



“Aptech Limited Q4FY15 Earnings Conference Call”

May 4, 2015

APTECH LIMITED REPRESENTATIVES

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Moderator: Ladies and gentlemen good day and welcome to the Q4 FY-15 Quarter Results Investor Call of Aptech Limited. As a remainder, all participant lines will be in the listen-only mode. And there will be an opportunity for you to ask question at the end of today's presentation. Should you need any assistance during the conference call, please signal an operator by pressing "*" then "0" on your touchtone phone. I now hand the conference over to Mr. Saurabh Gada. Thank you and over to you, sir.

Saurabh Gada: Thank you very much Shyma and welcome everyone to Aptech's Q4 FY-15 Quarterly Conference Call. I have with me today Mr. Ninad Karpe – Managing Director & CEO of Aptech Limited and Mr. T. K. Ravishankar – CFO of Aptech Limited. I would like to now hand over the floor to Mr. Karpe for his opening remarks.

Ninad Karpe: Thank you, Saurabh and good evening, good morning, good afternoon depending on where you are calling from all of you for joining this call today. In the next 10 to 20 minutes, I will walk you through some of the significant events concerning Q4 and more importantly the last year and also give some perspective and color on the kind of strategy we are following in terms of the business in Aptech.

So let me get going with some brief opening remarks and then dive into some specifics. Education sector in India is in a challenging position in the last 2 – 3 years, but at Aptech we managed to have proposition of profitable growth. As in we are in a situation where we are consistently earning cash profits year-over-year. And same thing has happened last year. We have ensured that we have asset light model and with that we ensure that there is continuing cash, which flows from our business.

We continue to remain a zero debt company so; we are cash accretive every year. We have also had some new growth initiatives, which might take some time to fructify. We have also pushed a lot internally in terms of digitization of our content, digitization in marketing spend. Particularly our initiative

called Onlinevarsity, which is basically for our students, ensuring we give them a digital experience in terms of learning, it is something which we are doing. Our content, we are now moving to digital format. OnlineVarsity ensures that our students who have registered with us have more than 500 or 600 plus videos on various topics. They get to chat with experts and there are expert videos as well. This does not substitute class room, it supplements and as we progress we will ensure that this becomes richer and richer.

We continue to remain optimistic about our International business and our Testing business. Testing business last year went through a difficult time fundamentally because of some regulatory changes and I will allude to it when I speak about Testing and we have some new growth initiatives as well. So we remain upbeat about the next year. Our main enrollment season in India starts around May-June timeframe. We still think that a lot of these initiatives, which we have taken will ensure that we continue our position of remaining cash positive. And hopefully if some of the macro factors, which did not gone in our favor in the last year, have a positive impact, we will get that extra upside next year.

To give a summary of last year FY-15, you have to remove the accrual income which is impacted by MAAC accounting change, and the last impact of that will happen in this year, and of course the Aptech Testing business where CMAT was made voluntary by the Supreme Court and hence, we had less number of people participating in CMAT. If you remove all these items, which will ensure that we have a like to like comparison, there is actually a revenue growth of 6% on a year-on-year basis. International Retail has grown by 6.7% on a year-on-year and non-Testing enterprise businesses have expanded by 8%.

Operating EBITDA has gone down by 29% because we did not generate as much income on Testing business as last year. EPS has also fallen, but the main reason for more than one-third of the fall in EPS is because of decline in interest income. EPS is now 3.9 as supposed to 6.7 earlier. Interest income has declined because we did utilize a lot of cash in the buyback process and our cash reserves have come down to that extent. So this is the overall figure

in terms of some bit of decline and that has also resulted in decline in PBT and PAT of roughly 40% compared to last year. So these are some of the reasons contributing to the decline.

In terms of the Q4 results overall there is compared to last year Q4 there is revenue decline of 8%, Operating EBITDA decline as well as PBT decline. Last year in the same quarter we had substantial income from CMAT testing revenue, which was less than half this time in the current financial year quarter and that had impact in terms of these declines.

In terms of expenses for financial year by-and-large they are stable. Some bit of increase in employee cost is because of regular inflation and increments, other than that more or less costs are stable. Depreciation has increased because of change in the rate of depreciation as prescribed by Company Law that is the reason depreciation has increased for the entire year. Training and Education has slightly increased; it is more a variable cost and is also connected to the mix of income that we have.

