



Xelpmoc Design and Tech Limited
Q1 FY21 Earnings Conference Call

August 17, 2020



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MODERATOR: MR. DIWAKAR PINGLE – CHRISTENSEN IR



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Moderator: Ladies and gentlemen, good day and welcome to the Xelpmoc Design and Tech Limited Q1 FY21 Earnings Conference Call. 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 call, please signal an operator by pressing ‘*’ and then ‘0’ on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Diwakar Pingle from Christensen IR. Thank you and over to you, sir.

Diwakar Pingle: Thank you, Rayo. Good evening everyone and thanks for joining the Q1 FY21 earnings call for Xelpmoc Design and Tech. Great pleasure to have your call and all of you in this call today. The results and investor presentation have been mailed to you and is also present in the BSE website as well as our website. In case, anyone has not received the release, please do write to us and we will be happy to send the press release and the presentation to you.

To take us through the results and answer your questions, we have the management of Xelpmoc represented by Sandipan Chattopadhyay – MD & CEO and Srinivas Koorra – the CFO of Xelpmoc. Srinivas will start the call with a brief overview of quarter gone past, post which Sandipan will just give a very brief highlights of what is happening and after that, we will throw the floor open to Q&A. The standard safe harbor clause applies and with that said, I now hand over the call to Srinivas.

Srinivas Koorra: Thank you, Diwakar. Good evening everyone. Welcome to Xelpmoc’s earning call for the first quarter of fiscal 2021. Hope you and your family members are safe and in sound health. I am pleased to inform you that we continued on the momentum we have built in Q4 of last fiscal with another steady performance this quarter. Our total operating revenue for the quarter was Rs 35.1 million as compared to Rs 32.6 million in Q4 FY20, reflecting an increase of 7.5% on quarter-on-quarter basis. On year-on-year basis, we grew by 190% from Rs 12.1 million over the corresponding period of last year. EBITDA for the quarter grew by 158.3% on quarter-on-quarter basis to Rs 14.1 million as compared to Rs 5.4 million in Q4 FY20 and a negative Rs 15.6 million in Q1 FY20. EBITDA margin has also grown from 16.7% in Q4 FY20 to 40.1% in Q1 FY21, primarily aided by some cost optimization measures and benefits arising out of the current pandemic. Net profit for the quarter was Rs 16.7 million as compared to Rs 4.7 million in Q4 FY20, reflecting almost 4 times increase while it was a net loss of Rs 13.9 million in Q1 FY20.

Almost all of our revenue came from our domestic clients, our total team size was 99 inclusive of employees, interns and consultants. We have served 36 clients till date and our improved performance was on the basis of continuing high level of engagement with the said clients. The fair value of investments in our portfolio company stood at approximately Rs 350 million as on June 30th, 2020 as compared to Rs 274 million as on June 30, 2019. Even in the current pandemic, majority of our investments performed well. For example, Fortigo Networks which is a digital logistic platform, never lost even a single day in April and May. Operations continued



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throughout lockdown period and onwards which proves that the digital logistics is a way forward. Currently, Fortigo is exploring options to enter into core sector logistics. Very recently, they got required approvals and licenses to operate under core sector logistics. When we talk about core sector logistics, it means minerals, natural resources and mines.

Similarly, in case, if we look at the other portfolio company which is Mihup. Mihup looks extremely promising which is into automated voice interface and voice analytics platform. They were able to onboard some good marquee customers to name a few amongst the automobile sector, Avia. Another portfolio company, Woovly which is a social commerce platform has shown some real good performance. User acquisition has gone over 6 times compared to previous year. As on June 30, 2020, total users were 19.7 lakhs whereas previous year during the same time, they had 3.07 lakh users. Close to 46% are mostly active users.

Most of our portfolio companies are at the early stage and they are very closely held companies, hence we are disclosing to whatever extent we are able to disclose. In the last week, our board has approved investment into Learning Hats Private Limited, a Singapore based private limited company to subscribe for 11% of equity. Learning Hats is into education sector, planning to provide all the education related products worldwide.

