbers and all you will see it on our balance sheets hopefully.

Ravinder: The second is more of a philosophical question. We came out with an IPO within three years and being a small company, we do conference calls and we did two conference calls from last two, three quarters did you say that FY2021 was EBITDA positive and we are saying that FY2023 we will again positive sometimes it feels too good to be true, I want to understand...

Sandipan C: Why we are saying it and why we did it right?

Ravinder: Yes.

Sandipan C: See the thing is, it is always a question between profit booking and wealth making right and we always said that it is a knob and we have to get the right balance, so FY2021 was more of a question to ourselves and the world that we can do it and once we did it we still realize that the biggest value unlocker is still happening to the startups. We are showing profits and all, but had we put the same amount of effort in putting it into let us say startups probably our wealth maturity would have been faster. I would have been able to add two more great potential startups instead of putting all the work force into services which gave me the good profit I probably would have made more money in the long run, so then we started thinking that okay are we scaling, do we need more people and there was an avenue by which we have got funded, so we said let us stall our plans to go and do services projects and just book profits, let us take a little bit of a leap backward build the team, give it the time to settle in and then go with the clear charter that we will do it parallelly and not try to make it because it is a different culture. We did services because we were very good but my guys or guys who are used to saying this is the wrong idea to anyone they work with because that is the openness they have and that is great for startup culture it is absolutely hazardous for our services culture, so you have to change culture you have to do that and also we were doing all sorts of things in the services because we were trying to find our piece. Then we have to step back do analysis find out which is the area we target because once you are in the market to make money, you cannot be fickle minded, you have to be determined, you have to do it with the right culture so we took that time we build that scheme. We realized it is better to go and have an overseas chain and it is not something we should be trying to control from here and COVID played a role. We did not want to waste money just because we have committed something. We



wanted to make sure every funding we spend is justified. So we took the right sequence of things and the team is there, so now when we are going ahead with this services and the startups together, it is very clear internally like Kollipara is looking at the startups very clearly, I am looking at the government sector and the services part. Clearly that is the part that we have done before it was just me and Srini at the top with Jason trying to do with all across the three of us it was too much for us. It is five, six people now, it is easier and that is the plan to do it similarly there were lot number of people is increased, we had always a network of people working, which was well into the right part we can first stay because we are very well connected with the communities everywhere in programming world and all, but still we needed internal class and variation. I think we have been able to add that and it is better to add and build before you go ahead to the path instead of trying to build it as we go along.

Ravinder: We were okay we are paying that; we have taken the share price because we have focused more on value growth and the...

Sandipan C: We have always said that it is something which is the startup and we are long-term, so unless someone is thinking five, seven, ten years, it is not the right stuff to look at. Market excitements are different, we get tech through some other stock and it goes in a wild chase that is not something that we as management can focus on. We can focus on our work and stay true to our objective which we have stated and if anyone can say that we have deviated from that I will be the first to step down. We are very proud of and that is something we will never let go. Our character is our thing, good, bad I do not know, but this is what we are this is what we have said right from the beginning and then we have left for the market to charge us.

Ravinder: Do you see that investors appreciate that.

Sandipan C: Well, there are all sorts of investors I am not sure I can say about it that but yes majority of our people do appreciate that and that is the reason we have a very loyal base that said all said and done if you take our startup our IPO as a base point, I think we are still over performing compared to most of our peers.

Ravinder: Got it and Sandipan you mentioned something about you taking care of government contract, so we have a government contract at this moment.

Sandipan C: No, we do not, it is in the try but we hope to get some good news so.

Ravinder: One last question, do we have a separate force for Signal.



