

Our time starts now!



Caution regarding forward-looking statements

This document contains statements about expected future events and financial and operating results of Saksoft Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Saksoft Limited Annual Report 2017-18



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Corporate Information

BOARD OF DIRECTORS

Chairman & Managing Director
Aditya Krishna

Independent Non Executive Directors
Amitava Mukherjee
Ajit Thomas
VVR Babu

Non-Executive Director
Kanika Krishna

EXECUTIVE COMMITTEE

Chairman & Managing Director
Aditya Krishna

Chief Financial Officer
Niraj Kumar Ganeriwala

Executive Vice President
& Global Delivery Head
Dhiraj Kumar Mangla

Senior Vice President & Global Head -
Information Management Services
Gopakumar N Kavunkal

Vice President – APAC Sales
Bhaskar Narayanan

Senior Vice President – Business Growth
T S Balaji

Chief Commercial Officer - Acuma
Solutions (A Saksoft company)
Jonathan Eeley

CEO, Dream Orbit (A Saksoft Company)
Sanchit Jain

CTO, Dream Orbit (A Saksoft Company)
Abhishek Porwal

Director- Testing Services
Vivek Srivastava

**COMPANY SECRETARY &
COMPLIANCE OFFICER**
S.Muthukrishnan

WEBSITES

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www.acuma.co.uk
www.edprof.com
www.360logica.com
www.dreamorbit.com
www.faichi.com

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AUDITORS

M/s RGN Price &Co.,
Chartered Accountants
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Chennai-600002

BANKERS

IndusInd Bank, Chennai
The RBL Bank Limited, Chennai
Citibank N.A, Chennai
Deutsche Bank, Chennai
State Bank of India, Chennai
HDFC Bank, Chennai

REGISTERED AND CORPORATE OFFICE

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Perungudi, Chennai 600 096.

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Fax: 91 44 24543501

SUBSIDIARIES

Saksoft Inc., USA
Saksoft Pte Limited, Singapore
Saksoft Solutions Limited, UK
Electronic Data Professionals, Inc., US
Acuma Solutions Limited, UK
Acuma Software Limited, UK
Threesixty Logica Testing Services
Private Limited, India
Threesixty Logica Testing Services, Inc US.
Dreamorbit Softech Private Limited, India
Dreamorbit Inc,US
Faichi Solutions Inc, US

REGISTRAR AND SHARE TRANSFER AGENT

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Subramanian Building,
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DEVELOPMENT CENTERS

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Digitisation is disrupting the world.

What used to be cutting-edge a decade ago is now being replaced by machine learning, blockchain, robotics, artificial intelligence, IoT....

Saksoft focuses on these new-age technologies.

The Company is either growing these competencies from within or acquiring companies with complementary capabilities.

As the world seeks to reinvent towards technologies of the future, we believe that we possess the right strategy and the right capabilities to make a difference.

