



# Saksoft Limited

Q3 & 9MFY23  
INVESTOR PRESENTATION

2<sup>nd</sup> February 2023



# Safe Harbor

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# About Saksoft

- *Saksoft Group*
- *Offerings*
- *Domain Specific Solutions*
- *Journey*

## **Digital Transformation Partner**

Digital transformation solutions help Automate, Modernize, and Manage IT Systems

Domain-specific technology solutions and solution accelerators from consulting to Support

# Saksoft Group

2,000+  
People

\$80 Million  
Revenue run rate

16  
Locations

20+  
Years



Listed  
Indian Stock  
Exchanges

ISO  
27001, 9001

100% owned  
subsidiaries

Global  
Presence

We **ENHANCE CUSTOMER EXPERIENCE** through **DIGITAL TRANSFORMATION**

# Domain Specific Services



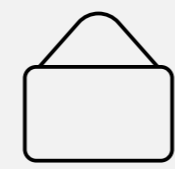
## FINTECH

### Customer Profile

- Cards & Payment gateways
- Credit Management agencies
- Regulatory & Compliance
- Asset & Wealth Management
- SMB & Consumer Lending, Mortgages

### Offerings

- Mobile Cash Disbursement Solution
- API Integration
- Mobile/Web Development
- Big data analytics
- Credit Scoring, Fraud prevention & Risk Assessment, Anticipate / handle disruptions



## RETAIL E-COMMERCE

### Customer Profile

- Multi Store e-Commerce Solutions
- Store Front Solutions
- Customer Engagement Solutions
- Order Inventory Management

### Offerings

- Social Listening (Micro Influencer)
- Customer 360
- Customer Journey Tracking
- eCommerce Portal Development



## TELE - COMMUNICATION

### Customer Profile

- Business Support Systems
- Operations Support Systems
- Enterprise Resource Planning
- IT Strategy Consulting

### Offerings

- SharePoint development
- Advanced analytics to reduce customer churn
- Oracle Support
- Testing CoE

# Domain Specific Services



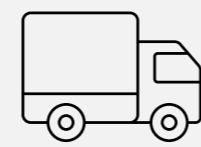
## HEALTHCARE

### Customer Profile

- Healthcare Providers
- Healthcare Payers
- Healthcare Compliance
- Clinical Research and Life Sciences

### Offerings

- Telehealth
- EHR integration
- Imaging analytics
- Integrated health monitoring via wearables
- HL7/FHIR enabled provider apps



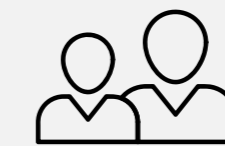
## TRANSPORTATION & LOGISTICS

### Customer Profile

- 3PL's
- Shippers
- Carriers
- ISV's
- Port Operators

### Offerings

- IoT Solutions
- Freight Management Software
- Warehouse Management
- Supply Chain Management
- EDI Integration
- Logistics Dashboard



## PUBLIC SECTOR

### Customer Profile

- City Councils in UK
- Police Departments
- Central Government agencies
- Housing communities
- Public Utilities

### Offerings

- Smart cities - Machine learning & facial recognition from IoT data feeds
- Predictive Analytics & BI to provide better healthcare, decrease crime rates, and improve citizen's life
- People identity management

# Digital Services

Co-development

Legacy  
Modernization

Analytics

Independent  
Testing

Cloud

Support

## SOFTWARE PRODUCT ENGINEERING

- Web Technologies J2EE & .Net
- Android, iOS, Xamarin, HTML5 / JS based apps
- SharePoint : Development, Migration, Support
- Business Intelligence product implementation

## ANALYTICS

- Enterprise Data Management
- Business Insights
- Big Data
- Data Science

## TESTING QA

- Functional
- Non-Functional
- Test Automation
- Frameworks

## EXTENDED S/W DELIVERY FACILITIES

- Near Shore Development Centre
- Offshore Development Centre
- Build-Operate-Transfer

## AUTOMATION

- Test Automation
- Internet of Things
- RPA
- ML / AI

## SUPPORT SERVICES

- Product Support : SAP, Microsoft
- Application Support
- Enhancement, upgrades
- Cloud Migration : Application / Infra



# Digital Transformation Solutions

CHANGE - THE - BUSINESS

## LEGACY MODERNIZATION

- Architecture / Technology Upgrade
- Mobility Solutions
- Application / Platform Integration
- User Experience
- On-Premise to Cloud

## INTELLIGENT AUTOMATION

- Robotics Process Automation
- Internet of Things
- Data Analytics
- ML / AI
- Test Automation



## MANAGED ANALYTICS

- Reporting Factory
- Scripting Factory
- Data Science Factory
- System Management

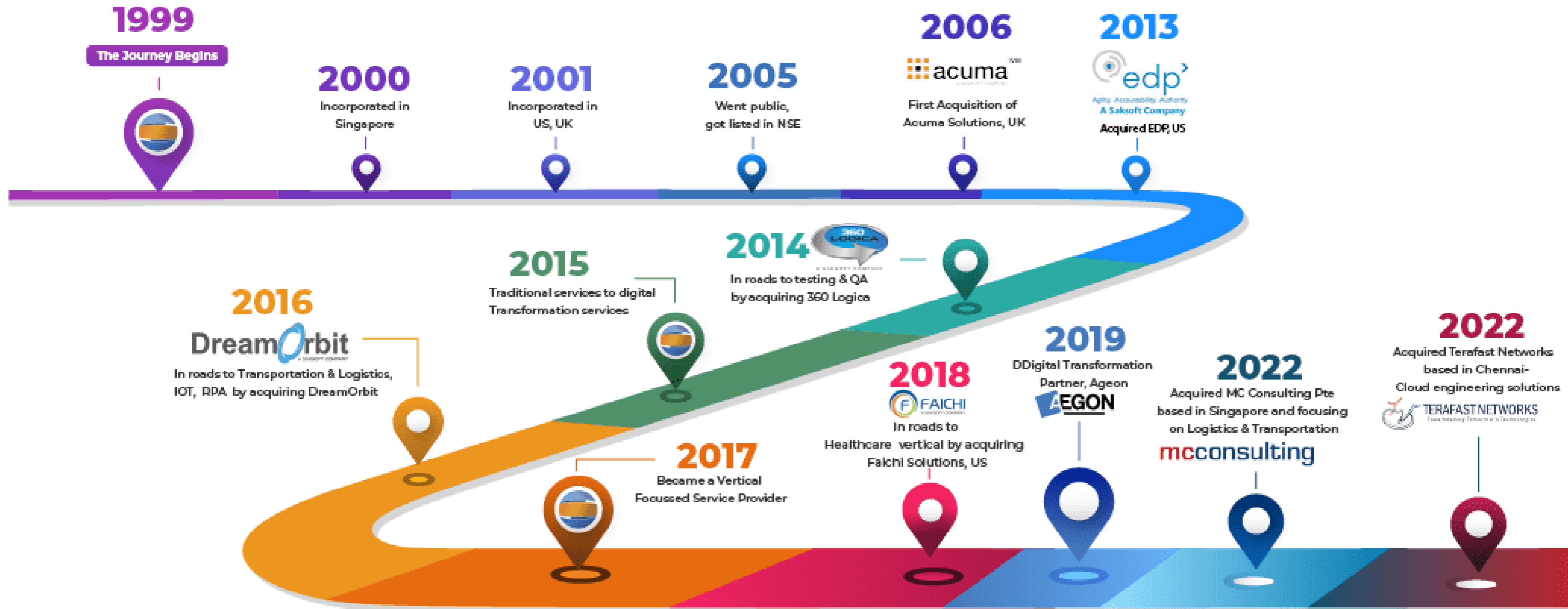
## MANAGED INFRA

- IT Infrastructure Support ; 24X7 Monitoring
- End Point Management
- Application & DB operations
- Software asset management

RUN - THE - BUSINESS

# Saksoft Group Journey

Saksoft Group Journey



# Management Team

- *Board of Directors*
- *Leadership Team*

## **Core Values**

At Saksoft, the team believes in a culture of Innovation, Customer Focus, Openness, Respect and Enterprising (iCORE)

# Board of Directors



**ADITYA KRISHNA**

Founder, Chairman &  
Managing Director

Over 30 years of experience in the  
banking and financial services  
industry.



**AJIT THOMAS**

Independent Director &  
Chairman- Audit Committee

Chairman of AV Thomas Group of  
companies



**VVR BABU**

Independent Director & Chairman-  
Nomination & Remuneration Committee

MSc, Applied Mathematics and Operations  
Research, Master of Philosophy and  
Computer Science, Business Administration



**GANESH CHELLA**

Independent Director

Alumnus of XLRI, Jamshedpur and a  
founder of Totus HR School,



**KANIKA KRISHNA**

Non-Executive Director

MBA in Financial Management from Pace  
University, New York, USA. Master's  
program in International Business from the  
Manchester Business School

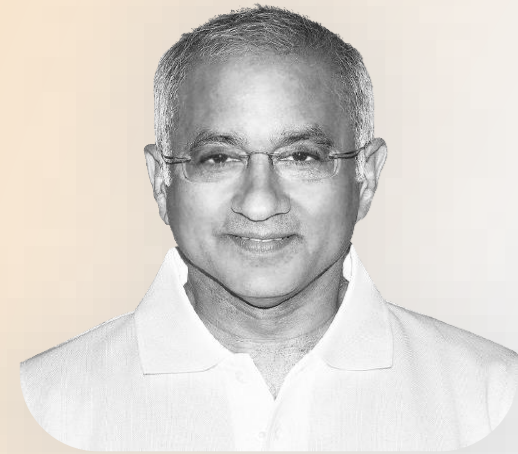


**MALINI THADANI**

Independent Director

Sustainability, communications and  
investor relations advisor

# Leadership Team



**ADITYA KRISHNA**

Founder, Chairman &  
Managing Director

Over 30 years of experience  
in the banking and financial  
services industry.



