



# Saksoft Limited

INVESTOR PRESENTATION

26<sup>th</sup> MAY 2021



# Safe Harbor

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# About Saksoft

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

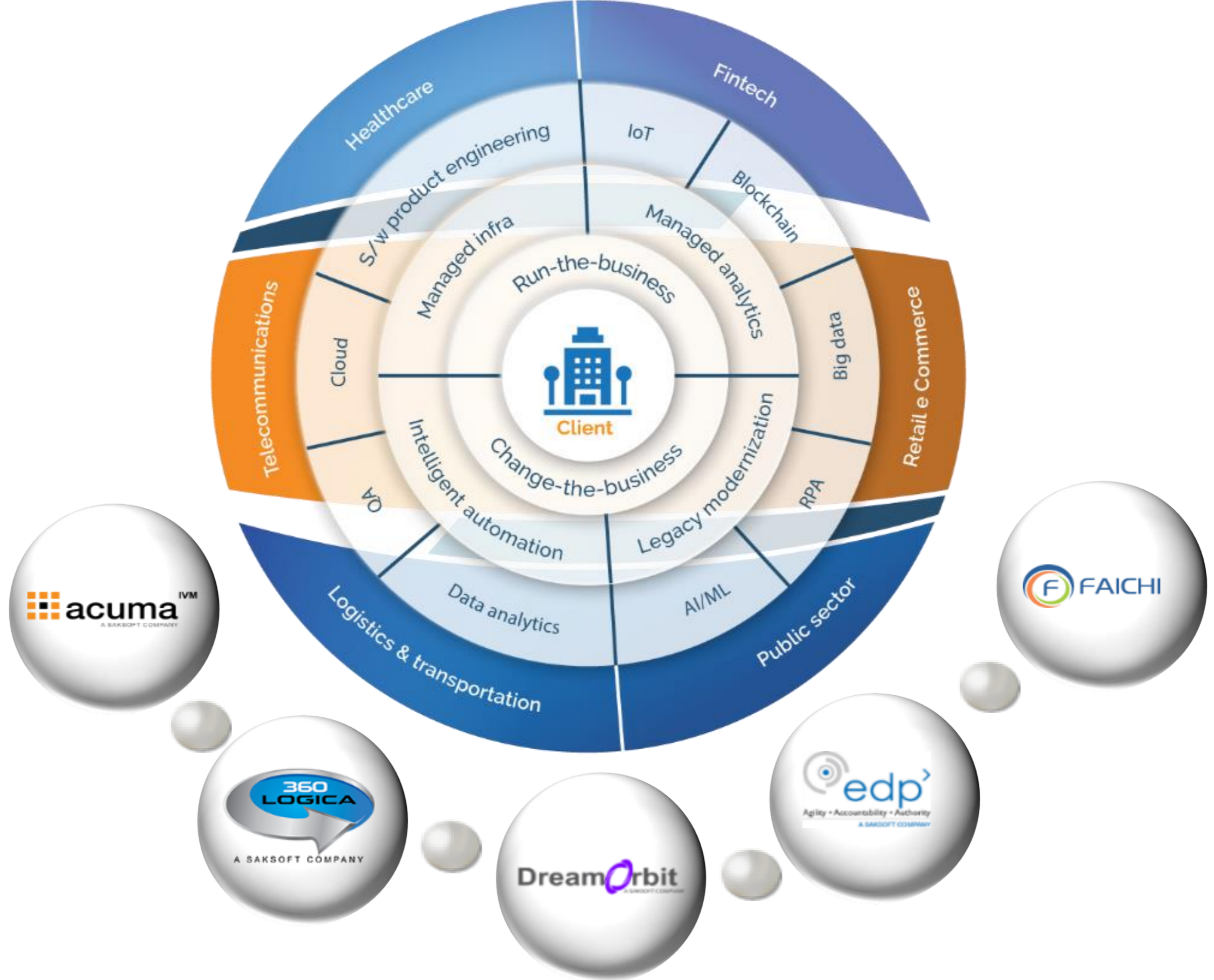
## **Digital Transformation Partner**

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

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

# Saksoft Group

- 1250+ Employees
- Cyber Essentials Plus, ISO 9001, 27001
- 14 Strategic Locations
- \$50 Million+ Revenues
- 20+ Years Track-record



- 
- Innovation
  - Customer focus
  - Openness
  - Respect
  - Enterprising

Captive Centers for clients

US / UK and Europe / APAC

Listed in NSE / BSE

# 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



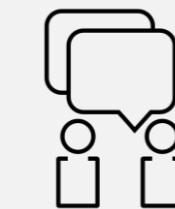
## RETAIL E-COMMERCE

### 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



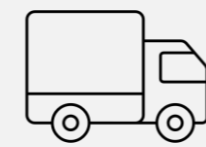
## HEALTHCARE

### 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

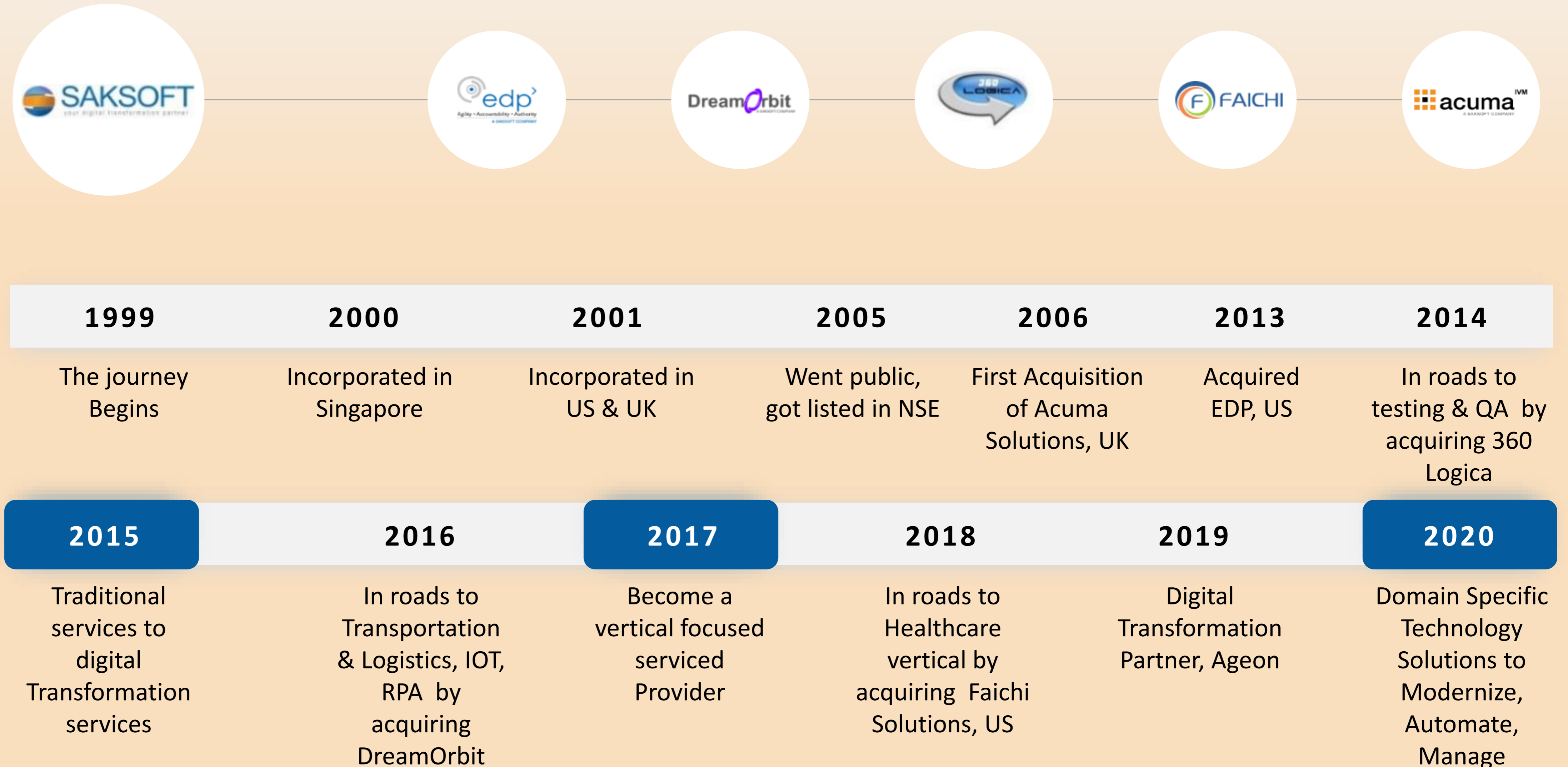
- Reporting Factory
- Scripting Factory
- Data Science Factory
- System Management