Now, let me come to the outlook for the remaining fiscal year of 2021. We would continue to focus our energies on promising sectors and portfolios like EduTech Ventures, Health Care, Fortigo, Mihup, Slate and we would like to invest our best efforts in these sectors and in this portfolio companies. We are seeing some good growth opportunities in education sector, given the recent dramatic shift from the physical to digital by the education service providers and also expected overhaul in the sector on account of New Education Policy announced by the Government of India. As witnessed in the past couple of quarters, we are set to reap the benefits of operating leverage and expect to close the EBITDA for the fiscal year on a positive note. We remain confident, but cautious about our business going forward, still acquiring new clients has being a challenge given the pandemic crisis.

With this, now I request moderator to open the floor for Q&A.

Moderator: Thank you very much. We will now begin the question and answer session.

Srinivas Koora: Moderator, one second, Sandipan, why don't you brief?

Sandipan Chattopadhyay: Srini, you have covered most of it, I have very little to add is just that the sectors we had focused as core, I have said this at the cost of repetition, I will say that the sectors we are focused on HEAL i.e. health, education, agriculture and livelihood. I think it has been catalyzed in its importance and the format which we had thought would be the overall stable format. So not only is this situation that is arising out of COVID changing things, I think some of these changes are irreversible and they are here to stay, so it has sort of short circuited some of our growth plans



in those sectors in terms of opportunity significantly. I think that is the point you have to keep in mind when we talk about it.

Diwakar Pingle: Raymond now you can open it for Q&A please.

Moderator: Sure, thank you. We will now begin the question and answer session. The first question is from the line of Keval Ashar, who is an individual investor. Please go ahead.

Keval Ashar: Congratulations for the great set of results, Sir. I have a few questions. First is like what led to these margins and are these margins sustainable over the longer term?

Srinivas Koora: Thank you very much. As I said, like margins were 40.1% in Q1 of FY21 primarily aided by some cost optimization measures and benefits arising of current pandemic. So in case if you look at it last quarters, all the employees were operating from their residences and the offices were closed and there were no travel expenses, conveyance, electricity, etc., so those have added to margins, but given than 40% margins are not sustainable, so you can fairly assume that the margin should be somewhere in the range of about 20 to 25%.

Keval Ashar: Second was, as the company had an ambition of achieving breakeven for Q4 FY20 and we successfully did achieve, we would like to know what is your higher vision in terms of topline and bottomline, if you could share with us?

Srinivas Koora: Basically, as you know, I can't give any forward numbers especially the 5 years given the restrictions that we have. Those would be a forward-looking statement or forward-looking numbers, but what we can do is, we can give a vision like what we are looking it. As we said that we would be EBITDA positive for Q4, we did that and this year we throughout all the quarters, we would be positive in terms of EBITDA and we are building on this growth whatever we achieved last year and this quarter.

Keval Ashar: And the last question is, do we have any plans to take our successful investments like Fortigo to public?

Sandipan Chattopadhyay: One thing I must add is that this is not a call that Xelpmoc can take, you must understand that all our investor companies have their own independent structures and all. Going public is something that we encourage all our startups and we have chosen sectors and entrepreneurs with the mindset of going public, but it is not something that Xelpmoc can enforce or push beyond a certain point, it is something we surely would encourage all our startups.

Srinivas Koora: And most importantly, these decisions are taken by the respective portfolio board and the shareholders.



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Moderator: Thank you. The next question is from Kunal Bihani, who is an Individual Investor. Please go ahead.

Kunal Bihani: Congratulations on the great results, I just have a couple of follow-up questions. Given that we talked about our focus on the education sector, so basis the win of the school chain, how has it translated in us reaching out to more similar type of clients, that is point one. And second, in terms of the products, whether it is DocuX or something else, are we seeing an increased traction, is there anything specific we need to add on the product front?

