



June 09, 2025

To

<b>BSE Limited</b> Department of Corporate Services Listing Department P J Towers, Dalal Street, Mumbai - 400001 <i>Scrip Code: 542367</i>	<b>National Stock Exchange of India Limited</b> Listing Department, Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400051 <i>Scrip Symbol: XELPMOC</i>
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Dear Sir/Madam,

**Sub.: Transcript of Earnings Call on Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2025**

In continuation to our letter dated May 27, 2025 and June 02, 2025 and pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Transcript of the Earnings Call held on Monday, June 02, 2025, at 05:00 p.m. for discussing operational and financial performance in quarter and year ended March 31, 2025 and the same is available on the Company's website at <https://www.xelpmoc.in/earningscalltranscript>.

We request you to take the above on record.

Thanking you,

Yours faithfully,

**For Xelpmoc Design and Tech Limited**

**Vaishali Shetty**

**Company Secretary & Compliance Officer**

**Encl: As above**

**XELPMOC DESIGN AND TECH LIMITED**

**Registered Office:** No.57, 13<sup>th</sup> Cross, Novel Business Park, Hosur Road, Anepalya, Adugodi, Bengaluru - 560030

**Corporate Office:** Suite 1, 8<sup>th</sup> Floor, Raheja Mindspace, Building No. 4, Hyderabad-500081

**CIN NO: L72200KA2015PLC082873 | Website: [www.xelpmoc.in](http://www.xelpmoc.in) | Email: [hello@xelpmoc.in](mailto:hello@xelpmoc.in) | Mob. No: (+91) 6364316889**

Bengaluru | Hyderabad | Mumbai



“Xelpmoc Design and Tech Limited  
Q4 and FY '25 Earnings Conference Call”

June 02, 2025



**MANAGEMENT:**    **MR. SANDIPAN CHATTOPADHYAY – MANAGING  
DIRECTOR AND CHIEF EXECUTIVE OFFICER –  
XELPMOC DESIGN AND TECH LIMITED  
MR. SRINIVAS KOORA – WHOLE-TIME  
DIRECTOR AND CHIEF FINANCIAL OFFICER –  
XELPMOC DESIGN AND TECH LIMITED  
MR. JAISON JOSE – WHOLE-TIME DIRECTOR –  
XELPMOC DESIGN AND TECH LIMITED**

**MODERATOR:**    **MR. RAVI UDESHI – ERNST & YOUNG**

**Moderator:** Ladies and gentlemen, good day, and welcome to the Xelpmoc Design and Tech Limited Q4 and FY '25 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 conference call, please signal an operator by pressing star then zero on your touch-tone phone.

Please note that this conference is being recorded. I now hand the conference over to Mr. Ravi Udeshi. Thank you, and over to you, sir.

**Ravi Udeshi:** Thank you, Sejal. Good evening to all of you and welcome you to the Q4 and FY '25 Earnings Conference Call of Xelpmoc Design and Tech Limited. We have sent you the press release, and the investor presentation and the same also has been uploaded on the Xelpmoc website as well as on the Stock Exchange. In case anyone does not have a copy of the same, please do write to us. To discuss the results and the outlook for the future going forward.

We have with us today the top management of Xelpmoc, represented by Mr. Sandipan Chattopadhyay, Managing Director and CEO; Mr. Srinivas Koora, Whole-time Director and CFO; and Mr. Jaison Jose, Whole-time Director. Before we start the call, I would just like to remind you that the safe harbor clause applies.

With that said, I now hand over the call to Mr. Srinivas Koora. Over to you, sir.

**Srinivas Koora:** Thank you, Ravi. Good evening, everyone, and welcome to Xelpmoc's earnings call for Q4 and FY '25. I hope you and your family are doing well. We are still seeing challenges in the startup sector due to a volatility in funding within the emerging technology sector. As mentioned in our previous call, we are maintaining our focus on the corporate segment.

Our consolidated operating revenue for the quarter, it was recorded INR 7.1 million for Q4 FY '25 as compared to INR 9.1 million in Q4 FY '24 and INR 8.3 million in Q3 FY '25. The revenue decrease on the year-on-year basis on account of the transition from the startup segment to the corporate segment. We are seeing interest from corporates for our services.

However, the conversion is expected to take some time. Hence, we expect our revenues to gradually start getting traction over the next few quarters. Operating EBITDA adjusted for the quarter was negative INR 15.3 million as compared to negative INR 49.2 million in Q4 FY '24 and negative INR 19.8 million for Q3 FY '25. I would like to give some context to the EBITDA loss in Q4 FY '25.

