

PayMate Company Profile

<https://paymate.in/index.html>

Company Overview

PayMate, established in May 2006, is a leading provider of B2B payments for Enterprises and SMEs across supply chains. The platform offers a digital workflow tied to payments, ensuring better control, transparency, improved cash flows, and end-to-end reconciliation. This enhances the experience for Enterprises and SMEs in closed-loop supply chains.

PayMate has a presence in South Asia (India) and UAE and is actively expanding across CEMEA and APAC.

PayMate partners with major Visa commercial card-issuing banks to streamline credit for payables and receivables, replacing traditional cash, cheque, and EFT with card payments. This offers risk-mitigating benefits for banks and allows buyers more time to pay.

The platform boasts features such as Procure to Pay automation, credit assessment, and a discount marketplace. It also provides APIs for seamless integration into existing accounts or ERP systems. Being cloud-based, it's accessible on all devices, ensuring a smooth deployment process.

PAYMENT AUTOMATION

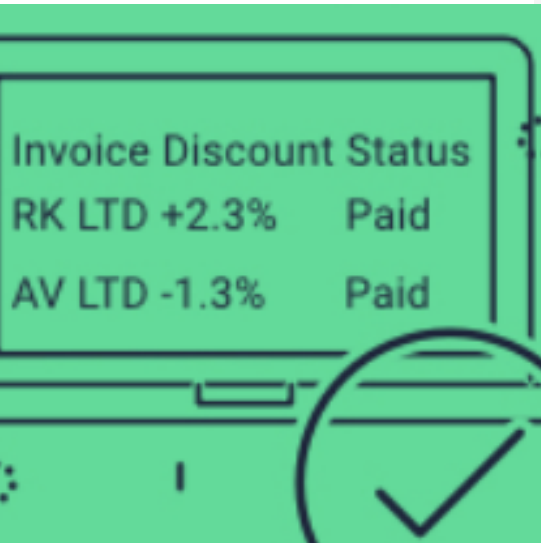
It streamlines vendor and tax payments, offering benefits such as:

- Simplified supplier onboarding with bulk upload and E-KYC.
- Early vendor payments with commercial credit cards, extending payable days.
- Single login for GST payments with commercial credit cards.
- Direct tax payments, utility bill payments, and seamless payment collection via email and WhatsApp.
- Customizable approval workflows and automated reconciliations.
- Real-time reports for instant visibility into cashflows and transaction history.

PROCURE-TO-PAY

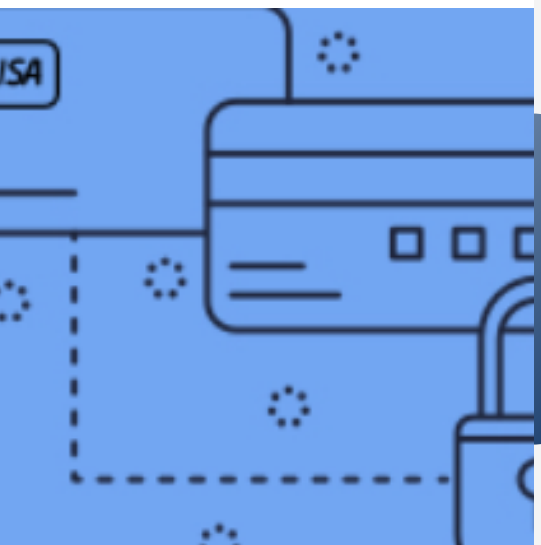
PayMate's Procure-to-Pay facilitates seamless API integrations with existing ERPs, digital approval of procurement tasks, and real-time status tracking for increased efficiency in payment processing and reporting using commercial credit cards.

INVOICE DISCOUNTING MARKETPLACE



PayMate's Invoice Discounting Marketplace enables real-time discount negotiations and seamless ERP integrations, offering suppliers early vendor payments in exchange for invoice discounts and same-day payment processing using commercial credit cards.

