

eMUDHRA LIMITED

Issue highlights

- ❑ **eMudhra Limited (“eMudhra”)** was incorporated on June 16, 2008 as a wholly owned subsidiary of **3i Infotech Limited**. eMudhra is the largest licensed Certifying Authority (“**Certifying Authority**” or “**CA**”) in India with a **market share of 37.9%** in the **digital signature certificates** market space in Financial Year 2021 having grown from 36.5% in Financial Year 2020.
- ❑ eMudhra has presence across all the 3 segments of Digital Trust Services, Digital Security Solutions and Paperless Transformation Solutions.
- ❑ eMudhra is engaged in the business of providing Digital Trust Services and Enterprise Solutions to individuals and organisations functioning in various industries. As part of their Digital Trust Services, eMudhra issues a range of certificates including individual/organizational certificates, SSL/TLS certificates and device certificates (used in IoT use cases) to build a digital trust backbone.
- ❑ Under their Enterprise Solutions vertical, eMudhra offers a diverse portfolio of Digital Security and Paperless Transformation Solutions complementing their Digital Trust Services business, to customers engaged in different industries, thereby making eMudhra a ‘**one stop shop**’ player in secure digital transformation
- ❑ With more than **50 million digital signature certificates** issued since inception, eMudhra caters to all kind of subscribers who use digital signature certificates for income tax return filing, filings with the Ministry of Corporate Affairs (Registrar of Companies), tenders, foreign trade, banking, railways and many other needs.
- ❑ eMudhra works closely with large government and banking customers like 20+ Public and private sector banks and state governments.
- ❑ **Only Indian company to be admitted as a member of European Cloud Signature Consortium as well as Certifying Authority / Browser Forum**, a global forum that governs the use of SSL/TLS certificates.
- ❑ Accredited to **WebTrust** (only Indian company) that makes eMudhra’s digital signature certificates directly recognized by browsers across the world.

Brief Financial Details*

(₹ In Cr)

	As at Dec'31,	As at Mar' 31,		
	2021(09)	2021(12)	2020(12)	2019(12)
Share Capital	35.09	35.09	35.09	35.09
Reserves	105.41	72.27	57.05	40.55
Net worth as stated	140.50	107.36	92.14	75.64
Revenue from Operations	137.24	131.59	116.45	101.58
Revenue Growth (%)	-	13.00%	14.64%	-
EBITDA	50.36	40.79	32.29	32.31
EBITDA Margin (%)	36.41%	31.00%	27.73%	31.81%
Profit before Tax	36.74	31.18	23.02	21.65
Profit for the period	30.34	25.36	18.42	17.44
Net Profit Margin (%)	22.11%	19.27%	15.82%	17.17%
EPS - Basic & Diluted (₹)	4.36 [^]	2.49	2.37	2.48
RoNW (%)	21.79% [^]	16.26%	18.07%	23.05%
Net Asset Value (₹)	20.02	15.30	13.13	10.78

 Source: RHP, *Restated Consolidated, [^] not annualised,

Issue Details

Fresh Issue of Equity shares aggregating upto ₹200 Cr and Offer for sale of 9,835,394 Equity shares

Issue size: ₹ 400 – 413 Cr

No. of shares: 16,460,908 - 16,124,456

Face value: ₹ 5/-

Price band: ₹ 243 – 256

Bid Lot: 58 Shares and in multiple thereof

Post Issue Implied Market Cap =

₹ 1,905 – 1,999 Cr

BRLMs: IIFL Securities, Yes Securities, Indorient Financial

Registrar: Link Intime India Pvt. Ltd.

Issue opens on: Friday, 20th May'2022

Issue closes on: Tuesday, 24th May'2022

Indicative Timetable

Activity	On or about
Finalisation of Basis of Allotment	27-05-2022
Refunds/Unblocking ASBA Fund	30-05-2022
Credit of equity shares to DP A/c	31-05-2022
Trading commences	01-06-2022

Issue break-up

	No. of Shares ('000)		₹ In Cr		% of Issue
	@Lower	@Upper	@Lower	@Upper	
QIB	8,230,453	8,062,227	200.00	206.39	50%
NIB	2,469,137	2,418,669	60.00	61.92	15%
RET	5,761,318	5,643,560	140.00	144.48	35%
Total	16,460,908	16,124,456	400.00	412.79	100%

Listing: BSE & NSE

Shareholding (No. of Shares)

Pre issue	Post issue [~]	Post issue [^]
71,783,309	78,408,823	78,072,371

[~]@Lower price Band [^]@ Upper Price Band

Shareholding (%)

	Pre-Issue	Post-Issue
Promoters	67.94%	52.47%
Promoters Group	11.25%	8.56%
Public – Selling S/h	2.34%	1.33%
Public – Others	10.03%	29.88%
Employee Trust	8.44%	7.76%
Total	100.00%	100.00%

BACKGROUND

Company and Directors

The Company was incorporated as '3i Infotech Consumer Services Limited,' on June 16, 2008 as a wholly owned subsidiary of 3i Infotech Limited. Venkatraman Srinivasan and Taarav Pte Ltd are the promoters of the company. Currently, Promoters collectively hold 48,770,923 Equity Shares, representing 67.94% of the pre-Offer issued, subscribed and paid-up Equity Share capital of the company.

Brief Biographies of Directors

Venkatraman Srinivasan is the Promoter and Executive Chairman of the company and has been the Director of the Company since incorporation. He has over 34 years of experience in the information technology industry and has served as the managing director and chief executive office of ICICI Infotech Limited.