In terms of expenses for Q4, again, slight increase in employee cost and of course slight increase in Training and Education and that is due to same reason, which I mentioned earlier as well.

In terms of segment wise results for the quarter, there has been some decline in the non-Retail fundamentally because of CMAT decline, which happened in the current year as oppose to last year where we had quite a lot of income on CMAT. Retail revenue was little bit flattish but non-Retail decline is basically because of less number of enrollments of CMAT.

On the balance sheet information, we continue to be zero debt company and we do still have healthy cash and cash equivalent position with us.

Now, let me briefly touch upon some of the key highlights of FY-15 – The Board of Directors have announced dividend of 17.5% so, total dividend for the year now will be 32.5% including the earlier dividend of 15% which was declared in January.

Domestic Retail revenue, again if we kind of make the revenue comparable, i.e. remove accrual income then there is a slight increase. We have last year started some new initiatives of student engagement or customer engagement and trying to give our students a more wholesome experience of education and we have had a lot of events conducted only for our students so, we do have income stream from that, but these are meant to be more a part of their overall education the student does with us.

Income from Logistics, i.e. basically supply of books and study material, has gone up quite a bit to 18%. This is partially because of implementation of OnlineVarsity. From 1st April, 2014 we have more or less stopped giving any physical books, the new books are all in the digital format and that does have advantage of ensuring that it reaches out to all students across the world. That has resulted in a higher income. This we will be pushing hard whereby we are hoping in the next one or two years, the entire course ware will become digital because there are still some books prior to 2014 which are not in the digital format. All that will slowly over a period of time totally become digital.

Corporate Training and Government business was higher by 8%. We had new center sign-ups, for which fee was lower by around 1.5%. It's not a big concern, but overall we signed 114 new centers in FY-15, the entire last year, against 130 in FY-14. And more significantly, out of that 114 new sign-ups 37 were signed up by International business.

AICTE business which is largely CMAT was lower by 56% and this actually resulted in more than 28% dip in Aptech testing, this was again because of the order of the Court saying that CMAT will not be compulsory, but optional.

We have lower interest income of Rs. 40 million this year compared to last year where we had Rs. 82 million in interest income. This was because our cash position fell after the buyback which was done. Foreign exchange gain was Rs. 5 million compared to Rs. 6 million last year. Employee cost was higher by 4.5% because of slight increase in salaries and other operating income had dropped by 32% last year.

Provision for doubtful debts was Rs. 21 million compared to Rs. 36 million last year. Depreciation, as I mentioned earlier, had gone up to Rs. 97 million compared to Rs. 79 million the year before on account of revised schedule II rates, which have become applicable in our schedule II of Companies Act.

Training and Education expenses were slightly higher than FY-14 because of the revenue mix and variability of the revenue mix for they are connected to income.

In terms of number of centers, internationally most of the places centers have gone up in all segments. In domestic market, we have tried to rationalize centers, which are neither operational nor operating and we have tried to make them more efficient and that is why there is some decline in particularly in IT, but an Arena is a little bit lower. But in international space there is certainly an increase.

In the international distribution of centers, APAC which is largely Vietnam for us continued to have the highest number which is 137. After that is Africa, which is 53 and we are fairly upbeat about our expansion in Africa. We have increased 10 centers last years and balance was Middle-East and Eastern Europe.

Our employee count continues to be in the region of 400 so we have maintained our employee count more or less at the 400 level and we will continue to try and see if we can rationalize a little bit more this year while continue to try and expand the business.

In terms student engagement, we have a lot of events now. OrbitLive is now internationally recognized in Arena. Kalakari is a local event and in MAAC also we have launched new events such as MAAC Creative League. So these are events, which are an integral part of the learning process and we are ensuring that the students get a wholesome experience. Placement has been a key area for us. We have ensured that we have renewed focus on it. We have a National Head of Placements and she has ensured that there is renewed thrust across all our brands and hence, we are seeing higher placements.

In terms of some new business – we have now one tender from Government of India to provide training for a Centre of Excellence in Costa Rica and Panama, which will be rolled out over two years' time. The master franchise in Vietnam has been renewed and we have renewed our center in Fiji, which existed before. In Vietnam, we completed 15 years of Computer Education and 10 years for Arena. We have had some interest training orders in India one is from Insurance Company for the Agents and another leading eCommerce Company, which has come to us to train their merchants on their eCommerce platform. So we are seeing some renewed interest in providing corporate training from us.

