

IPO Note: Pine Labs Ltd.

Industry: Finance

Date: November 06, 2025

Issue Snapshot	
Company Name	Pine Labs Ltd.
Issue Opens	November 07, 2025 to November 11, 2025
Price Band	Rs. 210 – Rs. 221
Bid Lot	67 Equity Shares and in multiples thereof.
The Offer	Public issue of 17,64,66,426 Equity shares of face value Rs. 1 each, (Comprising of fresh issue of 9,41,17,647 Equity Shares* (Rs. 2,080.0 cr.) and Offer for Sale of 8,23,48,779 Equity Shares* (Rs. 1,819.9 cr.) by Selling Shareholder).
Issue Size	Rs. 3,809.3 - 3,899.9 Crores
IPO Process	100% Book Building
Face Value	Rs. 1.00
Exchanges	NSE & BSE
BRLM	Axis Capital Ltd., Morgan Stanley India Co. Pvt. Ltd., Citigroup Global Markets India Pvt. Ltd., J.P. Morgan India Pvt. Ltd., Jefferies India Pvt. Ltd.
Registrar	KFin Technologies Ltd.

Issue Break up		
QIB ex Anchor	30%	5,29,05,991
Anchor Investor	45%	7,93,58,987
HNI<Rs. 10 Lakhs	5%	88,17,665
HNI>Rs. 10 Lakhs	10%	1,76,35,330
RII	10%	1,76,35,330
Total Public	100%	17,63,53,304
Employee Reservation		1,13,122
Total		17,64,66,426

Equity Share Pre Issue (Nos. Cr.)	105.4
Fresh Share (Nos. Cr.)	9.4
OFS Share (Nos. Cr.)	8.2
Equity Share Post Issue (Nos. Cr.)	114.8
Market Cap (Rs. Cr.)	25,376.6
Equity Dilution	8.2%
Stake Sale by OFS	7.2%

Objects of the Offer

Offer for Sale

The Company will not receive any proceeds from the Offer for Sale by the Selling Shareholders. (up to 23,002,308 Equity Shares by Peak XV Partners Pine Investment Holdings, up to 8,808,097 Equity Shares by Actis Pine Labs Investment Holdings Limited, up to 8,747,787 Equity Shares by Macritchie Investments Pte. Ltd., up to 6,786,963 Equity Shares by PayPal Pte. Ltd., up to 5,925,004 Equity Shares by Mastercard Asia/Pacific Pte. Ltd., up to 3,212,971 Equity Shares by AIM Investment Funds, up to 3,018,784 Equity Shares by Madison India Opportunities IV, up to 2,413,491 Equity Shares by Lone Cascade, L.P., up to 2,221,277 Equity Shares by Lokvir Kapoor, up to 1,998,359 Equity Shares by Sofina Ventures S.A.)

Fresh Issue

- Repayment / prepayment, in full or in part, of certain borrowings availed of by the Company (Rs. 532 Cr);
- Investment in certain of its Subsidiaries, namely Qwiksilver Singapore, Pine Payment Solutions, Malaysia and Pine Labs UAE for expanding its presence outside India (Rs. 60 Cr);
- Investment in IT assets (Rs. 230 Cr), expenditure towards cloud infrastructure (Rs. 430 Cr), procurement of digital check-out points (DCP) (Rs. 100 Cr) and technology development initiatives (Rs. 760 Cr); and
- General corporate purposes and unidentified inorganic acquisitions.

Company Highlights

- Pine Labs Ltd. (PLL) is a technology company focused on digitizing commerce through digital payments and issuing solutions for merchants, consumer brands and enterprises, and financial institutions. Its advanced technology infrastructure helps to accelerate their digitization journey in India and a growing number of international markets including Malaysia, UAE, Singapore, Australia, the U.S. and Africa.
- PLL's Digital Infrastructure and Transaction Platform comprises in-store and online payment infrastructure, affordability, value added services (VAS) such as dynamic currency conversion and transaction processing, and financial technology (FinTech) infrastructure solutions and software applications.
- Its Issuing and Acquiring Platform comprises issuing, processing and distribution of prepaid solutions and engagement solutions, along with its unified issuing and acquirer processing platforms. Through its cloud-based software technology it helps digitize, simplify and make commerce more secure for ecosystem of merchants, consumer brands and enterprises, and financial institutions, ultimately empowering them to serve consumers and enable consumption.

