



Presents

Fino-Paytech Limited

Company's Overview

1. **The Fino-Paytech was formed in the year 2006 with a vision to provide financial services to the nook and corner of the country. Fino-Paytech is the institutional driven system run by International and Indian Investors.**

The Company is engaged in the business of providing technology solutions to various banks, insurance companies and government institutions

2. **They help Private Banks and Govt banks by registering themselves as partner in opening up bank accounts in the rural areas and charges commission.**

In rural backward India hardly we find any nearby banking facilities that can be used to open an account. Even if we have one the villagers won't be interested to go there as it will not only take time and money but also they will lose one day salary as they mostly work on a daily basis.

To overcome this the Fino-Paytech with their handheld Aadhar Based technology sent their Agents(**which are in 40000-50000 in numbers) across India to the doors of these rural people to open up the bank accounts.**

3. **Apart from opening bank account Fino-Paytech also provides Loan and Insurance facility to their customers.**
4. **Recently they got a license of Payment Bank from RBI. . The company is leveraging the power of Mobile devices to provide financial services as almost 100 Cr people have mobile these**

days. It will offer banking services such as current & savings accounts, remittances, business correspondent (BC) lending, mobile banking through the B-Pay app.

5. Fino Payments Bank management sees four sources of income for the payments bank business:

- a) “One is the balance in the accounts.**
- b) Second is the remittance business.**
- c) The third revenue stream will be coming in from the Banking Correspondents and lending business.**
- d) The fourth is the insurance cross-sell and other cross sales.”**

Note that at the end of April 2017, the average amount in Fino’s remittance business was around Rs 4,000 to Rs 5,000, and they charged around 1% of the amount sent for the service.

Opportunity for FINO

The primary driver for FINO PayTech business model is a market opportunity for technology and services that enable financial institutions to realize the untapped potential to serve profitably the rural Indians who are currently under-served by or excluded from the formal financial system.

Factsheet of the Company

- 1. FINO PayTech was incubated by ICICI Bank, India’s largest private sector bank and second largest bank overall, before spinning off as a separate entity in April 2006.**
- 2. Since its launch, the bank has opened 5 lakh customer accounts and deposit has grown up to Rs 100 crore.**
- 3. At present, the company counts on strategic investors including ICICI Bank, LIC and BPCL, while Blackstone, Intel Capital and IFC are among the financial investors.**

4. The bank is planning to open 150 branches in 2019, with a majority of them are likely to come at BPCL outlets.

Financial Performance(Figures in Cr)

1. Standalone Financials

Yr.	Rev.	Exp	PBT	PAT	Other Inco me	P/L	Shar es	EPS	NW	BV
2018	43.36	99.4	-56.1 1	-46.89	0.31	-46.57	9.84	-4.73	629.81	64.00
2019	53.02	49.1	3.85	-9.22	1.78	-7.44	9.87	-0.75	626.61	63.43

2. Subsidiary and Associates Performance

Company	Revenue(18 -19)	P/L(18-19)	Revenue(17 -18)	P/L(17-18)
Fino Finance Pvt. Limited	134.5	2.32	123.16	-42
Fino Trusteeship Services limited	0.31	0.21	0.066	0.0522
Fino Payment Bank	371.12	-62.38	230.18	-67.38
Fino Financial Services Pvt. Limited	Nil	0.0043	Nil	0.0043

3. Consolidated Financials

Yr.	Rev.	Exp.	PBT	PAT	P/L	Shares	EPS	NW	BV	Debt
2018	376.9	552.99	-176	-167	-165.74	9.80	-16.8	335.8	34.2	330.0
2019	547.3	601.34	-53	-73	-71.89	9.85	-7.29	289.5	29.3	328.0

FY18-19 Financials Snapshots

Equity	=	98.5334 Cr
FV	=	10
No.of Shares	=	9.85334 Cr
Net Worth	=	289.83 Cr
Book Value	=	29.38
Debt	=	328 Cr
Unlisted Price	=	115
Mcap	=	~1100 Cr

Valuation of the Company

SoftBank Group, Singapore state investment firm Temasek Holdings and a private equity fund managed by Morgan Stanley in 2018 valued FINO Paytech the payments bank and technology company at about Rs 2,000 -2500 crore .

Private Equity Investment

- a) The Company till date has got Private Equity Investment of close to 900 Cr since inception in 2006.**
- b) In 2009, FINO raised Rs 70 crore Headland Capital, along with Intel Capital and International Finance Corporation.**
- c) In 2011, Blackstone had invested about Rs 150 crore in the company for a 26% stake .**
- d) In 2016, Bharat Petroleum Corporation had invested Rs 251 crore in Mumbai based payments company Fino PayTech to pick up 21% stake through an all cash deal.**

- e) IFC's Investment: \$7.3 million in equity Investment Year: 2007 to 2010

Listing News

The company is looking to break even in the year 2020. So expect a definite IPO somewhere around 2021-22 as PE investors gets exit for their investment.

The IPO price should be above 200.