**NIRAJ KUMAR  
GANERIWAL**

COO & CFO

Heading Delivery, Finance ,  
HR, IT Support and Admin



**AVANTIKA KRISHNA**

Chief Sales Officer

Heading the Top customer,  
and Sales Strategy



**DHIRAJ MANGLA**

Chief Customer Officer

Heading Customer Relations



**SWARAJ DASH**

SVP Sales – US Region

Heading US Sales



**JONATHAN EELEY**

CCO – Acuma Solutions

Head - UK Enterprise and  
Public Sector accounts



**BHASKAR  
NARAYANAN**

SVP – India & APAC

Head – Marketing and APAC  
Sales



**RAHUL  
AGGARWAL**

AVP

Head – IM and Analytics  
Practice



**SOUMYA SHASHI**

Vice President

Head - Testing & QA Practice



**AMIT VERMA**

Executive Vice President

Head - Transportation &  
Logistics Vertical



**ROHAN PANDYA**

Vice President

Head - Fintech Solutions  
Vertical

Leadership Team

# Financial Highlights

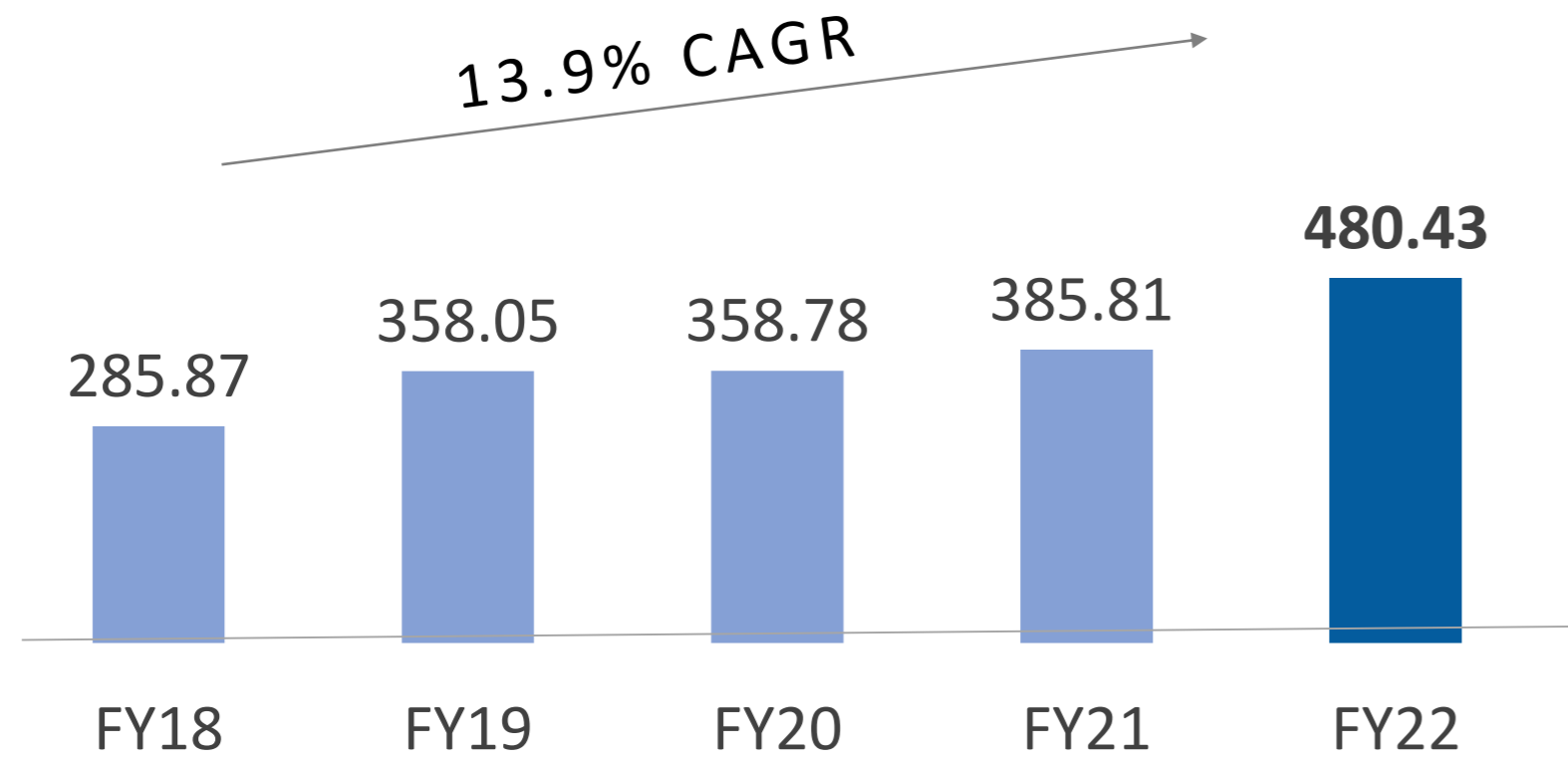
- *P&L performance*
- *Strong Financial performance*
- *Business Mix*
- *Latest quarter updates*

**Strong Financial Position, Consistent Profit Sharing**

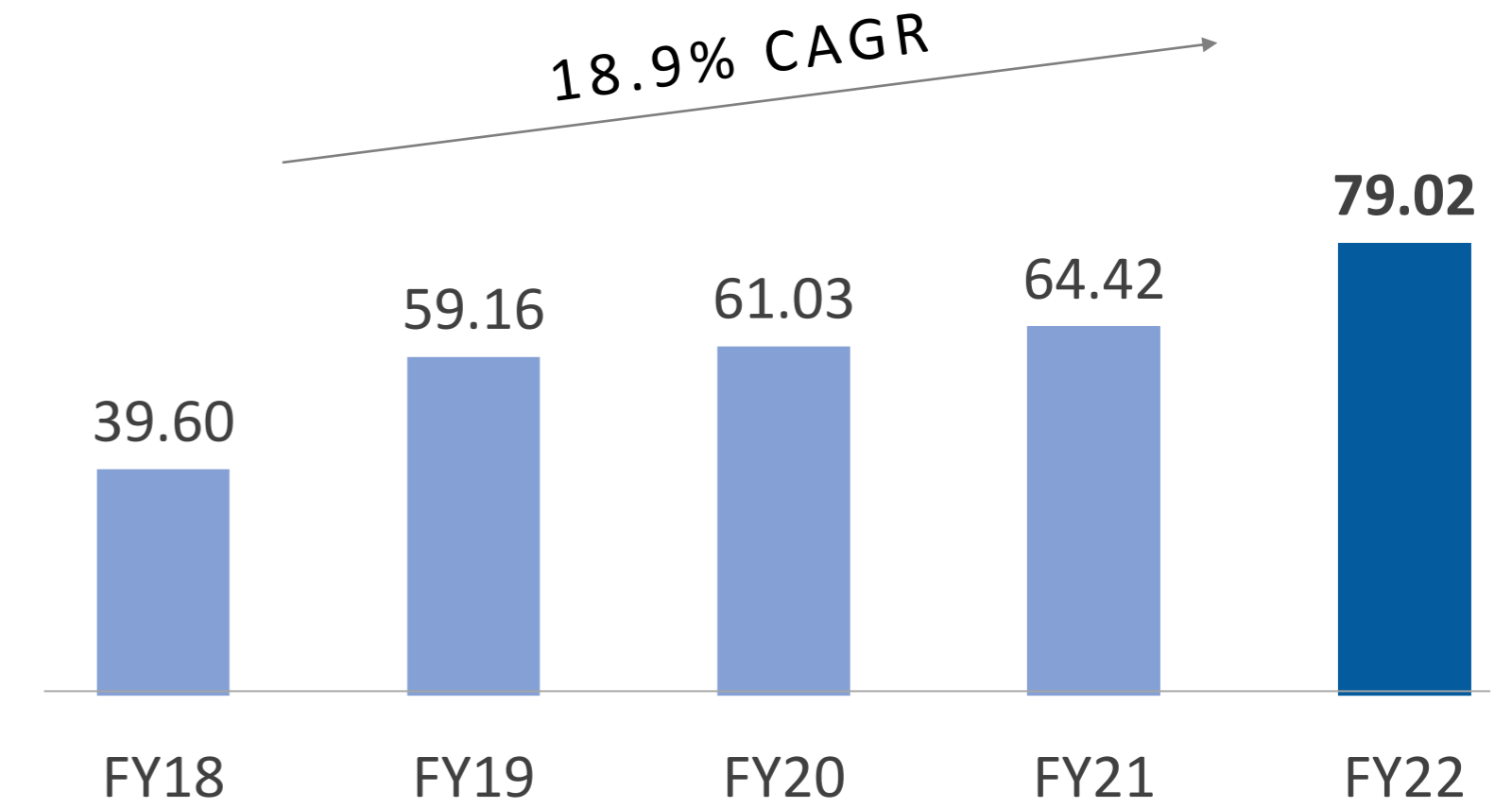
# P&L Performance

(INR Crore)

