

aurionpro 

# ANNUAL REPORT | 2018-19





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# Chairman's Letter



Dear Stakeholders,

After successful conclusion of the business restructuring and the demerger, we began the financial year 2018-19 with a new zeal and renewed focus on building the next version of the Aurionpro. The Next version of Aurionpro shall accelerate digital innovation and help businesses and governments create NextGen Digital Infrastructure.

To begin with the operational performance, we are happy to state that on the back of strong growth across all the business verticals and with improved operational efficiency, Aurionpro has registered strong performance for the Financial year 2018-19. We ended the year with a consolidated revenue of ₹ 522 Crores, representing a strong Y-o-Y growth of 25% and the consolidated profit after tax (PAT) of ₹ 61 Crores leading to a spectacular growth of 60% Y-o-Y.

The Banking and Fintech segment contributed 53% of the overall revenue, registering a growth of about 28%. Smart Mobility and Smart Cities segment contributed 36% of the overall revenue, registering a spectacular 61% growth during the year. We expect to keep this momentum during the Financial year 2019-20. Our Order Book is healthy at ₹ 506 Crores and may expand further in coming months. We see tremendous opportunity of growth across all business lines, particularly in the segment of smart mobility and smart cities.

The influx of digitization spreading across all the segments of industry is leading to a strong opportunity for IT Industry. We have embarked on a high growth path and have been making significant investments in enhancing the next generation of digital infrastructure and technology. I am happy to state that during the year we have funded all the growth out of our internal accruals without further leveraging our books. The debt remained constant during the year after meeting investment needs of our smart mobility projects.

The ROCE and ROE also stood at 11.2% and 14.5% respectively and we are confident of sustaining it going forward. The Company is committed to delivering the best possible value to shareholders' investment. In line with this intent, the Board has declared a Final Dividend of ₹ 2 per equity share. In order to enhance overall long-term shareholders' value and exhibit our confidence in the future of the Company, the board has announced buyback of shares through open market route. The buyback of shares is without compromising on future growth funding.

## Banking and Fintech:

The digital era is ushering profound and disruptive changes in almost all the industries, and most prominently in banking and financial industry. World over, banks are turning towards more automation and focusing on bringing down operational costs. Our creative capabilities and technological expertise position has built an impressive portfolio of digital platforms, Transaction and Lending solutions to tap the immense opportunities in the Banking and Fintech space. Our ACE Platform is the most comprehensive platform to deploy customer-facing technologies across wide range of industry verticals. It can virtually drive every customer facing technology within a retail institution. We offer a broad range of skill sets under ACE Framework and have launched couple of new offerings during the year. From mapping customer journeys within a retail branch to migrating frontline transactions, we offer a range of touch points which enhance customer experience and improve operational efficiency. The banks are investing heavily in these newer technologies creating huge growth potential in this segment.

The Transaction Banking contributes to 30% of our Banking Revenue. As per McKinsey Report, Asia is the world's largest Transaction Banking market with 53% of global opportunities. Aurionpro, with a marque customer base and long-standing relationships, has leadership position in APAC market for the complex Transaction Banking business.

Our Lending Platform – Smart Lender Product suite is a comprehensive Credit Loan Origination, Assessment and management Solution. We are market leaders across ASEAN countries with almost all leading banks in the region being our Clients. We are expanding our footprints beyond ASEAN markets and with the banking sector widening its digital reach will create more opportunities in this space.

The global smart city market is projected to exceed \$2.5 trillion by 2025. As urban expectations continue to expand, the expectations and demands of citizens keep increasing. We believe our vision of smart cities powered by digital infrastructure has potential to transform the lives of citizens by creating an environment that is secure, easier and more livable.

The developing economies are creating mass transportation and developed economies are moving towards Open Loop Common mobility-card based payment solutions. There are tremendous opportunities emerging in India with more than 250 metro projects at various stages of implementation. Aurionpro offers Automated Fare Collection (AFC) Solutions spanning different technologies like open loop EVM based ticketing, close loop based ticketing and account based ticketing. Globally AFCS market is estimated to reach US\$ 10.1 billion by 2022, growing at a CAGR of 13.2% between 2016-2022. During the year, Aurionpro has signed a deal to acquire SC Soft Pte. Ltd, a Singapore Headquartered AFSC provider which has positioned Aurionpro as the market leader having both software and hardware solutions required for the AFSC Solutions. Recently, SC soft has launched a spate of new products in UITP at Stockholm which have been well received. Aurionpro is now best placed to expand its footprint in this segment and is poised to tap opportunities in India as well as in other parts of the globe.