## 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

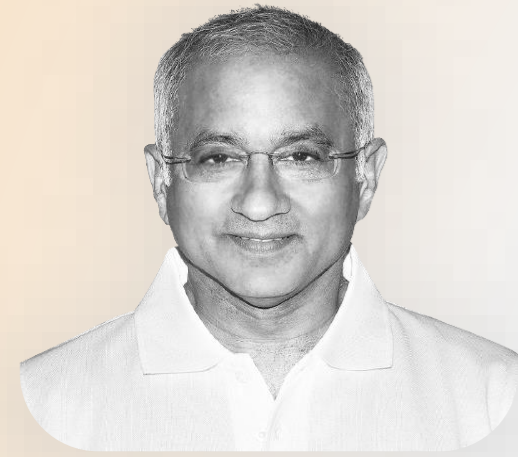


**MALINI THADANI**

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



**DHIRAJ MANGLA**

Executive Vice President

Heading Sales and Delivery  
for Top 2 Customers



**GOPAKUMAR  
KAVUNKAL**

SVP & BU Head

Head –IM and Analytics  
Practice



**BHASKAR  
NARAYANAN**

SVP – India & APAC

Head – APAC Sales and  
Marketing



**SANCHIT JAIN**

CEO – DreamOrbit

Co-Founder of DreamOrbit



**JONATHAN EELEY**

CCO – Acuma Solutions

Heading UK Enterprise and  
Public Sector accounts



**SOUMYA SHASHI**

Vice President

Heading Testing Practice



**SWARAJ DASH**

SVP Sales – US Region

Heading US Sales



**AVANTIKA KRISHNA**

Vice President

Heading the Top customer,  
UK Enterprise accounts and  
leading the Account  
Management Strategy

# Financial Highlights

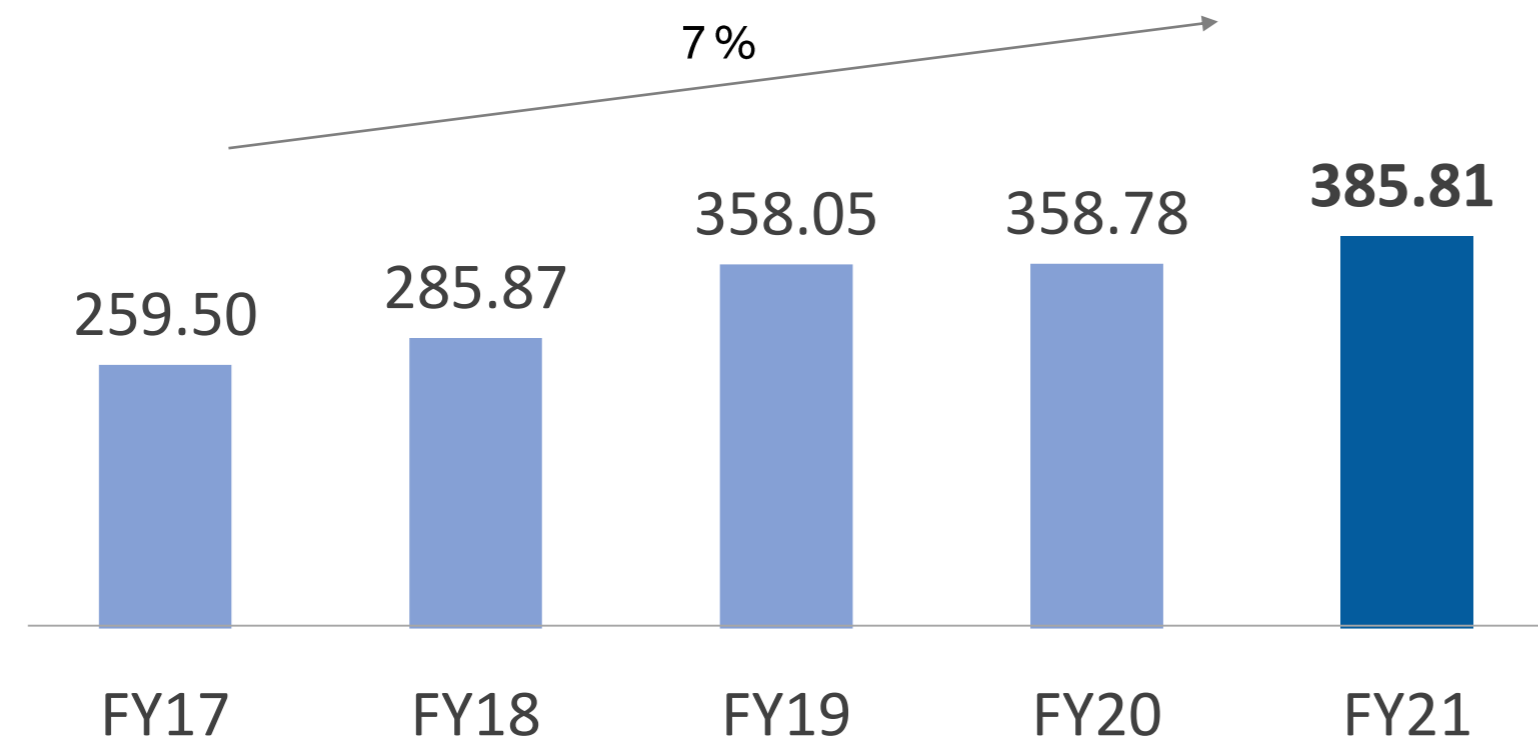
- *P&L performance*
- *Strong Financial performance*
- *Business Mix*
- *Latest quarter updates*

**Strong Financial Position, Consistent Profit Sharing**

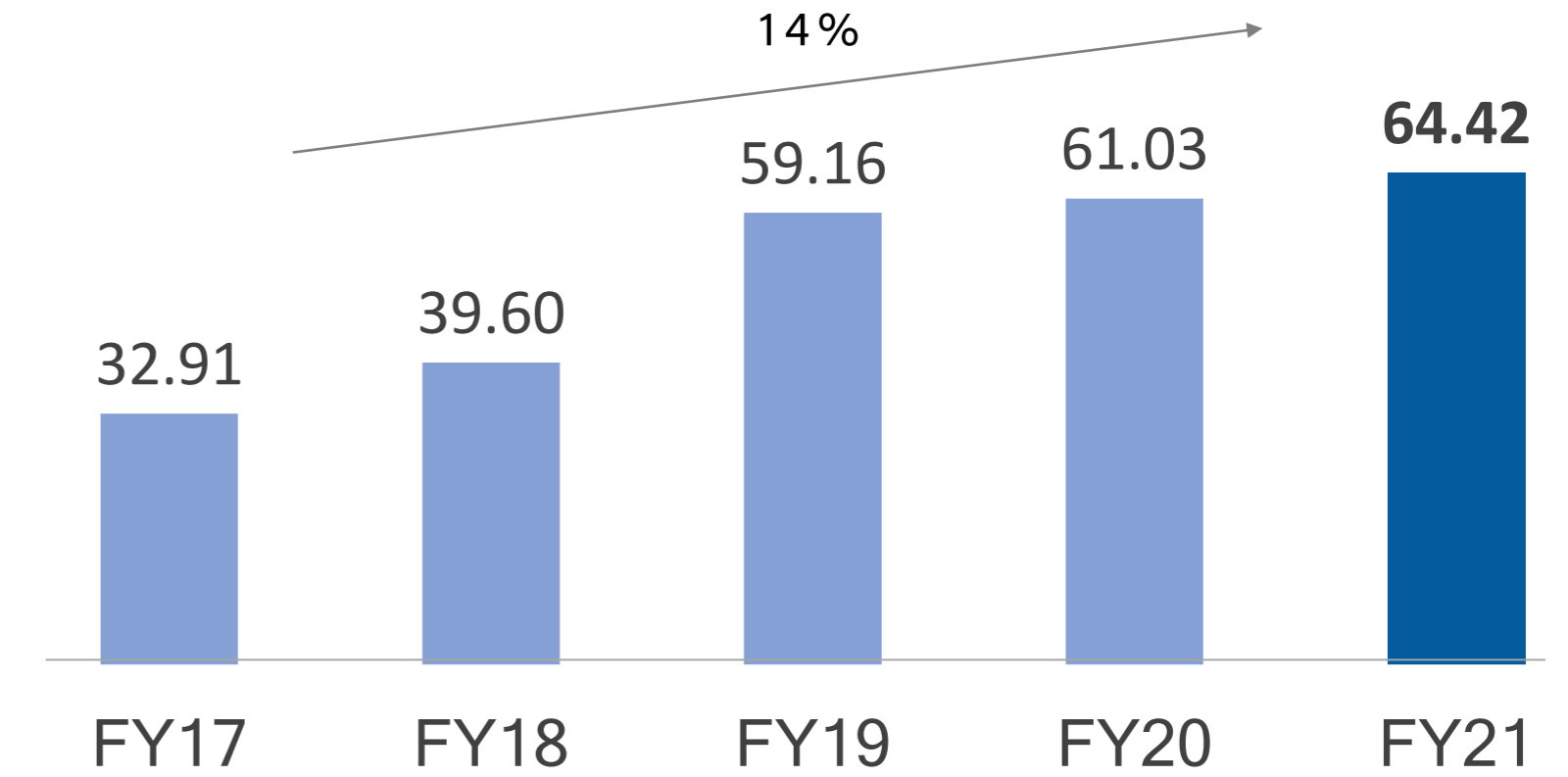
# P&L Performance

(INR Crore)