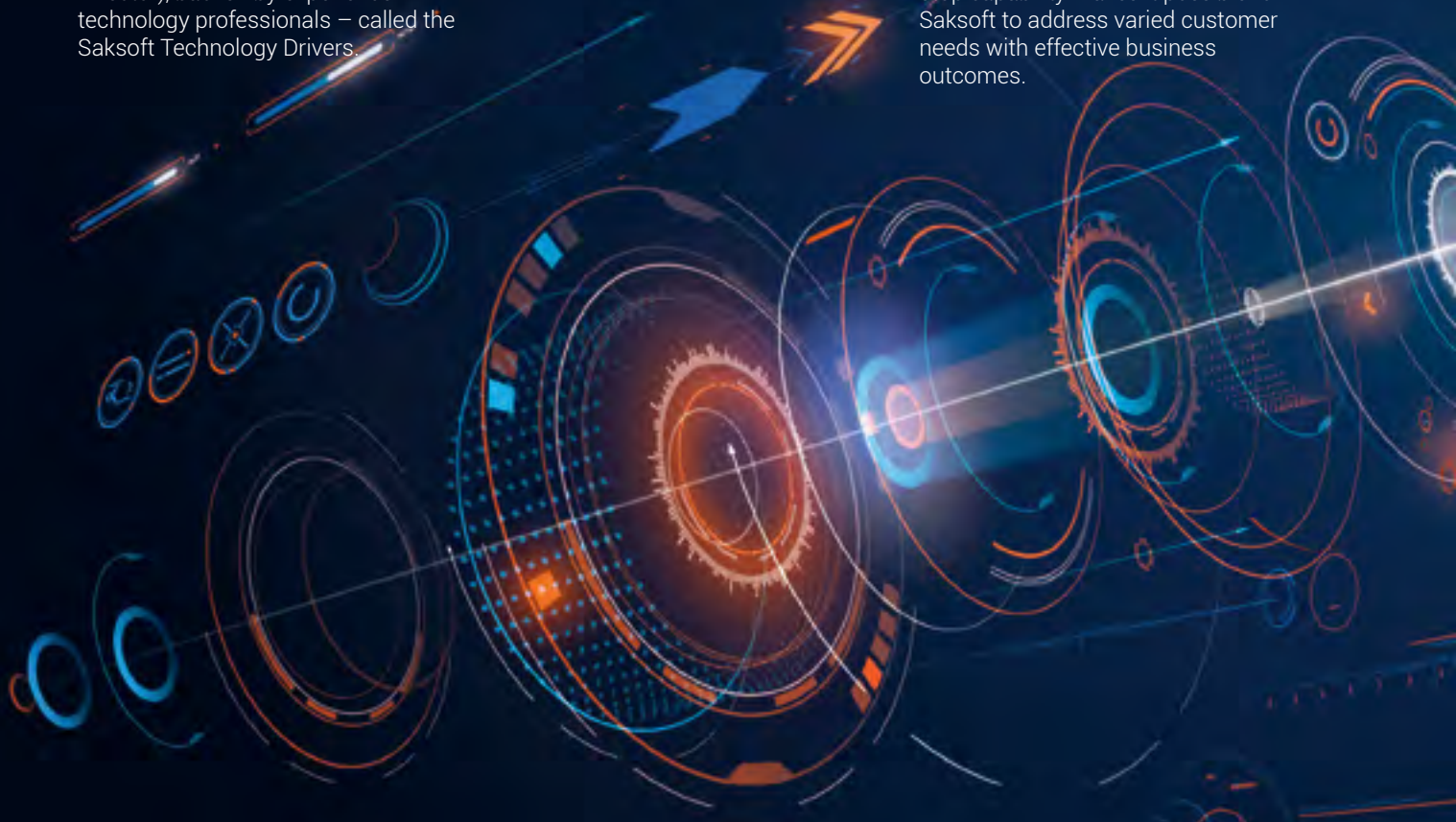
Our time starts now!

About Saksoft Limited

Founded by the late Mr Autar Krishna, Saksoft Limited, the flagship company of the Saksoft Group, is among the leading mid-tier listed IT companies of India. The Company is headed by Mr. Aditya Krishna (Chairman & Managing Director), backed by experienced technology professionals – called the Saksoft Technology Drivers.

The Company is headquartered in Chennai (India) with 14 offices across India, the US, the UK and Singapore. The key markets – the US and Europe – accounted for 90% of the Company's revenues in 2017-18 and remain the Company's target market.

Saksoft is respected for niche and integrated solutions that comprise networks, data centres, Cloud platforms, security set-ups, information management platforms, testing and IoT systems, among others. This integrated one-stop capability makes it possible for Saksoft to address varied customer needs with effective business outcomes.



Industry verticals



Fintech



Telecom



Transportation and
logistics



Healthcare



E-commerce/retail

Saksoft enjoys a positive reputation across mid-sized global companies needing timely interventions in digitized technologies. The Company's positive recall has been inspired by successful cost-effective solutions and business outcome.

Saksoft's robust intellectual capital is derived from a 1,000+-strong workforce based out of India, the US, the UK and Singapore. The Company's business is relatively visa-neutral. The average employee age was 31 as on 31 March 2018.

Saksoft's customers are located across the world, comprising public and private sector corporations. The customers operate across a number of large and growing domains like Fintech, Telecom, Logistics, Retail/E-commerce, Health care and Public Sector.

Values

At Saksoft, we believe in a culture of Innovation, Customer Focus, Openness, Respect and Enterprising (iCORE). This foundation is reflected in everything that we do.

Innovation

We will be a best-in-class organization with creative solutions and cutting-edge ideas; adding value and delivering what we promise.

Customer focus

We will build trust, confidence and loyalty with our customers, investors and partners.

Respect

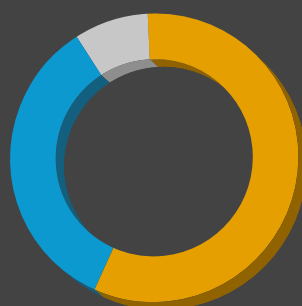
We will build strong relationships and treat each other well and achieve our objectives through mutual respect and sharing.

Openness

We will be inquisitive and receptive to ideas, free from limitations and boundaries in our thinking, share knowledge and learn from each other.

Enterprising

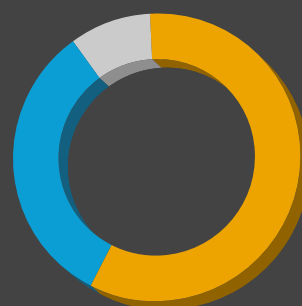
We will be creative, versatile, agile and responsible for our actions while maintaining a competitive edge.