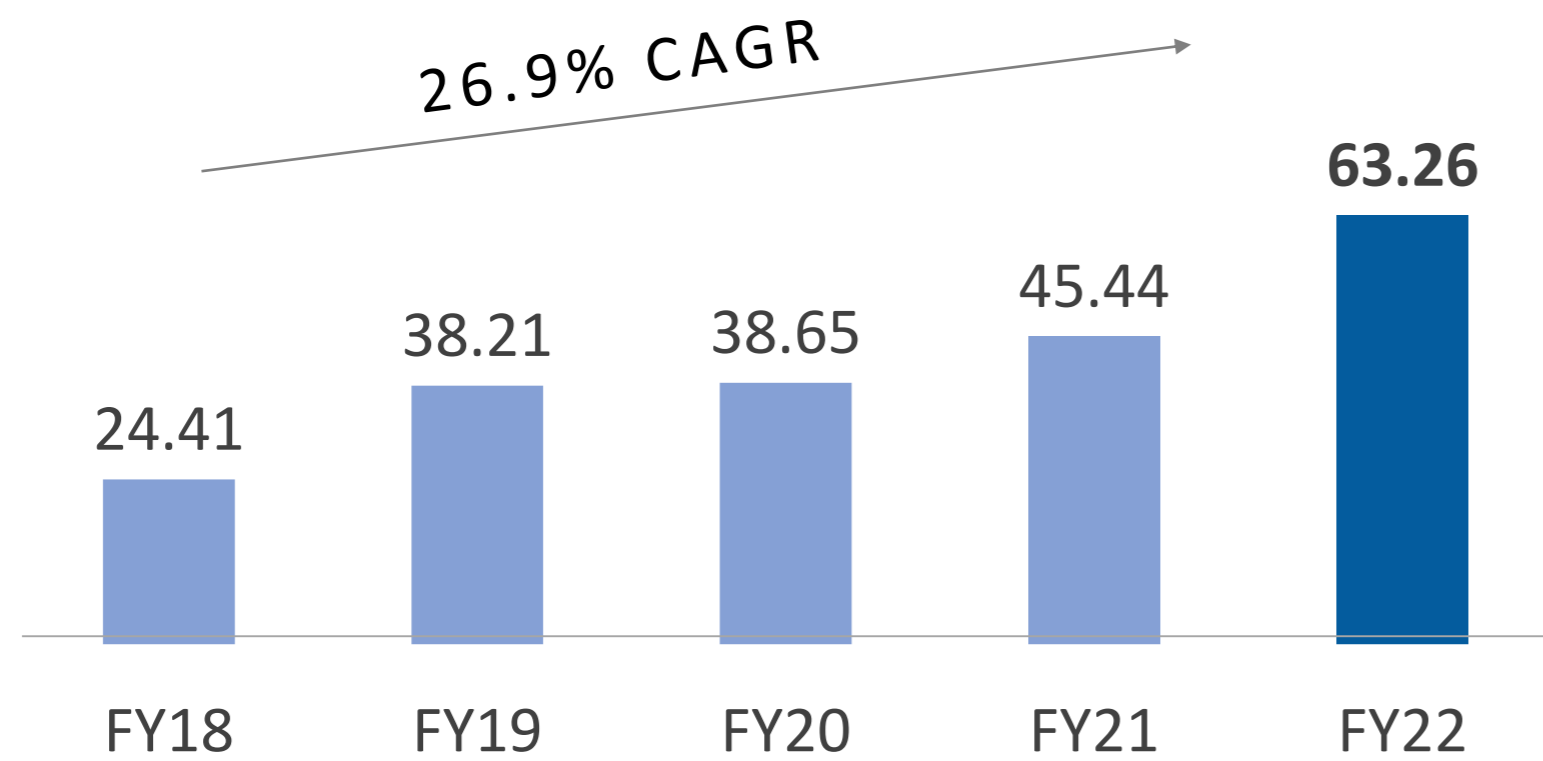
## CONSOLIDATED REVENUE



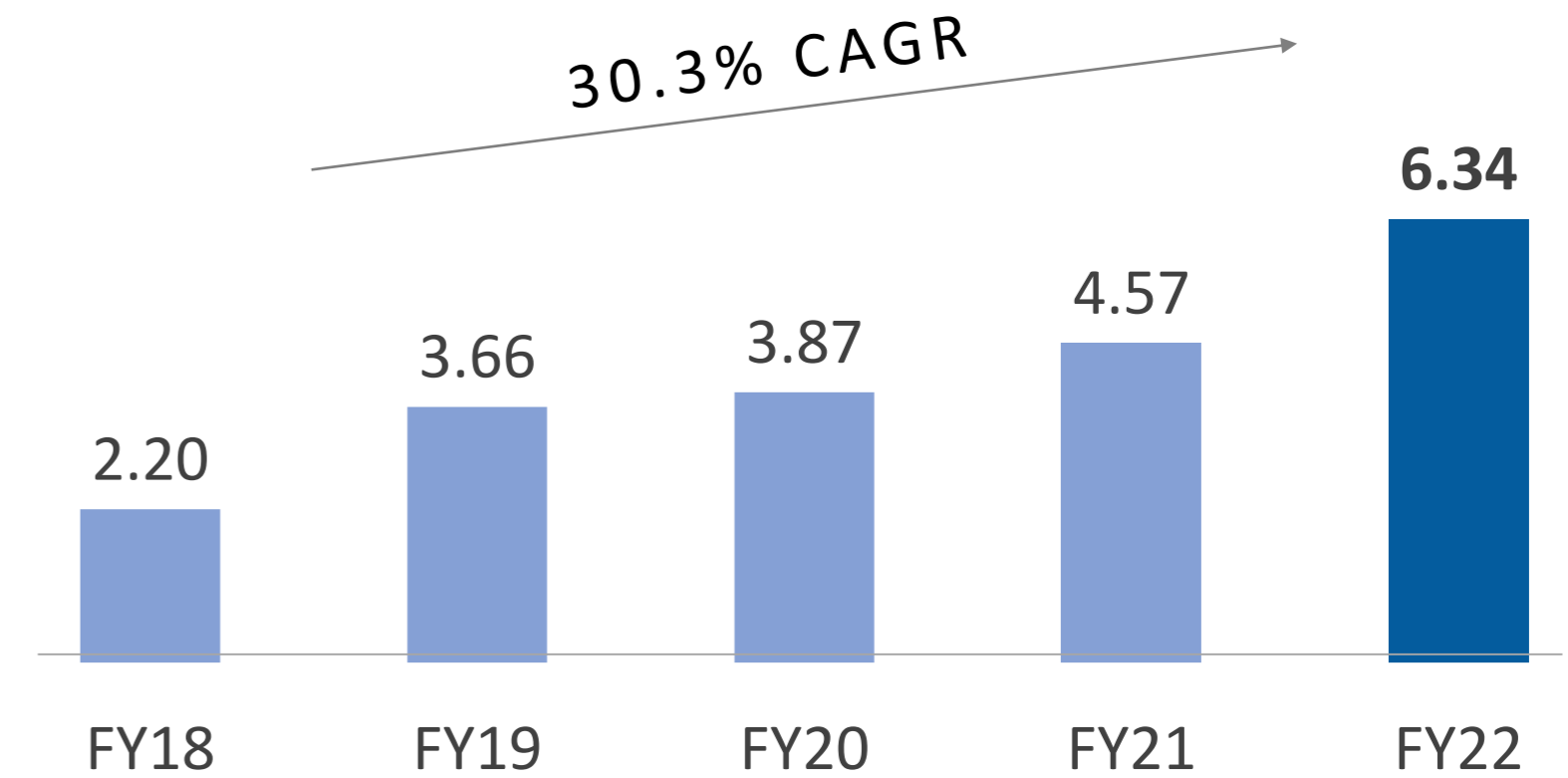
## CONSOLIDATED EBITDA



## CONSOLIDATED PAT\*



## EPS\*\*



\*PAT is before minority interest \*\* In INR and adjusted for stock split from face value INR 10 to INR 1

