

Speed
Reliability
Value Performance

COMPUAGE INFOCOM LTD

1st July, 2020

To,
The Corporate Services Dept.
BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001.

National Stock Exchange of India Ltd.,
Exchange Plaza,
C-1, Block G, Bandra Kurla Complex,
Bandra (E),
Mumbai - 400 051.

Security Code: 532456
ISIN: INE070C01037

Symbol: COMPINFO

**Sub: Transcript of Analyst Call held on Thursday, 25th June, 2020
at 2.30 p.m. IST**

Dear Sir/Ma'am,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, we enclose herewith the transcript of the tele-conference call with the analysts held on Thursday, 25th June, 2020 at 2.30 p.m. IST, to discuss the Operational and Financial performance for Q4 & FY20 and allied matters.

Please take the disclosure above on records.

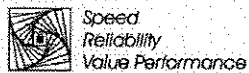
Thanking you,

Yours faithfully
For Compuage Infocom Limited,

Atul H. Mehta
Chairman and Managing Director
DIN: 00716869



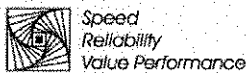
Place: Mumbai
Encl: As above



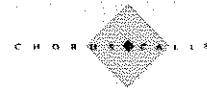
COMPUAGE INFOCOM LTD

**“Compuage Infocom Limited
Q4 & FY2020 Earnings Conference Call”**

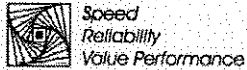
June 25, 2020



COMPUAGE INFOCOM LTD



**MANAGEMENT: MR. ATUL MEHTA - CHAIRMAN & MANAGING
DIRECTOR - COMPUAGE INFOCOM LIMITED**



COMPUAGE INFOCOM LTD

Compuage Infocom Limited
June 25, 2020

Moderator:

Ladies and gentlemen, good day and welcome to the Compuage Infocom Limited Q4 & FY2020 Earnings Conference Call. This conference call may contain forward-looking statements about the company which are based on the beliefs, opinions, and expectations of the company as on the date of this call. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict. As a reminder, all participant lines will be in 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 "*" then "0" on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Atul Mehta, Chairman & MD, Compuage Infocom Limited, for his opening remarks. Thank you and over to you Sir!

Atul Mehta:

Good afternoon ladies and gentlemen. Thank you for joining us on Compuage Infocom Limited's Q4 FY2020 Earnings Conference Call. I hope you and everyone around you are safe and in good health. Along with me today, we also have SGA, our Investor Relations Advisors.

We have uploaded our press release and results presentation on the stock exchanges and I hope everybody has had a chance to go through the same.

Let me start the call with an overview of business during FY2020. FY2020 has been a very eventful year for our company. Our focus and energy during FY2020 was pointed towards business generation from more profitable segments like enterprise and cloud services, while IT consumer and mobility segment continue to perform as per our expectations. This has enabled us to enhance the return on capital of our business. As a result, in spite of a 6% drop in total income for FY2020, our gross profit and EBITDA has in fact increased by 3% and 12% respectively in FY2020 as compared to FY2019 with a ROCE of 14.9% and ROE of 15.1% in FY2020.

Similarly, for Q4 FY2020, our total income dropped by 19%; however, our gross profit was at similar levels as compared to last year and EBITDA increased by 44% as compared to Q4 FY2019 on the back of cost rationalization in employee and other expenses.

We have been able to better our profitability metrics during FY2020 in spite of zero business operations conducted during the later part of March 2020 due to the lockdown. I am also happy to announce that in line with our principle to create value for all our shareholders we have announced a final dividend at 10% of face value.



Speed
Reliability
Value Performance

COMPUAGE INFOCOM LTD

Compuage Infocom Limited
June 25, 2020

Let me now touch upon how Covid-19 has changed the dynamics of this business:-

Covid-19 has disrupted every business in every industry you can think of. It has impacted both the supply and demand side of the equation. To prevent spreading of the virus, state and central governments have imposed strict lockdowns which also resulted in shutdown of our warehouses and offices as well during later part of March and April. All our backend office operations were smoothly conducted through work from home. Digital medium of communication has been used extensively and the organization as a whole has evolved to work under the new normal. Starting from mid May, business operations have started and we have witnessed demand improving week on week from the start and we hope to be back to pre-Covid levels very soon.