Though our operating expenses have reduced, however, the decrease in revenue was due to the said losses. We expect our operating cost to be stable from hereon. Net loss for the quarter was INR 18.4 million, partially due to INR 0.1 million of ESOP expenditure.

This in comparison to a net loss of about INR 60.4 million in Q4 FY '24 and net loss of INR 20.9 million in Q3 FY '25. Regarding the change in revenue, we would like to state that our revenue was diversified within startups, corporates, and government forming 15%, 84% and 1%, respectively for FY '25 revenues. We expect focus on corporate segment going forward, more focus on data science will enable us to increase our revenue. Our team size is about 50 including

employees, interns, consultants as compared to 49 in Q3 FY '25. Till date, we have served 64 clients, and our sustained interaction is the foundation for our performance.

On a standalone basis, revenue for Q4FY25 was INR 9.1 million compared to INR 8.3 million in Q3FY25, an increase of 9.1% due to increase in services delivered to corporates. The operating EBITDA for the quarter narrowed from negative INR 17.2 million in Q3FY25 to negative INR 14.5 million in Q4FY25 due to the revenue increase coupled with decrease in certain overheads. Net loss for the quarter was INR 15.9 million.

The Company has restricted the consolidation of its subsidiary, Xelpmoc Design and Tech UK Limited, and its step-down subsidiary, Soultrax Studios Pvt. Ltd., in accordance with applicable accounting standards. As a result, the income as well as expenses recognised from these entities in earlier quarters have been reversed in Q4FY25, leading to differences between the standalone and consolidated financials for the quarter.

I will now speak on the full year financials. Consolidated revenue from operations was INR 39.0 million in FY25 compared to INR 64.7 million in FY24. Operating EBITDA for the year was negative INR 73.2 million as compared to negative INR 149.1 million in FY24. Net loss for the year was INR 80.7 million compared to INR 138.9 million in FY24.

Standalone revenue from operations was INR 39.0 million in FY25. Operating EBITDA was negative INR 63.1 million and net loss was INR 86.2 million. The difference between standalone and consolidated financials was due to certain intercompany transactions between the group during FY25.

The fair value of our investment in portfolio companies stood approximately INR 631.8 million as of 31st March 2025, as compared to INR 546.3 million on 31st March 2024. We achieved a milestone recently in our journey as a listed company as the Board approved the proposal for part sale of our stake in Mihup aggregating to total consideration of Rs. 100 million. This transaction reaffirms our strategy of partnering with startups and exiting post our 7-year target period.

I will discuss about the portfolio companies in detail now.

Mihup, our cutting-edge conversation AI platform designed to provide real-time assistance and analytics on customer-agent interactions. Mihup features a phenome-based voice-to-text engine that delivers industry-leading accuracy, along with pre-built AI models tailored for multiple industries. Its hybrid architecture, combining edge and cloud technologies, ensures secure and real-time data processing, enabling total workflow automation and mixed language understanding.

It recorded revenues of approximately INR 180 million in 12MFY25 and currently has an ARR of INR 250 million. It counts Tata Motors, Canara HSBC, Angel Broking, and Pine Labs among its top clients. Mihup currently has an execution runway of about 24 months, supported by its latest funding round. It has a dedicated team of 65 professionals.

Coming to our next startup Woovly. Woovly operates across two dynamic business verticals. First, it has a video commerce marketplace dedicated to lifestyle products, and second, it has a SaaS offering, Live2.ai, which provides interactive shoppable videos and live commerce solutions.

Live2.ai has two core products: the Shoppable Social Wall and Social Media Publishing and Reporting. Currently, Live2.ai is achieving an impressive \$2.4 million ARR, with 280 brands utilizing the platform and operating at an EBITDA positive status. It has notable enterprise clients which are industry leaders such as Henkel, Shiseido, L'Oréal, Samsonite, Titan Group, Decathlon, and Diageo, with many more global brands in the pipeline.

Snaphunt is a remote talent marketplace that matches employers with the best talent across geographies. Snaphunt, is an innovative recruitment solutions company. They recently launched agentzane.ai, a comprehensive digital recruiter product, alongside their fully managed recruiting service for SMBs and startups, Snaphyre, which debuted in 2022. In 2024, they saw a remarkable 1.5x growth in paid customers, driven by the removal of its freemium plan and new pricing strategies that enhance product-led conversions. Revenue for January to December 2024 reached USD 425,000, with projections for 2025 set at an impressive \$1 million. Currently, they have 7.2 million job seekers and 10,000 employers on their platform, positioning them as a leader in the recruitment space.