# Consolidated Income Statement (Q3 & 9MFY23)

Particulars (In INR Crore)	Q3FY23	Q3FY22	%	Q2FY23	%	9MFY23	9MFY22	%
<b>Total Revenue</b>	<b>171.68</b>	<b>124.47</b>	<b>37.9%</b>	<b>163.84</b>	<b>4.8%</b>	<b>483.55</b>	<b>341.34</b>	<b>41.7%</b>
Employee Expenses	77.46	54.22		73.20		217.96	153.84	
Support/ Third Party charges	58.78	42.03		55.80		165.45	112.12	
Other Expenses	8.01	6.15		9.11		24.50	18.50	
<b>Operating EBITDA</b>	<b>27.43</b>	<b>22.07</b>	<b>24.3%</b>	<b>25.73</b>	<b>6.6%</b>	<b>75.64</b>	<b>56.88</b>	<b>33.0%</b>
<b>Operating EBITDA(%)</b>	<b>16.0%</b>	<b>17.7%</b>	<b>( 175 bps)</b>	<b>15.7%</b>	<b>27 bps</b>	<b>15.6%</b>	<b>16.7%</b>	<b>(102 bps)</b>
Other Income	2.45	0.5		3.13		8.76	7.95	
Depreciation	2.60	1.76		2.45		7.24	4.78	
<b>EBIT</b>	<b>27.28</b>	<b>20.81</b>	<b>31.1%</b>	<b>26.41</b>	<b>3.3%</b>	<b>77.16</b>	<b>60.05</b>	<b>28.5%</b>
<b>EBIT(%)</b>	<b>15.9%</b>	<b>16.7%</b>		<b>16.1%</b>		<b>16.0%</b>	<b>17.6%</b>	
Finance Cost	0.54	0.66		0.56		1.59	1.98	
<b>Profit Before Tax</b>	<b>26.74</b>	<b>20.15</b>	<b>32.7%</b>	<b>25.85</b>	<b>3.4%</b>	<b>75.57</b>	<b>58.07</b>	<b>30.1%</b>
Tax	6.88	5.22		6.52		18.58	12.36	
<b>Profit After Tax</b>	<b>19.86</b>	<b>14.93</b>	<b>33.0%</b>	<b>19.32</b>	<b>2.8%</b>	<b>56.99</b>	<b>45.71</b>	<b>24.7%</b>
<b>Profit After Tax (%)</b>	<b>11.6%</b>	<b>12.0%</b>	<b>(43 bps)</b>	<b>11.8%</b>	<b>(22 bps)</b>	<b>11.8%</b>	<b>13.4%</b>	<b>(161 bps)</b>
EPS (INR)	1.98	1.49		1.93		5.69	4.58	

Consolidated  
Income  
Statement



# Consolidated Balance Sheet

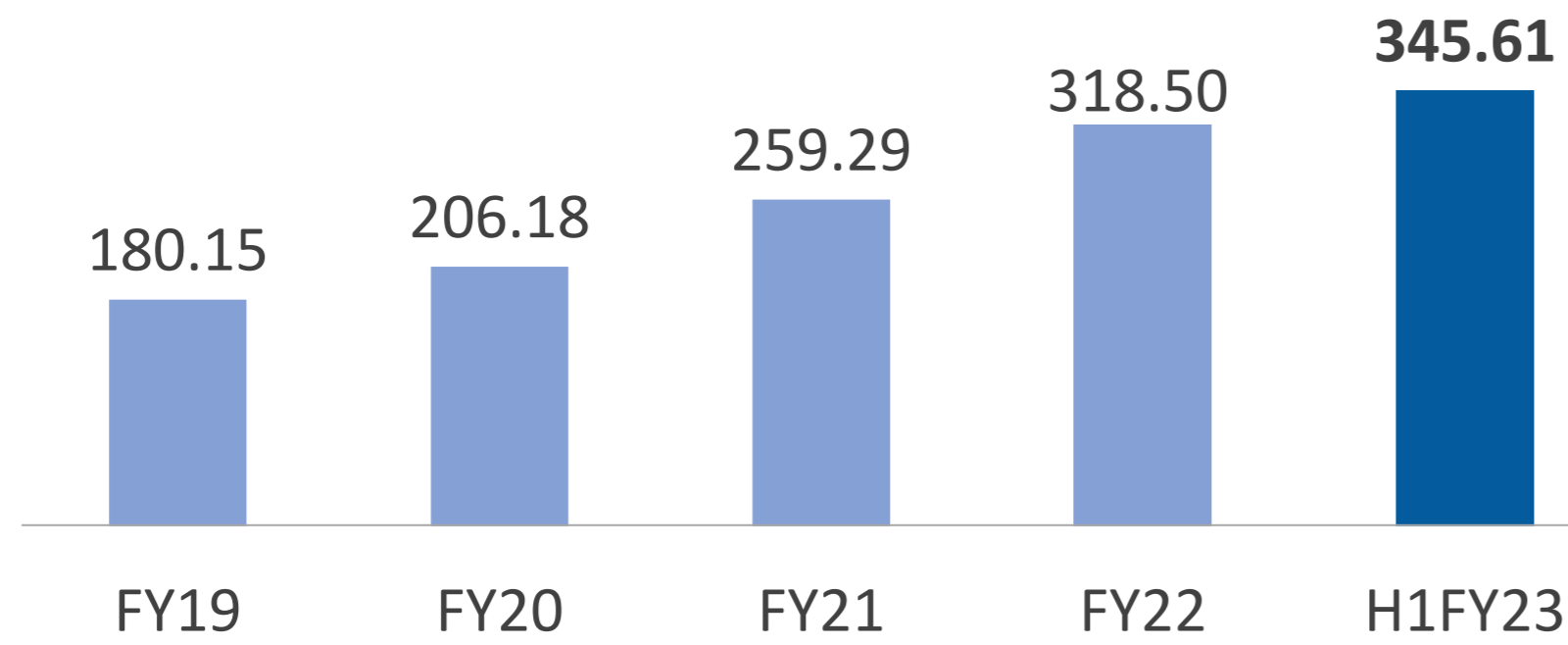
Particulars (INR Crore)	Sep-22	Mar-22	Mar-21	Mar-20	Mar-19
<b>Assets</b>					
<b>Non-current assets</b>	<b>202.40</b>	<b>209.75</b>	<b>174.08</b>	<b>156.36</b>	<b>145.76</b>
Property, Plant and Equipment	28.54	28.74	10.69	8.49	2.14
Goodwill on consolidation	159.66	166.51	148.70	140.30	137.06
Other Intangible assets	0.59	0.34	-	2.17	2.93
<b>Financial Assets</b>					
(i) Investments	4.78				
(ii) Loans		7.01	0.00	0.00	-
(iii) Others	3.25	2.39	10.22	2.50	2.02
Deferred Tax Assets (Net)	5.58	4.73	4.47	2.89	1.56
Other Non-Current Assets		0.03	-	-	0.04
<b>Current assets</b>	<b>281.46</b>	<b>251.79</b>	<b>191.13</b>	<b>147.00</b>	<b>132.74</b>
<b>Financial Assets</b>					
(i) Investments	15.94	10.49	10.46	5.51	-
(ii) Trade receivables	109.16	106.2	64.40	67.52	64.95
(iii) Cash and cash equivalents	118.74	94.84	90.01	42.93	40.06
(iv) Loans	0.18	0.08	0.09	0.14	0.06
(v) Other Financial Assets	22.15	19.97	8.00	12.00	6.49
Current Tax Assets (Net)	3.00	1.49	1.65	1.88	1.38
Other Current Assets	12.29	18.72	16.52	17.02	19.80
<b>TOTAL – ASSETS</b>	<b>483.86</b>	<b>461.54</b>	<b>365.21</b>	<b>303.36</b>	<b>278.49</b>

Particulars (INR Crore)	Sep-22	Mar-22	Mar-21	Mar-20	Mar-19
<b>Equity &amp; Liabilities</b>					
<b>Equity</b>	<b>345.61</b>	<b>318.50</b>	<b>259.29</b>	<b>206.18</b>	<b>175.33</b>
Equity Share capital	10.03	10.01	9.96	9.94	9.94
Other equity	335.58	308.49	249.33	196.24	165.39
Non-controlling interest			-	-	4.82
<b>Liabilities</b>					
<b>Non-current liabilities</b>	<b>28.59</b>	<b>26.92</b>	<b>30.47</b>	<b>33.55</b>	<b>35.28</b>
<b>Financial Liabilities</b>					
(i) Borrowings	4.07	3.88	20.00	24.69	31.60
(ii) Lease Liabilities	10.02	11.91	5.06		
(iii) Other Financial Liabilities	4.97	4.88		3.85	0.69
Provisions	9.53	6.25	5.41	5.01	2.99
<b>Current liabilities</b>	<b>109.66</b>	<b>116.12</b>	<b>75.45</b>	<b>63.63</b>	<b>63.06</b>
<b>Financial Liabilities</b>					
(i) Borrowings		0.16	-	0.85	7.39
(ii) Trade Payables	22.60	29.51	27.05	22.95	24.32
(iii) Other Financial Liabilities & Lease Liabilities	12.68	11.76	12.51	8.70	3.91
Other Current Liabilities	68.49	67.87	30.51	29.53	26.17
Provisions	5.89	6.82	5.38	1.60	1.27
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>483.86</b>	<b>461.54</b>	<b>365.21</b>	<b>303.36</b>	<b>278.49</b>