CREDIT ENGINE



PayMate's Credit Engine provides AI/ML-driven credit analysis, cash flow and seasonality evaluation, and fully automated, high-accuracy credit assessments for businesses, including SMEs.

RBI DIRECTORY - Recent news

(15 Feb 2024) The Reserve Bank of India (RBI) has issued a press release stating that card-based business-to-business payments, facilitated through payment intermediaries, have been ceased due to violations of the Payment and Settlement Systems Act of 2007.

Under its BPSP (Business Payments Solution Provider) program, Visa collaborates with FinTechs to offer services that enable Business-to-Business (B2B) payments through card rails. Consequently, fintech startups such as Paymate, EnKash and others have been instructed by Visa, the card network, to halt their provision of business payment services through commercial cards.

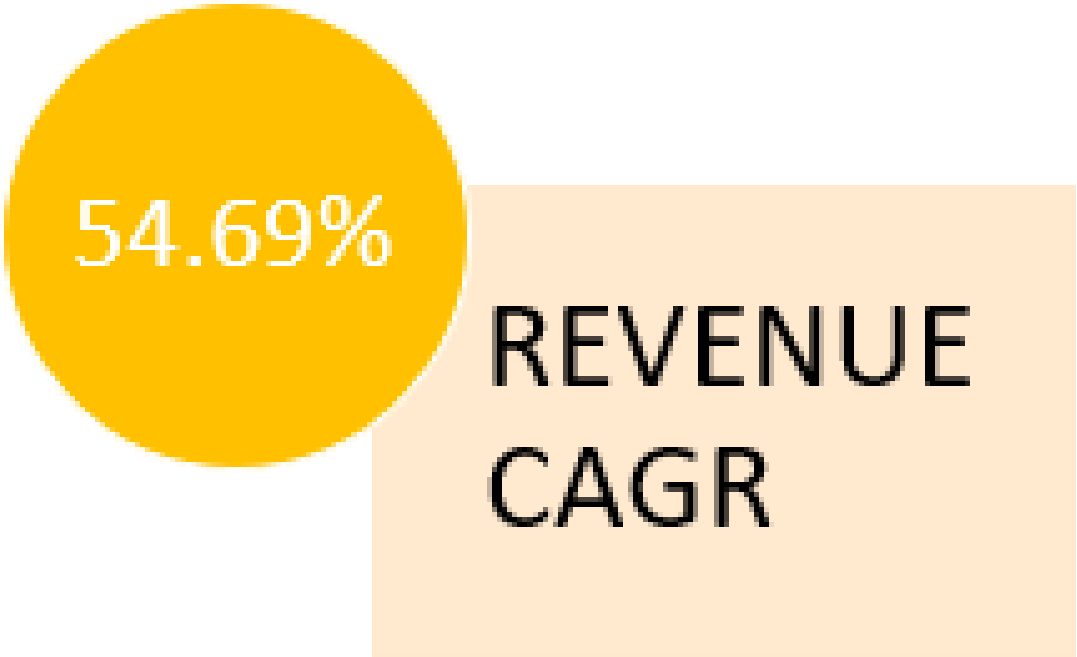
RBI recently addressed concerns, stating that intermediaries were accepting payments from corporates for their commercial transactions and transferring the funds to recipients not authorized to accept card payments. Transactions processed under this arrangement also did not comply with the originator and beneficiary information requirements, as stipulated under the Master Direction on KYC issued by the Reserve Bank.

FINANCIALS

KEY PERFORMANCE HIGHLIGHTS

Values in Crores

Financials	31st March, 2023	31st March, 2022	% Increase
Revenue	1351.59	1209.22	11.77%
PAT	-55.72	-57.73	3.48%
EPS	-9.69	-10.65	
EBIT	-55.17	-57.74	



PayMate has achieved a remarkable 54.69% Compound Annual Growth Rate (CAGR) in revenue over the last four years, signalling consistent and strong business expansion.

VALUATIONS

KEY PERFORMANCE INDICATORS.