Pencil. Pencil, a Mumbai-based startup that has been at the forefront of the creator economy since its establishment in 2007. Pencil is dedicated to empowering writers by providing innovative tools that enable them to create, enhance, and monetize their stories. Recently, they launched AI-generated audio, supported by a grant from Google India, which is now live. Additionally, Pencil has produced samples of AI-generated books in multiple languages, including English, Marathi, Hindi, and more. With impressive intellectual property monetization, they sold 38,713 units in Q4FY25 and reported a revenue of INR 81 lakhs in the said period, reflecting a 25% growth over the previous quarter.

Our next startup, The Star In Me, an innovative learning-as-a-service platform dedicated to driving organizational excellence for individuals of all genders. Recently, TSIM has secured new clients, including Aragen, and achieved impressive gross revenues of INR 2.35 crores for 12MFY25. The company has also enhanced its platform by introducing new features designed to elevate the Coach/Partner experience and improve the Client Discovery process. Notably, TSIM was honoured with the Gold Award in the 'Startup of the Year' category at the ET Human Capital Annual Awards 2025, reflecting its commitment to excellence in the industry.

Kids Stop Press, a unique discovery platform designed to support parents throughout their parenting journey, from conception to age 16. With the help of Xelpmoc, KSP has developed a machine learning platform that analyses over 100 data points from its users. The primary target audience consists of first-time parents aged 25 to 34, who make up 75% of the platform's traffic, with 45% accessing it via iOS. KSP has successfully monetized its content through brand partnerships and subscription revenue and has seen improved monetization thanks to long-term brand collaborations that extend its reach into tier 2 cities across the nation.

Coming to our newest startup, Biome. Biome is a venture studio in the business of investing and mentoring in startups. It recently raised INR 20 crores from various sources. It's startups investments include zoop.Money, a white label loan platform for home buyers in partnership with real estate developers and financial institutions.

As you all know, Xelpmoc typically engages with startups at the incorporation stage, pre-seed funding stage, or pre-revenue stage. Most of our startups have just begun generating revenue and are still in a cash-burning phase. However, a few of our startups, such as Mihup, Woovly, and Pencil, are performing well, while the others are still working to secure their next funding round. Consequently, they are concentrating on increasing revenue and maintaining a conservative cost structure.

This year the startup ecosystem experienced significant challenges, and we are focusing on scaling up Xelpmoc's own products and services. Our emphasis is on revenue generation within the corporate sector, particularly in data science, artificial intelligence, and machine learning, as we aim to develop our own in-house products. At this time, we are not looking to onboard new startups unless we encounter exceptional opportunities.

We are committed to achieving EBITDA profitability as soon as possible, although it may take several quarters for this to materialize, given the current market conditions affecting both startups and other sectors. With this, now I request to open the floor for questions and answers.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Mehul from 40 Cents.

**Mehul:** Thank you so much, sir, for the opportunity. I joined in a little late. So, I'm new to the company. I would like to know the business model like -- does Xelpmoc provide the capital for start-ups, or the ideas are incubated in Xelpmoc itself?

**Srinivas Koora:** So basically, as far as Xelpmoc is concerned, Xelpmoc, we don't invest money into those companies unless and until we really see some sort of thing. But basically, what we do is we build technology for those start-ups -- and at the same time, what we do is we help them in terms of product ideation, mentorship and all the other corporate services.

**Mehul:** Right. So sir, since you mentioned that you helped build technology, now what I understand from the earlier commentary is that Xelpmoc is having only a team of 50 people. Is that right?

**Srinivas Koora:** Yes, Xelpmoc has about, yes, 50 people.

**Mehul:** So sir, my question is that because I was hearing the commentary and there are about 7 start-ups or 7 ventures. So are you saying that just team of 50 people is providing technology guidance to all the 7 companies?

**Srinivas Koora:** No, no. See, basically, what happens is every year, we used to partner with 2 or 3 start-ups. And with each start-up, the engagement is different. Maybe with a few start-ups, we had an

engagement of 2 years, 3 years, etcetera. So what happens is, till the time your product is developed, you have done your beta, alpha, market test, etcetera, everything would be taken care by Xelpmoc.