- PLL's offerings enable multiple workflows for merchants, including digital payments, smooth integration with billing systems, rewards and loyalty program management, affordability for their end consumers, value-added services such as dynamic currency conversion, and digitizing their stores through business software applications. Consumer brands and enterprises use its Issuing solutions to offer prepaid cards for gifting, promotions, cashback, wallets, refunds, rewards, loyalty, company-issued expense cards for their employees and employee and channel incentives. It is a technology partner for financial institutions enabling payments acceptance at merchant stores, enabling acquiring at merchant stores, and enabling credit disbursement through its affordability solutions.
- In FY25, PLL processed payments of Rs. 11,424.97 billion in gross transaction value (GTV) and 5.68 billion transactions through its platforms. As of June 30, 2025, it had 988,304 merchants, 716 consumer brands and enterprises, and 177 financial institutions, who used its platforms to enable transactions quickly, securely and easily manage their business.
- It broadly categorizes its offerings into Digital Infrastructure and Transaction Platform and Issuing and Acquiring Platform, which it offers to merchants, consumer brands and enterprises, and financial institutions in India, Malaysia, the UAE, Singapore, Australia, the U.S. and Africa. The company sells and distributes solutions to merchants, consumer brands and enterprises, and financial institutions through direct sales, partnerships, and digital marketing.

View

- Pine Labs engages with various participants in its ecosystem. i.e. merchants, consumer brands and enterprises, financial institutions, consumers, and a growing number of partners such as business software providers. As the density of the ecosystem grows, the platform improves through more interactions and transactions, which creates more data for improved processes and solutions. The company's ecosystem enables monetisation opportunities with multiple participants across merchants, consumer brands, enterprises, and financial institutions.
- In India, the total market opportunity in terms of total payment value was ~ ₹116.8 trillion (US\$1.4 trillion) in FY 2025, having grown at a CAGR of 36% from ~ ₹25.2 trillion (US\$296 billion) in FY 2020. It is projected to grow further to ₹256-276 trillion (US\$3.0-3.3 trillion) by FY 2029 at a CAGR of 22-24% with increasing penetration of affordability solutions and card usage as the digital payment ecosystem across in-store and online matures.
- Pine Labs plans to continue investing to scale its existing offerings by scaling its distribution, innovating and evolving them alongside the customers' demands. The company plans to continue investing in its Digital Infrastructure and Transaction Platform, promote and cross-sell its offerings, including in-store and online infrastructure, affordability, VAS and transaction processing, and increase adoption of value-added services such as loyalty and analytics. The company will continue to expand its reach by increasingly focusing on the needs of the mid-market and small merchant base.
- Pine Labs intends to focus on IT assets and funding technological development initiatives. Further, the company plans to procure additional DCPs in line with an increasing presence at the point of sale, strengthen the core technological infrastructure, and invest in the innovation required to develop advanced financial products and services.
- Pine Labs plans to take its offerings global by focusing on selective markets. For example, the company's Issuing and Acquiring Platform has international appeal, as per the Redseer Report, and the company plans to continue to onboard clients in markets including Southeast Asia, the UAE, the US, and Australia. The company has also agreed with a major network partner to grow its affordability solutions across Southeast Asia.
- The company has successfully introduced a wide suite of commerce solutions through innovations and opportunistic inorganic acquisitions. The company started its journey by developing Plutus, a cloud-based payments offering. The company's platform facilitates payments by integrating with merchant software. Following its inorganic growth roadmap, which was employed in the acquisitions of Qwiksilver, Fave, Mosambee, QFix, Setu, Saluto, and Credit+, the company plans to pursue acquisitions or investments selectively to expand its business.
- In terms of the valuations, on the higher price band, Pine Labs demands Mcap/Sales multiple of 11.2x on FY25 Sales.

Prominent Ecosystem Partners



Revenue from Operations

	FY23	FY24	FY25	Q1FY25	Q1FY26
Digital Infrastructure and Transaction Platform	1,152.4	1,276.4	1,603.2	373.3	434.4
Issuing and Acquiring Platform	445.3	493.1	671.1	149.1	181.5
Total Revenue from operations	1,597.7	1,769.6	2,274.3	522.4	615.9

Key Performance Indicator

	FY23	FY24	FY25	Q1FY25	Q1FY26
Select Financial Metrics					
Revenue from operations (Rs. Cr)	1,597.7	1,769.6	2,274.3	522.4	615.9
- Digital Infrastructure and Transaction Platform Revenue (Rs. Cr)	1,152.4	1,276.4	1,603.2	373.3	434.4
- Issuing and Acquiring Platform Revenue (Rs. Cr)	445.3	493.1	671.1	149.1	181.5
Revenue from external customers – Outside India %	8.5%	10.9%	14.9%	15.2%	15.3%
Contribution Margin (Rs. Cr)	1,281.0	1,385.4	1,728.9	411.8	479.8
Contribution Margin %	80.2%	78.3%	76.0%	78.8%	77.9%
Adjusted EBITDA (Rs. Cr)	196.8	158.2	356.7	90.1	120.6
Adjusted EBITDA Margin (%)	12.3%	8.9%	15.7%	17.3%	19.6%