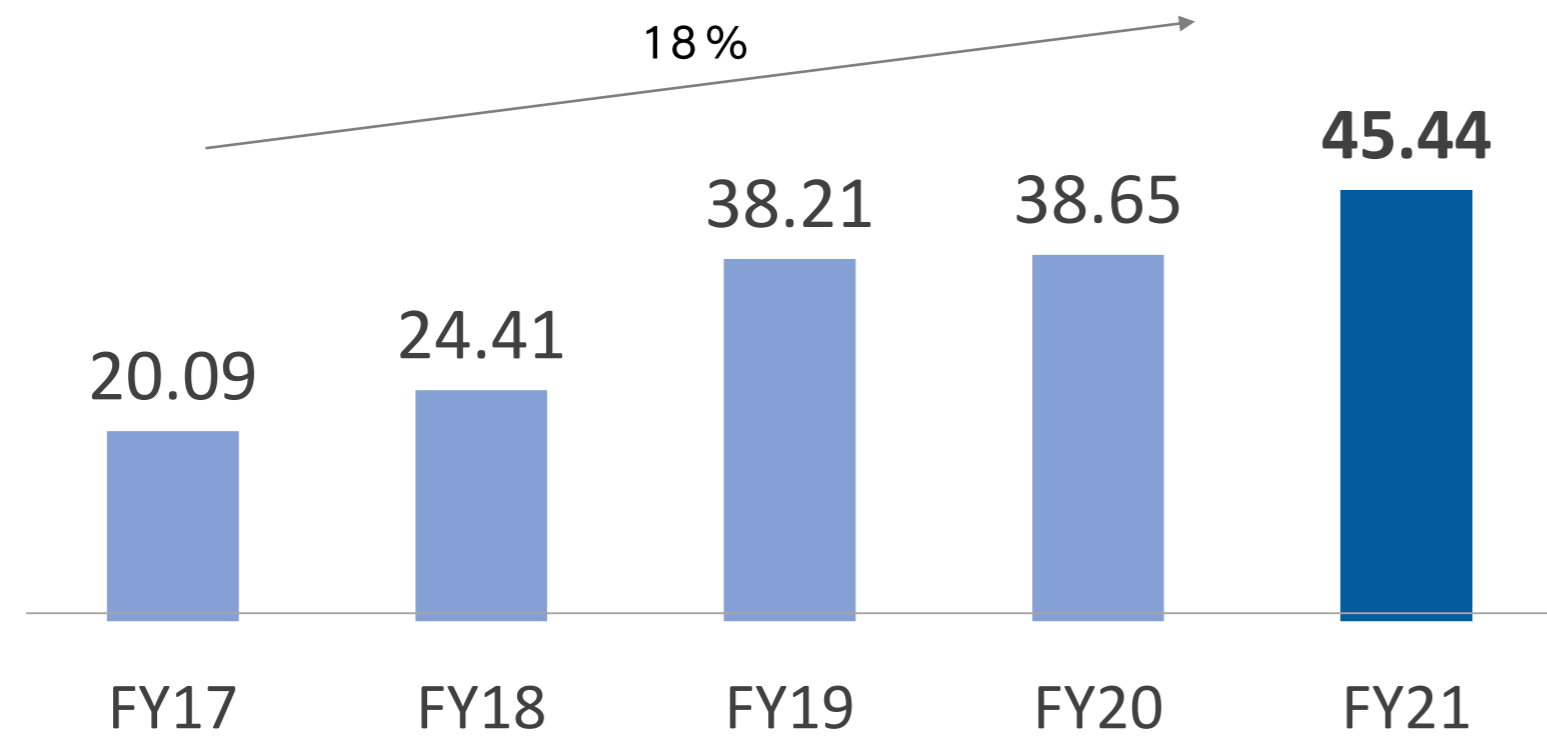
## CONSOLIDATED REVENUE



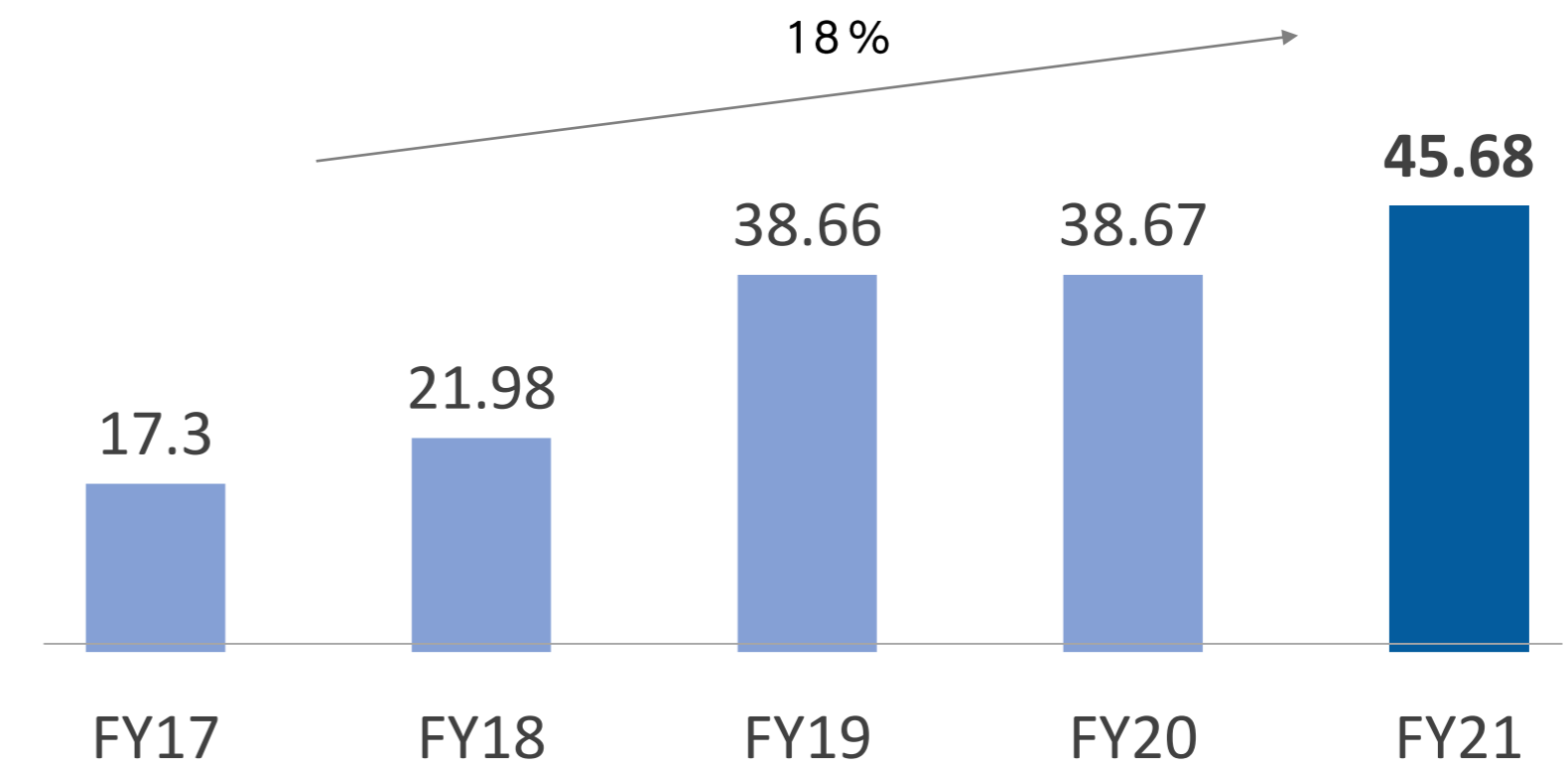
## CONSOLIDATED EBITDA



## CONSOLIDATED PAT\*



## EPS\*\*



P&L Performance

# Consolidated Income Statement (Q4 & FY21)

Particulars (In INR Crore)	Q4FY21	Q3FY21	%	Q4FY21	%	FY21	FY20	%
<b>Total Revenue</b>	<b>97.45</b>	<b>97.41</b>	<b>0.0%</b>	<b>92.90</b>	<b>4.9%</b>	<b>385.81</b>	<b>358.78</b>	<b>7.5%</b>
Employee Expenses	45.79	45.67		46.15		182.92	181.42	
Support/ Third Party charges	28.34	27.86		26.07		112.42	89.89	
Other Expenses	7.77	6.36		6.83		26.05	26.44	
<b>EBITDA</b>	<b>15.55</b>	<b>17.52</b>	<b>-11.2%</b>	<b>13.85</b>	<b>12.3%</b>	<b>64.42</b>	<b>61.03</b>	<b>5.6%</b>
<b>EBITDA(%)</b>	<b>16.0%</b>	<b>18.0%</b>	<b>-203 bps</b>	<b>14.9%</b>	<b>105 bps</b>	<b>16.7%</b>	<b>17.0%</b>	<b>-31 bps</b>
Other Income	2.66	0.26		2.10		4.08	3.89	
Depreciation	1.59	1.62		1.78		6.67	7.27	
<b>EBIT</b>	<b>16.62</b>	<b>16.16</b>	<b>2.8%</b>	<b>14.17</b>	<b>17.3%</b>	<b>61.83</b>	<b>57.65</b>	<b>7.3%</b>
<b>EBIT(%)</b>	<b>17.1%</b>	<b>16.6%</b>		<b>15.3%</b>		<b>16.0%</b>	<b>16.1%</b>	
Finance Cost	0.78	0.78		1.19		3.44	5.14	
<b>Profit Before Tax</b>	<b>15.84</b>	<b>15.38</b>	<b>3.0%</b>	<b>12.98</b>		<b>58.39</b>	<b>52.51</b>	<b>11.2%</b>
Tax	3.33	3.31		3.18		12.95	13.86	
<b>Profit After Tax*</b>	<b>12.51</b>	<b>12.07</b>	<b>3.6%</b>	<b>9.80</b>	<b>27.7%</b>	<b>45.44</b>	<b>38.65</b>	<b>17.6%</b>
<b>Profit After Tax(%)</b>	<b>12.8%</b>	<b>12.4%</b>	<b>45 bps</b>	<b>10.5%</b>	<b>229 bps</b>	<b>11.8%</b>	<b>10.8%</b>	<b>101 bps</b>
EPS	12.57	12.13	3.6%	9.89	27.1%	45.68	38.67	18.1%

\*PAT is before minority interest



# Consolidated Balance Sheet

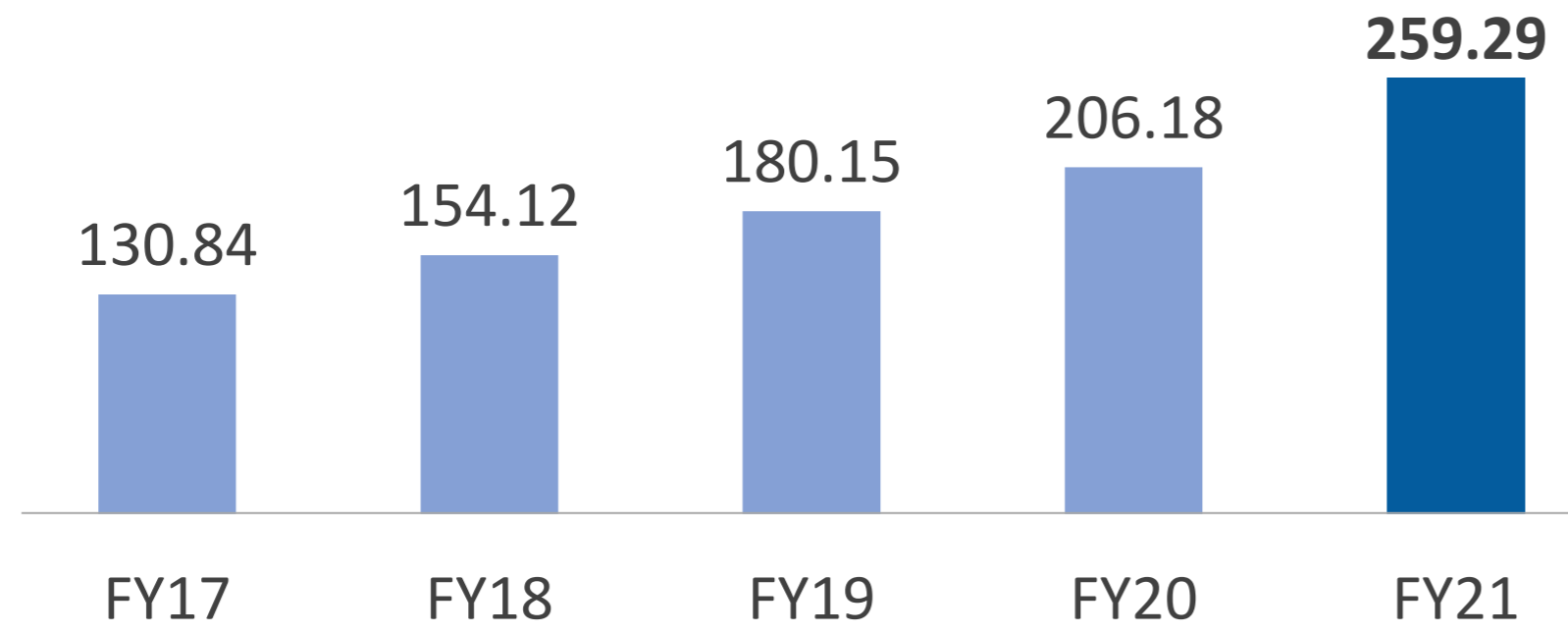
Particulars (INR Crore)	Mar-21	Mar-20	Mar-19	Mar-18
<b>Assets</b>				