We had started initiative with an entity called TRRAIN, and over the last three years we have been going through a process, which is basically training for organize Retail. Last year, we have seen a substantial increase in numbers. The ticket size is of course small, but we have last year trained close to 3,000 and hopefully this year the numbers will more than double. We remain upbeat, now that we have been in this business for the last two three years. We should be able to over the period of next two-three years hopefully expand this business as well.

Online varsity was started one and half - two years ago for our internal students to give them a digital experience of education. We are now piloting website shop.onlinevarsity.com, which is just launched as a small pilot of eCourses which are delivered pure online. These are courses which are developed by Aptech and it is now available for people who are just not students of Aptech, but for anyone or for the general public. We are still in a pilot phase and we will slowly push this button as well in terms of ensuring that we are in a position to deliver eCourses on a pure online basis.

We are in the process of launching Aptech Banking and Finance Academy in more than a couple of cities in this year. These are courses which are six months, one year, 18 months, three levels. Basically this we will be developing talent which will hopefully get absorbed in the Banking and Finance industry. These courses will teach the students skills for front office staff as well as branch banking, etc. These are initiatives, which we hope will pick-up from

this year onwards. Hopefully this year is more of a launch program so it will take maybe probably another year to stabilize and this will in times to come give us some regular stream of income. We are very optimistic on these particular initiatives, one is TRRAIN-Aptech initiative, the eCommerce initiative and Aptech Banking and Finance Academy.

Let me quickly conclude by saying that last year has been a little challenging there has been some drop in our profitability largely because of two-three macro factors, one is the factor of CMAT exam and second in Nigeria, I had mentioned in the earlier calls, we had a fairly large order which could not be executed. The order we had in hand, but it was an order for our product called Learning Ladder, which is in school, and because of political position there the large order could not be executed. So, these two-three factors impacted our business. We remain bullish on our business, our regular Retail business remains in a still strong position. In our international business there is always an upside and on our testing business, this year we feel we still have a good strong pipeline, they have to fructify, but there is still a lot of business to be done in the testing space.

So if all these upsides happen plus this new initiatives which were started from the Organized Retail to Onlinevarsity, which is for people who are not our students, plus Aptech Banking and Finance these are all upsides, which only time will tell how they will evolve, but we remain fundamentally optimistic.

Our expenses we continue to run a tight ship to ensure that we do not over spend our self and we remain cash accretive quarter-on-quarter. So this is a rough message our bulk business we hope to keep it as a steady state affairs and we then hope that some of these upsides happen this year and for which we have put in a lot of efforts last year as well as in last two quarters to have a strong pipeline and if all of them fructify we hope we do have a far better year than last year.

Thank you, thanks for joining. And if you now have any questions please we will be delighted to respond to them.

- Moderator:** Thank you very much, sir. Participants we will now begin with a question-and-answer session. We have the first question from the line of Deepinder Bhatia from Bayard Asset Management. Please go ahead.
- Deepinder Bhatia:** Thanks, Ninad, for the very exhaustive review. I had a quick question on the Chinese business I know that there are various comments you are not permitted to make. But I was curious to know what the carrying value was in the most recent annual statements? And whether there was any change to any prior balance sheet carrying value for the Chinese investment that we have at Aptech? Thank you.
- Ninad Karpe:** Yes, thanks Deepinder. We have in our books it is Rs. 108 crores which is the carrying value and there is no change in that. There is absolutely no change.
- Deepinder Bhatia:** Okay. So this is an audited report so, I am assuming that the auditors are testing for the value of this impairments or any reductions perhaps that maybe needed due to any impairments to the business quality and there off. So it is piece of your audited report so it is an assertion of what I guess what management's estimate of cost or impaired value would be lesser of the two.
- Ninad Karpe:** Sure, that is right.
- Deepinder Bhatia:** That is correct. And the cost, just to remind ourselves, it is the last time the transaction occurred whatever that transaction value was is the this is about five years ago is what the transaction value is currently considered to be the cost in it and impairments if any to that could be what would be reflected if there was a depreciation to the value?
- Ninad Karpe:** That is right. Deepinder, I think six years back we had the restructuring so that is same value, which we are carrying and yes it is now an audited figure.
- Deepinder Bhatia:** Okay, great. Just with the rest of the business there are many growth initiatives you have highlighted. Can you tell us any business models in the education space, I notice you are beginning to define the education market for our company more broadly in the passage of time, you are looking at other opportunities outside our original core business which is pleasing? I am just

curious to know in the Indian context are there any particular business models that you are seeing as being particularly successful that you are not currently in that you want to advance in? Of course, we see each of these initiatives that you are making piece by piece are there any particular companies that you are looking at and saying that they are really coming from a different angle and gaining quite a lot of success in a large way.