Venu Madhava is the Whole-time Director of the company, and the Senior Vice -President, Legal. He has over 13 years of experience and has worked as Manager - Legal at Adecco India.

Nandlal Laxminarayan Sarda is the Independent Director of the company. He is presently serving on the board of Cybertech Systems and Software Limited.

Manoj Kunkalienkar is the Independent Director of the company. He is on the board of Rohan Software Pvt Ltd, Soft Com India Pvt Ltd.

Chandra Lakshminarayan Iyer is the Independent Director of the company. She has previously served as the president of Anunta Technologies Management Services Ltd for over 2 years, and is on the board of Lords Freight (India) Pvt Ltd, Mahindra Retail Ltd and Mumbai Mantra Media Ltd.

Chandrasekar Padmanabhan is the Independent Director of the company. He worked with ICICI Bank Ltd for a period of over 3 years. He was appointed as the first director of Erudite Capital Creations Pvt Ltd and continued to hold the office, for 28 years, till October 31, 2018.

Key Managerial Personnel

Saji K Louiz is the Chief Financial Officer of the company since 2017. He has over 8 years of experience, and has previously worked as Partner of JRS & Co.

Johnson Xavier is the Company Secretary and Compliance Officer of the company. He has been associated with the company since 2012. He has over 10 years of experience.

Ashwin Jansale is the Senior Vice President and Head of Channel Sales. He has been associated with the company since 2013. He has over 20 years of experience.

Biju Varghese is the Senior Vice President and Head of Business Development – India and APAC. He has been associated with the company since 2009. He has over 17 years of experience.

Kaushik Srinivasan is the Senior Vice President – Product Development. He has been associated with the company since 2015. He has previously worked as a Quantitative Analyst with Trafelet Delta Funds, New York and with UBS Wealth Management, New Jersey.

Arvind Srinivasan is the Senior Vice President – International Sales and Strategy and is the head of the marketing team. He has been associated with the company since 2019. He has previously worked at Barclays Capital Services Inc.

Janarthanan S is the Senior Vice President and Head – Customer Success. He has been associated with the company since 2012. He has over 15 years of experience.

Vijay Kumar is the Senior Vice President and Head – Technology. He has been associated with the company since 2012. He has over 17 years of experience.

A M Kiran is the Vice President and Head – Customers Operations. He has been associated with the company since 2013.

OBJECTS OF THE ISSUE

The net proceeds of the Fresh Issue are proposed to be utilised as:

Objects	Amount (₹ Cr)
• Repayment or pre-payment, in full or in part, of all or certain borrowings availed by the company	35.00
• Funding working capital requirements of the company	40.22
• Purchase of equipments and funding of other related costs for data centers proposed to be set-up in India and overseas locations	46.36
• Funding of expenditure relating to product development	15.03
• Investment in eMudhra INC for augmenting its business development, sales, marketing and other related costs for future growth	15.27
• General Corporate Purposes	[•]
Total	[•]

OFFER DETAILS

The Offer	No. of Shares	
Fresh Issue (₹ 161 Cr)	Approx. upto 6,625,514 [~] - 6,289,062 [^] Equity Shares	
Offer for Sale : Name of Selling Shareholder	Upto 9,835,394 Equity Shares	Weighted Average Cost of Acquisition per Equity Share on a fully diluted basis (₹)
The Promoter Selling Shareholder:		
<i>Venkatraman Srinivasan</i>	<i>Upto 3,289,257 Equity Shares</i>	<i>3.79</i>
<i>Taarav Pte Ltd</i>	<i>Upto 4,516,246 Equity Shares</i>	<i>2.47</i>
The Promoter Group Selling Shareholders:		
<i>Kaushik Srinivasan</i>	<i>Upto 510,638 Equity Shares</i>	<i>1.19</i>
<i>Arvind Srinivasan</i>	<i>Upto 881,869 Equity Shares</i>	<i>1.76</i>
The Selling Shareholders:		
<i>Lakshmi Kaushik</i>	<i>Upto 504,307 Equity Shares</i>	<i>1.92</i>
<i>Aishwarya Arvind</i>	<i>Upto 133,077 Equity Shares</i>	<i>-</i>

([~] at lower price band and [^] upper price band)

SHAREHOLDING PATTERN

Shareholders	Pre-offer		No. of Shares offered	Post-offer	
	Number of Equity Shares	% of Total Equity Share Capital		Number of Equity Shares	% of Total Equity Share Capital
Promoter and Promoters Group					
<i>Promoter</i>	<i>48,770,923</i>	<i>67.94%</i>	<i>7,805,503</i>	<i>40,965,420</i>	<i>52.47%</i>
<i>Promoters Group</i>	<i>8,073,033</i>	<i>11.25%</i>	<i>1,392,507</i>	<i>6,680,526</i>	<i>8.56%</i>
Total for Promoter and Promoter Group	56,843,956	79.19%	9,198,010	47,645,946	61.03%
<i>Public - Selling Shareholders</i>	<i>1,678,617</i>	<i>2.34%</i>	<i>637,384</i>	<i>1,041,233</i>	<i>1.33%</i>
<i>Public - Other</i>	<i>7,202,935</i>	<i>10.03%</i>	<i>0</i>	<i>23,327,391</i>	<i>29.88%</i>
Total for Public Shareholder	8,881,552	12.37%	637,384	24,368,624	31.21%
Shares held by Employees	6,057,801	8.44%	0	6,057,801	7.76%
Total Equity Share Capital	71,783,309	100.00%	9,835,394	78,072,371	100.00%