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- Sandipan C:** We do and we are recruiting some, but right now we have debuted some from Xelpmoc we are looking at it. They are building the data engines and the processing engines, but we were more focused as senior management of Xelpmoc who are looking at Signal in making sure the content companies on-boarded because in many ways it is the crux of what we will do and we are very lucky to have got SoulTrax as our partner for that part; amazing entrepreneur they have been at it for a longtime and they have completely agreed to work with as an ideological ground. It is a great match for that and we wanted some people like that who are cause driven and not just balance sheet and money driven because in the long-term that matters more - the vision, the unification of goals and ideals.
- Srinivas Koora:** Ravinder, just to add like what Sandipan said whatever comments, whatever discussion that we are having right now are up to March 31, 2022. Whatever has happened in April, May, and June we would be updating in the subsequent investor call.
- Ravinder:** SoulTrax I think we had that everything the business machineries all that so all that will be in the current format.
- Sandipan C:** Yes, absolutely; they are aiming for the value increase they have no other reason to be with us to be very frank.
- Ravinder:** Revenues we can see from current year or current quarter.
- Sandipan C:** Some revenues they will book, but we are refocusing them again we are not looking at the whole businesses they were doing, some part of it they will continue but we want to focus them on the new media, which is where we are going to do with. We are recasting their talent, merging it with ours and coming up with a new subject and a new practice, which we think is the future of content in the internet and digital era in the next few years what you really call it, you call it Metaverse, you call it virtual reality, AR. Ultimately, there is a huge need of good content and good content principals that is what we are working on.
- Ravinder:** Thank you so much Mr. Sandipan and Srinivas.
- Ravi Udeshi:** Thank you Ravinder. In case anyone else has a question, you may please raise your hand. Yes, Mr. Vidhul Sikka please go ahead.
- Vidhul Sikka:** It is always a pleasure speaking with you and I think the reason I jumped out on this call to, to get some wisdom when it is scares around. My question was on the last call what



we have gotten we have taken your opinion on the entire Meta Space and what you felt about that and how you viewed, but we have missed the Web 3 aspect of it and I have not gotten the chance to take your opinion on that and that is what is focusing on that thing and what is your opinion of overall the technologies front.

Sandipan C:

Web 3 is more of a philosophy and it is a step in the right direction. Web 2 was all about your data being mine but you are not having ownership of it. Web 3 is the ownership that you are getting and you are right to your own data that philosophy is there. Unfortunately in the paraphernalia of all that things of Meta, Metaverse and all those things that principal of Web 3 is being forgotten and we are very keen on focusing on that part and in this entire part that we have always insisted on that identity less but at the same time analytics driven, this match and mix is something which will drive the Metaverse or the entire Web 3 part of it. We are excited about Web 3 prospects. We think it will bring sea change especially about people knowing their rights and then asserting it properly and not becoming products in the hands of corporates who are using and exploiting their ignorance, so that will happen but that the biggest positive thing we have seen is the right aspects of Web 3 having encouraged by the legal system and the government in India. That is a very encouraging step not all things of the Halla Bulla over Web 3 or this entire thing on Metaverse special things like Crypto and all, all that is very good. There are good elements to it but there are very, very risk elements to it for the common masses. I think that is very encouraging to see and the open structures that are coming up we already are pretty advanced as a nation the fact that the global embracing of similar solutions and our experience because we have for India in being able to build on those sort of infrastructure like payment gateways and things that India have already done I think gives us a little bit of a headway and kind of a tailwind to go to the international market and building solutions based on those factors, so I guess the confluence of Web 3 and that experience on the past is quite a killer setup for Indian companies in general and specially for companies like us, who have looked at innovations and solutions right from day one.

Vidhul:

Got it and this Xelpmoc role in this I understand how the synergies play out. Any concrete step towards making a mark in that?

Sandipan C:

The content is something already mentioned and there are things that we are working on some parts of the Signal setup startup would obviously have the embrace elements of Web 3. We are already putting that as our design fundamental and as these things get propagated and expose themselves you will see how they are being used. Apart from that we are always meeting lot of startups and all many of them are very interesting focus using Web 3 elements in areas of interest to us and we are looking at that and in many



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ways, we left health and other aspects still we have a very clear about the privacy and data secrecy issues. A great time to enter into those sectors coming in now once they will get established. From a timing wise holding back on the right elements we have done a good job.

Ravi Udeshi:

Thank you. Vidhul, do you have any further questions. I think we can go ahead with the next. In case anyone else has a question you may please go ahead till we wait for Vidhul to come back.

Ayush Gupta:

Hi! Sandipan, This side Ayush. Actually, would love to understand the cross-selling opportunity between our portfolio companies like Woovly and Mihup, I believe most of portfolio companies are building for the Bharat and we have got Signal Analytics, I believe that Regional Edtech would be big and then now we have got a content company. Like are you guys working on any sort of collaboration in cross selling opportunity between our portfolio companies?

