

Findi Ltd, through its subsidiary TSI India, Signs Strategic Deal to Acquire Tata Communications' White Label ATM Business

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Transaction Solutions International (India) Pvt Ltd (TSI) – a majority owned subsidiary of Australian digital payments and financial services provider Findi (ASX: FND) today announced that it has entered into a Share Purchase Agreement (SPA) to acquire 100% stake in Tata Communications Payment Solutions Ltd (TCPSL), a wholly owned subsidiary of Tata Communications. The deal has been signed for a total amount comprising of ₹ 330 crores (A\$59.1 Mn), an additional amount reflecting the interchange rate adjustment specified in the SPA, which is estimated to be up to ₹ 75 crores (A\$13.4 Mn), and is subject to customary adjustments as specified in the SPA. This deal is subject to regulatory approvals, including approval from the Reserve Bank of India and completion of other conditions precedent as agreed between Tata Communications and TSI under the relevant transaction documents.

The deal is a part of TSI's strategic growth plan to deliver the full suite of financial service solutions to India's underbanked, and accelerate its own transformation into a full-fledged payments bank. Launched in 2005, TSI operates a brown label ATM business, partnering with 12 public and private sector banks (including SBI, CBI, PNB and HDFC), and has experience of managing backend operations for 10,000+ white label ATMs over the last 8 years. It also enables payment services through its network of 40,000+ merchants via the brand FindiPay (started 2018).

Established in 2008, TCPSL has been a part of Tata Communications' broader portfolio. In 2013, TCPSL [unveiled Indicash](#), India's first-ever network of white label ATMs, in line with the Reserve Bank of India's vision to accelerate growth and increase ATM penetration across the country. Today, TCPSL owns and manages one of the largest network of white label ATMs in the country.

In addition to delivering over 4,600 operating Indicash ATMs to TSI's existing network of 7,500+ brown label ATMs in India, this proposed acquisition by TSI will provide it with a white label ATM platform with WLA licence, payments switch, and an additional 3,000 ATMs to be deployed — providing it additional scale. It will also enable TSI to deploy white label ATMs into its FindiPay merchant outlets, driving product and service innovation across the FindiPay business and delivering market-leading customer experiences.

Deepak Verma, MD and CEO, TSI said: “The acquisition of TCPSL bolsters our commitment to driving financial empowerment to the underserved. TCPSL’s existing and upcoming ATMs significantly improve our penetration, especially in rural areas. The addition of payment switch capability enhances our service delivery, enabling us to deliver cash and related financial services seamlessly. We foresee strong synergies between White Label ATMs and our existing FindiPay merchant network, empowering our merchants to expand their services and better serve underbanked communities.”

As Tata Communications continues to invest in high-growth areas, this thoughtfully planned proposed divestment by Tata Communications aligns with its long-term vision to focus on its core strengths, further consolidating its leadership in communications technology. With a clear focus on innovation, Tata Communications aims to increase its competitiveness across Digital Fabric including network, cloud and cybersecurity, IoT, interactions and media services.

Kabir Ahmed Shakir, CFO, Tata Communications, said: “The payments solutions sector, a non-core business, operates under different dynamics compared with our traditional or primary offerings. This strategic step will allow us to double down on our core areas of expertise that align with our long-term objectives, while unlocking value and improving profitability. In TSI, we are confident that we have found the right partner to take this business to new heights.”

Both companies are confident that this decision will contribute positively to their long-term financial goals, leading to enhanced shareholder value and continued growth; and are committed to ensuring a smooth transition for employees, customers, and partners.

For further information, write to us at corporate@tsiplc.com