BUSINESS OVERVIEW

eMudhra Limited (“eMudhra”) is the largest licensed Certifying Authority (“Certifying Authority” or “CA”) in India with a market share of 37.9% in the **digital signature certificates** market space in Financial Year 2021 having grown from 36.5% in Financial Year 2020. They are engaged in the business of providing Digital Trust Services and Enterprise Solutions to individuals and organisations functioning in various industries. As part of their Digital Trust Services, eMudhra issues a range of certificates including individual/organizational certificates, SSL/TLS certificates and device certificates (used in IoT use cases) to build a digital trust backbone. Under their Enterprise Solutions vertical, eMudhra offers a diverse portfolio of Digital Security and Paperless Transformation Solutions, complementing their Digital Trust Services business, to customers engaged in different industries, thereby making

eMudhra a 'one stop shop' player in secure digital transformation to provide a wide spectrum of services and solutions from issuance of certificates as a certifying authority to offering identity, authentication and signing solutions.

With more than 50 million digital signature certificates issued since inception, eMudhra caters to all kind of subscribers who use digital signature certificates for income tax return filing, filings with the Ministry of Corporate Affairs (Registrar of Companies), tenders, foreign trade, banking, railways and many other needs. eMudhra works closely with large government and banking customers like the 20+ public and private sector banks and state governments. They have been identified and ranked amongst the '20 Most Promising Tech Solution Providers for Government & Public Sector 2019' by CIO Review India. They are the **only Indian company to be admitted as a member of European Cloud Signature Consortium as well as Certifying Authority / Browser Forum**, a global forum that governs the use of SSL/TLS certificates and to be accredited to Webtrust, which makes their digital signature certificates directly recognized by browsers across the world allowing them to issue digital signature certificates in many countries.

eMudhra has a strong digital signature certificate expertise and is the only Indian company to be directly recognized by renowned browsers and document processing software companies such as Microsoft, Mozilla, Apple and Adobe allowing it to sell digital identities to individual/organization and issue SSL/TLS certificates for website authentication globally. Their Enterprise Solutions are developed by them and are built on the principle of delivering digital trust by helping users seamlessly identify, authenticate and authorize or sign digital transactions thus accelerating the transition to a presence-less and paperless way of doing business.

Further, since the inception of their business, eMudhra has issued over 50 million **digital signature certificates through their network of 88,457 channel partners** spread across all States and Union Territories in India. Their competitive advantage stems from their established presence and diverse product portfolio in the area of digital security and paperless transformation. They have been consistently designing and developing diverse products at competitive price points under their business verticals which has contributed towards their growth and expansion of their customer base in recent years.

- Their retail customers grew from 58,872 as of March 31, 2019 to 115, 905 as of March 31, 2021;
- Their enterprise customers grew from 249 as of March 31, 2019 to 518 as of March 31, 2021;
- They caters to 143,406 retail customers and 626 enterprises as of December 31, 2021;
- The revenue contribution of the digital products offered under their Enterprise Solution vertical has consistently grown from ₹36.18 crore in the Financial Year 2019 to ₹64.34 crore in the Financial Year 2021;
- Their Enterprise Solutions are used by 10 out of top 10 banks, 6 of top 10 automotive companies and 19 out of top 20 companies amongst the top 500 ranked companies in India by Economic Times in Financial Year 2020 as of December 31, 2021,

The business offerings and product portfolio:

Business vertical	Description of business	Nature of offerings	Key customers / industries catered
Digital Trust Services	The company provides Digital Trust Services in the capacity of a Certifying Authority in India and internationally, through a Webtrust accreditation. Their digital signature certificates provide cryptographic digital identities to individuals, organizations, websites and devices controlled over internet (IoT) and ensure authenticity of transactions emanating from the above said entities through cryptographic validation.	(a) Individual/organizational certificates; (b) SSL/TLS certificates; and (c) Device certificates (used in IoT use cases)	Large enterprises and small and medium enterprises across all industries; All kind of subscribers who use digital signature certificates for income tax return filing, Ministry of Corporate Affairs (Registrar of Companies) filings, tenders, foreign trade, banking, railways and many other needs. Large government and banking customers, 20+ public and private sector banks and state governments.
Enterprise Solutions	Company's Enterprise Solutions comprise three of the following product offerings: (i) <i>emSigner</i> offering eSignature workflow solutions for paperless office; (ii) <i>emAS</i> offering authentication solutions; and	(a) <i>emSigner</i> - eSignature workflow products, enable paperless workflow with digital signatures (b) <i>emAS</i> - Authentication solutions, enable multi factor authentication, single	<i>emSigner</i> and <i>emAS</i> are used by eGovernment platforms, banks and financial institutions and other industries in India as well as internationally <i>emCA</i> is used by the government agencies and for electric vehicle or

Business vertical	Description of business	Nature of offerings	Key customers / industries catered
	<p>(iii) <i>emCA</i> offering public key infrastructure solutions.</p> <p>Their Enterprise Solutions are either cloud based or on-premise, which supports the DevOps based deployment models allowing clients to have rapid deployment of their solutions using continuous development, integration and delivery process using tools such as Docker and Kubernetes.</p>	<p>sign on and access management.</p> <p>(c) <i>emCA</i> - Public Key Infrastructure solutions, enable issuance of digital signature certificates to individuals, organizations, devices and their lifecycle management.</p>	<p>smart city devices use cases among others.</p>

As a part of their Enterprise Solutions, eMudhra provides identity, authentication and authorization solutions, that are both web and mobile app enabled, thereby enabling enterprises to secure, manage, and govern identities of their consumers, employees/ partners and IoT. They provide the ability to manage the following identity types:

Consumer: Company's platform enables enterprises to provide secure digital identity experiences for their consumers and accelerates their digital journeys while ensuring compliance and governance. User journeys built on their platform provide recognition and personalization across channels and devices, which lead to better customer acquisition, loyalty, and retention while reducing friction and fraud. Consumer use cases as part of their Digital Trust Services include, an individual trying to authorize a fund transfer for banking or digitally signing documents to file taxes. Other consumer use cases as part of the Enterprise Solutions cut across customer interaction, etc. For customer interaction, use cases including, customer onboarding, digital lending, payment instructions, channel on-boarding and trade finance.