Sandipan Chattopadhyay: Both are very good questions and I will take them one by one. First the education sector, these are products which take a long time to mature and yes, there has been expression of interest from other concerned parties, but we are right now doing trials in some schools. We are going on with those parts and post that, we will first deploy into a captive audience for the first 40 schools and then would probably look at a much better market engagement and also we have time for everyone to set their strategies in place because right now, it is a bit of a fuzzy logic happening everywhere. We have one person who is very constant about their endeavor that is Mr. Koora. As per the demands of other products that we have, there has been some traction and happy to note that we have POCs ongoing with some major marquee brands, but as I said in my previous things, we are on track and actually some of them are probably little ahead of schedule, but I would still hold on to the sanctified time of first quarter of 2021 where we should see product tractions and changes happening in a meaningful way.

Kunal Bihani: So just one last question on that, we said that we are getting some opportunities on the US front, but given that there are travel restrictions, we will not be able to capitalize on them as of now, so is there any progress or any update on that front in terms of clients from the US, whether it is respect to these products or something else?

Sandipan Chattopadhyay: Anyway, overseas we had opened up certain frontiers. For the moment, some of the parts are not exactly moving ahead, to be very frank, they are in a pause state but some projects and some ventures that we had already engaged with, the engagement is ongoing and in some cases, there has been increasing, some new work has come in onto that part. So, it is not the growth trajectory we hope to be able to hit, but the interest and enquiries are increasing, but to be frank then, I think we will need some stabilization before we look at that.

Moderator: Thank you. The next question is from Rajendra Sethi, who is an Individual Investor. Please go ahead.

Rajendra Sethi: Sir, my question is for Sandipan sir. Sir, why University of Notre Dame is reducing its holding on 3rd August 2020? And my next question is, sir, in your previous acquisition declaration sir, you said that we are taking 75% shareholding in extrapolate advisor that is Data Sutram, which is not shown in investment till now, is there any reason for that?



Sandipan Chattopadhyay: At one point of time, we had looked at Data Sutram and we were conjecturing on it, but then with the board and our resolving, we have decided not to go ahead with that investment, so you will see it, we have never ever included that in our investments on that. That was the proposal that didn't go through and we decided to stay away from it.

Srinivas Koora: And we have given that intimation to the exchanges as well. The moment it has been decided not to go ahead, we have already given the intimation that we are not going ahead with Data Sutram.

Rajendra Sethi: But sir, Data Sutram is your major portfolio and you are charting this, why we have not taken a stake in that even that they are very much helpful in our portfolio?

Sandipan Chattopadhyay: It was never a major portfolio, what makes you say so if I may ask you?

Rajendra Sethi: Sir, according to that your declaration that is around 75% shareholding, that means that company is really significant for you?

Sandipan Chattopadhyay: 75%, the zero is zero, right, so I don't think you should go by percentage by the size firstly and that doesn't decide them in major or minor. It was somewhere where we thought that it has to be a majority control of ours and only when it acted in our interest and with our parts, we wanted to go ahead with it. If it was not executing to our perceived perception of what it should be, we decided to stay away for it because it is an important sector and we didn't want to block it out with some buildup which is not conducive to our overall goals. So, the 75% or 80% or 15% doesn't matter, if the multiplication of it with the actual value is what makes major or minor. That was Notre Dam. The thing is markets and all we never control, and we don't want to control or interfere nor do influence investments and all those things. If they have felt that it was important to exit, they have exited, it could be because of global changes, they are international funds, they have outlooks on India, on China and all those things. If they have decided that they have done, but as far as I know, it is something of a value correction or a kind of a thing on that part or maybe they intervened to make sure that the markets are in a particular healthy state. I don't know what their logic is? nor do I want to interfere, so we will not comment anything on that part.

Srinivas Koora: But these are the shareholders, they can buy anytime they want, they can sell anytime, the company, all the promoters, nobody interferes in those decision. So frankly speaking, we exactly don't know why they buy and why they sell, and the company can't comment on that.