Valuation	March 31st, 2023
Share Price	549
Outstanding shares	5,76,68,782*
MCAP	7000 (Approx.)
P/E Ratio	-56.66
P/S Ratio	5.18
P/B Ratio	3.19

*Excluding preference shares

KEY RATIOS

KEY PERFORMANCE HIGHLIGHTS

Ratios	31st March, 2023	31st March, 2022
Current Ratio	1.39	4.72
Debt-Equity Ratio	0.20	-
Return on Equity	-322.64%	124.53%
Return on Capital Employed	-328.30%	-124.61%

Management

Name	Designation	Role
Mr Ajay Adiseshan	Founder and CEO	He directs strategic planning, growth, fosters investor relationships, product innovation.
Mr Vishvanathan Subramanian, CA	CFO and Director	He oversees departmental collaboration, operational, financial, and risk management activities, and legal and financial compliance.
Mr Rakesh Khanna	Chief Commercial Officer	20 years of expertise in the industry, leading Visa's Business Solutions for the CEMEA region.
Mr Sanjit Bose	Global Head of Solutions & Partnerships	18 years of experience including leadership roles at Boost Payments, Amex, and Visa, focusing on Commercial Product, Merchant payments, and Sales.

SHAREHOLDING

The shareholding pattern of the Company is as follows:

SHAREHOLDING PATTERN	Number of shares	Percentage
Promoters	3,38,07,050	58.62%
Public/Other than promoters: Individual	1,94,62,068	33.75%
Body corporate	43,99,634	7.63%

Total number of shareholders (Promoters + Public / Other than promoters) : 281

Institutional Investor	First Investment Date	Investment Amount
Felicitas Global Partners	August 24, 2021	\$4.03M
Astor Management	August 24, 2021	\$4.03M
CXI Valley I	August 24, 2021	\$4.03M
Visa	April 23, 2019	\$25M
Brand Capital	April 23, 2019	\$25M
Recruit Strategic Partners	April 23, 2019	\$25M
IPO Wealth	October 12, 2017	\$2.49M



PayMate is valued at approximately \$804 million as of April 30, 2022.

PEER COMPARISON

COMPANIES	REVENUE	PAT	EPS	MCAP	P/S	P/B
PayMate	1351.59	-55.72	-9.69	7000*	5.18	3.19
PayTM	8400	-1776.65	-27	27710	9.71	2.08

IPO PLANS

PayMate's chairman and managing director, Ajay Adishesan, revealed that the company is gearing up for an Initial Public Offering (IPO) within the next six to nine months - announced in October 2023. He highlighted several positive developments setting the stage for the IPO, including contractual wins, global expansion efforts, and ongoing implementation and execution activities.

The Draft Red Herring Prospectus (DRHP) for PayMate's Initial Public Offering (IPO) was initially released on May 30, 2022.

FRESH ISSUE: ₹1,125 CRORE

OFFER-FOR-SALE: ₹375 CRORE.

SEBI had advised PayMate to refile its prospectus.

PayMate managed to **reduce its consolidated net loss** by 3.5% to INR 55.7 Cr in FY23, compared to INR 57.7 Cr in FY22. The company's operating revenue grew by 11.7% to INR 1,350.1 Cr in FY23.

PayMate's **total expenses** rose by 11% to INR 1,407.3 Cr in FY23 from INR 1,266.9 Cr in FY22. Notably, 95% of these expenses were attributed to the cost of materials.

- The company spent INR 1,339 Cr on materials consumed, marking an 11% increase from INR 1,207.5 Cr in FY22.
- Employee benefit expenses slightly increased by 1.6% to INR 50.5 Cr in FY23 from INR 49.7 Cr in FY22.
- Advertising promotional expenses more than tripled to INR 1.3 Cr in FY23 from INR 44.7 Lakh in FY22.

The company reported a notable increase in sales in FY23, with an 84.53% surge in customer adoption, totalling over 390,000 customers. PayMate has a strong customer base in India and the UAE and is now expanding to CEMEA and APAC regions. In FY23, PayMate recorded a total payment volume of INR **84,519** Cr, marking a **21%** YoY increase.

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