And again, there would be an agreed man month rate and agreed number of hours. Accordingly, that would be translated into equity or accordingly, that would be translated into the amount that the start-up has to pay to Xelpmoc.

In case, if you look at Xelpmoc, Xelpmoc has a history of close to about 9 years. So every year, we have onboarded a few start-ups and initial agreement was for about 2 years or 3 years. Once they raise fund, once they have grown up, they have their own tech team. And what happens is in case if they face any challenges, at that time, we jump in and we try to help them.

**Mehul:** Right. So sir, over the period of last 9 years, how many start-ups have we worked with?

**Srinivas Koora:** So basically, we must have worked with close to about 16 to 17 start-ups, out of which few start-ups have not worked. As you know that the success rate of in start-ups is hardly about 10% to 12%. But still in case -- our case, if you look at it that a few have already reached to about Series B level, few are at a Series A level. And most of the companies have already raised funds from either private equity players or family offices.

**Mehul:** Right. So sir, which are those companies -- out of this listed on the presentation which of these companies have got capital from private equity or the family office?

**Srinivas Koora:** So basically, Mihup has raised funds from private equities and also some marquee investors. And even Woovly has raised funds from private equity and some marquee investors, Pencil has raised funds. Snaphunt has raised funds.

**Srinivas Koora:** Basically, in case, if you can go through our deck, it has all like what they do, etcetera, and even if you look at our annual report, it carries like who are the investors in these companies. Now for example, as I discussed earlier in my opening remarks, Biome, Biome recently closed close to a raise of about INR20crores, again from friends and families.

**Mehul:** Okay. So how do you spell Biome?

**Srinivas Koora:** B-i-o-m-e.

**Mehul:** Sir, is it possible to have a detailed discussion because this call is for other people as well. So is it possible to.

**Srinivas Koora:** You reach out to our IR person, Ravi, he will help you.

**Mehul:** And sir, where is the management for the company based out of?

**Srinivas Koora:** We are based out of Hyderabad and Bangalore.

**Moderator:** The next question is from the line of Rohan Choksi from Raas Capital.

- Rohan Choksi:** Sir, my question was with regard to the products that are built in-house. What's their useful life? And are they patented? And do you give annual maintenance service for them?
- Srinivas Koora:** The products, whatever we are building right now at a very initial stage. Right now, none of the products, these are got patented. And mostly, these are -- in the field of AI/ML, which can be used, especially in the fintech industry, insurance, etcetera. Sandipan, you can add more in detail with respect to these products.
- Sandipan Chattopadhyay:** Yes. So essentially, these are -- you're highlighting all sorts of ML code and all and making applications for mostly as of now three industries we're targeting: real estate, BFSI and legal tech, where there's a lot of documentation and all. So these are document processing things, which essentially tells if a document is of a particular type, if there are certain errors that can be corrected, whatever was being done as a menial job before as proof correction or checking and all, that is being automated.
- Srinivas Koora:** Yes. Jaison, you can also include what we are doing in ElderTech.
- Jaison Jose:** Yes. So in the last year, we've looked at an emerging theme and industry that's moving rapidly with the pace of greying in India. So as we call it ElderTech or AgeTech as we call it, is a focus area for us. It's one of the only few additions that we've made in the last 9 years of our journey. And our first SaaS offering in this space has now been launched.
- We are currently talking to multiple senior living operators in the country. And it's an end-to-end suite for operators in the space who could be either real estate companies that have entered the senior living space or senior living operators that independently operate.
- So we're looking at how tech can help them improve efficiencies of operations, streamline service offerings as well as give best experience service -- best experience to their residents. It is one of the first products within that -- from that company, from that entity. And we hope to have recurring revenues coming from that product in the next couple of quarters. So we just about launched it. And next quarter on, we hope to bag a couple of deals.
- Rohan Choksi:** Understood. Thank you for the explanation. And I have been through your investor presentations and the con-calls before, but I thought I would still ask. Sir, I wanted to get a bit more understanding on who uses the products among the corporates -- and you have mentioned on the industry, but if you can go a bit deeper on the use case of these products from the client point of view, like who will need these products or -- tomorrow, who will need Xelpmoc's help to scale with a start-up, corporate or a government?
- Srinivas Koora:** So in terms of corporate, it can be used for legal companies. And in case of BFSI, it can be used in insurance sector. Even in real estate sector, it can be used. So we have built a couple of robust models, which we are seeing that there are certain use cases in these particular industries especially.
- Rohan Choksi:** Understood, sir. And are you able to give a bit more information on who your top 10 companies would be or which companies you are eyeing in the next 1 year or so as your potential plan?



