

Q2 2023

1. Financial Performance

- **Narrative:** Management provided revenue guidance, indicating strong growth expectations. Specific targets included Transaction Processing Value (TPV) of INR 4.0 lac crore and Gross Revenue of INR 1,600-1,700 crore. Further, a 15% revenue increase by the end of FY2023 was targeted through platform enhancements and market expansion. There's also mention of exceeding stated revenue and operating guidance. International revenue is expected to contribute 25-30% of total revenue within the next two years, up from less than 5% currently. A TPV guidance of \$100 billion by the end of FY24 was also given, with CCAvenue TapPay expected to contribute 25% of that. The company's TPV is nearly doubling year-on-year. Management provided EBITDA guidance of INR 170-190 crore and PAT guidance of INR 110-125 crore for FY23. Standalone profit after tax was INR 47 crore (including DRC Systems sale impact), while consolidated PAT was INR 40 crore.

- **Management's Guidance:**

- ac0591c08b3d97f3a453b8e14e082cbe, c4d13f364dafb51fe109d95f918dc9c0, 9980066bbac741df59c012e27b2444a8, 8dc2b92341f89e684271c6270dd696e7, 792361d79e969215fd8134c81d9b60f6, 12f0e06bfcceead837e5f38b4b6f7d60, b311c0c11a96935725a094607813aa36, 7f9cd754f16c855541715234dbb26745, 78ba99242d9286e416abe13237ec7cc3, a8c83eb5e70b23d56e320c3b67f6bbe7, ec01b145c6b7a8f2f6e85bc1d78b8b7e, ba882f636021d8634e147f695755241e, 1fbcd8bdbcb88096e60b0de31adaa525a

- **Actual Results:**

['Q1', '2024']:

- Gross Revenue reached INR 742 crore (77% YoY increase). TPV was INR 1.2 lac crore (27% YoY increase). Payments Net Transaction Revenue (NTR) increased by 16% YoY to 8.4 bps. Adjusted EBITDA was INR 56 crore (31% YoY increase) and adjusted PAT was INR 32 crore (40% YoY increase). These results, from Q1 2024, significantly surpass the initial Q2 2023 targets.

['Q4', '2023']:

- In Q4 FY23, Gross Revenue was INR 608 crore (84% YoY increase), TPV was INR 1,34,422 crore (63% YoY increase), and Net Revenue was INR 80 crore (27% YoY increase). For FY23, Gross Revenue was INR 1,787 crore (53% YoY increase), TPV was INR 3,98,054 crore (55% YoY increase), and Net Revenue was INR 287 crore (28% YoY increase). Profit After Tax was INR 37 crore in Q4 FY23 (41% YoY increase) and INR 136 crore for FY23 (94% YoY increase).

['Q2', '2023']:

- Infibeam's Q2 2023 results showed a TPV exceeding INR 1 lac crore for the first time. Standalone Gross Revenue was INR 435 crore and Consolidated Gross Revenue was INR 477 crore. Consolidated Total TPV was INR 92,612 crore. India Payments TPV grew 18% YoY to INR 45,364 crore. Consolidated PAT was INR 40 crore. Standalone profit after tax was INR 47 crore (including DRC Systems sale impact). The company's TPV nearly doubled year-on-year.

['Q3', '2023']:

- In Q3 2023, Infibeam reported a TPV of 95,604 crore INR, representing a 27% YoY growth. Gross revenue was 415 crore INR, a 4% YoY increase. Net Revenue (NR) was 85 crore INR, a 21% YoY growth. EBITDA was 48 crore INR, a 26% YoY increase. Profit After Tax (PAT) was 35 crore INR, a 47% YoY increase. Other sources corroborate these figures, with slight variations.

- **Evaluation:**

- {'evaluation': 'Partially Met expectations', 'evaluation_reason': 'While Q2 2023 results showed TPV exceeding INR 1 lac crore and positive PAT, the gross revenue figures fell significantly short of the guided INR 1,600-1,700 crore. Further information is needed to fully assess performance against other guidance metrics within the context of the full fiscal year.'}

2. Market Position

- **Narrative:** Management expressed a desire to increase market share in payments by focusing on offline merchants and improving shareholder returns. Infibeam is actively expanding its merchant base, adding over 8,500 merchants daily. The merchant count increased 77% to 7.3 million in Q2 2023. They aim to reach over 10 million merchants in the next two years. CCAvenue TapPay deployments are expected to reach 100,000 terminals by the end of FY23 and 1 million by the end of FY24. Tens of thousands of international merchants are expected to be added through TapPay.

- **Management's Guidance:**

- 792361d79e969215fd8134c81d9b60f6, 8dc2b92341f89e684271c6270dd696e7, 92c4ecf45ebc0ae5416a2186d8e10f9d, ba882f636021d8634e147f695755241e, 0262d0b6616128505f30efa320a1a140, 4897e37f3adb4b3c3194fed4486ac03, 5926b54584a2c1355f9a10f9d50f1a42, 9a2060707ed972b7f6c8879ba16e0827, d7202257e63c2d13a9d54daa7f35592b

- **Actual Results:**

['Q1', '2024']:

- The number of merchants reached 10 million, exceeding the two-year target. CCAvenue TapPay downloads crossed 300,000 by the end of Q1 FY24, significantly exceeding the FY23 target of 150,000. Daily merchant additions averaged 9,500.

['Q4', '2023']:

- In Q4 FY23, Infibeam added 3.5 million merchants during FY23 (approximately 9,500 merchants daily), bringing the total to 9.2 million.

['Q2', '2023']:

- In Q2 2023, Infibeam's merchant count increased 77% to 7.3 million. Over 15,000 CCAvenue TapPay terminals were deployed.

['Q3', '2023']:

- In Q3 2023, Infibeam added 1.1 million merchants, reaching a total of 8.4 million merchants, representing a 72% year-over-year increase. Daily average merchant additions increased significantly. The number of merchants in the payment gateway business grew by 385% year-over-year. Specific figures for CCAvenue TapPay deployments were not provided in the available Q3 data.

- **Evaluation:**

- {'evaluation': 'Partially Met expectations', 'evaluation_reason': 'While the merchant count significantly increased and TapPay deployments occurred, the rate of merchant addition and TapPay terminal deployment were below the ambitious targets set for the full year.'}

3. Operational Efficiency

- **Narrative:** Management discussed plans to deploy CCAvenue TapPay across at least 100,000 implementations this year and scale it to one million or more next year.

- **Management's Guidance:**

- 1fbcd8bdbcb88096e60b0de31adaa525a

- **Actual Results:**

['Q1', '2024']:

- While specific numbers for TapPay deployments aren't directly stated for Q1 2024, the significant increase in downloads to over 300,000 indicates progress toward the ambitious target. Further information is needed to assess performance against the 100,000 FY23 target.

['Q4', '2023']:

- No specific data on TapPay deployments in Q4 FY23 is provided in the available data.

['Q2', '2023']:

- In Q2 2023, over 15,000 CCAvenue TapPay terminals were deployed.

['Q3', '2023']:

- The provided Q3 data does not contain specific figures on CCAvenue TapPay deployments. However, it mentions that 50,000 to 100,000 installations were completed in Q3 and that it is growing rapidly.

- Evaluation:

- {'evaluation': 'Did not meet expectations', 'evaluation_reason': 'The Q2 2023 deployment of over 15,000 CCAvenue TapPay terminals represents a small fraction of the 100,000 target set for the full fiscal year.'}