Employees/ Partners: Company's platform helps enterprises increase the productivity of their employees by enabling access to appropriate systems during their lifecycle with the enterprise. Their platform also helps reduce enterprise risk by securing system access through multi factor authentication. Use cases include, an employee trying to access CRM or ERP systems or authorizing/signing documents as part of various internal or external approvals. Other use cases includes operations related approvals for compliance reporting, internal audit and policy creation, legal and risk functions and operations, etc. For legal and risk use cases would include supplier contracts, agreements, approval letters, etc.

IoT: Company's platform helps enterprises secure non-human identities, including IoT, machine identities, and bots. IoT use cases include devices such as electric vehicles or smart city devices securely interacting with central command centers or with other devices. Other IoT use cases cut across manufacturing and healthcare in which IoT devices, such as industrial and medical devices, respectively, need to securely communicate.

As of December 31, 2021, eMudhra has **91,259 channel partners for Digital Trust Services** spread across various States and Union Territories in India and out of their 539 system integrator partners, 267 are present in India and 272 are present internationally in United States of America, Europe, Middle East and Africa and Asia Pacific. Their retail customers grew from 58,872 as of March 31, 2019 to 115, 905 as of March 31, 2021. Further, their enterprise customers grew from 249 as of March 31, 2019 to 518 as of March 31, 2021.

Company's enterprise solution partners are broadly categorized into system integrators which comprise of large IT companies who bundle their solution as part of a larger turnkey offering to the end customer; technology partners with whom their company has a direct and seamless integration for selling their products on their platform (for instance, signing invoices originating in technology partners' ERP systems or sales quotations originating from their CRM systems seamlessly *via* emSigner); and lastly, resellers and distributors, who resell or distribute their digital products and solutions to their customer base.

COMPANY BUSINESS

eMudhra has longstanding relationships with their customers operating in various industries such as banking, automotive, information technology, consumer durables, etc.

- | | |
|---|---|
| <ul style="list-style-type: none"> Infosys Limited, Hindalco Industries Limited, Mashreq Bank, Baud Telecom Company, Cholamandalam MS General Insurance Co Ltd, Thales DIS CPL India Private Limited, | <ul style="list-style-type: none"> Larsen & Toubro Infotech Limited, DB Schenker, JSW Steel Limited, Bharti AXA Life Insurance Company Limited, TATA Consultancy Services Limited, etc., |
|---|---|

They also offer their services and digital products to various government agencies and state governments and thereby is a key player in enabling paperless transactions as part of Digital India. They provide their solutions and services in overseas regions such as, Americas, Europe, Middle East and Africa and Asia Pacific. During the 9 months period ended December 31, 2021 and the Financials Year 2021, 2020 and 2019, the revenues earned from their domestic operations contributed ₹ 110.80 crore, ₹ 106.11 crore, ₹ 101.85 crore and ₹ 91.38 crore, respectively and revenues earned from their international operations contributed ₹ 26.45 crore, ₹ 25.48 crore, ₹ 14.60 crore and ₹ 10.20 crore, respectively.

They have obtained a variety of accreditations, security/compliance certifications which they maintain on an on-going basis, for example, Webtrust Accreditation to provide services as a public certifying authority globally and list their digital signature certificate roots with renowned browsers. They have received certifications of compliance with the standards prescribed under CMMI Level 5 – Software Development Lifecycle Maturity, ISO 27001:2013, ISO 27018:2014, ISO 9000-2015, ISO 20000-1:2018, SOC2 Type 2 – Cloud Information Security, ISO 22031:2019 and their certification for EAL 4+ Common Criteria - Product Security for PKI Solution is under evaluation by the Cyber Security Agency of Singapore.

The on-going pandemic CoVID-19 has necessitated adoption of solutions that support presence-less and paperless way of doing business. In view of this, during this period, they have received several new enquiries for their digital security and paperless transformation solutions as organizations looked to move away from physical transactions to digital transactions. However, the CoVID-19 pandemic impacted their growth over the preceding 2 fiscals as decisions for adoption and implementation of new solutions were deferred by some of their customers as a result of budgetary and other constraints such as national and state lockdowns.

COMPANY PRODUCT CATEGORIES

Digital Trust Services

eMudhra provides Digital Trust Services in the capacity of a licensed Certifying Authority in India and internationally through their Webtrust accreditation. Their digital signature certificates provide cryptographic digital identities to individuals, organizations, websites and devices controlled over internet (IoT) and ensure authenticity of transactions emanating from the above said entities through cryptographic validation. These digital certificates are used by large enterprises and small and medium enterprises across all industries; all kind of subscribers who use digital signature certificates for income tax return filing, Ministry of Corporate Affairs (Registrar of Companies) filings, tenders, foreign trade, banking, railways and many other needs. The company works closely with large government and banking customers, 20+ public and private sector banks and state governments.

