

November 7, 2025

A Digital Commerce Integrator ...

About the Company: Pine labs is a technology focused company digitising commerce through digital payments and issuing solutions for merchants, consumer brands and enterprises and financial institutions. Its customer base comprises of ~988,304 large, mid and small sized merchants, ~716 consumer brands and enterprises, and ~177 financial institutions in India and across select international markets such as Malaysia, UAE, Singapore, Australia, U.S and Africa.

Key Highlights:

- Strong partnership across sectors: Pine labs serves an ecosystem spanning across merchants in key verticals such as department stores and retailers, supermarkets, e-commerce, restaurants, grocery, lifestyle, consumer electronics, healthcare, travel, hospitality as well as financial institutions and banks along-side new age technology companies. Through its suite of offerings, it has developed deep partnerships with marquee consumer brands and enterprises such as Croma, HDFC bank, LG Electronics, Trent, HPCL, Apollo Pharmacy, among others.
- Multi-faceted business model: The company broadly classifies its offerings into a) Digital infrastructure and transaction platform (~71% of revenue): This segment comprises i) in-store and online infrastructure: In stores, the point of sales (POS) machines used to pay with card or phone and for online transactions, its payment gateway 'plural' secures transactions. ii) affordability, VAS and transaction processing. Here, pine labs helps high-value purchases more accessible to consumers by offering flexible payment options like BNPL (Buy now, pay later). iii) Fin Tech infrastructure solutions for financial institutions. Then the balance 29% revenue is from b) Issuing and acquiring platform: Through this business it enables consumer brands and enterprises to create pre-paid products that help them drive sales and enables financial institutions to issue credit, debit, forex and prepaid instruments to their end customers.

Our View & Rating

- Pine labs has delivered a healthy revenue CAGR of 19% over FY23-25 with EBITDA margin at 9.6% for FY25 while it posted loss at PAT level. The company is a play on India's digital commerce which has structural growth runway while regulatory and competition risks are concern. At upper price band on post issue capital, the issue is priced at 11x price to sales on FY25 basis and at EV/EBITDA of 51x. **We assign UNRATED rating on Pine labs.**

Key risk & concerns

- Regulatory risk with oversight and inspection by the RBI and the ReBIT (Reserve Bank Information Technology Private Limited).
- Competition and ability to retain top customers.

Key Financial Summary

Key Financials	FY23	FY24	FY25	Q1FY26	2 year CAGR (FY23-25)
Revenue	1,598	1,770	2,274	616	19.3
EBITDA	5	-25	218	45	538.6
EBITDA Margin (%)	0.3	-1.4	9.6	7.3	
PAT	-265	-342	-145	5	NM
EPS (Rs.)	NM	NM	NM	NM	
PE (x)	NM	NM	NM	NM	
Price to sales (x)*	15.9	14.3	11.2	10.7	
RoE (%)	NM	NM	NM	NM	

Source: RHP, ICICI Direct Research;

* annualised



IPO Details

Issue Details

Issue opens	7th Nov 2025
Issue closes	11th Nov, 2025
Issue size	₹3,900 crore
QIB (Institutional) Share	75%
Non Institutional Share	15%
Retail share	10%
Issue Type	fresh issues of 9.41 crore shares and offer for sale of 8.23 crore shares at upper price band
Price band (₹/share)	₹210-221
Market Lot	67 shares
Face value	₹1
Bid lot	67 shares
Listing Market Cap @ Upper Price Band	₹25377 crore

Shareholding pattern

	Pre-Issue (%)	Post-Issue (%)
Promoters	0.0	0.0
Public	100.0	100.0
Total	100.0	100.0

Objects of the issue

- Repayment of borrowings
- Investment in subsidiaries, IT assets, cloud infrastructure, and general corporate purposes.

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Subscribe: Apply for the IPO

Avoid: Do not apply for the IPO

Unrated: No View on applying for the IPO

Subscribe only for long term: Apply for the IPO only from a long term investment perspective (>two years)



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