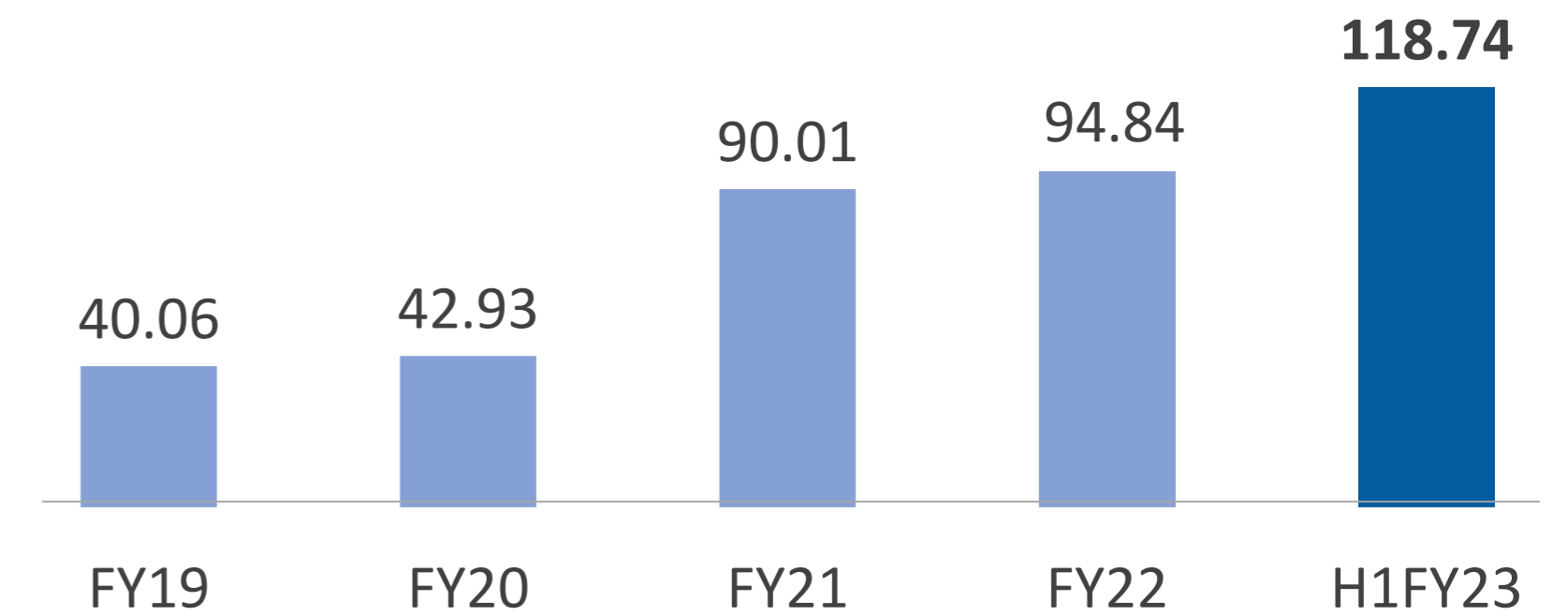
# Strong Financial Position

(INR Crore)

