

First Meridian Business Services Ltd.

<https://firstmeridian.com/>

By Altius Investech



Company Overview

First Meridian provides management advisory services and staffing services.

- Their customers span across industry sectors, including Telecom, Retail, BFSI, IT, ITES, E-Commerce, Manufacturing, Engineering, and Logistics.

Founded: Bengaluru, 2018

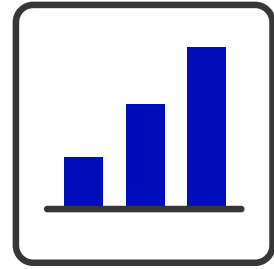
Market Position: Third-largest staffing company by revenue in India.

Operational Reach:

- Employs 126,824 associates
- Serves over 1,200 clients
- Operations from more than 3,500 locations nationwide

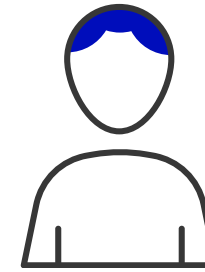


Products and Services



General Staffing and Allied Services

- Staffing Solutions
- Workforce automation solutions
- Trade marketing solutions



Global Technology Solutions

Contract staffing solutions for niche mid to senior-level positions across:

- Global captive centres
- Product-based companies.
- Clients based outside of India
- Across technology companies



Other HR Services

- Permanent recruitment
- Recruitment process outsourcing
- Pharmaceutical and healthcare staffing
- Facility management
- Engineering and technical staffing
- Finance, accounting, and legal staffing

Awards and Achievements



- Received the Certificate of Excellence for 'Best Technology Enabled Staffing Solutions' at the Achiever's Awards 2022, recognizing the significant contributions made by DigiOne and DigiTrac.
- Awarded the Brand Impact Award 2022 by the Indian Achievers' Forum for Outstanding Professional Achievement and Contribution to Nation Building.

Key clientele



Group Companies & Brands



- **Innovsource Services Pvt Ltd:** Provides staffing, workforce automation, payroll, and apprenticeship services. Revenue: CAGR: 4.01% (FY2020-FY2022)
- **V5 Global Services Pvt Ltd:** Delivers IT services, consultancy, and HR management solutions. Revenue CAGR: 41.87% (FY2020-FY2022)
- **DigiTrac:** A Mobile-enabled platform for HR workflow automation.
- **Infield:** Automates retail sales and marketing workflows.
- **Brand Pulse:** Provides trade marketing solutions including visual merchandising, brand activation, loyalty programs, and retail audits.

Other Acquisitions:

- Affluent Global Services Pvt Ltd
- Cornucopia V5
- CBSI India Pvt Ltd
- R Labs Enterprise Services Ltd



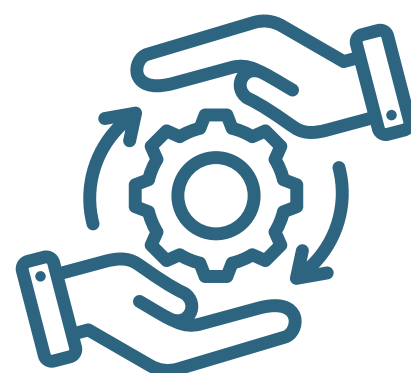
Management



Avinash Vashistha

Chairperson & Independent Director

- **Education:** B. Tech in Electrical Engineering, IIT Kanpur (1982); M.Sc. in Computer Science, University of Alberta (1985); MBA, University of Phoenix (1993)
- **Experience:** Senior roles at Accenture, Tholons Inc., Bluebook Bangalore; Active in American Chamber of Commerce, FICCI, CII, NASSCOM, Institute of Directors India



- **Education:** Bachelor's in Corporate Secretaryship (1983), Master's in Social Work (1985) – University of Madras
- **Experience:** Senior roles at Adecco India, Satyam Infoway, Finmac Systems, Foresight Marketing, Foresight Power Systems, ABC Consultants



Sudhakar Balakrishnan

Whole Time Director and Group Chief
Executive Officer



Financials

All values in ₹ - Crs.

Particulars	FY23	FY22	FY21
Revenue	3,627	2,869	2,124
EBITDA	101	64	35
PAT	81	34	-34
PAT Margins	2.23%	1.19%	-1.60%
ROE	16.56%	8.54%	-14.85%

Key Takeaways:

- Revenue increased by 26% Y-o-Y.
- EBITDA grew by 58% Y-o-Y.
- PAT saw a significant turnaround, from a loss in FY21 to a 138% increase in profit from FY22 to FY23.

Revenue - Segmentation	September 2022	% wise	FY22	% wise
General staffing and allied services	1,504	87%	2,584	90%
Global technology solutions business	206	12%	238	8%
HR services business	24	1%	39	1%
Total	1,734	100%	2,861	100%