Cyber security is another emerging opportunity we are poised to grab. During the year, we focused on building up the capacities and scaling up our product offerings. We built a strong team of domain experts, led by an industry veteran and also launched ISLA 4.0, the cloud-based version of ISLA. Recently, we have completed funding round along with a leading strategic investor. Currently, we have more than 25 customers across the globe which include post production movie editing studios, financial institutions and federal agencies etc. We have also signed some strong partnerships, including HPE Complete Program which will start delivering during the current year. Further, we have tied up with well-established and trusted distributors in APAC region which is expected to expand our customer base in the region.

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# Board of Directors and Executive Management



## Mr. Paresh Zaveri

Chairman & Managing Director

- Co-founded the Company in 1997.
- 20+years of experience in corporate finance, supply chain, general management, and strategic.
- Based in Singapore, Paresh holds a degree in engineering as well as an MBA in finance.



## Mr. Amit Sheth

Co Chairman & Director

- One of the founding members, has been instrumental in driving the Banking Financial services portfolio of Aurionpro.
- 22 years of experience in corporate finance, equities and technology, he brings domain expertise in banking operations and cash management.



## Mr. Ajay Sarupria

Director

- 20 years of experience in capital and private equity market.
- His investment strategy revolves around backing professional and passionate management to build businesses and raise subsequent rounds of funding till it gets listed or sold. In most of the cases, Mr Ajay Sarupria has been able to raise several rounds of funding and helped them build business.



## **Dr. Mahendra Mehta**

Independent Director

- Focuses primarily on Analytics, Mathematical finance, Treasury Management, Financial Risk Management, Derivatives, Portfolio Management since 2002.
- Serves as the Chairman of the Audit Committee and Nomination Remuneration Committee, and Member of Corporate Social Responsibility Committee, Shareholders' Relationship and Share Transfer Committee.



## **Mr. Frank Osusky**

Independent Director

- 30 year industry veteran with diverse financial management expertise with an emphasis on growth, profitability, cash flow, and mergers and acquisitions.
- Serves as the Chairman of Shareholders' Relationship and Share Transfer Committee and member of Nomination and Remuneration and Audit Committee.



## **Ms. Sudha Bhushan**

Independent Director

- More than a decade of experience in the Audit and Assurance with expertise in Foreign Exchange Management Act, International transaction advisory, structuring and regulatory affairs.
- Extensive experience of handling business transactions from Initial Public Offer to Foreign Direct Investment, advises corporates, PSUs as well as government authorities in lot of intricate transactions.
- Member of Committee of International Taxation of WIRC, Institute of Chartered Accountants of India ( Member of Editorial Committee of WIRC of ICAI and Committee of women empowerment of ICAI.
- Serves as the Member of Nomination and Remuneration Committee and Corporate Social Responsibility Committee.



## Mr. Sanjay Bali

EVP, Head South Asia

- 24 years of diverse experience across sales, services, project management and a strategist in Implementing and executing new Initiatives for the business in India and South Asia Market.
- He is responsible for smart city and smart mobility business of Aurionpro.



## Mr. Shekhar Mullatti

EVP, Head Banking

- Mr. Shekhar is a versatile Banking Technology Professional with 25 years of experience in large, multinational corporations including Citibank, ANZ, BNP Paribas, Bank of America and Dell.
- Based in Singapore, Shekhar holds an Engineering degree from IIT Bombay and a Management degree from IIM Calcutta.



## Mrs. Poonam Puthran

VP, Delivery Banking

- Leads Transaction Banking unit with over 19 years' experience of product development and implementation within the Banking and Financial Services Industry Proficient in handling a large team of professionals to deliver multi million dollar projects.
- Strategic planner ensures projects are delivered on time and within budget. Led implementations across different geographies South East Asia, Middle East, India, Srilanka and Africa.





## Mr. Paresh Patel

EVP, Products Customer Experience Solutions

- 25+ years of rich experience across Product Development, Business Strategy Operations and Project Management. He is responsible for driving business, deploying cutting edge technology solutions to deliver innovative and advanced customer experiences for banks and enterprises across the globe.
- Over the years he has developed expertise in technology innovation, planning and development along with system designing and analysis.



## Mr. Raj Menon

EVP, Head Customer Experience Solutions

- With 20 years of industry experience, he has been a pioneer in leveraging smart customer experience solutions for large and medium enterprises Raj has been a part of Aurionpro since inception and has led and managed key business functions like product development, Go To Market strategy, strategic alliance partnerships.
- He has an extensive experience in managing and growing key accounts and has been instrumental in spearheading strategic initiatives and business expansion plans.



## Mr. Samir Shah

Chief Executive Officer of Cyberinc

- Has been advancing Aurionpro's vision of becoming one of the world's most respected and innovative technology companies since 1998.
- Passionate about driving innovations in cybersecurity, banking and payments.
- Holds an engineering degree in computer science and an MBA in finance and lives in the San Francisco Bay Area.



# ABOUT AURIONPRO