Sandipan Chattopadhyay: Nor will we want to. We don't want to make it sure because we believe that the substantial or the fundamental of the company is strong and if some people are looking at certain aspect of rolling over or looking at some parts, absolutely their strategy, we should not interfere in that part.



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Rajendra Sethi: Sir, there are very good investments of your in your portfolio, but sir, I just want to know what are some mistakes that you think you have made and it is very essential to keep a note of that in your journey of 3-1/2 years?

Sandipan Chattopadhyay: So, I think the Edutech Ventures and Mihup are my personal favorites and there are certain ideas we have which we hope to unfold in the next oncoming days which should be our big stakes and stuff like that. Hopefully, you will see it fruitioning to some extent in some small startups in the very soon. As of now, if you look at it, Edutech and Mihup, Fortigo, of course has already been big, so I don't want to restate it. They have been one of our main focus areas because these all fundamental problems, they are very core problems, they are large mass appeal. Mihup, I don't know how people interpret it, but actually it is a very nice input-output mechanism for our country which is vastly illiterate and that makes it hugely impactful for any sector and it is pretty sector agnostic. The current indications of usability is only the tip of the iceberg, we are still to explore a lot and it has multifaceted use, so I am very excited about Mihup. And of course, education is something which is all encompassing, it addresses 16% of the population of any country at any point of time, probably more, if people become more education oriented. If you want to become self-sufficient, people will have to keep on upgrading their knowledge, so education is a sector which is almost all weather and all season and pretty unimpacted. So, we surely look very strongly as a sector. Mihup is a specific thing. Education may itself have several bouquets of products.

Moderator: Thank you. The next question is from the line of Harish Kumar Gupta who is an Individual Investor. Please go ahead.

Harish Kumar Gupta: My query is like, what is your expertise of your employees like they are IT engineers or what kind? In fact, I don't understand the business, so that is why I am asking this question.

Sandipan Chattopadhyay: We have still not found an exact match with the current academic curriculums that are followed by several institutes and the kind of people who work for us. We look at people's raw intelligence IQ, we have our own evaluation standards and we encourage a very healthy culture of internship wherein we get to understand them for a longer period of time and as we seek promise, we look at it. I can tell you the fundamental qualities we look at, we look at complete mastery over logic, understanding of mathematics and statistics is surely one of the positives we look for our candidates, but most importantly we look at people who can challenge and try to prove everything from the first principle and don't take things for granted or just our academic pursuits. So, people who are non-theory oriented in the sense, but they are very theoretically strong, those are the guys that we look for and then of course, they go through a training program and all. Remember that we are not looking for fast coders, who code out into 10 to 5 hours, how many lines of code they can guide, that is not the kind of people we are looking at. We are looking at solution engineers and people who think through a problem and solve it from ground up, so they can't come from any stream. We currently have people coming from areas like economics, some



people come from physics, some come from chemistry, mathematics, of course engineering, we will have some people who have come from core sciences or what we call the soft sciences and are helping with our education project. We need people from psychology, we need people from sociology to do it. So, we don't look at the part, we look at the need of the solution and see who fits it best and then we recruit. Our interviews are a bit lengthy, but our internship program has been working very well for us.

Harish Kumar Gupta: So, as per your explanation, it seems to me that probably the lowest salary you may be offering may be in the range of 4 lakhs, 5 lakhs kind of salary, right?

Sandipan Chattopadhyay: No, that is not true. Everyone starts up with a basic salary of may be in that range, may be a bit lower than that, but depending on the output they do and the kind of contributions that they do, we don't want to lose a good guy, so salaries are not range bound like a government employment or a grade based thing, they are performance oriented and value oriented. So, salaries can be completely diverse after 6 months and the same batch of students may get completely diverse salaries depending on the contribution and the expertise they are able to show.

Harish Kumar Gupta: Basically, I was trying to understand your employees cost, employees cost is coming only one crore for a quarter and I was going through your presentation and it somewhere mentions that you are having around 100 employees, right?

Sandipan Chattopadhyay: Yes, that is true, 99.