Ninad Karpe:

So Deepinder that is a very interesting question. What we have now reflected in last six months is saying that this method in which we are doing business, earlier we used to look at computer education and multimedia animation and all these as a business. Now we are saying that all these are platforms. So the platform which we have is fundamentally the platform of running a business on an asset-light franchising model. And on that platform, we are saying how do we start putting more pieces in place rather than look at all these things vertically we are now looking at it horizontally. So that is how Banking and Finance is an area where actually it is in terms of employment in India there are a lot of opportunities so that is how we looked at it. In Organized Retail, we have been working with Mr. Nagesh (of TRRAIN) for last two-three years and I think last year was a quite game changer year and I think that trend will continue. In terms of other businesses which have been successful in our kind of model, the answer is no. I think the only other ways some business have been successful are because of fairly large investment in infrastructure. So, yes Banking and Finance some of these people have been successful but they have significant investment in very large physical infrastructure and that is not the model we are following. So the slight change in strategy is now we are looking at all what we are doing as a horizontal platform on which you can club various items. So this has been in making for last for more than a year all these courses obviously not done overnight. We have been shutting it and looking at it and each of this course take one or two years to fructify before they really start hitting in results. And obviously our intension for example Banking and Finance maybe after a year or two also to take it international at this point of time obviously it is a domestic market.

Moderator: Thank you. Our next question is from the line of Alisha from Siddhesh Capital. Please go ahead.

Alisha: I just wanted to understand that this project that you won, the Centre of Excellence, if you could just define that a little more on what exactly will Aptech's role be in the same?

Ninad Karpe: In the government order?

Alisha: Yes.

Ninad Karpe: Yes, so this is proper tendering process that government has put up where the centers have to be put up in these two countries – Costa Rica and Panama where the center is also funded by the Government of India and training. So the actual creation of the center someone else is doing that was the tender, but the training inside, these are all IT training centers, the trainers have to be provided by us. This is over a period two years and I think roughly we are expecting a top-line revenue of little less than 2 crores over two years.

Alisha: So is there any indication of how many students will be trained under the Centre of Excellence program?

Ninad Karpe: Around 1,200 roughly.

Moderator: Thank you. We have the next question from the line of Sanjeev Mohta from East India Securities. Please go ahead.

Sanjeev Mohta: I joined a bit late I am not sure if this was covered, any update on the China investment?

Ninad Karpe: Yes, I mean I mentioned. Deepinder had asked me the question earlier and I had responded to it. It stands today in our balance sheet at Rs. 108 crores investment, which is now an audited figure as well for the last five years. Last year we have not received any dividend, I think the last time we received dividend around three-four years back. The Aptech--Beida brand still remains the number one brand in China in terms of computer education. Our only

stream of income from China is basically dividend income. It is a private company so whenever they declare dividend we will get dividend from there.

Sanjeev Mohta:

But the profitability is on similar lines as it used to be earlier?

Ninad Karpe:

No, because it is a private company they have not been showing those numbers, but yes I can only say it is still in a commanding position in China in terms of market research reports of who is the number one computer education company in China, it still remains Aptech-Beida.

Moderator:

Thank you. Our next question Jaineel Jhaveri from JNJ Holdings. Please go ahead.

Jaineel Jhaveri:

Again the question, I have asked this couple of times before also and it is regarding China. What I understand is there is nothing that we can work with them in terms of like our royalty? Instead of having this kind of investment in that company does not a recurring fee that comes of it. Is that nothing that can work with that company is what I am trying to understand.

Ninad Karpe:

Yes, it is more than 10-year-old joint venture. Six years back we restructured and that is how it is standing Rs. 108 crores in our balance sheet. The agreement did not envisage at that point any royalty and we have not received any royalty over the years. There is actually more than Rs. 100 crores dividend over the last 10 years. Our investment was certainly low there it is more investment in terms of content and there is no physical investment. The Rs. 108 crores is showing in our balance sheet just because of the restructuring which happened. But the short answer is no our original agreement had not envisaged any royalty and now it is obviously not possible to revisit that agreement.