<b>Non-current assets</b>	<b>174.08</b>	<b>156.36</b>	<b>145.76</b>	<b>152.88</b>
Property, Plant and Equipment	10.69	8.5	2.14	2.60
Goodwill on consolidation	148.7	140.3	137.06	142.11
Other Intangible assets		2.17	2.93	4.64
Financial Assets				
(i) Loans	0.00	0.00	0.00	0.03
(ii) Others	10.22	2.5	2.02	2.39
Deferred Tax Assets (Net)	4.47	2.89	1.56	1.09
Other Non-Current Assets		0.00	0.05	0.02
<b>Current assets</b>	<b>191.13</b>	<b>147.00</b>	<b>132.74</b>	<b>110.02</b>
<b>Financial Assets</b>				
(i) Investments	10.46	5.51	-	-
(ii) Trade receivables	64.4	67.52	64.95	58.43
(iii) Cash and cash equivalents	90.01	42.93	40.06	30.02
(iv) Loans	0.09	0.14	0.06	0.20
(v) Other Financial Assets	8.00	12.00	6.49	7.46
Current Tax Assets (Net)	1.65	1.88	1.38	0.23
Other Current Assets	16.52	17.02	19.80	13.68
<b>TOTAL - ASSETS</b>	<b>365.21</b>	<b>303.36</b>	<b>278.49</b>	<b>262.90</b>

Particulars (INR Crore)	Mar-21	Mar-20	Mar-19	Mar-18
<b>Equity &amp; Liabilities</b>				
<b>Equity</b>	<b>259.29</b>	<b>206.18</b>	<b>175.33</b>	<b>148.02</b>
Equity Share capital	9.96	9.94	9.94	9.94
Other equity	249.33	196.24	165.39	138.08
Non-controlling interest		0.00	4.82	6.10
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>	<b>30.47</b>	<b>33.55</b>	<b>35.28</b>	<b>46.78</b>
Financial Liabilities				
(i) Borrowings	20.00	24.69	31.60	38.05
(ii) Other Financial Liabilities	5.06	3.85	0.69	6.09
Provisions	5.41	5.01	2.99	2.64
<b>Current liabilities</b>	<b>75.45</b>	<b>63.63</b>	<b>63.06</b>	<b>62.00</b>
<b>Financial Liabilities</b>				
(i) Borrowings		0.85	7.39	4.42
(ii) Trade Payables	27.05	22.95	24.32	28.63
(iii) Other Financial Liabilities	12.51	8.70	3.91	7.63
Other Current Liabilities	30.51	29.53	26.17	20.32
Provisions	5.38	1.60	1.27	1.00
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>365.21</b>	<b>303.36</b>	<b>278.49</b>	<b>262.90</b>