**Sandipan Chattopadhyay:** See, as I said, the sectors that we are looking at is legal and BFSI and real estate. So a large source of legal process outsourcing companies are already our customer. We are trying to go to more such people who need that. Just to give an example of a use case, for example, let's say, contract is being framed and it has a number of clauses.

So today, what happens is a paralegal person goes to those clauses and try to determine if there are risk factors or something has been missed or something is pertinent to the domicile, the contract has been framed on. These sort of things have been automated.

So what probably would have taken 2, 3 days before from a paralegal perspective, probably can be shrunk down to 4, 5 minutes of inspection after which the paralegal is sort of triggered to say, okay, this-this is the things it's missing. And it works in a kind of an aid to the paralegal to make his job much, much more easier. That's the kind of use case. So anyone who's in a similar industry and has such an overhead for the people who are working, it's an applicable solution.

In the same way, it's any forms that are being filled up, any paperwork that's been done where there's manual inspection, that can be automated to a large extent and aided for the person doing it.

So that's the broad industry. Now each industry has its own nuances and all. That's the reason we are sticking to these three verticals where we are putting specialized knowledge, but the core competency of the text passing and all, that is more or less generic. You have to specifically train it for the particular field that you are trying to attract.

**Rohan Choksi:** Right. Understood. Sir, I just have one last question, if that's okay. And you spoke about the profitability as soon as possible. And I understand the industry itself is facing its challenges, but correct me if I'm wrong, I think you've gone from having 112 to 50 now. So maybe from the cost-cutting point of view, you might have -- you might be over it, but from the revenue or from the growth point of view like what's the next step that you have to take to reach profitability or at least EBITDA positive?

**Srinivas Koora:** So as far as this part is concerned, maybe you are seeing that the number of employees were 100 or even at times 110, 120, etcetera. Please understand that earlier, we have taken a couple of projects, which are more towards helping government, etcetera. But we have seen that those transactions are not helping us to grow. And at the same time, we were burning cash. That's one of the key reasons why you have seen that there is a drop in revenues and also there is a drop in expenditure.

**Moderator:** Sir, does that answer your question.

**Rohan Choksi:** Yes. Thank you so much.

**Moderator:** Thank you. The next question is from the line of Abhishek Agarwal from Jems Quest. Please go ahead.

**Abhishek Agrawal:** Thank you for taking my questions. My question is with respect to our business model and we have been invested since past 5 years now. And then I've seen company do several things and

close down a few. And then we had so much of potential. We were doing so much of things together and so many industries that we could have catered to and we're already in AI/ ML and all of these stuff.

And with so much of opportunities in AI, so many companies doing and trying out things and developing product and so what is our vision, what are we trying to do and what is not working for us that we're not being able to scale our products and attract customers or get clients towards using our products and solutions?

**Sandipan Chattopadhyay:** So we were in the same field of AI/ML and all, but our manifestation was mostly through the start-up industry. That change of focus that we have done is what has been the main reason why we are right now starting almost at an initial level for entering into the commercial space and corporates to get the business.

So, yes, we were in the same field, but our focus was not towards making the products and doing services for corporates. That's a change we have taken, let's say, about four quarters back. And now those things are happening. Parallely, we also started building our own products around that time.

Because of the experience we had in the several start-ups and all we did, we could do it at a faster pace. Instead of the initial period that every company takes say 2, 3 years, we have been able to go to market with some product offerings in 1 year. That is the transition that you are seeing. And that was previously notified that there is a painful switch that we have to do on that part.

At the same time, we have not been encouraging start-ups because of our own viability in terms of commercials and money factors, but if you look at our track record in terms of the success of the start-ups, that has been quite significant. If we had enough part and we had gone that way, that would have been a different part, but there was a funding winter. There is a start-up shakeout that's happening and we thought prudent not to go that way, especially since we are a listed entity.

**Abhishek Agrawal:** Sure. So sir, just an extension to that then if you can just in a little bit of detail, explain us what are we trying to do exactly as of now and what is the potential that we see with respect to revenues or profitability 1 year, 2 year down the, any road map that we have or anything that we're targeting in terms of revenues or profitability?.