We have also implemented strict guidelines on undertaking necessary precautionary measures for social distancing, limited manpower, staggered working, work from home, regular screening and sanitization, preventive healthcare, health checkups and necessary guidance and advisory for providing a safe working environment to all our employees.

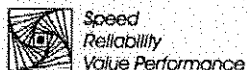
Unlike other industries, IT product sectors though briefly disrupted for a short period of time, in fact tend to gain tremendously in longer term. Let me explain this in detail why.

Firstly, lockdown has forced many corporations to implement work from home to ensure the business continuity just like we did, which has enabled a new strong demand for laptops, mobiles, wifi routers and supporting infrastructure devices which help improve efficiency while working from home.

Second, many startups and offices are planning to cut down office space requirement and moving towards permanent remotes working solution. This will require companies to invest extensively in IT products to ensure proper communication with employees and maintain optimum productivity.

Third, cyber security software and services will be a big beneficiary as companies will increase the spending on cyber security software as employees working from remote locations are vulnerable to malware attacks. This is one area where no company would like to compromise.

Fourth, companies will invest in best in class cloud services as employees need to access data from various locations remotely. Lastly, demand for smart devices like smartphones & laptops will improve significantly as people realise the important role they play to stay connected & for entertainment. All these factors together will increase the demand for IT



COMPUAGE INFOCOM LTD

Compuage Infocom Limited
June 25, 2020

products significantly and we, as one of the pan India IT Distribution company, are well placed to capture the opportunity.

Let me now give you an overview of our consolidated Q4 and FY2020 results:-

Let me start with the return ratios, as in our kind of distribution business, it is not about the margins but what is more important in the end, is what kind of return you generate for each rupee of capital invested. Our return on capital employed for FY2020 was 14.9% as compared to 13.5% in FY2019 up by 140 basis points year-over-year. ROE for FY2020 was 15.1% as compared to 12.8% in FY2019 up by 230 basis points year-over-year.

Now coming to the financials, total income for Q4 FY2020 stood at 1048.4 Crores as compared to 1298.6 Crores in Q4 FY2019, down by 19% year-on-year, primarily due to zero business operations towards end of March on account of lockdown.

Total income for FY2020 stood at 4249.2 Crores as compared to 4531.4 Crores in FY2019 down by 6% year-over-year. Gross profit for Q4 FY2020 stood at Rs.54.8 Crores as compared to 54.7 Crores in Q4 FY2019, at similar levels when compared to last year on the back of the better product mix.

Gross profit for FY2020 stood at Rs.194.9 Crores as compared to Rs.188.5 Crores in FY2019, up by 3% year-over-year. EBITDA for Q4 FY2020 stood at Rs.32.3 Crores as compared to Rs.22.4 Crores in Q4 FY2019, up by 44% year-over-year on the back of strong optimization in operating expenses.

EBITDA for FY2020 stood at Rs.105 Crores as compared to Rs.93.6 Crores in FY2019, up by 12% year-over-year. PAT for Q4 FY2020 stood at Rs.10.5 Crores as compared to Rs.5.9 Crores in Q4 FY2019, up by 76% year-over-year.

PAT for FY2020 stood at Rs.30.5 Crores as compared to Rs.22.7 Crores in FY2019, up by 34% year-over-year.

Speaking about our liquidity position, our total debt, which includes long-term and short-term, stood at Rs.472 Crores as on March 2020 as compared to Rs.483 Crores in March 2019, a slight reduction as compared to last year. The important point to note here is that about 450 Crores in total debt is working capital which is linked to business operations, so not fixed in nature. Our debt equity ratio has considerably improved from 2.7x last year to 2.3x in March 2020. Our focus would continue to lower the debt equity ratio to optimize our capital structure. The company is currently in a comfortable liquidity position to meet all its financial and other commitments.



Speed
Reliability
Value Performance

COMPUAGE INFOCOM LTD

Compuage Infocom Limited
June 25, 2020

In addition, we have undertaken rigorous assessment of operation, liquidity in different business scenarios and plan the potential measures to ensure sufficient liquidity in the coming year such as additional cost saving, expediting collections, while ensuring that spending on good cost, imperative for business recovery, is not compromised.

Going into FY2021, we believe that although we have lost couple of months, we hope that the renewed and pent-up demand for IT products during the remainder of the year will remain and will make up for the lost sales. With pan India reach, strong brand portfolio, efficient supply chain and excellent service, we are confident to grow our business and continue to provide value to our customers. With this, I now open the floor for Q&A.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from the line of Ankit Agarwal from Arc Capital. Please go ahead.