Through their Certifying Authority operations, eMudhra issues certificates for every need –

- **Individual/Organizational Certificates-** Allowing individuals/organizations to authenticate or sign documents as part of ecommerce or online transactions;
 - **Signature Certificate:** It is used by individuals or organizations for signing purpose
 - **Encryption Certificate:** The encryption key pair is used by the subscriber for receiving encrypted messages which is encrypted using subscriber's public key.
 - **Code Signing Certificate:** Code signing certificates are used by software developers to ensure integrity of the IoT device software and firmware updates and to defend against risks connected to code tampering or code change. In public key cryptography, code signing has the specific use of digital signatures that help organizations to ascertain the identity of the software developer and ensures/certifies that the software has not been tampered/changed after it has been released.
 - **Document Signer Certificate:** This type of certificate is issued to organizational software applications for operating automatically to authenticate documents/information attributed to the organization by using Digital Signature applied on the document
- **SSL/TLS Certificates-** Protecting websites through the issuance of DV (Domain Validation), OV (Organizational Validation) and EV (Extended Validation) certificates that provide varying levels of assurances to the end user on the security of the website. Further within the above categories, they also issue Multi Domain SSL and Wildcard SSL allowing users to buy a single certificate to protect different domains or multiple sub-domains under the same domain. The below table summarises the products offered by them under SSL/TLS certificates

Product	Type	Features
Domain Validation	Regular	Get HTTPS and Secure Pad Lock for Single Domain
	Wildcard	Get HTTPS and Secure Pad Lock for Domain and all its sub-domains
Organisation Validation	Regular	Get HTTPS , Secure Pad Lock and Organisation Validation for Single Domain
	Wildcard	Get HTTPS, Secure Pad Lock and Organisation Validation for Domain & it's sub-Domain
Extended Validation	Regular	Get HTTPS, Secure Pad Lock alongwith Organisation Name & Country Code for the Domain

- **Device Certificates**– Securing devices and communication in IoT ecosystems and ensuring authenticity and confidentiality of data exchange.

As part of their Digital Trust Services business, eMudhra provides technology platforms that cater to both partners and direct retail customers to enable them to purchase digital signature certificates, complete the required verification process and obtain a digital signature certificate. Their partner portal acts as a one stop shop for their channel partners.

For their retail customers, they operate through their website 'www.emudhradigital.com', their online presence that provides an easy, paperless and secure way of purchasing digital signature certificates directly from them.

Enterprise Solutions: Company's Enterprise Solutions are majorly divided into 3 broad categories:

emSigner – eSignature Workflow

emSigner is their solution to the paper problem that haunts many organizations across all industries today. Being an eSignature enabled document processing automation platform, emSigner powers electronic signing workflows to transform customer experience and manage risk governance better.

emSigner comes with a range of features to help organizations go paperless quickly. Some of the key features include:

- **Powerful Flexiforms and Workflows** – To support predefined templates or flexi-forms that permit user input as part of a document submission and signing process.
- **Integrations with 3rd party ERP/CRM systems** – Ready connectors to allow users of 3rd party ERP/CRM systems to quickly sign documents.
- **Bulk Signing** – To sign documents in bulk and send them to various parties.
- **Support for multiple global eSignatures** – Support for various types of global electronic signatures.
- **Support for API's and Gateway** – External applications can easily integrate with emSigner with API's or Signer Gateway. API's allow multiple other systems to push documents to emSigner for document signing. The Signer Gateway works like a Payment Gateway to allow easy signing of documents.
- **Multi language support** – emSigner supports user interface to be shown in multiple languages including Spanish, Arabic and Bahasa.
- **Identity Assurance and Trust** – emSigner also provides users with additional layer of 2-Factor authentication to authenticating signatories before they are provided access to the document.
- **QR Code Support** – Documents signed on emSigner can be embedded with a QR Code to allow end users to verify the signer information.
- **Time stamping and Long Term Validity** – Documents signed on emSigner can optionally be timestamped to ensure reliability of time and also configured for Long Term Validity which allows easy verification of documents for those documents that require to be stored for long periods of time.

A pictorial representation of eSignature workflow solution:



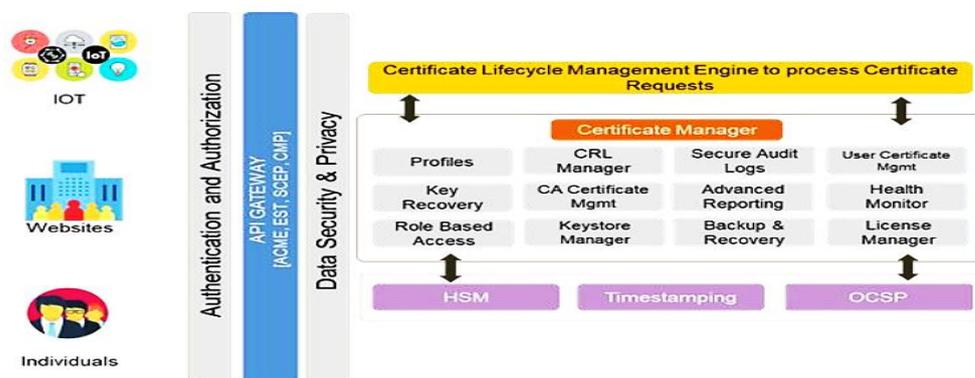
emCA – Certificate Lifecycle Management

emCA is their PKI solution that is robust, standards compliant, scalable and policy driven and allows easy and seamless setup of private, public or root Certifying Authorities to issue digital certificates. The key modules of emCA include:

