



 siddharth@capsurge.in

 www.capsurge.in

Who We Are – Company Profile



Incorporated:

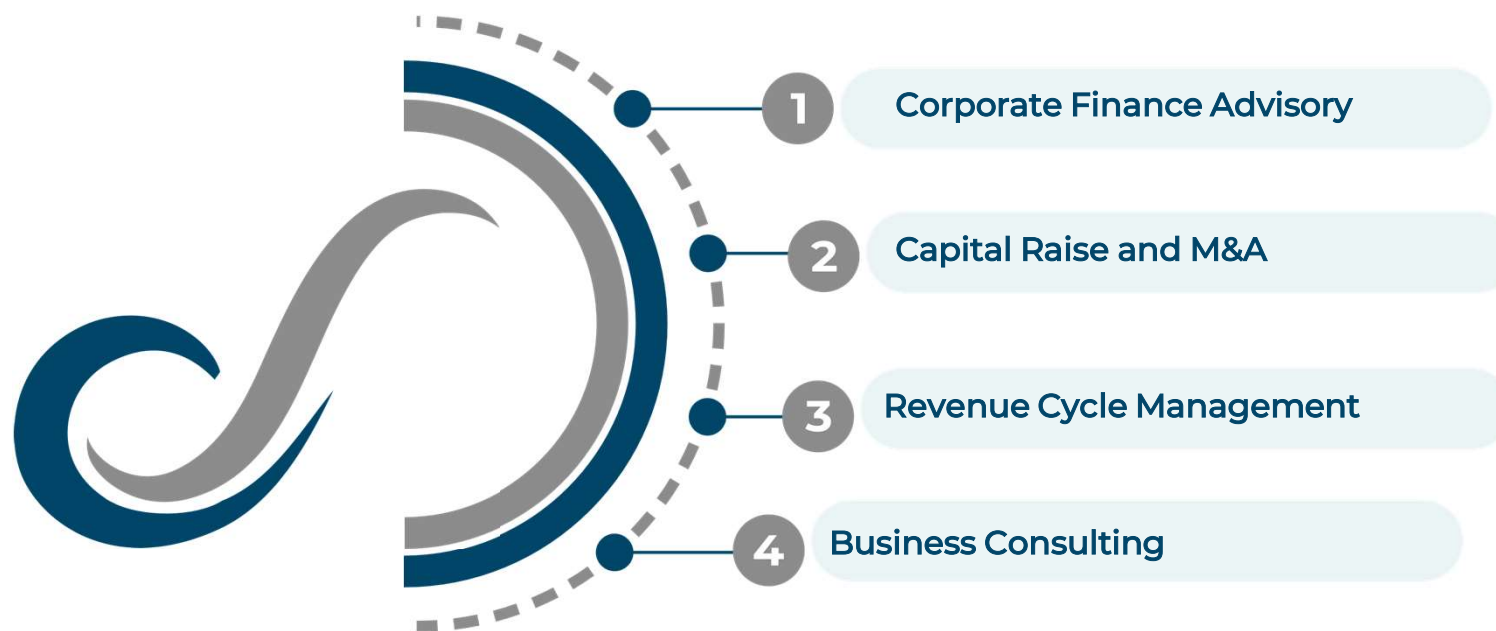
May-2020

Presence:

Pune, India | Connecticut, US

Boutique Corporate Finance Advisory Firm

CapSurge specializes in helping companies build strong fundamentals, optimize operations, and enhance market positioning to attract potential investors.



Service Offerings



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What We Do - Corp Fin Advisory



Business Planning – Medium & Long term
Month-wise plan in taking your business where you envisage.



Cash Flow Forecasting
Continuous update forecasts for optimum cash flow management



Profit Based Budgeting
we start from the bottom up in building a budget to help you maximize profit.



Enhanced Reporting
Custom Dashboards, KPIs



A Process Around Strategy
Define your goals and create a strategy to accomplish them.

Delivered in monthly 2hr meetings.