Ankit Agarwal: I have a couple of questions here. So the first one being, Sir what is the segment wise revenue contribution in FY2020 as compared to last year?

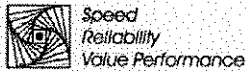
Atul Mehta: So we have broken it into five verticals, IT consumer contributes about 34%, IT enterprise contributes about 46%, cloud contributes about 1.5% and services has a very small topline, it contributes less than 0.5%, it is more a bottomline driven business.

Ankit Agarwal: And Sir compared to last year, what has been the major change?

Atul Mehta: So we have primarily been able to grow our enterprise business over the previous year, number one. Number two, we have also gotten into this cloud business, cloud services, so these are the two major initiatives and changes over the previous year.

Ankit Agarwal: Sir second question being, on the Covid, so like what has been the Covid impact on our business, if you can quantify it, if it is possible?

Atul Mehta: See we are into hardware, software and services. Of that, software is a very small portion of our total business, so bulk of it being hardware. Now almost from March 22nd, 23rd we have been under complete lockdown till about mid May, so our complete operations including all our warehouses were shut. We gradually started operating from mid May slowly and steadily some of them got operational only by about May end at locations like Mumbai, Ahmedabad, Chennai, Delhi and a few other locations. So during that period, sales have been virtually zero, why I am saying virtually, is because the only business that we could transact during this time, was Microsoft license and the cloud business which could happen without physical movement of goods, which is for our total portfolio, being



COMPUAGE INFOCOM LTD

Compuage Infocom Limited
June 25, 2020

less than 5%, 6%, so it is very, very insignificant. So during that period, our business has been virtually zero.

Ankit Agarwal: Sir, one continuing question, like recently there has been a lot of anti China sentiment. So by boycotting China goods, will that have any impact on the company?

Atul Mehta: So I do not think it will have any impact on the IT industry, I should not say any impact by and large it should not have much impact on the IT industry because directly or indirectly, every single product of IT comes out of China. Yes, there are manufacturers who have multiple operations. Bulk of the laptops come out of China; you name the brand and it comes out of China. Likewise, Cisco, they have multiple factories globally, so we get products from various parts of the world. So there is practically no manufacturing happening in India as far as IT products are concerned. At most there is some assembling happening where the products come, again from China. So while the sentiments are changing, but I do not think there is any option as far as all these products and services are concerned for the country today.

Ankit Agarwal: Fine Sir. That is all from me. Thanks a lot.

Moderator: Thank you. The next question is from the line of Nimish Sheth from GT Advisors. Please go ahead.

Nimish Sheth: Couple of questions on my end. Just follow-up on the question that the first participant asked, that is a further question on China. So the first question is, how is the pricing environment for your product?

Atul Mehta: Sorry can you come again please.

Nimish Sheth: What is the pricing environment for your product? Is there any pressure on pricing etc., and this is related with the question on China, if for any reason import duties on goods coming from China would go up, how easy would it be for you to pass it on, that is the first question?

Atul Mehta: As we speak there is no real pricing impact on the product category and since there is a longer lead cycle for the products, it is typically anywhere between 4 to 12 weeks from manufacturing to the vendors indenting and getting the supplies into the country and then supplying to us. So as of now there are no real changes. Now anything in terms of any duty changes that comes about that I am sure would have an impact in future, but there are two aspects to it, one is, if the impact is there, it would be there for the entire industry, so we would not be indifferent to that. Second is, its impact on the demand generation. Now that



Speed
Reliability
Value Performance

COMPUAGE INFOCOM LTD

Compuage Infocom Limited
June 25, 2020

is something that we will have to see to what extent it goes up and whether the consumers decide to slowdown because the impact is too much or the demand has to be met and therefore it does not really matter what is the price because we need the equipment for the day to day, either for operations or for personal use.

Nimish Sheth:

My next question is on your debt equity, basically the debt. You mentioned that your debt equity is now down to 2.3x, it is a marginal reduction in the overall debt, bulk of your debt however is working capital and the other statement you made in our press release is that you are hoping to catch up in the current year which means your revenue for the current year more or less would be similar to what you did in the previous year FY2020. My question is, assuming that your revenue is pretty much same, how your payment terms would be, are customers asking for longer payment cycle since your working capital is going to increase in the current year and requirement got increased, what is your sense on that?