	FY23	FY24	FY25	Q1FY25	Q1FY26
Operational KPIs					
Platform Gross Transaction Value (Platform GTV) (Rs. Bn)	4,397.3	6,084.4	11,425.0	1,856.5	4,056.2
Digital Infrastructure and Transaction Platform GTV (Rs. Bn)	4,063.4	5,704.7	10,909.8	1,743.0	3,916.7
Affordability, VAS and Transaction Processing GTV (Rs. Bn)	1,002.8	1,420.2	2,011.6	479.0	592.8
Issuing and Acquiring Platform GTV (Rs. Bn)	333.9	379.6	515.2	113.6	139.6
Number of Transactions (billions)	2.57	3.44	5.68	1.12	1.75
Fintech Infrastructure Transactions (billions)	0.09	0.25	0.71	0.11	0.25
Digital check-out points (DCPs) (millions)	1.19	1.39	1.78	1.54	1.84
Number of Merchants (000's)	530.3	644.5	953.5	733.6	987.3
Prepaid Cards Issued (millions)	495.2	529.0	713.0	143.0	225.0

Financial Statement

(In Rs. Cr)	FY23	FY24	FY25	Q1FY25	Q1FY26
Share Capital	0.0	0.1	0.1	0.1	44.7
Net Worth	3739.0	3541.9	3506.2	3548.5	3565.5
Long Term Borrowings	154.0	113.6	47.2	96.6	33.7
Other Long Term Liabilities	396.3	217.9	208.6	196.7	204.6
Short-term borrowings	175.5	419.3	782.3	558.3	855.0
Other Current Liabilities	4898.4	5355.8	6171.5	5612.3	6245.4
Fixed Assets	2372.6	2141.6	1985.2	2103.6	1954.9
Non Current Assets	2350.1	407.3	489.4	411.9	544.4
Current Assets	6634.4	7099.6	8241.1	7496.9	8404.9
Total Assets	9363.2	9648.6	10715.7	10012.4	10904.3
Revenue from Operations	1597.7	1769.5	2274.3	522.4	615.9
Revenue Growth (%)		10.8	28.5		17.9
EBITDA	5.4	(24.9)	218.4	52.5	44.7
EBITDA Margin (%)	0.3	(1.4)	9.6	10.0	7.3
Net Profit	(265.1)	(341.9)	(145.5)	(27.9)	4.8
Net Profit Margin (%)	(16.6)	(19.3)	(6.4)	(5.3)	0.8
Earnings Per Share (Rs.)	(2.7)	(3.5)	(1.5)	(0.3)	0.1
Return on Networth (%)	NA	NA	NA	NA	0.2
Net Asset Value per Share (Rs.)	(18.0)	(20.6)	(22.4)	(20.7)	22.7

Source: RHP, Ashika Research

Cash Flow Statement

(In Rs. Cr)	FY23	FY24	FY25	Q1FY25	Q1FY26
Cash flow from Operations Activities	(152.4)	(229.0)	49.7	(95.1)	(281.2)
Cash flow from Investing Activities	(370.8)	45.0	(159.2)	(22.0)	(33.0)
Cash flow from Financing Activities	2.3	(219.5)	(201.1)	(24.8)	(123.3)
Net increase/(decrease) in cash and cash equivalents	(520.9)	(403.5)	(310.5)	(142.0)	(437.6)
Cash and cash equivalents at the beginning of the year	1547.1	1026.3	882.1	882.1	951.5
Cash and cash equivalents at the end of the year	956.0	555.6	245.2	413.7	(192.9)

Source: RHP

Comparison with Listed Industry Peers

Co Name	Net Sales (Rs. Cr.)	OPM (%)	D/E (x)	ROCE (%)	RONW (%)	P/E (x)	P/BV (x)	EV/EBIDTA (x)	MCap/Sales (x)	Market Cap (Rs. Cr.)
Pine Labs Ltd.	2274.3	9.6	0.1	4.1	-2.6	NA	4.5	145.0	10.3	25376.6
One97 Communications Ltd.	6887.6	-11.3	0.0	-4.4	-5.5	269.2	5.6	376.8	11.1	81483.0
Zaggle Prepaid Ocean Services Ltd.	1303.8	10.8	0.0	13.2	9.8	51.4	4.0	27.9	3.6	4998.9

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