Geography-wise revenues breakup

Share of FY2016-17 revenues (%)

■ The US	57
■ The UK	34
■ Asia Pacific	9



Geography-wise sales breakup

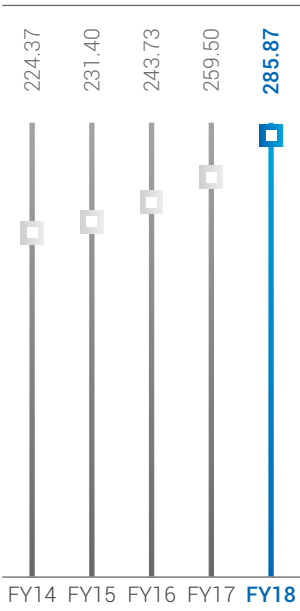
Share of FY2017-18 sales (%)

■ The US	58
■ The UK	32
■ Asia Pacific	10

This is how Saksoft has emerged as a profitable and sustainable organisation

Revenues

+26.37 (₹ crore)



Why is this measured?

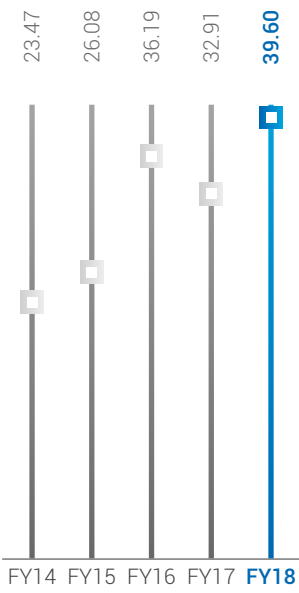
To assess the effectiveness of product mix, geographic presence, sales focus efficiency, execution and network strength, brand equity and market competitiveness.

What does it reveal?

Saksoft registered a 10.16% increase in revenues on the back of a diversified product mix, a growing customer wallet share, strategic sectoral forays, robust client relationships and a strong partnership-led approach.

Operating profit (EBITDA)

+6.69 (₹ crore)



Why is this measured?

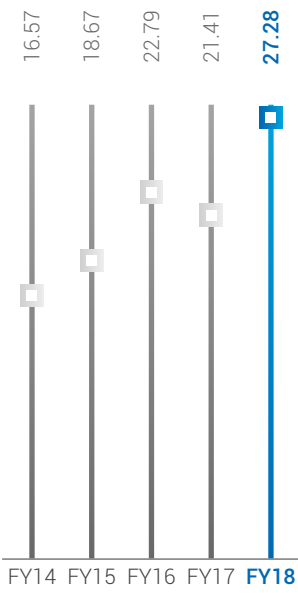
To evaluate overall business efficiency – an improvement in operating revenues indicates a sharper increase in revenues over costs.

What does it reveal?

Saksoft has driven its operating profit through off-shoring or near-shoring so as to ensure billing in foreign currencies while expensing costs in rupees.

Cash profit (PAT+Depreciation)

+5.87 (₹ crore)



Why is this measured?

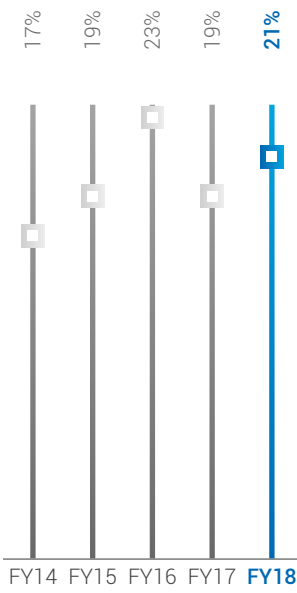
This helps one gauge an organisation's ability to grow its business, without risking its liquidity.

What does it reveal?

Saksoft recorded an incremental cash profit of ₹5.87 crore. This indicates Saksoft's commitment to grow margins, make the most of its operating leverage, manage working capital efficiently and quicken debtor cycles.

Return on capital employed

+105 bps



Why is this measured?

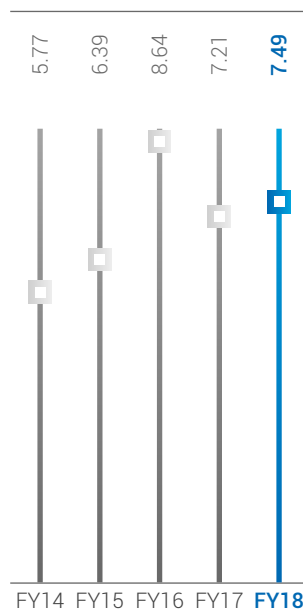
RoCE is a fundamental financial metric indicating the health of a business. A steady improvement in a Company's RoCE validates its growing financial efficiency.

What does it reveal?