Harish Kumar Gupta: 99 team members right now you are having. So, the employees, you need to spend only 1 crore for a quarter for all the employees?

Sandipan Chattopadhyay: The number is wrong slightly. Srini, can you just justify on that front?

Srinivas Koora: No, basically the 99 employees were as on 30th of June and apart from that, that also includes interns and consultants and consultants' expenses are included in other expense and employee cost is coming under employee cost.

Moderator: Thank you. The next question is from Yugal Dewan who is an Individual Investor. Please go ahead.

Yugal Dewan: Congratulations on your good performance. I would like to ask Sir do you have any active management controlling in any of these startups or just giving support sitting like silent partners?

Sandipan Chattopadhyay: We are not a silent partner in any of our startups, this much I can tell you. And if you mean active management as an executive management, we do have within a few of the bigger ones, Mihup, Fortigo and all we do participate. In many places, we are Board observers, but on a work basis, any of the active startups that we are working on, the interaction can be on a daily basis



or a weekly basis, but at these, it is in most cases fortnightly and in some rare cases where the startup is mature, it is on a monthly basis, but we are pretty involved on that part and hands-off is not something that anyone expect from us, entire value that we were mainly taken for is the knowledge, strategy and other things we do. Entrepreneurs do reach out and we are very actively involved in the management and the running of the company, though not the execution part of it all the time. But at the strategic level, yes, completely intertwined we may say with the startups.

Moderator: Thank you. The next question is from the line of Kunal Bihani, who is an Individual Investor. Please go ahead.

Kunal Bihani: These are just couple of follow-up questions. I am seeing the presentation, the fair value of Ideal Insurance Brokers and InQube Innoventures have been reduced by around 30 to 40% from a year-on-year basis, so is there any significant impact or what made us reduce the fair value? That is point one. And second, from the stated intentions, we are looking at education and startups, but is there anything where we are working with corporates considering the margins which we might have with corporates would be slightly higher and a better retention, so are we doing anything of the corporate front or our bandwidth is right now limited to the education deployment and the startups where we have a partnership?

Sandipan Chattopadhyay: Srini can answer the first question, I will answer the second question first if I can. See the thing is, of course there are startups we focus and all, so our products and POCs that I talked about is mostly for the corporate sector. And just to be clear, margins are not something we look at in our startup engagement because there we mostly do on a cost plus stake model. The margins primarily come from our entire venture in the corporate world and in our deployment with some of the advanced stage startups whom we treat as corporates only and how you categorize startups and all, for the ventures that we are involved in or we are equity holders in, margins are not there to be very frank. It is something that we do at the cost level and mostly we are getting the value through the equity hold in that startup. For the other part, Srini can respond better.

Srinivas Koora: So basically now, coming to the portfolio investments, first of all let me tell you that fair value of all the investments is updated as on 31st March and as of 30th September. For the rest of the quarters, we are just retaining as it is unless and until there is any major change in any of the portfolio companies. Now, coming to Ideal Insurance and InQube, so on the InQube, we were seeing very low visibility and that is the one of the reasons why it has come down. And as far as Ideal Insurance is concerned, they are doing good right now, but as of 31st March, when we were looking at it, okay, we thought that it would be better in case if we can reduce, looking at the overall scenario, overall growth rate based on the discounted cash flow.

Kunal Bihani: So, have we reduced our engagement with them, I mean which has led to the decrease?

Srinivas Koora: Basically, we have a very limited engagement with them. This overall holding percentage is less than 1% and that too initially for the first 2 years, we helped them in building some sort of a



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technology, post that like they have built their own inhouse tracking. So right now, we are only a financial investor with less than 1% stake in Ideal Insurance.

Moderator: Thank you. The next question is from the line of Siddhant Dand from Goodwill. Please go ahead.

Siddhant Dand: My question is regarding your investment, how liquid would they be in terms of if you want cash, would you get any form of liquidity from them or are they easy to sell or would you sell them at a mature stage?