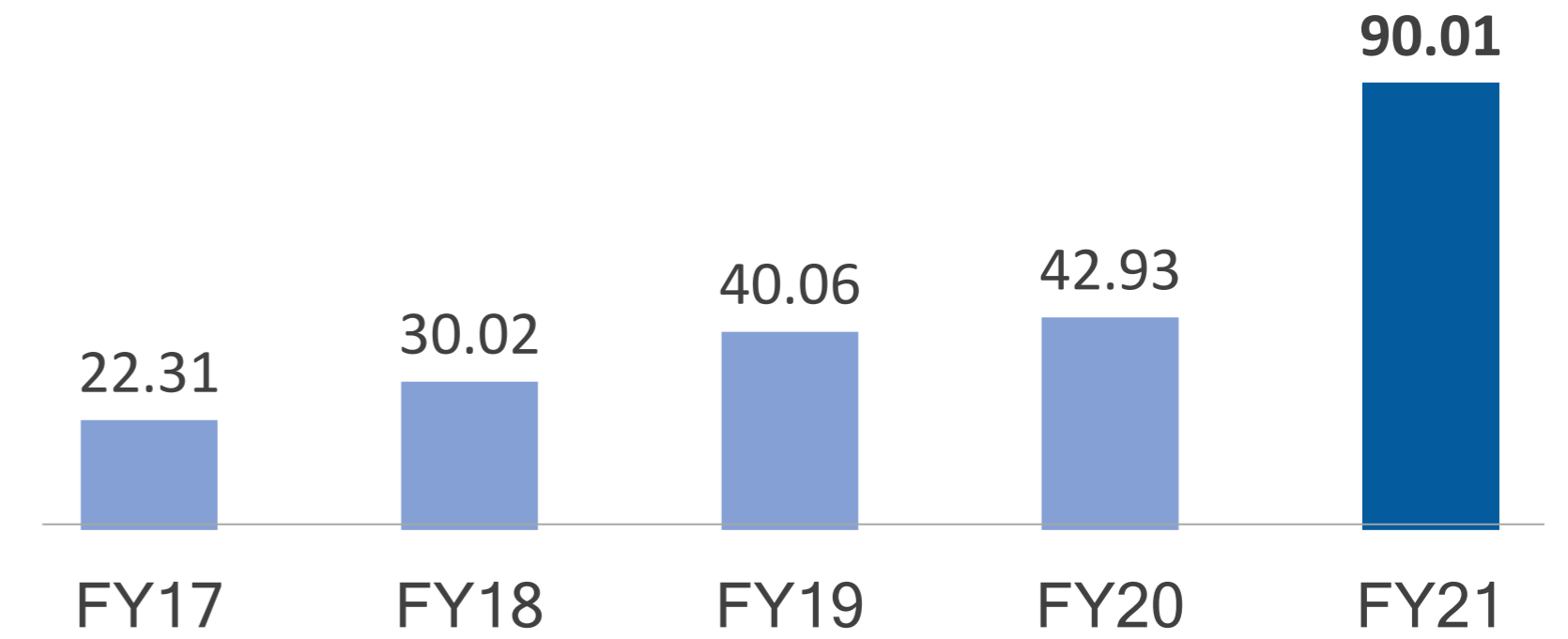
# Strong Financial Position

(INR Crore)