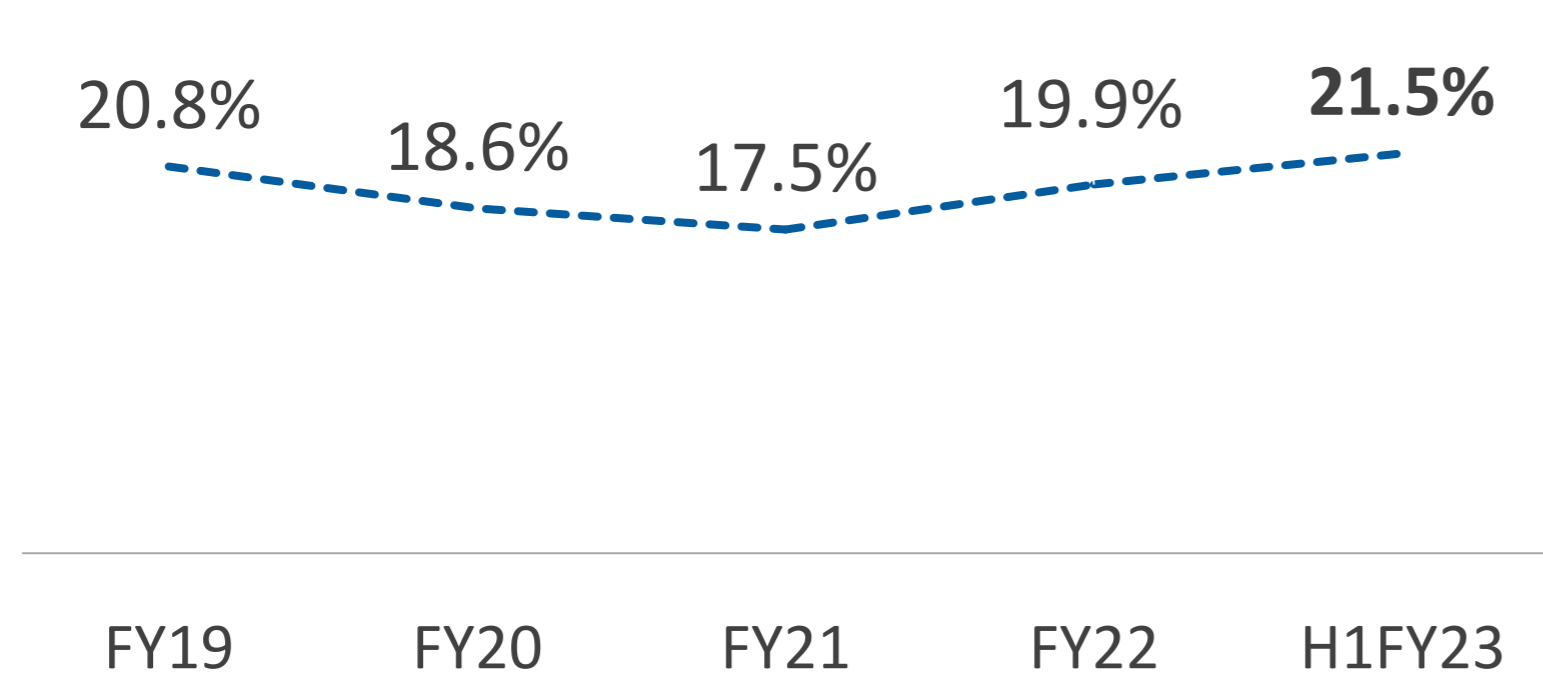
## NETWORTH



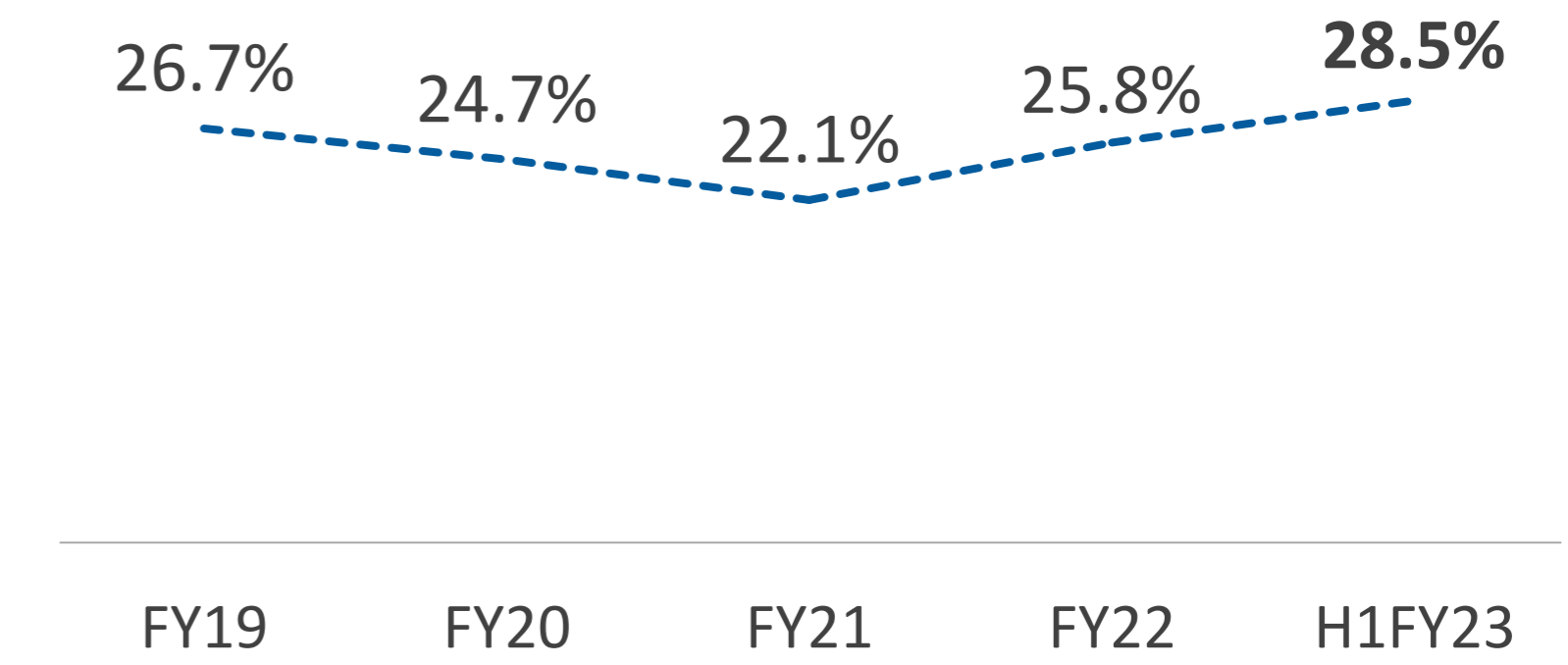
## CASH POSITION



## ROE (%)



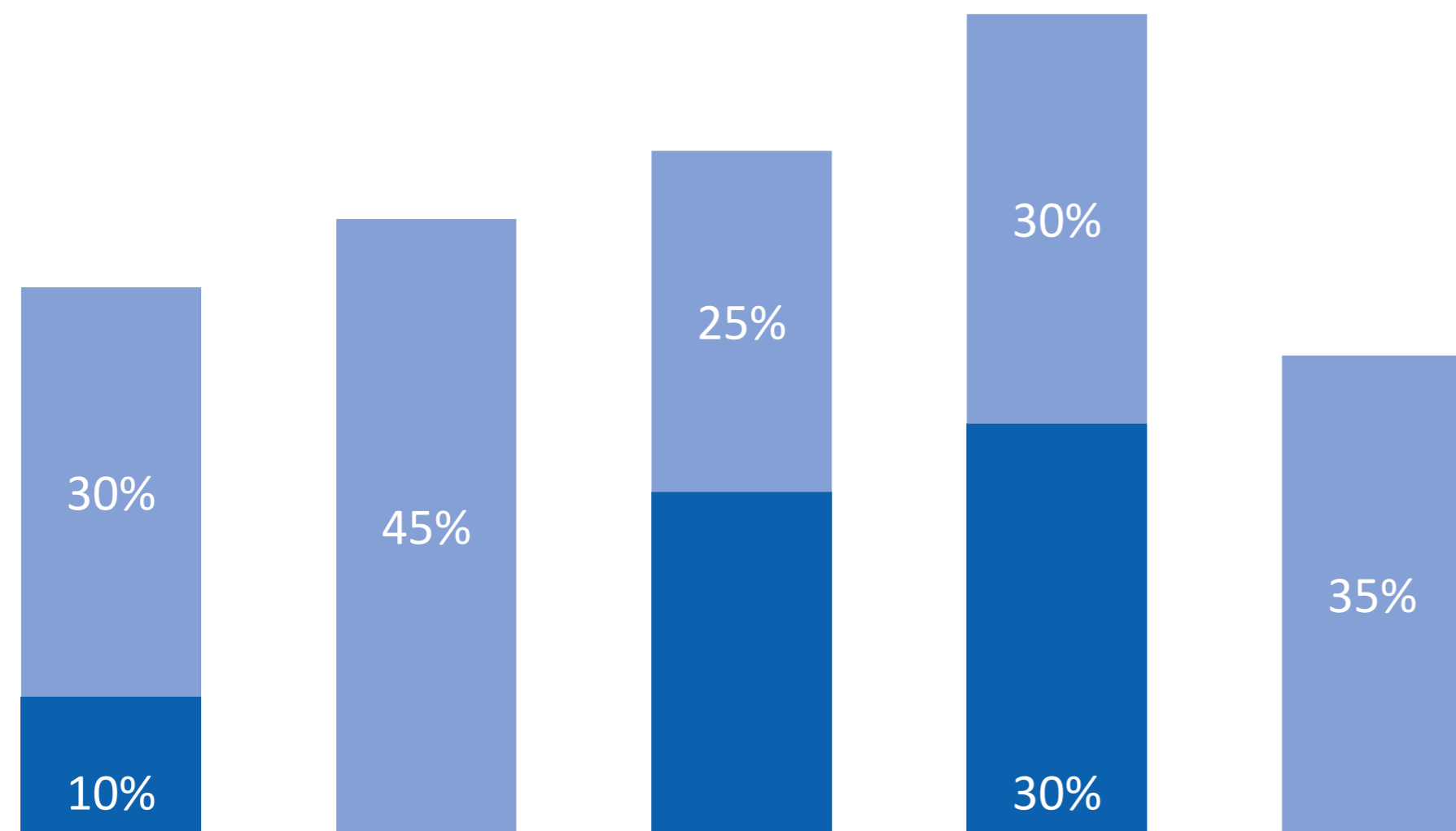
## ROCE (%)



Strong Financial Position

# Sharing Profits Consistently

% of Face Value



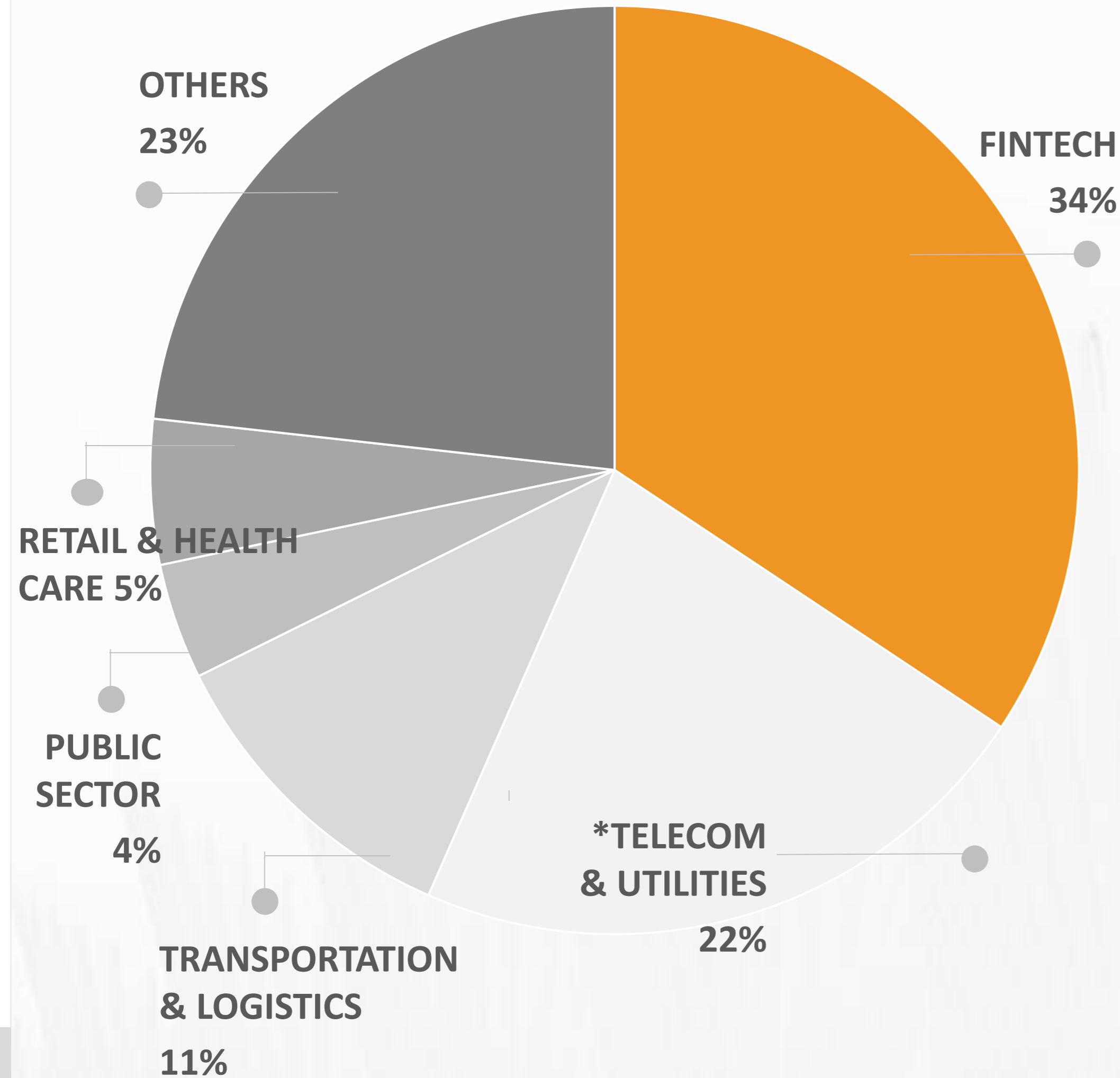
Particulars (In INR)	FY19	FY20	FY21	FY22	H1FY23
Consolidated Book Value / Share*	17.64	20.74	26.04	31.83	34.45
Consolidated Earnings / Share*	3.67	3.87	4.57	6.33	3.31
Dividend / Share*	0.40	0.45	0.50	0.60	0.35