**Sandipan Chattopadhyay:** Yes. Just the previous question, we did explain as to what we are paying from the product and all. If you have queries, we can revisit that part which is there, but from an outlook of revenues and all the numbers that are being talked of, that forward-looking part we really can't get into at this point of time until the stabilization happens and we have a fresh outlook on that.

**Abhishek Agrawal:** Sure, I get you. What I'm trying to understand is, say, for a product or two that we are developing, what kind of customers can we get with respect to revenues? I mean, what kind of revenue potential can that product per client per year have from services or products that we have to offer?

**Sandipan Chattopadhyay:** It is not fixed because the number of customers -- I mean, the agents that we are replacing and all will change from company to company. It's better to go with the sector and think of what that sector can offer. As of now, the potential market size for each of the sectors of legal tech and all is pretty high.

If you think of it that if we are looking at market potential, it's about in many ways that you can think of it as the mid-tier employable people about 6% to 7% of their cost is what can be the total market size for that. How much we are able to capture and all that will get clarity as we get the rollouts done.

**Abhishek Agrawal:** Okay. Sure. And anything else that we're trying to do or develop or get into in the future or anything that is on the drawing board for us?

**Sandipan Chattopadhyay:** Jason mentioned just previously, the ElderTech piece, the first SaaS offering for the ElderTech, that's something that we are taking to market right now.

**Abhishek Agrawal:** Okay, sure. Thank you so much and all the best.

**Moderator:** Thank you. The next follow-up question is from the line of Mehul from 40 Cents. Please go ahead.

**Mehul:** Thank you so much for the follow up. Sir I'm on bit confused about the company's operations. So while I -- in my earlier questions, I got some insights about the ventures which you are -- which you have, like we have Woovly, Mihup, TSIM etcetera. And then in the following questions I heard about that you are developing some products which are catering to real estate, legal tech and BFSI.

So the question is that these products, which are you mentioned about to some extent, are these products driven by the Xelpmoc team itself or these are also with some third party are the start of future encouraging for supporting?

**Sandipan Chattopadhyay:** No. So what you heard was the previous portfolios that we have built and our interaction with them in terms of day-to-day operations or development is not existing as of now. This is our history. What you're hearing is the work that we are doing, and this is not through any start-ups or ventures that we have gone. It is independent development that we are happening through the brand of Xelpmoc.

**Mehul:** These are independent ventures, real estate, legal tech and BFSI?

**Sandipan Chattopadhyay:** These are our product lines. This is Xelpmoc product lines.

**Mehul:** So when you say the others are history, so you are not doing any more work with start ups. Is that correct understanding or it's completely wrong?

**Sandipan Chattopadhyay:** Because they have matured, we hold equity in them and we have exposure to them. So whenever the wealth gain happens there, it adds to our holdings, but there are time to time when there is an innovation needed, we have contracts from them, but there is no regular revenue income flow or costs incurred on behalf of those portfolio companies.

- Mehul:** So there's not a single penny which you are spending on these startups now anymore?
- Sandipan Chattopadhyay:** Not anymore. So we have done the investment before. We are now looking at reaping the benefits. And that strategy that we had previously through which we have done this book building, that is not being pursued for the moment.
- Mehul:** Right. Sir, my next -- another question about the startup is that in the slides, which we have received as our investor presentation, there are names of the people who are mentioned as team like Tapan Barman and Venkat J and Mahua Mukherjee. So all these guys are leading these startups?
- Sandipan Chattopadhyay:** They are the entrepreneurs. They are the entrepreneurs. They are the key guys. We hold equity in those companies run by them.
- Mehul:** Okay. Okay. And sir, my next question is on one of the slides, which talks about existing ventures and prospective engagements. So prospective engagements, I can see you have mentioned that, that is happening in the South African continent, African continent. So can you please elaborate on what kind of prospective engagements are we doing for the -- in that area of the geography, I mean, in that geography?
- Sandipan Chattopadhyay:** Srini, you want to take that?
- Srinivas Koora:** That was done earlier, not the current one, because that was one of the services that we rendered earlier.
- Mehul:** So then there is nothing right now, which we are doing in terms of South Africa?
- Srinivas Koora:** No, nothing.
- Sandipan Chattopadhyay:** Not at the moment.
- Srinivas Koora:** We are doing some work in U.S. and some different places pace, but mainly in U.S., we are doing some work. And one of the portfolio is there from U.S., which is a Catailyst, and one portfolio is there, which is from Singapore, which is Snaphunt.
- Mehul:** Snaphunt is in Singapore and which is the one in U.S., sorry, sir?
- Srinivas Koora:** Catailyst is in U.S.
- Mehul:** Catailyst?
- Sandipan Chattopadhyay:** Yes.
- Mehul:** Okay. And sir, anything in Europe?
- Srinivas Koora:** No, we don't have any services which we have done, but at the moment, nothing. No.
- Mehul:** Nothing at the moment. Okay. This MSME major in European market, can you elaborate a little bit on that, sir?