Atul Mehta:

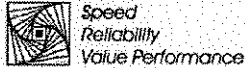
So payment cycles for the time being have been affected, we have had on an average, if we were to look at our turnaround cycle from receivables have been at about 50 days which went up during this Covid period. Likewise, we have also received support from our vendors and they have also been supportive and we could enhance our payment days to our vendors as well so I do not think net, there would be a big difference, while of course we are much more disciplined in our payment to our vendors and therefore if they have given us x days of extension, we have to honour it, whereas our customers, some of them may not be as disciplined and it goes a little longer so it would go up marginally, but not significantly that would affect the liquidity of the business.

Nimish Sheth:

My last question is on your cloud business what exactly do you do in cloud business and how do you see the growth in this business as more and more enterprises are going to continue to have the employees working from home?

Atul Mehta:

So what we do in cloud is like, currently we sell Microsoft licenses through resellers where it is perpetual, likewise we sell same Microsoft under cloud services on an annuity basis so the subscriber or the user pays basis the plan that they have opted for, but it is again through resellers, so basically we sell licenses here, we sell the cloud services on an annuity basis. Yes, we offer more presale support and post sale support again to our customers, that is the reseller, who would be equipped to handle their end customers with onsite services or whatever is required. So the biggest advantage of cloud is that the customers keep getting the upgrades and they are always onto the latest version, that is the biggest advantage that user has and does not have to worry about making huge investments in a license and then optimizing it and then waiting for a right movement to again go for an upgrade, so that is the biggest advantage and because of this reason, the western part of the world has moved a

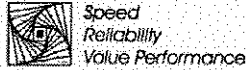


COMPUAGE INFOCOM LTD

Compuage Infocom Limited
June 25, 2020

lot towards the cloud, maybe upwards of 30%, 40%, whereas India is yet to migrate to that kind of percentages for two reasons, one is culturally we are all inclined wanting to own our product number one, number two, there is also a fear of security which is getting addressed, customers are getting convinced. So cloud is a high growth area and if we want to be in distribution in software, in security and services over the period of time, maybe next three to five years, our license sales will keep dropping and cloud sales will keep going up so it is a transition which will happen and as we speak, India has a very low cloud business as of now but it is increasing year-over-year.

- Nimish Sheth:** Thank you so much and all the best for the year. Thank you Sir.
- Moderator:** Thank you. The next question is from the line of Atul Shah from Progwell Securities. Please go ahead.
- Atul Shah:** Sir I have a couple of questions, Sir basically we had partnered with HP last year for our service business, so how the same has been scaling up?
- Atul Mehta:** So we have partnered with HP in the Q4 of FY2020. By the time we got trained and work got started, there was the lockdown. So very frankly that business has not taken off only for this lockdown reason, but that does not change anything as we had mentioned, we are first starting and doing a pilot project in Mumbai. Once we settle down in a quarter, we will then start expanding to the other parts of the country. So the plan still remains intact, nothing changes. It was the environment which has slowed down the process.
- Atul Shah:** So do you think it will fully take off by the end of Q2 FY2021?
- Atul Mehta:** Absolutely, in fact the as we speak, the work has already started this month because our engineers were on payroll and they are just waiting to take off. So the work has already started, of course in a slow way because of containment zones and various other challenges that we face and we have to be careful for our people so the work has started and assuming that the environment only gets positive from the Covid situation, by Q2 end, we will be well settled into this business.
- Atul Shah:** Sir in a full fiscal year, means, whenever it is operational how much revenue we expect to generate from this business?
- Atul Mehta:** See for HP business, we are not able to predict as of now for the simple reason that we need to settle down, we are just I would say getting started in this business, but as far as our services business is concerned, we plan to grow quite significantly. The goal is to grow by about 30%, 40%, but we are not quantifying the numbers as of now because we do not



COMPUAGE INFOCOM LTD

Compuage Infocom Limited
June 25, 2020

know when we are going to get absolutely normal, it is a start-stop, start-stop, situation there.

Atul Shah: Secondly Sir, what has been our working capital cycle, our working capital days for FY2020 vis-à-vis FY2019?

Atul Mehta: So there has been a slight increase in the days, FY2019 was closer to about 34 days. FY2020, it went up to 44 days for two reasons - one is, as we all know, FY2020 has been a challenging year from the banking NBFC segment, whereby lot of our resellers partners were affected and they were taking a little longer and second is, our vendor cycle has shortened because of the product mix that we have and every vendor has their own payment terms, ranging from 7 days, going all the way up to 60 days, so the moment our product mix changes, if the vendors have a shorter cycle that affects our vendor days. So I think both these factors have played a role in increasing 10 days in the net working capital cycle.