Jaineel Jhaveri:

And how easy is that for us to get out of it if we wanted to?

Ninad Karpe:

All options are open for us whatever we wanted to do. But yes, the fact it is still number one brand there. Yes, to respond your question all options are open to us.

Jaineel Jhaveri: Okay. So there is thought process like this is not right time to get out of the Chinese investment or is there some I am sure there is rationale. What I am trying to understand what is going on I guess in your head about this investment?

Ninad Karpe: Yes, as far as business part is concerned, I think we have not got dividend of course for three-four years. But clearly from an investment prospective there is significant return on very small investments we have got. They are not obliged to declare dividend every year because it is a private company. But whenever we got dividend, which is largely lumpy in nature, it has been quite significant, which clearly shows that cash flows are there last three years back. Presently,, the thought in my mind of course is that dividend stream will continue. Only thing is there is no regularity as in every year it does not come in a private company. In terms of options, we hold only 22% now and we have Board seat that is the only thing which we have business is as we have been saying run by our Chinese partner. We have I am again repeating myself again keeping all possible options open, everything is open.

Jaineel Jhaveri: And I guess they know you guys are a listed player and obviously has access to the same resources, so probably he is hearing what investors have to say to you guys also. So I mean has he come to the table in the sense of what I am trying gauge is that is he not declaring a dividend for any particular reason?

Ninad Karpe: No, it is not. See it is a private company so there is no particular reason to have regular dividend like in any other company. So there is nothing of that kind of no discussion on table or anything of course we have Board meeting. But there is no such discussion which has happened. But as you said each one has to look at one's own interest from Aptech perspective we have kept all options open there.

Jaineel Jhaveri: Okay. And any money from the business as well as in case something of dividend or whatever comes out there do you plan anymore buybacks, I believe if you wanted to you could go ahead with another buyback also, correct?

- Ninad Karpe:** Yes, we can. We have at present, I think, Rs. 38 crores, but of course we have declared dividend so it will go down to that extent. Yes, we still have sufficient cash. Buyback will happen when we have discussed it at the Board level, but I have maintained in the past as well that actually we are also open to any inorganic growth process except that we need to find a company which fits in our DNA which is basically, in an ideal situation, something to do with career education and, in an ideal situation, which has an international flavor. Not just domestic business, which we can take it and leverage it to markets outside. Those kind of companies are not very easy to come by, but one never knows when we come across some company we have not yet found, anything which really fits into these criteria.
- Jaineel Jhaveri:** And in terms of I think my question was more toward buying back our own shares is that if there is cash balance and if you are not finding anything would you be continuing with the buybacks?
- Ninad Karpe:** I think we had a board meeting now in April and there is no proposal for buyback in that meeting, we will have to see when it comes along the way.
- Jaineel Jhaveri:** Okay. And is there any kind of guidance that you are giving for the next year? What kind of growth can we expect now? Now that all the accounting adjustments are done, what is the kind of growth that we can see in terms of your top-line and margins that you expect for the next year?
- Ninad Karpe:** We do not provide guidance and in our business it is not easy also. But I have kind of laid down the broad framework of what our existing business is, what new things we are trying, so we do not provide exact guidance numbers or forecast number.
- Jaineel Jhaveri:** Okay. But in terms of margins and profitability can we expect what we did this year?
- Ninad Karpe:** Yes, the way we have reengineered our business in terms of, we've reduced the headcount to half, we have expanded internationally, we are doing all those things. All that is done, we have last year also franchised out some of owned centers, so we have now kept a minimum number of owned centers.

The whole idea is to have a business which generates free cash flow every year and whatever we do on top that becomes a leverage. So we have reengineered the business to reach that point of time, where obviously barring some serious external circumstances, we have engineered the existing business to operate in those kind of margins. It will only improve if any of these new initiatives happen or suppose we get some large testing order which of course at this point of time there is a pipeline, but we have nothing concrete to tell.

Jaineel Jhaveri: And you do not anticipate going into the K-12 or even the pre-school type of area. You are trying to do everything which is vocational right?

Ninad Karpe: We have not gone in that space because our DNA also is more careers. Having said that, in K-12 we have IT content. Our product is called Learning Ladder, which is basically IT content for K-12. And for that, in fact I have mentioned in my opening comment, in Nigeria we had a fairly large order and in other one or two countries. Nigeria unfortunately, the order could not be executed because of political reason. But yes, in K-12 we will continue to see if we can create content more on the IT side and try to see if we can do it across various countries across various syllabuses. So that we will do, but not physical schools there.