■ Final Dividend      ■ Interim Dividend

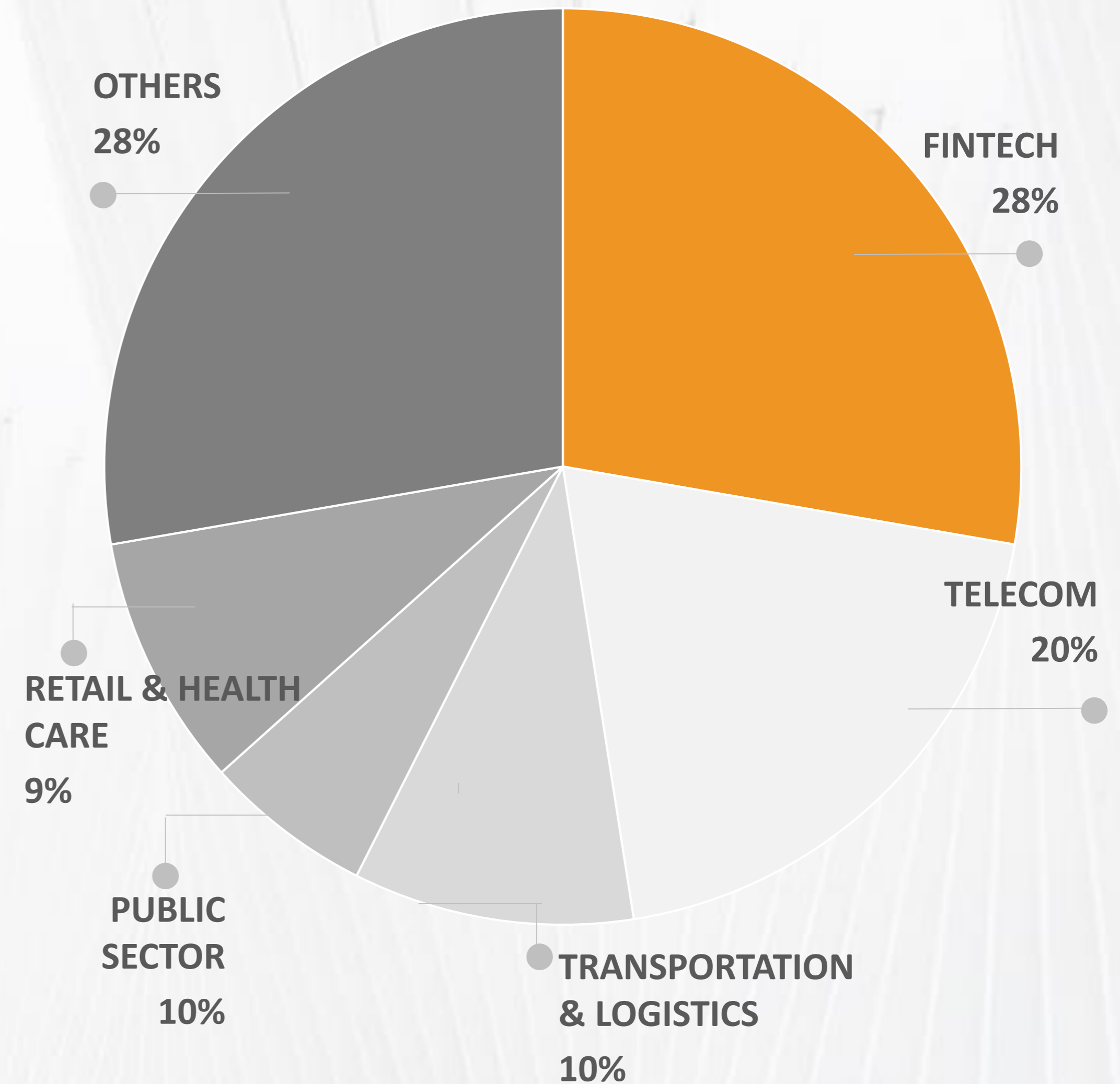
\*Adjusted owing to stock split from face value INR 10 to INR 1

# Business Mix

## REVENUE BY VERTICALS (9MFY23)



## REVENUE BY VERTICALS (FY22)

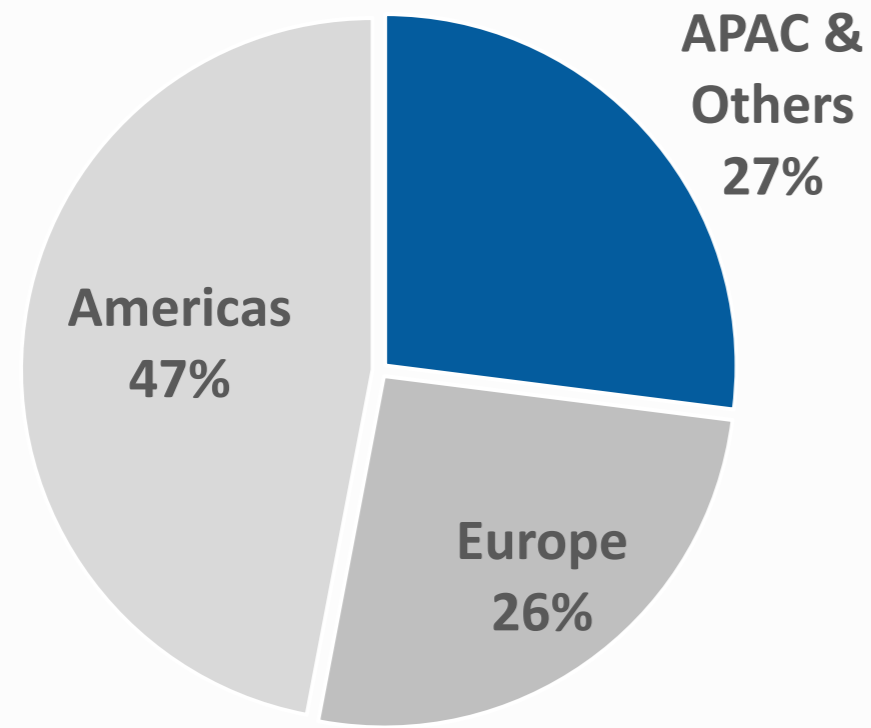


\*Reclassified Telecom as Telecom & Utilities from Q2FY23 & H1FY23

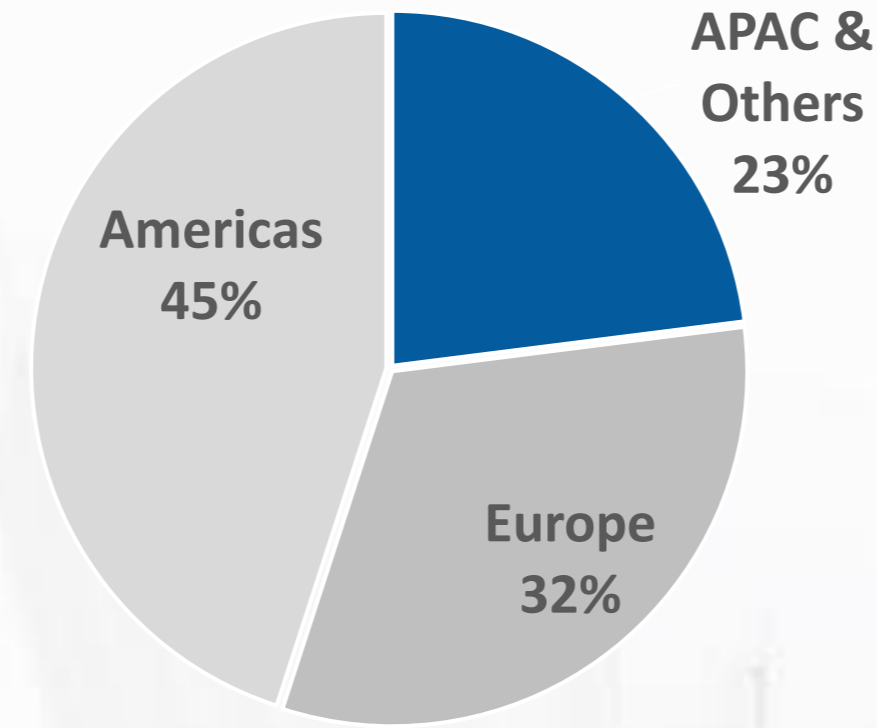
# Operating & Customer Metrics

## REVENUE BY GEOGRAPHY

(9MFY23)



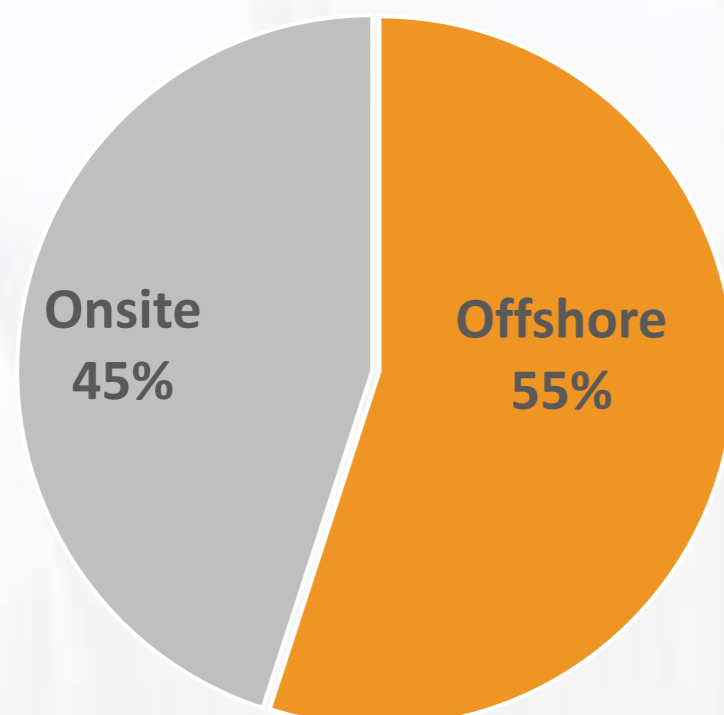
(FY22)