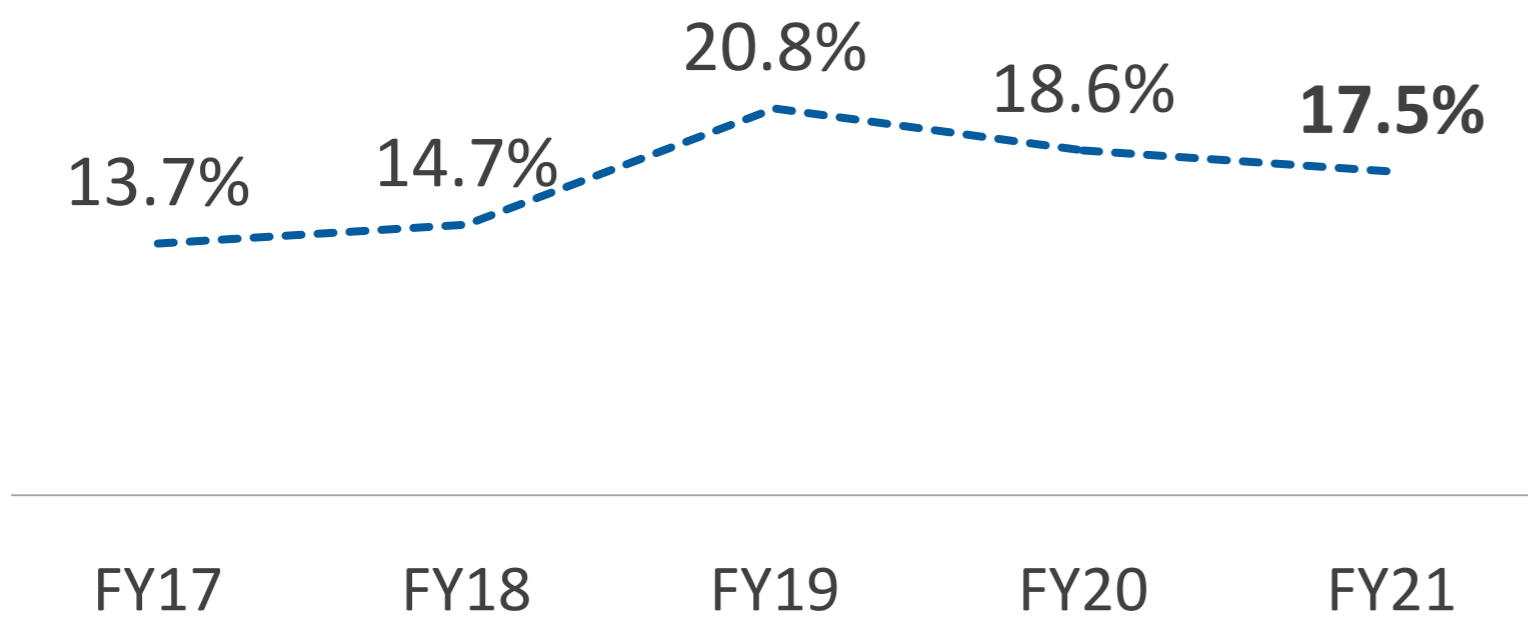
## NETWORTH



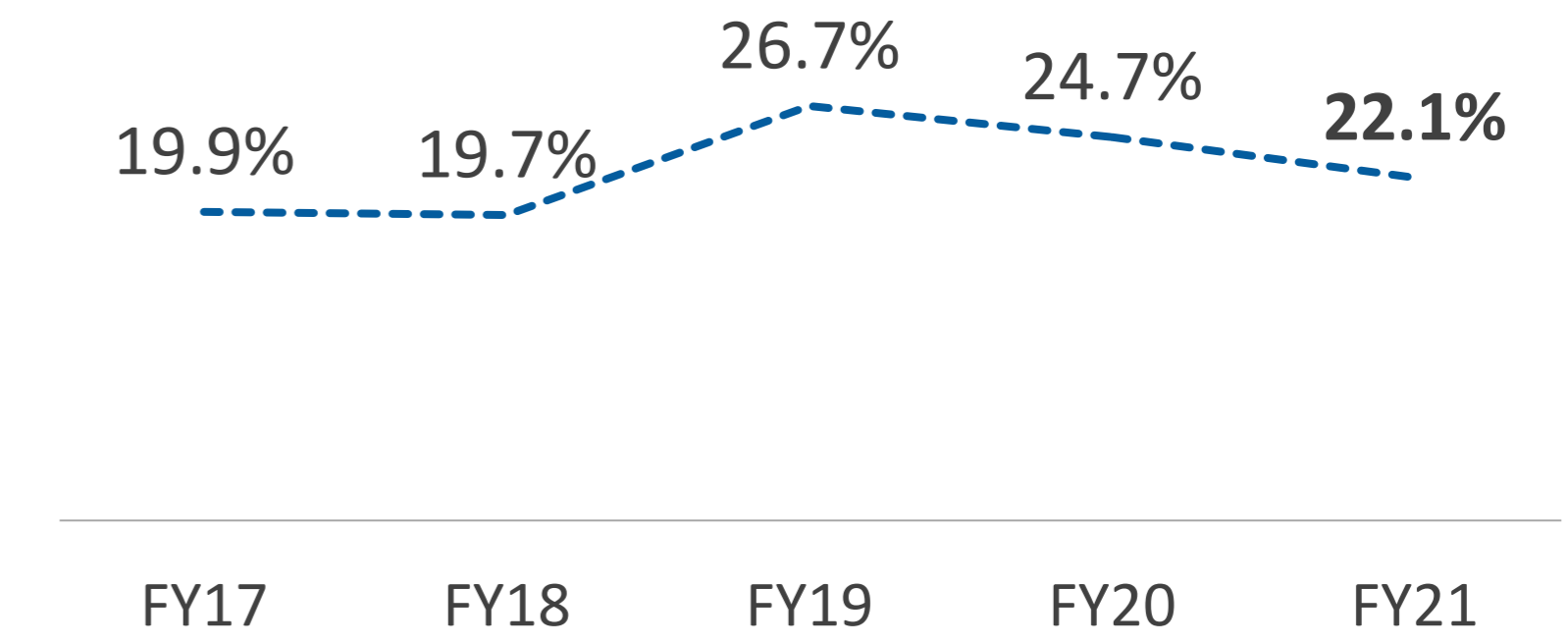
## CASH POSITION



## ROE (%)



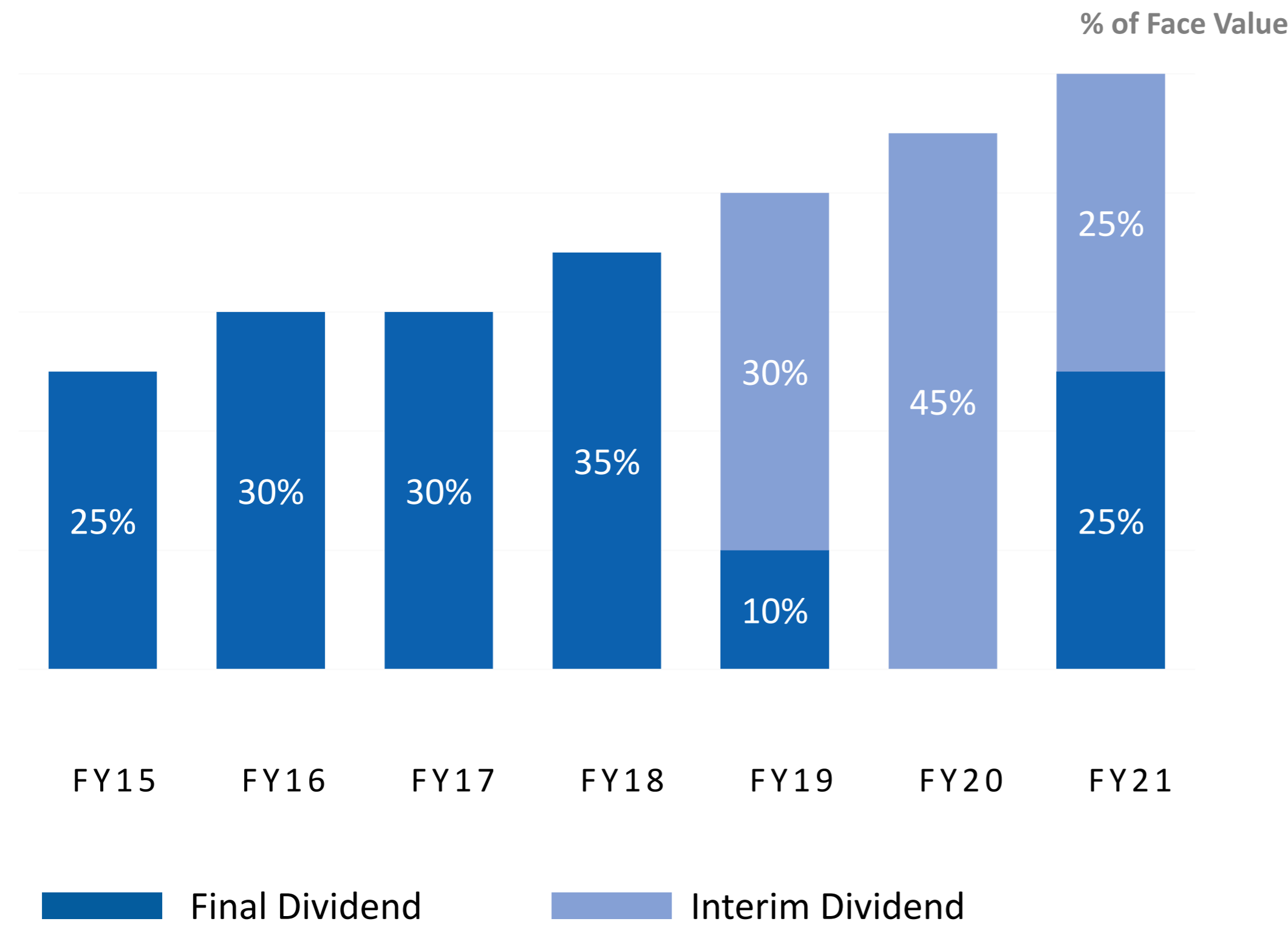
## ROCE (%)