Sandipan C:

We always look for such opportunities and we are going to be able to concretize things more and more as they come and things mature and demand increase and I already mentioned that already us and Mihup are working for trading combine solution, which we are trying to take as a service offering to many of the corporates and startups which are sort of reasonable size so that is already started in a very earnest phase and the fact that we have mentioned. Tries and lot of ideations and all are always happening, but as we fructify, you will be the first to know because we will disclose everything that we are doing anyway, but yes content I think is a very strategic intent on our side and as you know content is needed everywhere and it will be needed more and more on to that part and if you look at India and India like things like if the 500 million things of India, typographically and sociologically match to let us say at least 3 billion people across Africa, South East Asia and India, so the market is much larger than just India and if you do it for India it is typically our perception is easier to do in other parts that is how it will be localized so content is a very strategic part. Signal is strategic but executing it is more so we will take the right time, we will time it properly because one thing is that timing is very important if you are too ahead of time you will be killed, if you are too late you have too much of investments to catch up, entering it just before it becomes mainstream always has been a good thing and it is a least cost method because you wow people by the experience or you wait for someone to make the market for you and then you actually give a better product for them to shift to you one of these strategies workout, so we will wait and watch and trying to do a right thing but I do believe we have got the trends correct till now, touchwood and as long as we keep doing it reductively and we execute properly, we will see on the same trend on that part. From my part if I alluded from a



seven-year perspective, we are more or less on plan on to that part a little bit here and there is that but overall I think we are happy with what we have achieved.

Ayush: You spoke about that First Sense wants to do with video what Mihup does with VOIP, can you speak more on that if possible.

Sandipan C: We basically be able to say what is the expression of a kid, is he happy is he sad in a school scenario, in a hospital scenario being able to tell that how this guy actually is. as a patient, pressure parameters were anyway coming in properly but is physical look looks bad whatever in human eye can do, First Sense is your vision how do I replicate that through computer vision and learning to act as my remote eye it could be applied in all over the space, choosing the right battles to fight first is what we are figuring and our core technology has come up pretty well and the tenets are it is not something which can afford to be very network heavy. If you would use 60 CCTV and then you said that I am going to stream it all to my main server it is a huge thing can be compute the results there and only put the subtraction or the extraction of what action is taken to the server and sort of equizite it out. Mihup does that, Mihup processes everything locally and if you can do the same thing for video, I think we are going to be a kind of a path breaker for that especially for adoption in network stuff in any chase.

Ayush: Got it thank you so much.

Sandipan C: Please understand one thing both Mihup because you are doing it on the Edge one thing immediately you are doing if you are already being privacy oriented, no voice is going out of the car to a central server, that is very private. If you can do the same for video, we have come up with the level of privacy and security which is not yet very well imposed.

Ravi Udeshi: Thank you Ayush. In case anyone else has a question, you may please go ahead. Vidhul, do you wish to ask any questions.

Vipul: Yes, apologies for that Sandipan. We were talking about the timing bit of it and how if you are able to just get in right when the technology is about to go for a wider adoption that works out well as an investor the valuations were getting now I think it is attractive to be aggressive now. The experience one would understand it. One last question Xelpmoc hosted an open day in May just wanted to get a sense of what was the response like and...

Sandipan C: Very good and again it is more of giving back to the community. Many of these were not in areas we were interested in but just discussing with them understanding market



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parameters, understanding technology challenges skill set challenges and all I think we are very clear that we are having a very distinctive solution and all and we did advise them from our experience and all especially in data science and all main adequacy that are there and I think more or less it is sort of reassured us that we are in touch with reality in a much better way and it is interesting what startups were happening and all but should we re-strategize ourselves should we look at newer and newer sectors that is another thing that we were probing. Are there blank or blind areas that we are not catering to because of our focus and these sort of events sort of make you become more practical so we have learned some lessons and we are using those right now.

Vidhul: Thank you Sandipan wish you and Srinivas as well.

Sandipan C: Thank you all of us as well shareholders, stakeholders, workers all of us are equal, so I hope you are wishing all of us.

Vipul: Yes, 100%.

Ravi Udeshi: Thank you. Since we are on the hour mark, I think we can take one last question if possible else we can close this call. Anyone else has a last question. As there are no further questions, I would now like to hand it over back to the management for their closing comments.

Srinivas Koora: Thank you very much everyone for joining us today for this call. In case if you have any further questions, please do drop us an email. We will try our best to respond your questions.

Ravi Udeshi: Thank you. Have a nice day. Bye!

Sandipan C: Thank you. Bye! Bye!