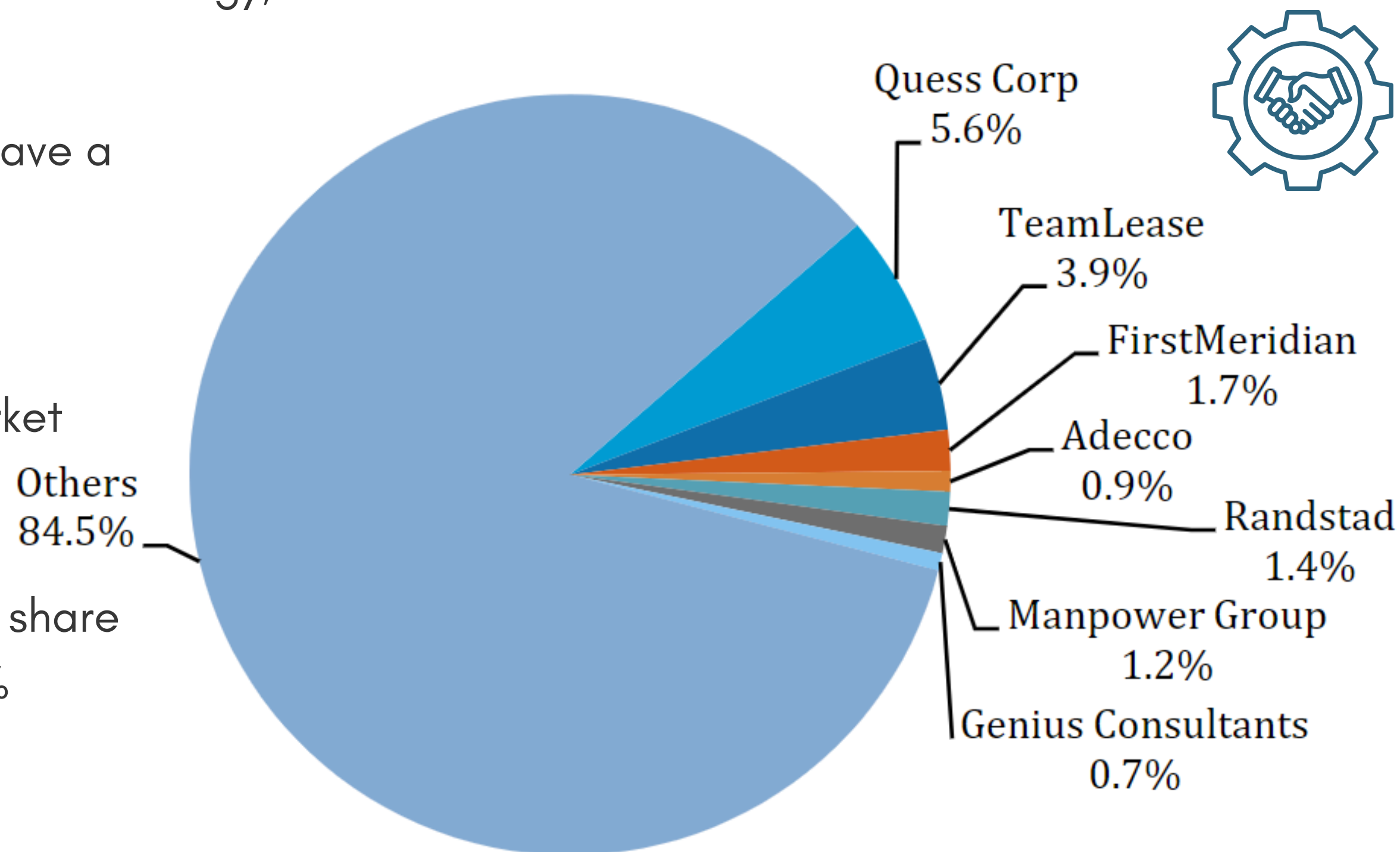
The Indian Human Resource Outsourcing market was valued at USD 94.36 million in 2022 and is projected to grow at a CAGR of 25.06% owing to the rising demand from growing sectors such as manufacturing, hospitality, information technology, etc.

Market Share (FY2022)

- The top five staffing companies have a 13.8% market share (Source: F&S Report)
- First Meridian is the Third largest staffing company with a 1.7% market share.

Major competitors:

- Quess Corp Limited: 5.6% market share
- TeamLease Services Limited: 3.9% market share



SWOT Analysis



STRENGTHS

- India's third-largest staffing company
- Track record of organic and inorganic growth and integration.

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WEAKNESSES

- History of losses and negative cash flows.
- Competitive and fragmented industry.

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OPPORTUNITIES

- Diversified offerings.
- Investment in technology; as of September 30, 2022, software rights amounted to ₹84.28 million.

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THREATS

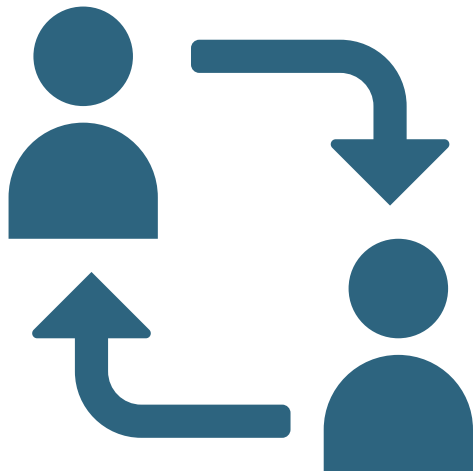
- Technological and operational risks.

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Particulars	First Meridian Ltd.	Quess Corp Ltd.	Team Lease Services Ltd.
Revenue	₹3,627 Cr	₹17,185 Cr	₹7,870 Cr
PAT	₹81 Cr	₹223 Cr	₹112 Cr
PAT Margins	2.2%	1.3%	1.4%
Current Market Price (31/07/2023)	₹250	₹358	₹2,424
Market Capitalization (MCAP)	₹1,968 Cr	₹5,306 Cr	₹4,144 Cr
P/E Ratio	24.28	23.8	42.7
P/S Ratio	0.54	0.31	0.6

Peer Comparison

Data based on
FY23 results



Thank You



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Website

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