Atul Shah: Sir do you although envisage the working capital cycle to remain stressed in FY2021 also considering the Covid pandemic and everything?

Atul Mehta: No we do not, we are budgeting at about 40 to 45 days, we do not expect it to worsen beyond this, because now we know the situation and we are well prepared to handle if something happens suddenly.

Atul Shah: Sir my last question is, considering that our stock has corrected a lot in this post Covid environment, are there any plans for the buyback or increasing your stake anything?

Atul Mehta: We have not thought anything about it at this point of time, I think our focus is at this point to get business back to normalcy number one. Number two, we would also like to conserve on the cash in the company for any extended Covid situation so we do not have any cash flow challenges in meeting our commitments. So for these two reasons, I do not think we have given any thought to it as of now. So that is where it is.

Atul Shah: Thank you Sir, that is all from my end.

Moderator: Thank you. The next question is from the line of Parth Kotak from Keynote Capital. Please go ahead.

Parth Kotak: I am sorry if it is repetitive, but I wanted a bit more detail on the cloud business. I wanted to know what is the type of clientele that you would typically have and secondly, what would be the margins on this business?

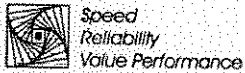


Speed
Reliability
Value Performance

COMPUAGE INFOCOM LTD

Compuage Infocom Limited
June 25, 2020

- Atul Mehta:** So as far as our clientele is concerned, it is more or less the same, we are a B2B company we sell everything only to resellers we do not sell a single product directly to end customers, in fact most of our agreements also have that clause that we can only sell to our resellers. So first thing, we sell to a reseller, second, the way we sell our software, anybody who is interested and let us say we are selling Microsoft cloud anybody who wants to take cloud for their end customer, is a potential customer to us, so typically all the resellers who are focusing on software part of the businesses because there is lot of specialization happening, some resellers focus only on software, some resellers focus on hardware and then they create strength around it. So the resellers who are focusing on the software, are all potential customers to us, that is your point number one. Point number two, what was it if I may ask again?
- Parth Kotak:** The margins on this business.
- Atul Mehta:** See any new business always offers good margins. High margins because the volumes are low and likewise at this point of time, the margins are better because of low volumes, more investments in resources like people etc. We are currently operating in the region of about I would say 8% or so.
- Parth Kotak:** 8% fair enough and secondly Sir, I wanted to ask, has there been any equity dilution during the year and do you plan to do another round of dilution for the coming year?
- Atul Mehta:** I am sorry, by equity dilution, what do you mean?
- Parth Kotak:** Have you raised capital for addition shares?
- Atul Mehta:** No, in FY2020, we have not raised any additional capital but moving forward we would definitely be looking at some raise, now quantum, timeframe etc., has not been defined, because if we look at our three year, four-year growth plans, we do not want to grow purely on debt. At some stage, we would want to make sure that we are rightly balanced between debt and equity.
- Parth Kotak:** Sir, last I would like to know if there are any further brands or names or deals in the pipeline for the coming year, are you planning to add anymore business?
- Atul Mehta:** We have formulated the strategy on what segments we want to grow first, we have identified segments, we have identified brands as we speak, we are close to finalizing one good brand. I am unable to speak until we sign up and make a formal announcement to the stock exchanges, but I think in next two weeks, you should be hearing one announcement for sure. So I was talking about the brands where there is nothing definite. While we know



COMPUAGE INFOCOM LTD

Compuage Infocom Limited
June 25, 2020

what we would like to do and we are engaged with them, but it all matters up on when the vendor wants to introduce a new distributor or replace a distributor, so it is hard to define it, but we are constantly working towards it and we hope that after this announcement, in maybe next few months, we have one or two more which are work in progress, but unable to quantify at this point of time.

Parth Kotak:

Okay Sir, thanks a lot. Thanks for taking my question and best of luck for the future.

Moderator:

Thank you. The next question is from the line of Kush Joshi from Kitara Capital. Please go ahead.

Kush Joshi:

Just want to understand what percentage of margin is cloud business?

Atul Mehta:

About 8%.

Kush Joshi:

My second question is in your presentation, you have mentioned that your EBITDA margins has improved because of cost rationalization in employee & other expenses. So what I understand is, it has dropped drastically compared to Q4 FY2019. So are these sustainable numbers or is this some one off in reduction?