What We Do – À la carte Services



Fund Raise
Equity, Debt



Internal Financial Controls
RCM, Control narratives, Risk registers,
Process Docs



Bookkeeping
Books of accounts, AR,
AP, Compliance



Secretarial
Company/LLP Formation,
ROC Filings



Investor Relations
Presentations, Conference calls,
Data requests, Analysis



Payroll
Outsource end to end process



Taxation
Direct and Indirect Tax returns



Additional services
Available, on request



Case Studies



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Case Study – Corp Fin Advisory

Margin Expansion Project – Pricing Model



Sector: IT Services | Location: Pune, Bangalore, Texas, Dubai, Singapore

Revenues: ~ USD 8.5 mil (FY22) | Staff Strength: ~ 300

Assignment duration	FY20	FY21	FY22	FY23
Project Pricing Model (% Non-Billing Resources)		19% (Dec-20)		5% (May-21)

Problem Statement:

The **high bench strength** and **non-competitive pricing**, driven by misleading performance metrics, resulted in **operational inefficiencies**. These issues weakened the company's market positioning and **hindered performance**.

Solution Offered:

- Developed a Pricing Model incorporating the following : No of **unutilized resources** in different categories of skills sets and experience | **Duration** of the contract | **Value** of Contract | Appropriate **profitability** metrics
- Weekly tracking of resource utilization


Result:


- Resources that were not utilized reduced from 19% to 5%
- Improvement in EBITDA margins by 2.25%



Case Study – Corp Fin Advisory

Working Capital Improvement – Accounts Receivable Days


Empowered Mind-Body Therapy Sector: Healthcare | Location: Los Angeles, CA
 Revenues: ~ USD 1 mil (FY23) | Staff Strength: ~ 15

Assignment duration	FY22	FY23	FY24	FY25
A/R Days (# days)		45 days		12 days

Problem Statement:

The average payment period from receiving payments from insurance companies was **45 days**, increasing working capital needs. This delay resulted in additional financing costs to cover overheads, ultimately reducing profitability.

Solution Offered:

Implemented a formal system to:

- Filing claims **daily** rather than weekly,
- **Reconciliation** mechanism of service delivered with that payment receipt.
- Daily reporting and tracking mechanism of rejected claims.

Result:

- A/R days reduced from 45 days to 12 days improving liquidity
- Systematic reduction in debt.



Case Study – Corp Fin Advisory

Margin Expansion – Salary Calibration



Sector: IT Services | Location: Pune, Bangalore, Texas, Dubai, Singapore

Revenues: ~ USD 8.5 mil (FY22) | Staff Strength: ~ 300

Assignment duration	FY19	FY20	FY21	FY22
EBITDA Profit Margins	-18.6% (Proj margins)			+3.3% margin (Actual FY21)

Problem Statement:

The COVID-19 lockdown led to **project put on hold** leading to underutilization of resources. To avoid layoffs, management decided to **cut salaries across the board**, aligning costs with reduced cash inflows for the year.

Solution Offered:

- Calibrated salary cuts based on projected cash flows so as to achieve a financial breakeven scenario.

Result:

- Reduced salaries across the board **by 23%** for the initial months
- Zero retrenchment
- Achieved breakeven profitability during the year.



Case Study – Corp Fin Advisory

Process Improvements – Internal Financial Controls



Sector: Tech Company | Location: Pune, Bangalore, Delhi, Mumbai

Revenues: ~ USD 34 mil (FY24) | Staff Strength: ~ 280

Assignment duration	FY22	FY23	FY24	FY25
Internal Financial Controls (Risk Control Metrix (RCM))		Weak Controls		28 RCM's

Problem Statement:

Increase in business volumes heightened the risk of financial errors in revenue recognition. Additionally, the rapid growth in operations amplified the potential for financial irregularities, resource misallocations, and audit failures.

Solution Offered:

Risk identification through a detailed examination of the current process. Design and implementation of robust controls to mitigate the risks identified. Maker-checker systems introduced.

Result:

- Reduced risk of revenue and cost leakage.
- High stakeholder confidence



Case Study – Corp Fin Advisory

Process Improvements – Book Closure Time



Sector: Tech Company | Location: Pune, Bangalore, Delhi, Mumbai

Revenues: ~ USD 34 mil (FY24) | Staff Strength: ~ 280

Assignment duration	FY22	FY23	FY24	FY25
Accounting Books & Audit Closure (# months)	9mths (FY21)	7mths (FY22)	5mths (FY23)	2mths (FY24)

Problem Statement:

A prolonged time to close the books of accounts delayed financial reporting, increased operational inefficiencies and risk of errors, cash flow management issues, regulatory and compliance risks, and strategic disadvantages.