Strong Financial Position

# Sharing Profits Consistently

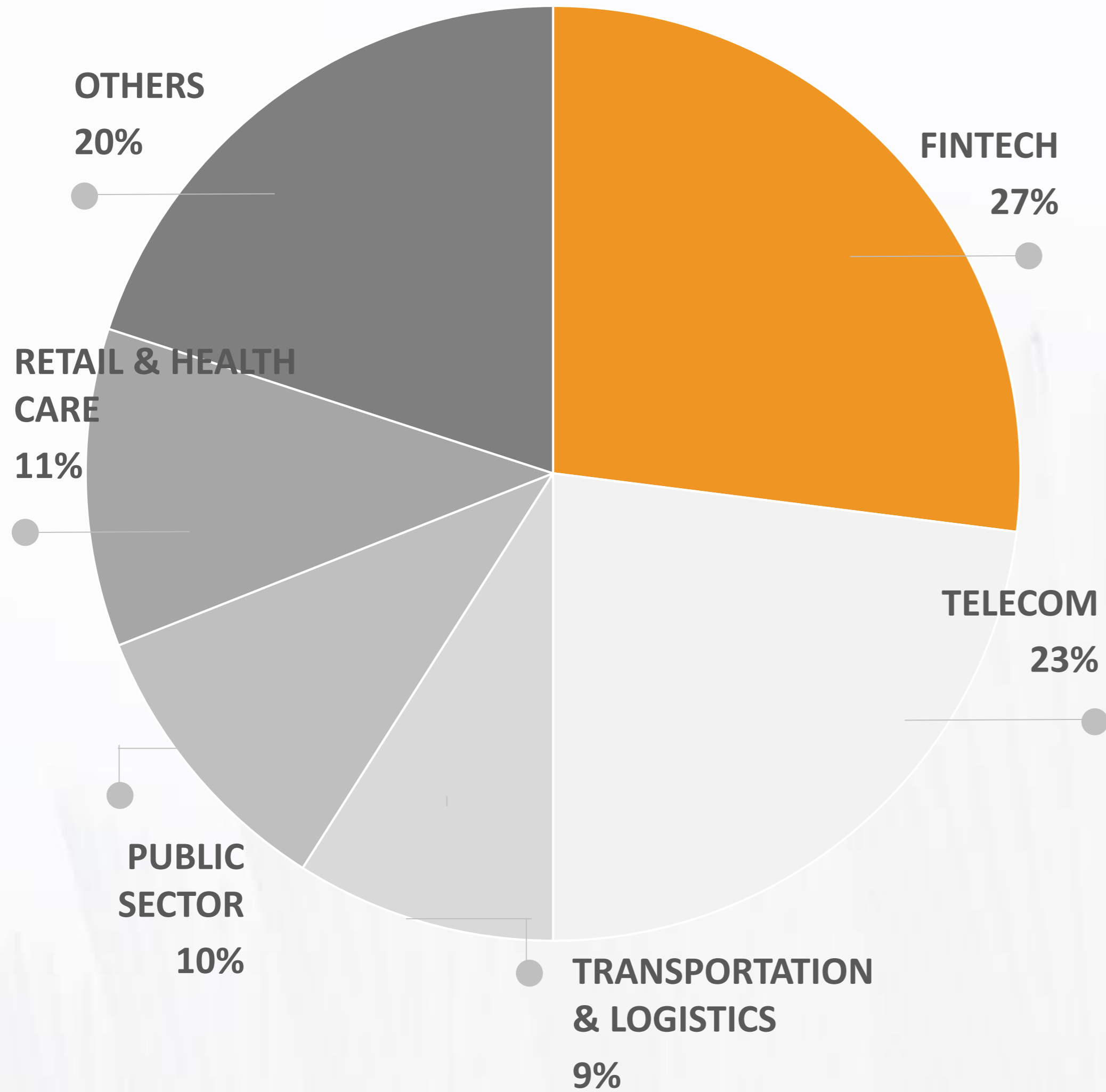
Sharing Profits Consistently



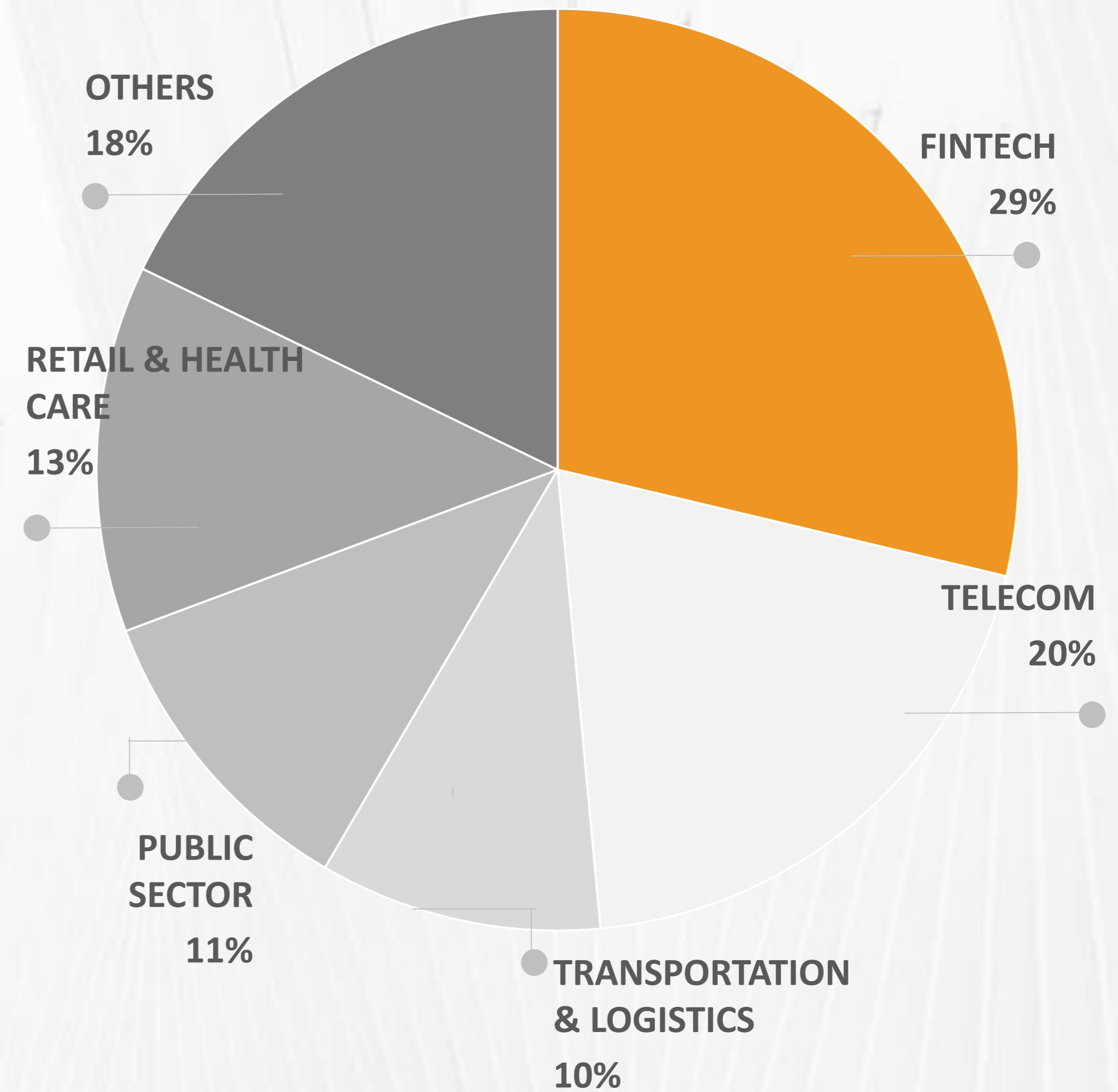
Particulars (In INR)	FY17	FY18	FY19	FY20	FY21
Consolidated Book Value / Share	119.56	148.86	176.35	207.37	260.40
Consolidated Earnings / Share	17.30	21.98	36.66	38.67	45.68
Dividend / Share	3.00	3.50	4.00	4.50	5.00

# Business Mix

## REVENUE BY VERTICALS (FY21)



## REVENUE BY VERTICALS (FY20)

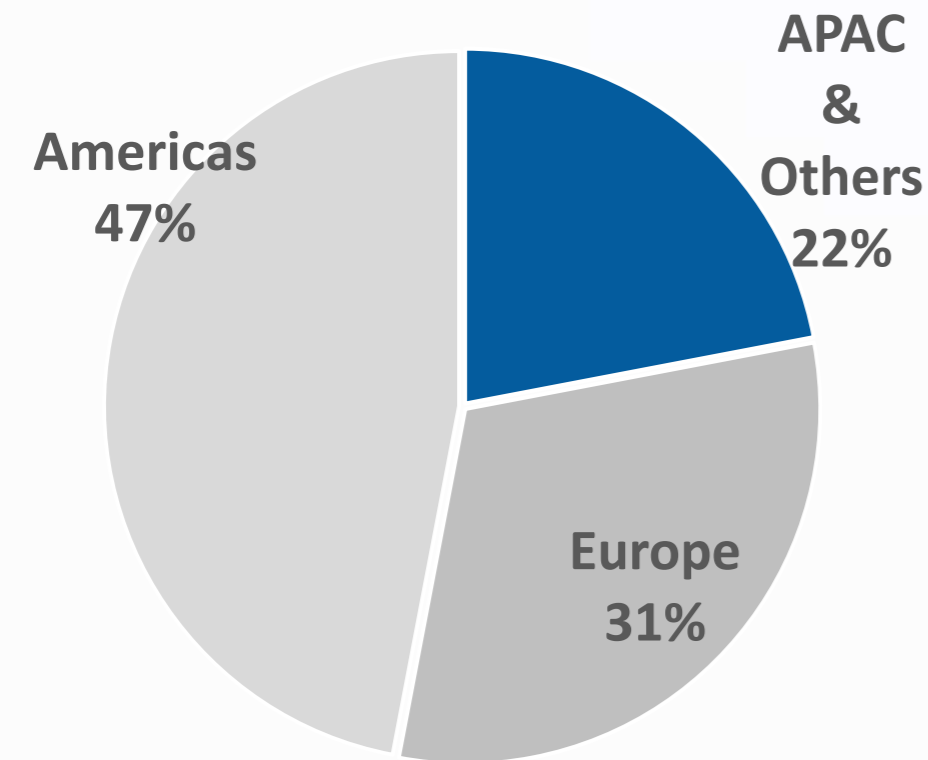


Business Mix

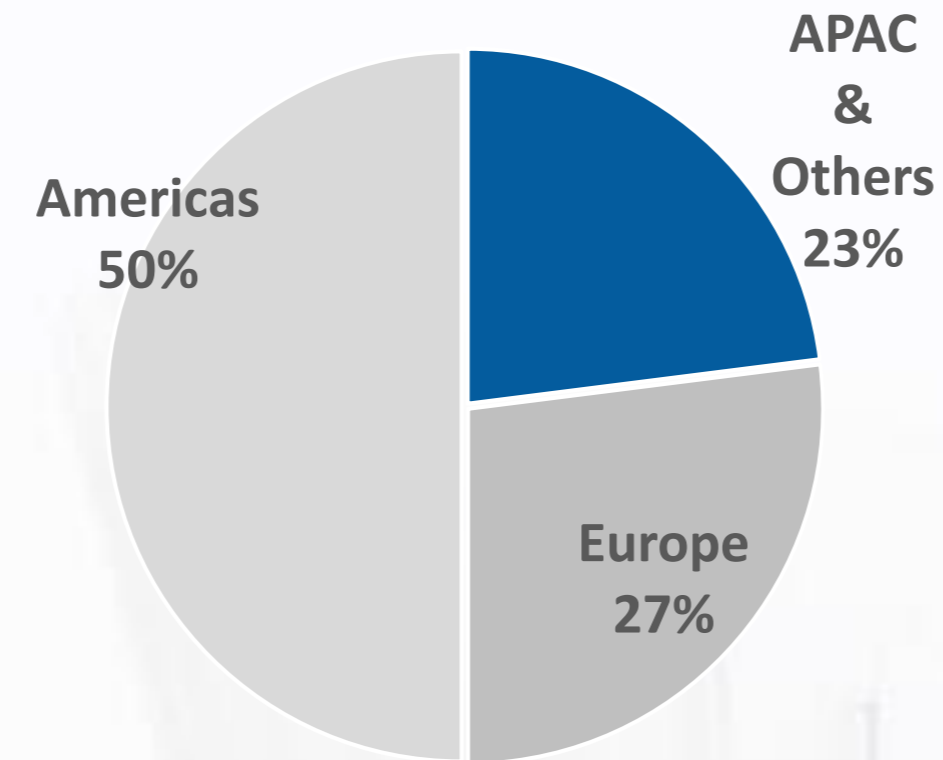
# Operating & Customer Metrics

## REVENUE BY GEOGRAPHY

(FY21)

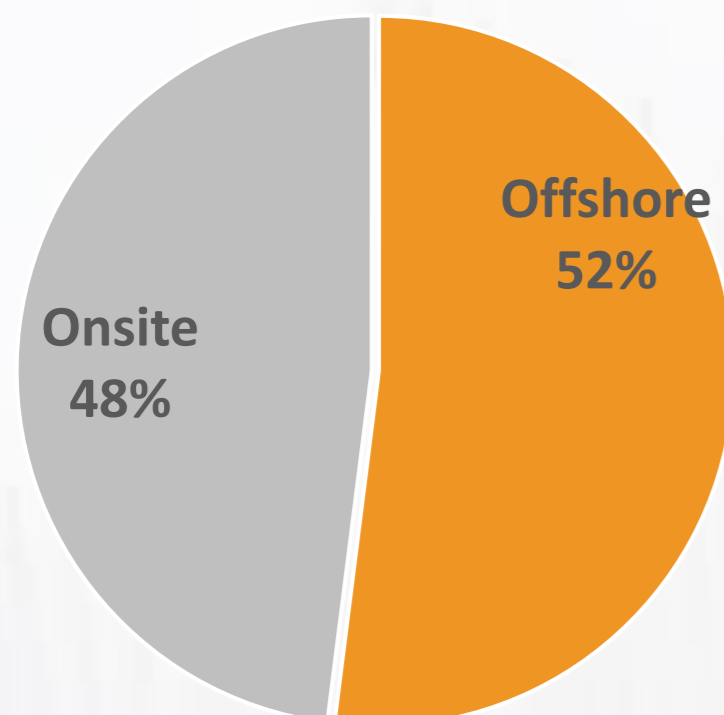


(FY20)