- **Certificate Lifecycle Management** – ability to define Root CA's, Issuing CA's and connect to Hardware Security Modules for provisioning key pairs that can then be used to sign end user certificates.
- **Timestamping Authority** – ability to run a timestamping service that can issue timestamps through a NTP device that synchronizes with a reliable time clock.
- **CRL (Certificate Revocation List)/ OCSP (Online Certificate Status Protocol)** – ability to run a service that publishes the revocation status of a certificate allowing relying parties to validate whether a certificate was not expired at the time of authentication of signing a document.
- **Tamper Proof Logging** – Given the secure nature of the system, emCA also provides tamper proof logging capabilities to record critical approval actions on the system.
- **Reporting** – capability to show a dashboard of certificate issued from the system.

emCA can be paired with other modules such as a Registration Authority module which gives enterprises the capability to manage the Identity Verification process of on-boarding users and ensuring maker/checker approvals are done before issuance of the certificate. emCA can also be paired with a Subscriber Portal that allows end users to directly request certificate issuance, manage their renewals also upload documents for signing.

A pictorial representation of the various modules available in emCA:



emAS – Authentication and Access Management

emAS or their Authentication Server empowers organizations to securely manage their online identity and authentication and access management needs.

The product has a number of features to support seamless user identity and access management including:

- **Multi Factor Authentication Engine** – emAS provides capability to authenticate users using OTP, Digital Signature Certificates, Facial Recognition, Biometric, QR Code based and Adaptive Authentication.
- **Single Sign On** – emAS supports single sign on including Web, Desktop and Agentless SSO through open standard based protocols including SAML and OAUTH.
- **Integration with LDAP/AD** – support for integrating user directories through LDAP or AD for easy user provisioning.
- **Role and Policy definition** – support for configuring roles, policies and entitlements based access that allows fairly granular authentication options for end user trying to access sensitive resources.
- **Advanced Reporting** – Out of the box reports across users, transaction and logs.

eMudhra has continuously and consistently invested in their R&D team to develop new and differentiated products to provide digital security, authentication and access management and paperless transformation solutions.

The capital expenditure incurred towards developing the intellectual property:

Particulars	6 months period ended Sep'30, 2021	FY2021	FY2020	FY2019
Employee costs towards product development	2.01	3.70	3.35	2.72
Purchase of related software/services	-	1.66	-	2.60
Total	2.01	5.36	3.35	5.32

The company proposes to further invest in their R&D team and the tools and platform used by them in the ordinary course, for development of new products in areas, namely, IoT Certificate Management, Certificate Discovery and Remote Signing that are complementary to their current business operations. To build these products, they propose to utilise ₹ 15.03 crores from the Net Proceeds of this Offer to hire large technical teams with the right skillset and also invest in the right tools and platforms.

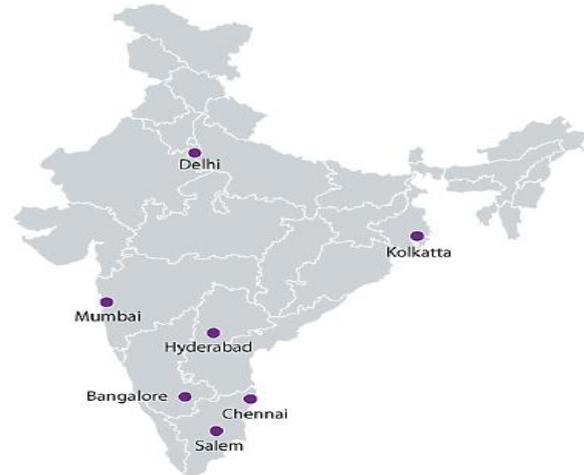
GEOGRAPHICAL REACH

Company Presence:

International Presence:



Domestic Presence:



COMPETITIVE STRENGTHS

- **Largest licensed Certifying Authority in India**

eMudhra is the largest licensed Certifying Authority in India with a market share of 37.9% in the digital signature certificate market space in Financial Year 2021. The company is the only Indian company to be directly recognized by renowned browsers and document processing software companies such as Microsoft, Mozilla, Apple and Adobe. eMudhra is the only Indian company to be accredited to Webtrust which makes their digital signature certificates directly recognized by browsers across the world allowing them to issue digital signature certificates in many countries. They are one of the largest players in the Indian Digital Trust Services market with a market share of 17.8% and enjoy 19.0% market share in the Digital Transformation Solutions market in India for Financial Year 2021.

As part of their signature and authentication solutions, they also offer digital products such as, secure domain validation certificates with capabilities of securing sensitive information stored on websites through padlock and business information authentication services.

- **One stop shop solution provider in secure digital transformation and are well-positioned to capture the favourable industry dynamics in India and globally**

Digital Identity and Trust is foundational to the growth of enterprises in the era of digital transformation as it enables enterprises to create frictionless user experiences that are both simple and secure. Enterprises are under ever-increasing competitive pressure to deliver personalized and seamless omni-channel experiences and also focus on secure digital identity and transaction management as a key strategic initiative to provide distinguished experiences. eMudhra, with a view of capitalising this opportunity ventured into the business of providing Enterprise Solutions in the year 2012 to customers engaged in different industries. There is a drive for enterprise wide digital transformation with a focus on security, organizations are looking for one stop shop providers who manage all layers of identity, authentication and authorization with support for local data residency and on-premise or private cloud offering to support data privacy and confidentiality.