- Srinivas Koora:** So basically, these are the services which we have rendered earlier, helping them in terms of R&D, building a product, et cetera.
- Mehul:** Right. Sir, as you mentioned, that there's a shakeup in the start-up world. So what kind of hiring plan do you have for the next 2 years?
- Sandipan Chattopadhyay:** We have not done any hiring plans because as of now, we are adequately manned. And once the products and all have kind of show the expansions and all at that point, we'll re-staff.
- Mehul:** Okay, sir. Okay. Thank you so much for answering all the questions.
- Moderator:** Thank you. The next question is from the line of Raaj from Arjav Partners. Please go ahead.
- Raaj:** Sir, you just mentioned on your call that you are doing a change of business model. I wanted to understand what exactly is it? Is it like you are stopping to invest into start-up companies and developing your own tech and going ahead? Is it so?
- Srinivas Koora:** That's correct.
- Sandipan Chattopadhyay:** Yes, two, three we have done -- yes, you go ahead. Okay.
- Srinivas Koora:** Yes. So basically, we are focusing more on developing in-house products, and rendering services to corporate as services. But yes, as far as the start-ups are concerned, in case if there are any good lucrative start-ups reaching out to us in case if there is any potential in it, we are happy to look at those start-ups. But yes, earlier mainly was focused on start-ups. Now we are looking at start-ups, products and services, both.
- Raaj:** All right. So the products which you are developing on your own, how much investment have you made into them?
- Srinivas Koora:** So basically, whatever burn that we are doing for last 1 year, maybe you can assume that the majority of it is going into those products. We are like talking to a few clients yet to come out with some green shoots, et cetera, but sounds very positive. And maybe in the next 1 or 2 quarters, you will see something on that side.
- Raaj:** Okay, sure. Thank you.
- Moderator:** Thank you. The next follow-up question is from the line of Rohan Choksi from Raas Capital. Please go ahead.
- Rohan Choksi:** Thank you for the chance to ask again. So can I just understand...
- Moderator:** Sorry to interrupt sir. I would request you to please use your handset.
- Rohan Choksi:** Okay. Yes, I'll speak louder. Sir, my question was with regard to the start-up investment -- the start-ups that you have in your portfolio. Would you have any exit strategy at this point? Or you monitor on a year-by-year or quarter-by-quarter basis?

**Sandipan Chattopadhyay:** We do it on an opportunity basis, not quarter-by-quarter or year-by-year. But as you heard, our first exit from Mihup did happen, and we'll be the partial sell to the effect over INR10 crores.

**Rohan Choksi:** Got it. Sir, and I just wanted to understand the revenue split between domestic and international as well. Between quarter 3 and quarter 4, there's a huge 20% change in the international. Is the international market going to drive the revenue going forward? Or am I reading it correct?

**Sandipan Chattopadhyay:** See, the thing is many of these contracts or POCs we are doing, they do have an international appeal, though we are doing the POCs in India. So how it will go, we are not fully clear on where the uptake will be higher. But I mean, for example, where the billing happens from makes it international, national, but the execution could be in India or vice versa, right? So that, I think, is there.

The sectors are what is core in focus. For example, if there's a legal process outsourcing company and the parent company is in U.K., let's say, the revenue will be booked in U.K. But actually, the solution is being done for their center in India. So it's tough to say from the product perspective, unlike start-ups where it was very clearly demarcated and domiciles. This is more of an accounting part of it. But I don't think that should be a distinguishing factor.

**Rohan Choksi:** Got it. Understood. Sir, and now that the focus is going to be on the products that you have in-house development. Could you expand a bit on the USP of them or what makes them different, like the reasons why the clients would choose your products going forward?

**Sandipan Chattopadhyay:** Obviously, it's because it serves the problems that they're facing. And currently, whatever tools and processes they have are not coming up to either the accuracy level of it or the speed of it, right? That's essentially what is driving. And that's the reason why a lot of the development has gone and we are focused on sectors. We have gained knowledge specific to that sector.