Moderator: Thank you. Our next question is from the line of Sandy Mehta from Value Investments. Please go ahead.

Sandy Mehta: So it looks like this is your last quarter of sort of tough comparison so I think without giving guidance I would presume that you are pretty confident of reporting year-over-year positive EPS growth going forward from this current quarter going forward?

Ninad Karpe: As I have mentioned earlier, I think we have businesses in a situation where we have made them asset light and in that sense barring some huge external macro factors, we will continue to add more cash. Also one of the factors is that we do have some substantial business outside India in Vietnam, in Nigeria, and some of these countries sometimes situation there does impact

the business. So barring macro factors yes, our business has been engineered to generate cash year-on-year.

Sandy Mehta: And in terms of your balance sheet what is the level of cash that you would sort of normally keep as maybe a buffer or in terms of looking at your dividends. Can we assume that this present level of cash that you have is what you would normally like to keep and then anything above and beyond that might be used for dividends and buybacks?

Ninad Karpe: Yes, I think we have today this cash also which we have is surplus unless we find some opportunity to invest which we are looking at either it is inorganic or something else and of course we are generating cash year-on-year. But to answer to your question, it will be in that range. We have Rs. 38 crores now and I think after dividend is paid that will get reduced by 7-8 crores so 30 crores will remain. It will be in that range.

Sandy Mehta: No, but if you are generating free cash flow and you have a good sort of outlook going forward in your asset light as you mentioned then why keep 35+ crores on the balance sheet just spare, why would you not use that either for buybacks or dividends? Other markets, other countries people have some kind of leverage which shareholders would put forth to advise the company India is sort of higher interest rate. So I am not suggesting that you got to a net debt situation but why not even use some other cash because otherwise it is just kind of sitting there.

Ninad Karpe: There was no buyback proposal before the Board in the last meeting. But I am sure when it comes up to the Board, we will take all what you are saying into consideration.

Moderator: Thank you. We have the next follow-up question from the line of Alisha from Siddhesh Capital. Please go ahead.

Alisha: Just someone asked a question earlier and you were saying that you reduced your own centers by increasing the number of franchise centers. If you can share some ballpark number of how many own centers and franchise centers you currently have?

Ninad Karpe: Now we have total of only around 9 or 10 known centers and balance are all franchises.

Alisha: Okay, thank you. And just another question, when you were discussing the Banking and Finance Academy earlier will you also be providing placement services to the students who will be part of it?

Ninad Karpe: Yes, certainly. In all our courses we have placement services we do not guarantee placements and we write it clearly. But yes we do have 100% placement assistance as we call it. We have full time Placement Executive for cities who regularly provide assistance of placement.

Moderator: Thank you. Sir, there are no further question from the participants.

Ninad Karpe: So, allow me to sum up in next two-three minutes. Last year in terms of the Financial Results have been slightly lesser and lower than the earlier year, but given some color and context to how those results have happened, I would think that with the challenging circumstances we have done fairly okay. We will continue our stride this year. We are now looking all what is created as horizontal platforms not as vertical businesses, and we are going to try and plugin new business lines which are fundamentally we are good at, which is franchisable, which have an international flavor, and which provide a career option at the end of that course. These kind of parameters we are looking at in our new businesses. We will continue and we remain optimistic about our international business. We feel there are still many more countries, many centers possible in the same countries which we operate and we will continue our path forward. Aptech Testing last year we were disappointed because of CMAT, which become optional and we had lesser number of enrollments, but we remain optimistic on that business. We feel strong growth is possible. We have a pipeline, but today we feel in this year we should be able to convert some of that pipeline into business. And we are doing new things like Onlinevarsity, we are wetting our feet with eCommerce platform on shop.onlinevarsity.com, we are doing Banking and Finance and of course on the Organize Retail. So these are some of the new initiatives, none of these initiatives will burn cash. They are at worst cash neutral so in that sense all

our new initiatives we are ensuring that they are at worst cash neutral so they will not suck any resources from our present business. So all these initiative if some of them one of them takes off it will only add to our existing strength. So that is it from me and my team and again thank you for joining this call.

Moderator

Thank you. Ladies and gentlemen, on behalf of Aptech Limited that concludes the conference call. Thank you for joining us and you may now disconnect your lines.