The acquisition of a 60% stake in DreamOrbit and the deployment of a dedicated bidding team temporarily impacted Saksoft's RoCE during FY16-17. Saksoft has started leveraging these investments which is evident with the return in this fiscal year. These investments will result in increased ROCE in the coming years.

Interest cover

+3.88%



Why is this measured?

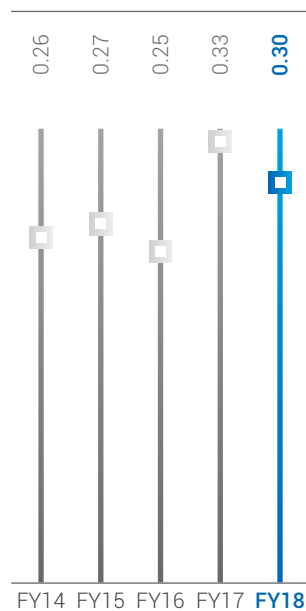
The interest coverage ratio is used to determine how comfortably a company can pay its interest liabilities on outstanding debt.

What does it reveal?

A growing EBITDA and tightening interest outflow have enabled comfortable debt servicing, resulting in an optimized interest cover.

Debt-equity ratio

+9.09%



Why is this measured?

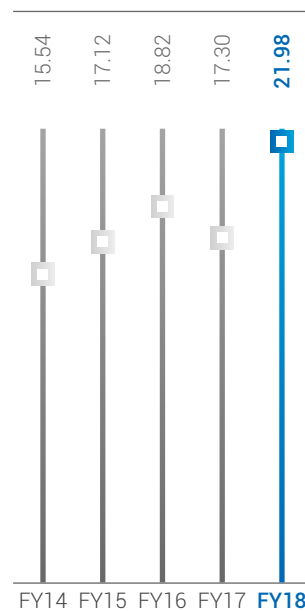
It indicates how much debt a company is using to finance its growth relative to the amount of value represented in shareholders' equity.

What does it reveal?

Saksoft's focus on creating an asset-light, solutions-driven business model coupled with a pronounced reliance on accruals for funding growth has strengthened its gearing to 0.30 in 2017-18.

Earnings per share

+27.05%



Why is this measured?

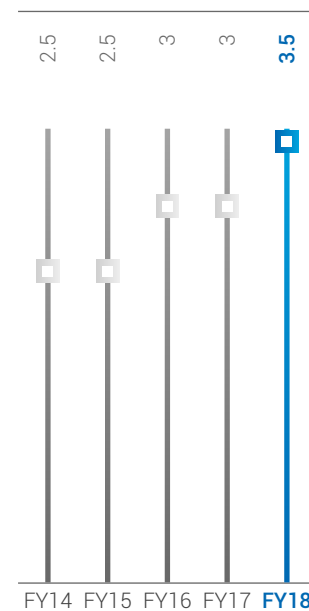
Earnings per share serve as an indicator of a company's profitability (in terms of a portion of profit allocated to each outstanding share).

What does it reveal?

At Saksoft, our ability to reward shareholders has been reinforced, thanks to an undiluted equity base and a sustainable growth in net profits.

Dividend per share

+0.50 (₹)



Why is this measured?

Dividend per share is the sum of declared dividends issued by a company for every ordinary share outstanding.

What does it reveal?

By banking on a solid value-creation platform, we have managed to disburse incremental dividends after putting aside adequate funds for plough-back.

Summary report: Letter to shareholders

Dear shareholders,

This is a dramatic time for technology. Old paradigms are being challenged and new standards are emerging. In this rapidly changing scenario, it is now possible to ask questions of a smartphone that generates voice-activated answers: 'hire' the services of a robotic home-cleaner or even market products through social media at virtually no cost. One can get real-time information on freight movements using a smartphone and we are better positioned to provide an enhanced customer experience by analyzing buying patterns. Additionally, SMEs are able to scale operations at a significantly lower cost through the Cloud.



ADITYA KRISHNA
CHAIRMAN AND
MANAGING
DIRECTOR

What makes these realities exciting is that they are no longer limited to a few pockets; they are sweeping across our world.

As this revolution accelerates, they will transform the way we think, live, work and unwind.

This scenario poses an unprecedented threat to conventional thinking; on the other hand, this reality offers an unprecedented opportunity to the nimble.

For the latter, which includes technology companies like Saksoft, the time starts now.

An unprecedented opportunity

The window would not be compelling if it were only about a shift from status quo.

This opportunity is about a unique convergence: the concurrent fusion of some of the most remarkable technologies compressed within a brief time-frame leading to dramatic change.

The size of the cake is staggering.

It would be fair to state that the opportunity for Saksoft on the technology front would be vast and boundary-less in the years ahead.

Evolution in the customer environment

For companies like Saksoft, the attractiveness of the opportunity is