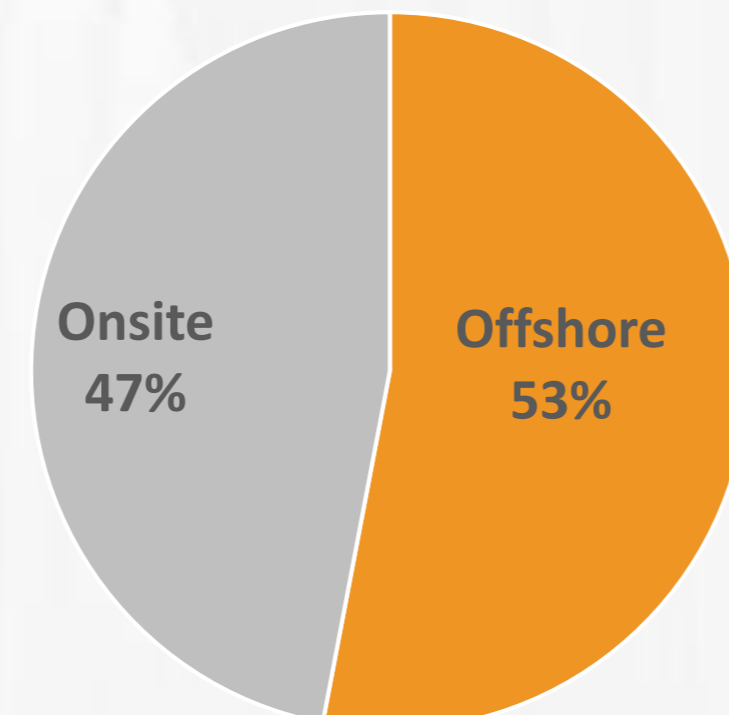
Customer Metrics	9MFY23	FY22
<b>No of clients/customers per Million Dollar</b>		
>1 Million	13	11
>0.5 Million to 1 Million	9	7
<b>Top Customers</b>		
Top 5	45%	48%
Top 10	59%	59%
Top 20	71%	70%

## REVENUE MIX

(9MFY23)



(FY22)



Headcount Metrics	9MFY23	FY22
<b>Total Employee Count</b>	1,985	1,554
- Technical	1,813	1,406
- Support	172	148
<b>Utilization – IT Services % (Excl. Trainees)</b>	85%	85%

# Highlights for Q3 & 9MFY23

## STRONG GROWTH MOMENTUM

- 9 months revenue for FY 22-23 surpasses full year revenue of the previous financial year
- Registers highest ever quarterly revenue at INR 171.68 crores during Q3FY23, with a growth of 37.9% YoY and 4.8% QoQ basis
- Maintained a double-digit EBITDA margin at 16.0% in Q3FY23, despite of challenging global macro-economic environment

## FOCUSSED EXECUTION

- Moved 2 customers to \$ 1mn revenue segment and added 2 new customers in 0.5Mn \$ revenue segment on a year-to-date basis
- Top 5 and Top 10 Clients contributed 45% and 59% of revenues in 9MFY23

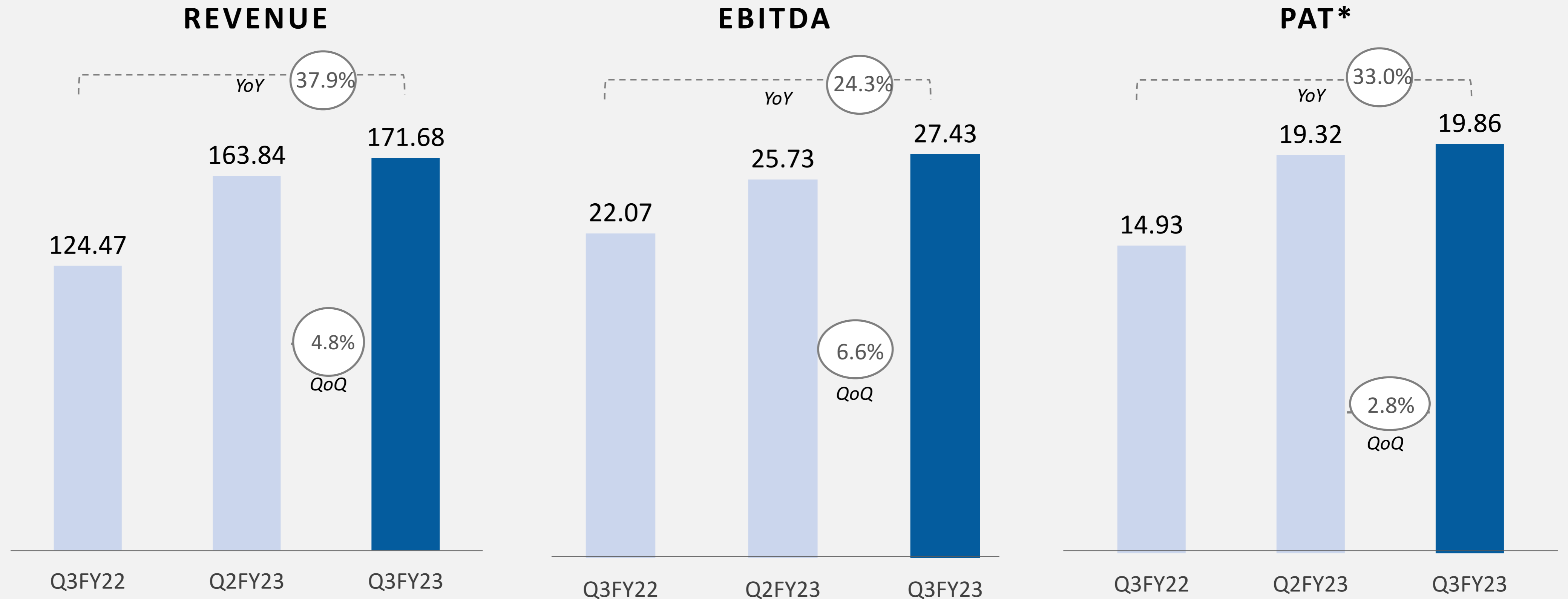
## GROWTH PLAN

- On track to achieve 25% growth in FY23 with our 'Inch Wide Mile Deep' and 'String of Pearls' strategies, enhancing our digital service offerings
- Embark on our Vision 2025 to become a US\$ 100 million revenue which will be a mix of organic and inorganic growth

# Continued Growth Momentum

(INR Crore)

QUARTERLY PERFORMANCE



Continued Growth Momentum

# Strategy of Growth

- *Key Focus Area*

## **Focus Emerging Sectors**

Taking advantage of digitization wave with product and services offering to help clients achieve their needs



# Our focused Strategy of Growth



## FOCUS ON EMERGING SECTORS

Addressing the sweep of digitisation to help clients enhance operational efficiency



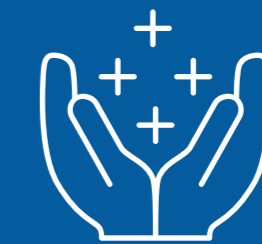
## BEING NIMBLE

We are a mid-tier company with few decision making layers, enhancing our agility



## BUILDING A STRONG TEAM

By building high performance teams focused on sustainable growth



## VALUE OVER VOLUME

Address unoccupied territories represented by projects with higher profitability



## INCH- WIDE AND MILE- DEEP STRATEGY

Addressing target markets with services that differentiate from competition and emerging as one of the fastest-growing and most profitable across our verticals



## CONSOLIDATING FRONT END

Consolidating marketing front-end to reach more clients, accounts, trades and systems with the objective to squeeze growth from our platforms at minimal costs

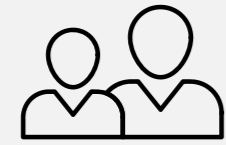


## STRING OF PEARL'S STRATEGY

Engage in business complementing M&As that constitute a 'string of pearls' strategy that enhances our competence immediately following acquisition without corresponding gestation

# **Investment Rationale**

# Investment Rationale



## CLIENTS

- **Digital transformation** of clients at the core of our services
- We have **customer focus and innovation** built in our Core values. These values enables our business to stay more relevant in the ever-evolving market



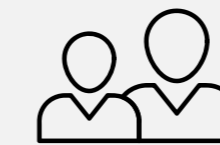
## MARKET

- Focus on the trinity of Fintech, Transportation & Logistics and Retail/Ecommerce with their **interconnectivity places us in a sweet spot to design & address solutions**



## PERFORMANCE

- Strong Track Record - **clean balance sheet, growing revenue and profitability**
- **Sharing profits** consistently



## TASK FORCE

- Experienced and **dedicated management team** with a diversified board

# Contact Us

## COMPANY



CIN: L72200TN1999PLC054429

**Mr. Niraj Kumar Ganeriwal**  
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Financial Officer  
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