Atul Mehta:

So if you see the performance, we have been able to bring down the employee cost and few other costs, which have been one of the benefit realized by the organization. Second is, these are definitely sustainable, we have not done any knee jerk reactions, whereby it is something that will not continue for long. So we feel this will continue and this is going to be the way forward.

Kush Joshi:

So both employee and other expenses may fall in the coming years?

Atul Mehta:

Yes.

Kush Joshi:

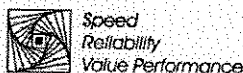
Okay, thank you so much.

Moderator:

Thank you. The next question is from the line of Umang Joshi, an individual investor. Please go ahead.

Umang Joshi:

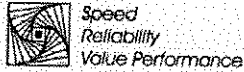
I wanted to ask regarding these cloud services, the revenue contribution from cloud has not been growing since last two, three years, so how much longer would we take for cloud to contribute around maybe 5 plus percent to the overall revenue?



COMPUAGE INFOCOM LTD

Compuage Infocom Limited
June 25, 2020

- Atul Mehta:** So we have got into cloud only about 15 months back, so first six months typically, is a period where we get people in place, start talking to brands etc. So this is so to say not even a first full year of operation from revenue perspective and it is something that we have got into because we are definitely committed towards the enterprise and the software and the security business where cloud will grow faster and for this year, FY2020, the contribution has been about 1.5% of the total revenue.
- Umang Joshi:** Regarding this dividend thing, dividend that you have declared. So I was just wondering you have taken an ultimate decision but if you might have retained the cash on your books, maybe for future uncertainty, because we have too much of debt already and instead of paying the dividend it will be better to lower the debt numbers, the amount maybe hardly 2, 3 Crores but whatever it is?
- Atul Mehta:** So it was a long discussion we had on this subject matter and it was a very close decision because on the one hand, your point is quite valid, at this time we want to conserve as much of resources and cash as possible, then looking at the quantum involved, it is only about 1.3 Crores, then we decided let us go for it, for the simple reason that we cannot ignore the shareholders as well. So looking at the overall picture, the board decided to recommend a 10% dividend.
- Umang Joshi:** During this year because of Covid, has there been a general trend in employee attrition?
- Atul Mehta:** So post Covid, we just commenced operations and that too, still a lot of people are working from home, because we want to phase in slowly, so as we speak, there is no real attrition challenge that we see and attrition has never been a problem for Compuage. We have had a very stable team and we do not envisage any major challenges on that front.
- Umang Joshi:** No, actually I was asking because we have been able to save something on employee expenses right, so that is from where the question has come in.
- Atul Mehta:** Okay, you are talking for FY2020?
- Umang Joshi:** Right
- Atul Mehta:** For FY2020, it is not attrition that has been an issue. Since we have kind of taken a very conscious decision to focus more on the enterprise business, and not that we are getting out of mobility or consumer businesses, we have taken some calls on coming out of some small brands which were not contributing significant revenue and were eating away lot of resources, so that is how we have rationalized on it and whatever calls we have taken, we



COMPUAGE INFOCOM LTD

Compuage Infocom Limited
June 25, 2020

have done it very, very comfortably for everyone concerned, not wanting to hurt any particular segment of business.

Umang Joshi: Last question from my end, do you have an online channel for your resellers because, I am not sure if you have or not, but it may be a requirement in these days right?

Atul Mehta: So we do not sell to end customers and therefore we cannot become an online player, but we supply to everybody who is an online player, we sell to everyone who is putting up their products on Amazon, we sell to anyone who selling on Flipkart, we sell to Amazon and Flipkart companies directly, they are a reseller for us, so anybody who sells to an end customer, is a customer to us, so we are selling to all of them.

Umang Joshi: Okay, okay, so that is not a problem or a hurdle for you right?

Atul Mehta: Not at all, we are fulfilling their requirement.

Umang Joshi: Great, great, no problem thank you so much.

Moderator: Thank you. As there are no further questions, I would now like to hand the conference over to Mr. Mehta for closing comments.

Atul Mehta: Thank you everyone again for joining the call. I hope I have been able to answer most of your queries. In case of any queries, you may contact SGA, our investor relations partner. Thank you once again.

Moderator: Thank you. On behalf of Compuage Infocom, that concludes this conference. Thank you for joining us. You may now disconnect your lines.