

## Saksoft Limited

August 22, 2023

### Credit Update:

Saksoft Limited ('Saksoft'; CARE A; Stable/ CARE A1) has submitted to the stock exchanges that the company, through its subsidiaries ThreeSixty Logica Testing Services Private Limited and Saksoft Inc, USA, has acquired 100% stake in the companies Solveda Software India Private Limited and Solveda LLC (collectively 'Solveda') respectively on August 11, 2023.

The cost of acquisition includes USD 10 million (approx. Rs. 83 crore) of upfront payment and upto a maximum of USD 8.8 million of deferred payment/earnout component to be paid based on profitability milestones over the next two years. The acquisition was entirely funded out of internal accruals. The company had cash and bank balance of about Rs. 192 crore as on June 30, 2023.

Solveda is a software design and development company with expertise in E-commerce applications catering to B2B and B2C customers. Solveda offers complete project delivery of e-commerce applications. The company operates out of India and US through Solveda Software India Private Limited and Solveda LLC respectively. Solveda's TOI was in the range of USD 7-8 million with an EBITDA above 20%.

Saksoft has recorded a PBILDT of 18.83% on a TOI of Rs. 183 crore for Q1FY24 as against a PBILDT of 16.12% on a TOI of Rs. 665 crore for the whole year FY23. Saksoft does not have any debt and has not raised any debt for the acquisition. Similarly, Solveda also does not have any long-term debt in its books. The capital structure of the consolidated entity is not expected to be impacted due to this acquisition.

CARE Ratings has taken note of the acquisition and will continue to monitor the developments of the same.

Please refer to the following link for the previous press release that captures key rating factors and rating sensitivities: [Click here](#)

### Contact Us

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