Solution Offered:

Better planning and coordination with auditors of conducting a 9month interim audit helped in reducing the time.

Result:

Book closure period reduced from 9 months to 2 months, thereby:

- Demonstrating operational efficiency
- Improved stakeholder confidence,
- Offering potential cost savings.



Ongoing Assignments – Corp Fin Advisory

Strategic Finance – Maximize Shareholder Value



Sector: IoT Services | Location: Pune, US, UK

Revenues: ~ USD 8 mil (FY24) | Staff Strength: ~ 180

Assignment duration	FY25	----->	FY30	FY30
Valuation	2.5x multiple		> 4x multiple	

Problem Statement:

The promoter aims to exit the business within the next 5 years at a valuation exceeding 2.5x of revenues. The strategic focus is on building and positioning the business to be attractive and ready for investors.

Solutions being Offered:

Market Sizing research, competitive analysis, articulating value proposition, leading to establishing the right KPI's.

The Goal:

Strategic exit at > 4x valuation multiple in 5 years!



Major Achievements



Equity Fund Raise

\$ 25 mil
Cumulative
Fund Raises, ESOP
issuances, Term Sheets



Debt Fund Raise

\$3mil
Debt raise on
buy-side



A/R days Reduction

12 days
from 36 days

29 days
from 35 days



Profit Improvement

12%
Utilization
Improvement

22%
Margin
Expansion



17%
Margin
Expansion



Reconciliation Automation

1.4cr
Transactions auto
reconciliation
system



Implementation Plan

Build Phase: We will kick off with a deep dive to understand the business landscape.

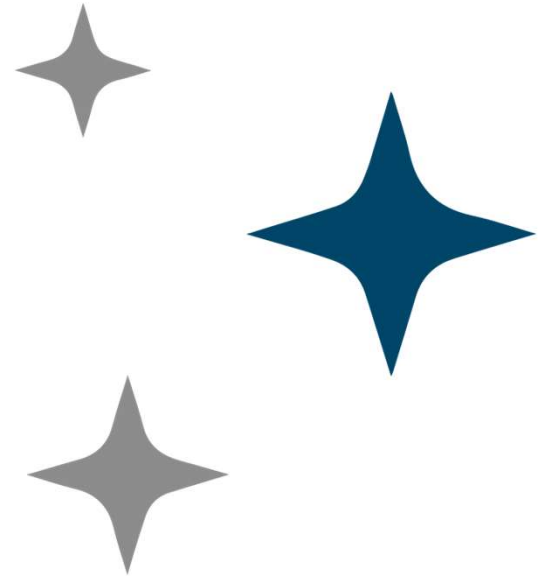
Maintain Phase: Monitor business performance

S No	Scope	Frequency	Duration	Support Required	Deliverable	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
Build Phase											
1	Understand Business and Review financial plans, preparation of the Business Plan	One time & Reviewed Quarterly	3-4 weeks	Discussion with Founder	Financial Model (xls/pdf)	■					
2	Cash Flow Budgeting	One time & Rolling 3	1-2 weeks	Financial and operating data	MIS Report (xls/pdf)		■				
3	MIS templates (monthly, quarterly) - Setting business goals and objectives - Designing KPI's	One time	2 days	Discussion with Founder, Data	MIS Report (xls/pdf)		■				
Maintain Phase											
4	Tracking & monitoring business performance - undertaking regular reviews, advising on improvement initiatives										
	I) Data sourcing	Weekly	1 day	Data	MIS Report (xls/pdf)		■	■	■	■	■
	II) File Updation & Report generation - Budget file - KPI Reports	Weekly	1 day				■	■	■	■	■
	III) Tracking & analysis - Cash flows improvement recommendations	Weekly	1 day	NA	MIS Report (xls/pdf)		■	■	■	■	■
	IV) Investor Relations - Updates to Investors on Key Performance Metrics	Monthly	1 day	NA	MIS Report (xls/pdf)		■	■	■	■	■





THANK
YOU!



 CapSurge
Enabling Growth

