



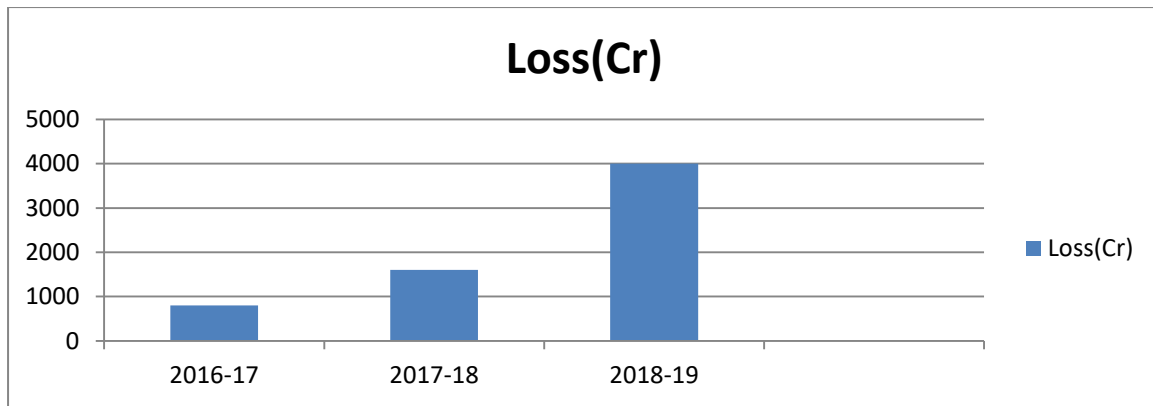
### **Paytm is burning cash and compiling losses year after year.**

Paytm became a household name overnight when the Indian government announced demonetization in Nov-16. From thereon the company is continuously gaining market share and currently, Paytm dominates UPI merchant payment segment with 60% share. The Company provide telecom based value added services to various telecom operators across the territory, payment gateway aggregator services, ticket services, utility bills payments, insurance, hotel booking services etc. Recently, they got the license to operate as a stock broker and they are also planning to give investors an option to buy direct mutual funds from their platform. The company is generating 56.86% revenue from Payment bank and 34.90% of the revenue from e-commerce

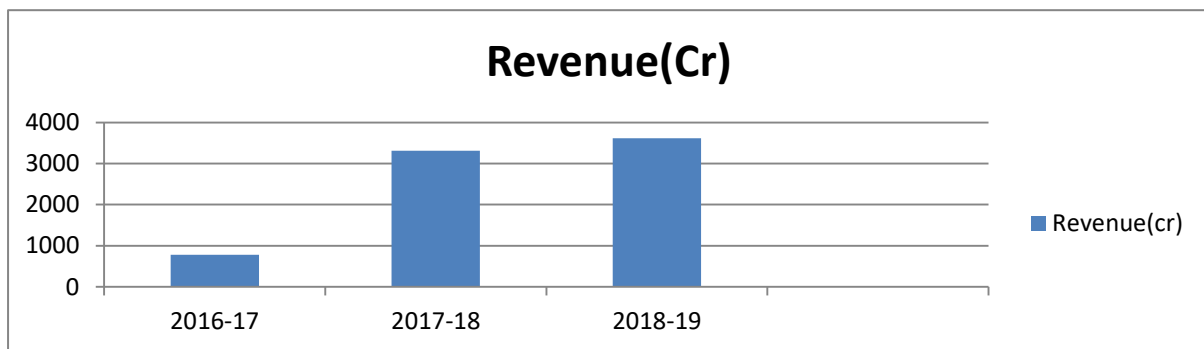
The company has raised a lot of money in the last 4-5 years from foreign investors. The Berkshire Hathway in August-2018 had invested in Paytm at valuation of 10 Billion dollar i.e ~ 68000 Cr. Recently, in the secondary round a few months back the company valued at 16 billion Dollar i.e. 1,12,000 Cr. The company in FY18-19 also issued ESOPs for weighted average fair price of INR 6823.

As on date, out of total paid-up capital, 83.04% (approx.) is held by Foreign Investor under Foreign Direct Investment scheme of RBI. The Foreign investors are One97 Communications Singapore Private Limited, One97 Communications Nigeria Limited, One97 USA Inc. One97 Communications FZ-LLC and Ciqal Limited. As on 31.03.2019, the company has 33 subsidiaries. Out of these, only 5 subsidiaries are in profit this year.

The Paytm being the fancied name in the Indian market still not able to generate the kind of return investors were looking at. The losses are mounting like a pine tree. It has increased to Rs. ~4000 Cr in FY18-19 from Rs. ~800 Cr in FY16-17. The Payment gateway expense, Marketing and business promotion, and Add expense contribute bulk of Paytm expense. In FY18-19, it has incurred an expense of 2253 Cr, 2823 Cr and 619 Cr respectively in above heads.



The most surprising part was the revenue growth in the year FY18-19. It was mere 6% as compared to last year which is the real concern.



With losses mounting and revenue not coming as desired, the path ahead is not easy for Paytm, especially when there is a big competition coming from players like Google Tej, and Phone-Pay.

Currently, the share is available in the unlisted market at Rs. 16000 per share, thereby giving a valuation of ~ 91000 Cr. Interested folks can drop as an email at [sales@unlistedzone.com](mailto:sales@unlistedzone.com) or whatsapp at 08010009625.

Paytm more detail can be accessed at <https://unlistedzone.com/shares/paytm-unlisted-share-price-market-value-today/>.