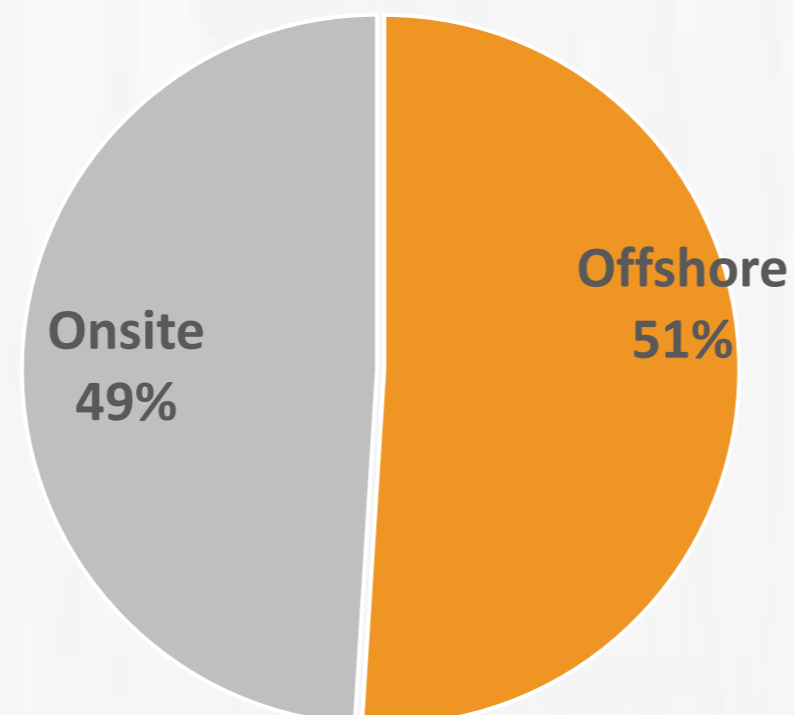


## REVENUE MIX

(FY21)



(FY20)



Customer Metrics	FY21	FY20
<b>No of clients/customers per Million Dollar</b>		
>1 Million	6	6
>0.5 Million to 1 Million	9	7
<b>Clients Contribution to Revenue (%)</b>		
Top 5	46%	47%
Top 10	56%	55%
Top 20	66%	64%

Headcount Metrics	FY21	FY20
<b>Total Employee Count</b>		
	1,260	1,258
- Technical	1,127	1,121
- Support	133	137
<b>Utilization – IT Services % (Excl. Trainees)</b>		
	82%	83%

# Highlights for Q4 & FY21

The Company declared Total Dividend of INR 5 /-per share (50%) on equity share of INR 10/- each for the financial year 2020-21

## REVENUE

- Q4FY21 Revenue at INR 97.45 crore v/s INR 92.90 crore in Q4FY20, a growth of 4.9% on YoY basis and flat QoQ basis
- FY21 Revenue at INR 385.81 crore v/s INR 358.78 crore in FY20, a growth of 7.5%
- During FY21, the company added 2 customers in \$0.5 to \$1 Million segment

## EBITDA

- Q4FY21 EBITDA at INR 15.55 crore v/s INR 13.85 crore in Q4FY20, growth of 12.3% on YoY basis and degrowth of 11.2% on QoQ basis
- Q4FY21 EBITDA margin at 16% v/s 14.9% in Q4FY20 and 18.0% in Q3FY21
- FY21 EBITDA at INR 64.42 crore v/s INR 61.03 crore in FY20 with margin at 16.7% vs 17% last year
- Despite the challenging environment, the margins of the Company remained intact as a result of strengthening of niche capabilities in selected industry verticals

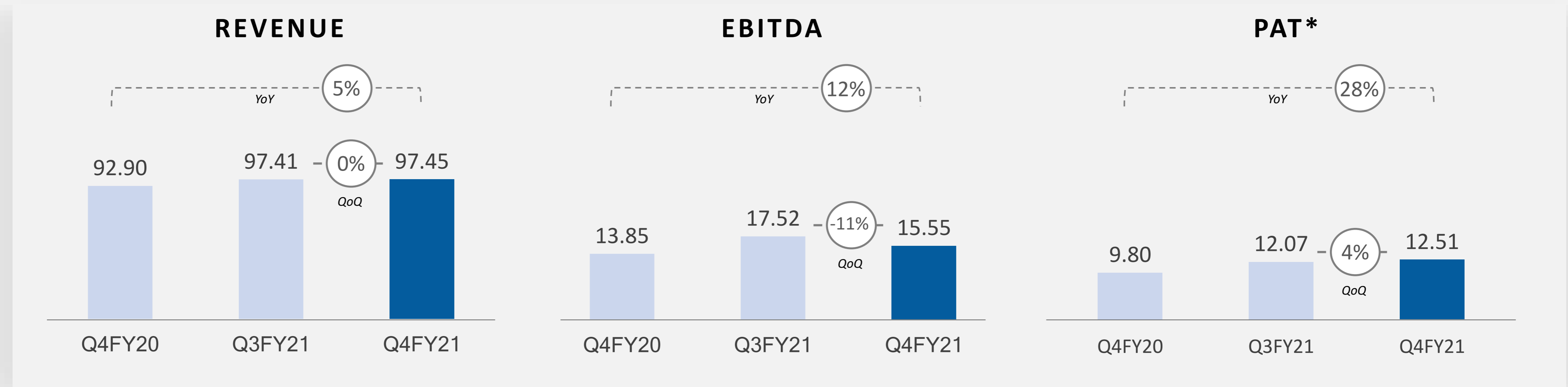
## PAT (Before Minority Interest)

- Q4FY21 PAT (before minority) at INR 12.51 crore v/s INR 9.80 crore in Q4FY20, a growth of 27.7% on YoY basis and 3.6% on QoQ basis
- FY21 PAT (before minority) at INR 45.44 crore v/s INR 38.65 crore in FY20, a growth of 17.6%
- Decrease in finance cost for FY21 led to further improvement in net profit

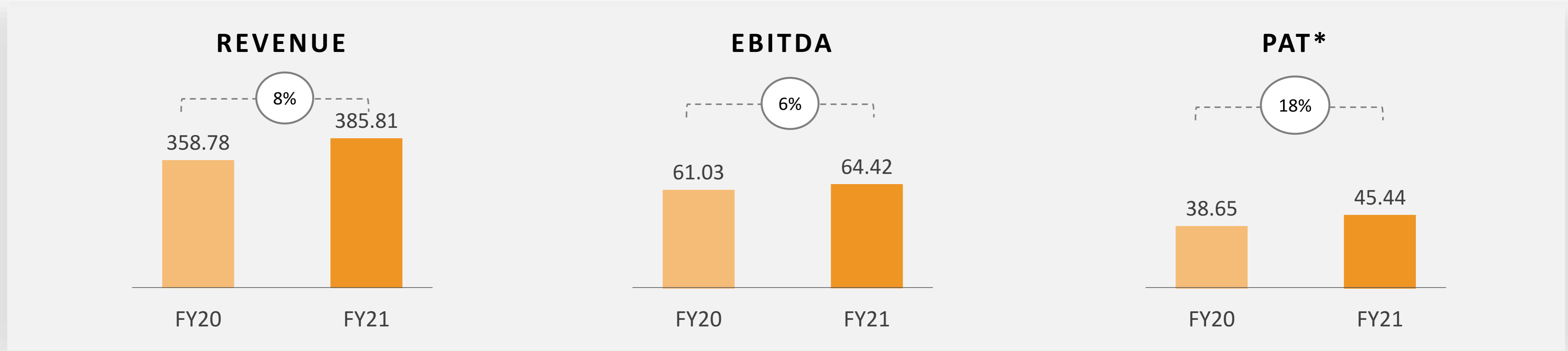
# Continued Growth Momentum

(INR Crore)

QUARTERLY PERFORMANCE



FULL YEAR PERFORMANCE



\*PAT is before Minority interest

# Strategy of Growth

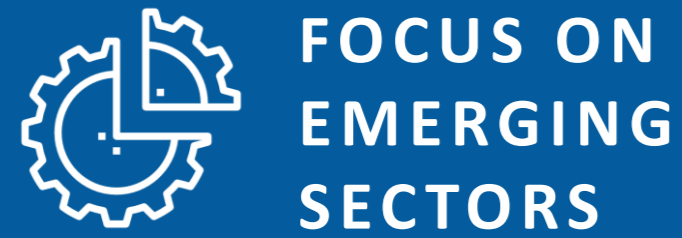
- *Key Focus Area*

## **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



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Financial Officer  
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## INVESTOR RELATION ADVISORS



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