And as with any AI/ML or data science-oriented project, the key is apart from the technology execution, which is more or less standardized now and there is a minimum standard that you have to comply with. The core part of it is how well you're able to train the data and how well you're able to handle exceptions. And the amount of effort and skill you put into it is what differentiates you and makes you marketable.

So what is our calling card on this part is the accuracy and the effectiveness in being able to assist with deep focus. So there is a generic English language parser and there is a slightly different training that you need to give to make the specific English, which is used in legal documents. And that changes slightly again when you go to other sectors.

So that tweaking and making sure that those things are done properly and it's giving the accuracy is what the skill and the USP of what we are doing lies in.

**Rohan Choksi:** Understood, sir. Thank you so much.

**Moderator:** Thank you. The next question is from the line of Mukesh Patel, who's an Individual Investor.

- Mukesh Patel:** Recently, it has been noticed that Franklin Templeton Mutual Fund, which was holding 63,000 shares of our company since last 3 years, has sold its entire stake last month. Is it not a very disturbing sign for investors?
- Srinivas Koora:** Sir, as far as shareholder holding stake, when they buy it, when they sell, it is nothing is within the company or within this. It is their individual decision and individual choice whenever they want to buy and whenever they want to sell it.
- Mukesh Patel:** That is true, but it makes real sense to know that a computer named like Franklin Templeton exits our company, it shows very disturbing signs to investors.
- Sandipan Chattopadhyay:** I think sir, that is something that's like Srinivas said. But what has to be considered are 2 factors. One is it was not a significant holding that they had. It was not even in one decimal play -- I mean, in single decimal play. The second aspect is they had held for 3 years, and they have certain policies in certain market sizes where they have to exit.
- That I don't see as a warning sign given the time period they have been in. It was not like a hasty retreat immediately after investing, which would have been worrying. And it is something that was not moving the needle too much for us because it was more of a check that they had put in, in my opinion, given the size of their fund and the amount they invested. So I don't think I read too much into it.
- Moderator:** The next follow-up question is from the line of Mehul from 40 Cents.
- Mehul:** How much percentage of equity are you holding in Mihup?
- Srinivas Koora:** Mihup. We now after exiting close to 2.5%, still we'll be having about 6.4% to 6.5% in the company.
- Mehul:** Okay. And sir, rest of the equity is held by?
- Sandipan Chattopadhyay:** The entrepreneurs hold some part. There are investors who have been there from before like Xelp, IdeaSpring, who are there. And there have been new investors who have come who actually have -- for example, our sale was partially of the existing investors who wanted to not liquidate more onto that part.
- So our thing was bought by existing investors. So the investor pool has more or less remained constant with addition of a few people last funding round and then some secondary tranches that happened, which we took participate in.
- Mehul:** Which is a private equity firm that is holding Mihup?
- Sandipan Chattopadhyay:** I think that's something that you can look up at Mihup. I'm not sure if legally it is allow.
- Mehul:** Accel Partners.
- Sandipan Chattopadhyay:** Accel Partners and IdeaSprings.

**Mehul:** And sir, how much percentage you have sold so far for Mihup?

**Sandipan Chattopadhyay:** We just told 2.5%.

**Mehul:** What price point did you sell it for?

**Srinivas Koora:** We have exited at a valuation of about INR402 crores.

**Mehul:** INR402 crores for the entire valuation?

**Sandipan Chattopadhyay:** Enterprise valuation.

**Mehul:** Right Sir, 1 last question, sir, since now we have moved to more of an in-house technology company, who is our CTO?

**Sandipan Chattopadhyay:** I'm holding that post de facto because I was a technical person anyway.

**Mehul:** And sir, yourself, Mr. Sandipan, right?

**Sandipan Chattopadhyay:** That's correct.

**Srinivas Koora:** And we also have other team members like Naushad, Vali, etcetera, and who have been working with Sandipan for the last 10, 15 years.

**Mehul:** Right, sir, very helpful. I will get in touch with your IR for further discussion.

**Moderator:** As there are no further questions from the participants, I would now like to hand the conference over to the management for closing comments.

**Srinivas Koora:** Thank you, everyone, for joining us for today's call. Please do write to us in case if you have any further follow-up queries in case if anybody wants to have a one-to-one call please reach out to Ravi Udeshi, who will set up the call, and we can discuss further in detail. Thank you very much, and take care.

**Moderator:** On behalf of Xelpmoc Design and Tech Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.