Sandipan Chattopadhyay: First and foremost, important thing, all this investments what we are holding in this portfolio, completely they are all are unlisted, and they are at a very early stage. Few companies are right now at a seed stage of funding, pre-series A, series A level of funding and these portfolio companies are looking at a deeper engagement and longer-term engagement with Xelpmoc. So unless and until we reach to some stage, series B level and all whenever the opportunity comes, we will take it up with the board and the board will take a decision whether you want to exit fully or partially on a pro rata basis. So it is an early stage to take a call when to invest, whether it is liquid or illiquid, but as and when the opportunity comes, the portfolio completes do reach out, in case if you are interested in diluting etc. on a pro rata basis, etc., but as of now we have not done anything. There were couple of companies were not doing well, we sold it at the cost price to the promoter about 2 years back.

Moderator: Thank you. The next question is from the line of Ayush Gupta from SA Investment. Please go ahead.

Ayush Gupta: Thanks for providing this opportunity. I just want to ask that since we have no place or avenues to deploy cash, so what are we going to do with it?

Sandipan Chattopadhyay: We don't have any avenues to deploy cash. We are very frugal about it, but the product developments and all, on certain parts that we are developing, we will start deploying some of the cash and everything, I mean there is a lot of cash sitting. We wanted to consolidate, see which is working, which is not working, and we are frugal about it. But at the opportune moment, for the right opportunities, we do plan to deploy some of these things. Mostly, it will come in terms of development for R&D, new products and maybe there are some businesses we may want to hold with a lot larger holding of more than 50% or 60% or something of that sort. Till now, we have not been able to execute those sort of things properly, so we have not gone ahead and invested such large things, but as we mature and as we find out sectors where we feel how our confidence is higher, we will be deploying some of it for sure. The rest Srinu can address.

Srinivas Koora: Sandipan, you covered it well.

Moderator: Thank you. The next question is from the line of Joseph, who is an Individual Investor. Please go ahead.



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Joseph: Congrats on the fantastic performance. My questions are more connected to the situations currently. The COVID situation is likely to prolong for the rest of the year and may be more, is it affecting working, collaboration, what are you doing to mitigate it and marketing pipeline also, see you may or may not get to travel as frequently as you want, so what are we doing to kind of take care of that? Second part of the question is, regarding Learning Hats investment, can you throw some light on it? What is the company about and tell us a little bit more about that?

Sandipan Chattopadhyay: The situation is throwing challenges, but we are finding some good hacks to it, if I can call in my language which is we are innovating constantly and finding out what we can do best with it. Things which are not in your control, you still do have the control of leveraging most what you can. Coming to your specific questions, marketing funnel of course is affected adversely. We had expected to hit the accelerator sometime this time around and have some propagations in overseas markets mainly. That is severely affected, but revenue streams and all like I have told in the previous call, we had thankfully booked a little bit ahead for about 5-6 months because we thought we will accelerate and hence this will be the stable foundation. So, we are looking at executing those much faster, better and in some of these ventures, we also have revenue inflow coming in if they get used. We have seen some opportunities that we executed faster, and they go to market faster. There is a chance of revenue accrual coming in and part of it coming to our coffers, so we are working on those parts. On the work front of it, it has affected. Initially, we found it very difficult to collaborate, especially because we are not an execution company only. We are a company where we need to debate, we need to ideate together. We did find it difficult in the initial days, but then we kept on innovating on our own working methods also. Today, we do a lot of calls, we have interesting ways of doing video conferencing, we are using our handwriting once more to focus the camera on a paper and writing on the paper and others are seeing it. So we have found ways and for the last 2-3 months, we have taken it for granted that possibly we may need to work in this more for at least 4-5 months and we are hoping for the best, but preparing for the worst in terms of work mode and all and touchwood, till now we have been able to get higher productivity out of these things. Two advantages have been that somehow, once the decision is taken, the productivity is higher per person. And when it comes to creative things and individual thinking part, people are probably getting less distracted because it is not just your work, but also you having to go to a movie or going on a vacation, those things not being there, people are in the creative part contributing more than what usually has been the average for some time. Not that it is a good thing, may be the quality of creativity will also go down, but for the moment we are leveraging it, it is not something we hope that exists for more than 4-5 months, but at the moment, we have been able to capitalize and leverage whatever that has been thrown to us as a problem.

