

eMudhra Limited

Equity Research Report Summary

Digital Trust & Cybersecurity Solutions

Executive Summary

50%

Revenue Growth FY24

₹373.12Cr

Total Revenue FY24

55%

International Revenue

37.9%

Market Share (DSC)

Financial Performance Highlights

Exceptional Growth Trajectory: eMudhra demonstrates consistent revenue growth with 38.8% in FY22, 38.3% in FY23, and 50% in FY24. The company achieved net debt-free status post-IPO in June 2022.

Key Growth Drivers

- **International Expansion:** Overseas business grew from 19.1% to 55% of total revenues
- **Enterprise Solutions:** 141.4% growth globally in FY23 with products like emSigner and emCA
- **Digital Transformation:** Rising demand for cybersecurity and digital trust solutions

- **R&D Investments:** Focus on post-quantum cryptography and mobile PKI

Key Challenges

- Margin pressures due to aggressive international expansion costs
- Pricing volatility in conventional digital signature certificates
- Strategic refocus on proprietary software to manage receivables

Company Introduction

Company Background

Founded: 2008 | **IPO:** June 1, 2022 (BSE & NSE)

eMudhra has evolved from a Digital Signature Certificate provider to a comprehensive digital trust and cybersecurity solutions company.

Key Achievements (Recent 2 Years)

Market Leadership

- No. 1 in Identity and Digital Trust (IDC, 2022-23)
- Largest Certifying Authority in India
- Only Indian company with WebTrust accreditation
- Great Place to Work certification (2022-24)

Global Recognition

- Recognized by Microsoft, Google, Mozilla, Apple, Adobe
- Licensed E-CSP in Kenya
- Mentioned in Gartner® Market Guide
- FDA 21 CFR Part 11 certified

Leadership

Promoters: Venkatraman Srinivasan (Executive Chairman) and Taarav Pte. Limited
Strong leadership track record with pioneering vision in digital identity and trust industry, guiding the company from inception to market leadership.

Business Overview

Positioning: "One Stop Shop" solution provider for secure digital transformation

Trust Services

- Digital Signature Certificates
- SSL/TLS Certificates
- Code Signing Certificates
- Email Encryption

Enterprise Solutions

- emSigner: AI-enabled eSignature
- emAS/SecurePass: Identity Governance
- emCA: PKI Solutions

- Document Signing

- emDiscovery/CertiNext
- Paperless Transformation

Business Model & Strategy

Revenue Generation Model

Trust Services

Revenue Model: Performance-based recognition for negotiated transaction prices

Products: Digital certificates, SSL/TLS certificates, balanced distribution through channel and retail customers

Enterprise Solutions

Revenue Model: Percentage-of-completion method for customized software, straight-line for AMC/subscriptions

Focus: Strategic shift to proprietary software for better receivables management

Customer Segments

Individuals

Digital signature certificates for statutory needs

Organizations

BFSI, Healthcare, Manufacturing, Automotive, Education, Gaming

Governments

E-governance, e-stamping, digital identity initiatives

Operational Drivers

- **Technology Innovation:** Heavy R&D investment in post-quantum cryptography and mobile PKI
- **Global Expansion:** Establishing offices in US, Middle East, Africa, Latin America, Indonesia
- **Talent Management:** Focus on attracting and retaining skilled workforce

- **Compliance:** Adherence to ISO, WebTrust, CMMI Level 5, HIPAA, GDPR standards
- **Brand Building:** Increased marketing investments in international markets

Future Growth Catalysts

Geographic Expansion

- US market penetration
- Middle East & Africa growth
- Latin America opportunities
- Indonesia market development

Product Innovation

- emSigner & emCA growth
- emDiscovery & CertiNext rollout
- Advanced cryptographic solutions
- Mobile PKI infrastructure

Financial Performance Analysis

5-Year Revenue Growth Trajectory

Metric	FY2020	FY2021	FY2022	FY2023	FY2024
Sales (₹ Cr)	116.45	131.59	182.64	248.76	373.12
Sales Growth (%)	14.63	13.00	38.80	36.20	50.00
Operating Margin (%)	27.73	30.99	37.28	37.23	31.22
Net Profit (₹ Cr)	16.65	17.46	41.14	61.20	76.35

Quarterly Performance FY2024

<div>Q1 FY24</div> <div>₹57.06 Cr</div> <div>Revenue</div>	<div>Q2 FY24</div> <div>₹68.99 Cr</div> <div>20.91% Growth</div>	<div>Q3 FY24</div> <div>₹97.38 Cr</div> <div>41.15% Growth</div>	<div>Q4 FY24</div> <div>₹149.69 Cr</div> <div>53.74% Growth</div>
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Key Financial Highlights

<div>Strengths</div> <ul style="list-style-type: none">Net debt-free status post-IPOConsistent revenue growth accelerationStrong international revenue mix (55%)	<div>Areas of Focus</div> <ul style="list-style-type: none">Margin pressure from expansion costsManaging international operational expensesOptimizing pricing strategies
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- Improved receivables management

- Balancing growth with profitability

Management Guidance FY2025

Revenue Target: ~₹500 Crores

PAT Margin: ~18%

Management confidence reflected in specific financial guidance

Investment Thesis & Outlook

Investment Strengths

Market Leadership

- 37.9% market share in DSC
- Only Indian WebTrust accredited company
- Global browser recognition
- Strong regulatory compliance

Growth Momentum

- 50% revenue growth in FY24
- 55% international revenue mix
- Enterprise solutions scaling rapidly
- Strong quarterly acceleration

Strategic Advantages



Technology Edge

- Proprietary in-house technology
- Post-quantum cryptography R&D
- Mobile PKI infrastructure
- Vertically integrated value chain



Global Reach

- Presence in 15+ countries
- US market expansion via acquisitions
- Middle East & Africa growth
- Hybrid cloud & on-premise solutions

Key Risks & Mitigation

Risk Factor	Impact	Mitigation Strategy
International expansion costs	Margin pressure	Gradual scaling, local partnerships
Competition in DSC market	Pricing pressure	Focus on enterprise solutions, value-added services

Risk Factor	Impact	Mitigation Strategy
Talent retention	Operational risk	Great Place to Work culture, competitive compensation
Regulatory changes	Compliance costs	Proactive compliance, global certifications

Future Catalysts

**Market Expansion**

Penetration in US, LATAM, and Southeast Asian markets

**Product Innovation**

emSigner growth, quantum-safe cryptography, mobile solutions

**Digital Transformation**

Rising demand for paperless operations and cybersecurity

Investment Conclusion

eMudhra represents a compelling growth story in the digital trust and cybersecurity space.

The company's strong market position, consistent financial performance, aggressive international expansion, and focus on next-generation technologies position it well for sustained growth. While margin pressures from expansion investments remain a near-term concern, the long-term outlook remains positive driven by global digital transformation trends.

Management Guidance FY25: ~₹500 Cr Revenue | ~18% PAT Margin

This presentation summarizes the key highlights from the comprehensive equity research report on eMudhra Limited.

For detailed financial analysis and complete information, please refer to the full research report.