They have been able to build on their expertise to expand rapidly into international markets such as the Middle East where they have managed to acquire 28 users of emSigner and 9 users of emCA as of December 31, 2021. Their leadership teams hold important positions in bodies such as the Cloud Signature Consortium and Asia PKI Consortium allowing them to get insights to trends and directions of the industry and helping them better align their products to global market needs and trends.

- **Technology certifications, accreditations and membership in international bodies**

eMudhra is a registered certifying authority with the Controller of Certifying Authorities and are the only Indian company to be admitted as a member of European Cloud Signature Consortium as well as Certifying Authority/Browser Forum, a global forum that governs the use of SSL/TLS certificates. They have obtained a variety of accreditations, security/compliance certifications. All the services provided under trust solutions, are compliant with the quality standard of ISO 9001 and are certified by the applicable certification body. Further, their cloud offerings are compliant with SOC2 Type 2 and their eSignature workflow solutions, emSigner is listed on the SAFE Identity Qualified Product List (QPL).

They are the only Indian company to be accredited by **Webtrust**, thereby making their digital signature certificates directly recognized by browsers across the world allowing them to issue digital signature certificates in many countries. Further, they have been awarded EAL 4+ Common Criteria certification for their digital product emCA by the Cyber Security Agency of Singapore.

- **Technology backed infrastructure to support quality and security of services and solutions**

Company's Digital Trust Services and Enterprise Solutions are backed by technological infrastructure including their data centres located in India and proposed to be set up in overseas locations, with appropriate virtualization, computing and storage, physical and logical isolation, network firewalls and disaster recovery site to support high availability, uptime and redundancy. The digital signature certificates issued by them are based on asymmetric cryptographic key pairs (private and public key).

Their intellectual property is developed in house through their own Research and Development team with talent focused on building cutting edge technology. As of December 31, 2021, they have 240 employees in the R&D Team. They also have cloud teams that work on ensuring their technology products can be deployed across various cloud platforms enabling easy transition for enterprises.

- **Diverse, longstanding and growing customer base**

eMudhra services marquee customers through their Digital Trust Services and Enterprise Solutions and has been able to form a portfolio of renowned customers in private as well as in public sectors. They works closely with large government and banking customers, 20+ public and private sector banks and state governments. They have held longstanding relationships with their Top-5 clients, and therefore have evolved as a strategic leader in the digital signature certificates market. Revenue from operations from their Top-5 enterprises represented an increase from 12.14% in Fiscal 2019 to 23.67% in Fiscal 2020.

The retail customers grew from 58,872 as of March 31, 2019 to 115, 905 as of March 31, 2021. Further, their enterprise customers grew from 249 as of March 31, 2019 to 518 as of March 31, 2021.

A summary of the revenue from operations earned from the business verticals:

Particulars	(₹ in Cr)			
	9 months period ended Dec'31, 2021	FY2021	FY2020	FY2019
Digital Trust Services	66.43	67.25	56.43	65.41
Enterprise Solutions	70.81	64.34	60.02	36.18

They serve their users across overseas regions such as, Americas, Europe, Middle East and Africa and Asia Pacific Revenue from their international operations during the nine months period ended December 31, 2021 and the Financials Year 2021, 2020 and 2019 aggregated to ₹ 26.45 crore, ₹ 25.48 crore, ₹ 14.60 crore and ₹ 10.20 crore, respectively.

- **Partnerships with leading Indian and global channel partners and enterprise solution partners**

As of December 31, 2021, eMudhra has 91,259 channel partners for Digital Trust Services spread across various States and Union Territories in India and out of their 539 system integrator partners, 267 are present in India and 272 are present internationally in United States of America, Europe, Middle East and Africa and Asia Pacific. Their enterprise solution partners are broadly categorized into system integrators which comprise of large IT companies who bundle their solution as part of a larger turnkey offering to the end customer; technology partners with whom eMudhra has a direct integration for selling their products on their platform; and lastly, resellers and distributors, who resell or distribute their digital products and solutions to their customer base. They have built strong partner network which includes few of the world's largest system integrators to pitch in to government projects.

- **Experienced promoter, board of directors and senior management team**

Company's business is customer-driven. Their experienced Promoters and a qualified senior management team have helped them to offer high standards of customer service and support to their end customers across Enterprise Solutions and Digital Trust Service business.

Their management team's collective experience and deep knowledge of the digital trust, security and transformation space allows them to maintain their position as a leader in the digital signature certificates market. They are the driving force behind their vision, mission, culture, and focus on customer success. Their leadership enables them to continuously deliver products and solutions that enterprises need and want. They are also critical in building upon their culture which is vital to their success. Their Board comprises personnel with experience in various industries and functions including technology, finance, law and human resources, to support their cross-functional business model.

KEY BUSINESS STRATEGIES

- **Capitalize on industry opportunities in India and maintain leadership in Indian Trust Services market and as a 'one stop shop' player in secure digital transformation**

Increasing threats to the data security and the prevalent trend of working from home during the ongoing pandemic, has opened up new opportunities for the digital security and the digital signature solutions industry. Digital identity is foundational to the growth of enterprises in the era of digital transformation because it enables enterprises to create frictionless user experiences that are both simple and secure. Enterprises are under ever-increasing competitive pressure to deliver personalized and seamless omni-channel experiences and often compromise on experience or security to achieve these outcomes.