Joseph: Can you also tell us little bit about Learning Hats?

Sandipan Chattopadhyay: Exactly, I will take that also. So Learning Hats is basically a setup or a corporate structure that we have done for keeping all the education tools and tackles technology pieces as apart because



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the markets we are trying to attempt as apart from India, we are also trying to go to South East Asia and Africa and hence having it there makes sense. We are sort of keeping 3-4 main systems as our focus. Of course, one is kind of like a school management system, second is a kind of content development system in which we historically have huge experience, if you look at Woovly, if you look at the past experience, we have something. So, education content development tools and tackles is something there and of course some advance things with interactive content which is not just video based, but video plus something else etc., so we are exploring those things. All those things will be done out of that particular company.

Moderator: Thank you. The next question is from Kapil Makkar from K&K Associates. Please go ahead.

Kapil Makkar: If you would have noticed, 80 to 90% questions are pointed towards your investments in startups or unlisted companies rather than your products. Though you guys are experts and in much better position to judge, just a few thoughts about developing more diverse products which really could generate income as well as interest of investors? And the second question is, can you share your employee-intern -consultant mix out of those 99 employees and the third is, could you please share your gender diversification?

Sandipan Chattopadhyay: Sure, I think I will leave the last two questions for Srini, he will have the numbers, but I will take the first question which is interesting. Yes, we love products, we hope that in the near future, we will have more and more of our revenues or accruals coming through product and other sales. That said, product development lifecycle is a longer cycle to manage and the wealth creation and all should not get abated by that singular focus. So, it is a question of portfolio management if you understand. I am sure, you understand better than me, but in our kind of portfolio management, we also develop and see where do we put our engineering talent and best creative talents onto and it is diversified to that part. The ventures have a slightly higher coefficient of going to market because they are not standalone things, mix of digital things and it is easier to deploy. And many of the ventures also give us ideas of products where we go and sit in and do it, so we keep on having this kind of a two-well strategy on which we do that. The products and all those things as I said, we will start, we started developing it over a year back, typical product development cycle is a 2- to 3-year process and we will see some traction as I said coming from next year January quarter onwards. Several products as we speak are in the POC stage and in fact, some of them have also been deployed as sub products in some of the ventures or some companies, corporates have used it, but it is still not a full-fledged product where we think of a product and that migration and that packaging, delivery and all I think will start maturing from next year January.

Srinivas Koora: Now, to answer your question on the employee mix, we have about 57 people as employees and 35 people as intern and 7 people as consultants.

Kapil Makkar: Gender diversity, could you please share if you have?



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- Srinivas Koora:** Gender diversity is roughly in the range of about 78 : 22.
- Moderator:** Thank you very much. We will take that as the last question. I would now like to hand the conference back to the management team for closing comments.
- Srinivas Koora:** Thank you everyone for joining us. In case, if you have any further queries, please do reach out to us. We will do our best to address. Wish you all, have a great evening ahead and requesting you to be safe. Thank you once again.
- Sandipan Chattopadhyay:** I would like to add that this timeframe was inadequate for all the queries you may have. We want to be completely transparent and we think of you as our co-owners and you are entitled to every answer to questions which are of substance and we will absolutely-absolutely answer each and every query. Please do reach out to us on to that part. I just want to end on a little philosophical note, if you will allow me, this is India at 75 and we have a big next 25 years ahead of us. I hope that Xelpmoc will play a big role in this next phase of the growth of India from India at 75 to India at 100. That is the aspiration that we have for and we hope that we will be able to make you proud, not just rich. Thank you so much.
- Moderator:** Thank you very much. On behalf of Xelpmoc Design and Tech Limited, that concludes this conference. Thank you for joining us. Ladies and gentlemen, you may now disconnect your lines.