To capture the opportunities arising out of such initiatives, the changing regulatory requirements and the growing demand for data privacy, data protection and digital transformation, eMudhra is proposing to further penetrate the domestic and international market and further expand and diversify their customer base to cater to diverse industries through expansion of their channel partner and enterprise solution partner network, enabling more customers to buy directly through online channels and continuous innovation in solutions related to their industry.

- **Leveraging the existing data centre infrastructure and setting up new data centres in overseas locations**

Company's customers use their data centers and digital solutions to access business systems and store data concerning, among other things, their employees, contractors, partners and customers. With the growing need of digital signature services in the Indian and international markets, eMudhra propose to invest in leveraging their existing data center infrastructure and setting up new data centers. As part of their strategic initiatives, they propose to set up additional data centers in India and various overseas locations to support their technological infrastructure and their plan of venturing into foreign jurisdictions for future growth.

- **Enhance solution offerings to tap growing needs of digital transformation**

Adoption of digital identity, security and paperless transformation solutions are now forming part of strategic initiatives for global enterprises to meet the increasing need for personalized and omni-channel experiences. eMudhra has been working relentlessly with several large and small businesses to build seamless digital and paperless experiences with their clients without compromising on security by leveraging most advanced technologies in AI, ML and Automation. They have been consistently designing and developing diverse products under various product lines – Digital Trust Services, digital security solutions and paperless transformation – by understanding customer requirements and implementing solutions to address their challenges. Most of the products come with in-depth features and easy to infer User Experience making it easily deployable.

eMudhra has constantly invested into augmenting product capabilities to build themselves as a '**one stop shop**' player in digital transformation, innovating and developing new products in the areas of identity management, authentication and authorization or digital signatures for their customers and plan to continuously invest in their R&D team and resources to consistently develop new and diverse products around cyber security and digital transformation.

- **Grow presence in overseas markets**

While eMudhra continues to innovate and provide better products and services to their customers in India, there is a large opportunity for them to leverage their technology infrastructure and expand to international markets. North

America remains the largest in the Digital Security and Paperless Transformation market space. In pursuit to tap the opportunities and to harbour the benefits offered by the market in United States of America to companies functioning in the IT sector, eMudhra proposes to invest ₹ 15.27 crore out of the Net Proceeds in their Subsidiary, eMudhra INC for the purpose of augmenting its business development, sales, marketing and other related costs for future growth.

They also propose to invest in a dedicated sales team and marketing initiatives by recruiting, retaining and training sales personnel as well as equipping them with the necessary technology. They propose to expand their Digital Trust Service backbone to international markets either directly using their global root or through setup of local trust service operations or through various trust service and enterprise solution partners.

- **Expand share of revenues among existing customers and broaden the partner network and customer base**

eMudhra presently caters to customers operating in various industries such as banking, eGovernment, automotive, information technology, consumer durables, etc. and propose to enhance their presence in various other industries such as manufacturing, logistics, healthcare etc. They also intend to cater to new age industries which are significantly more dependent upon an enhanced cyber security framework and would therefore require their trust and digital signature services on a regular basis. These include use cases in the Electric Vehicle space and Smart Cities where devices connected to the internet need to be identified and authenticated securely. They also plan to continue to expand their channel and enterprise solution partner network while also deepening their partnerships with existing partners.

INDUSTRY OVERVIEW

Competitive Profiling

Select Players in the Global and Indian market :

	Select Players in the Global Market	Select Players in the India Market
Digital Trust Services		
SSI/TLS Certificates	DigiCert (USA), Entrust (USA), Sectigo (USA),*	DigiCert (USA), GoDaddy (USA), Entrust (USA),*
Digital Certificates	DigiCert (USA), eMudhra (India), Entrust (USA), GlobalSign (Belgium)	eMudhra (India)
IoT Certificates	DigiCert (USA), Entrust (USA), GlobalSign (Belgium),*	eMudhra (India), DigiCert (USA)
Digital Security Solutions		
IAM	IBM (USA), Microsoft (USA), Okta (USA),*	eMudhra (India), IBM (USA), Microsoft (USA)
PKI	eMudhra (India), Entrust (USA), Nexus (Sweden)	eMudhra (India), Entrust (USA), Nexus (Sweden)
Paperless Transformation Solutions	Adobe (USA), DocuSign (USA), eMudhra(India), OneSpan (USA)	Adobe (USA), DocuSign (USA), eMudhra (India)

The unique differentiations as against competitors:

eMudhra has the following unique differentiations as against its competitors :

- One unique Indian company with presence across all the three segments of Digital Trust Services, Digital Security Solutions and Paperless Transformation Solutions.
- Product offering across Identity, Authentication and Signing with a focus on innovation which remains key to success as the company continues to launch products based on present business needs.
- The largest licensed Certifying Authority (CA) in India with a market share of 37.9% in Digital Signature Certificates market in India.
- One of the largest players in the Indian Digital Trust Services market with market share of 17.8%.
- Accredited to WebTrust (only Indian company) that makes eMudhra's digital signature certificates directly recognized by browsers across the world allowing the company to issue digital signature certificates in many countries.
- One Indian company to be admitted as a member of European Cloud Signature Consortium, as well as Certifying Authority / Browser Forum, a global forum that governs the use of SSL/TLS certificates.
- Only Indian company to be directly recognized by renowned browsers and document processing software companies such as like Microsoft, Mozilla, Apple and Adobe allowing eMudhra to sell digital identities to individual/organization and issue SSL/TLS certificates for website authentication, globally
- Despite being just 12 years in the market, eMudhra has better brand recognition and stronger channel partner relationship evident from the large (500+) enterprise customer base the company has.

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