

FINO PAYMENTS BANK - 6TH ANNUAL GENERAL MEETING

- **Basavraj Loni - Company Secretary & DVP-Legal, Fino Payments Bank:**
- Good morning. Company Secretary of Payments Bank. Welcome all of you to the 6th Annual General Meeting of Fino Payments Bank. I am attending this meeting from the Registered Office of the bank, at Juinagar, Navi Mumbai, Maharashtra. This meeting is being held through video conferencing in compliance with the relevant provisions of Companies Act 2013. SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 read with relevant circulars issued by MCA and SEBI in this regard.
- Please note that all members joining this meeting are, by default put on mute mode for seamless conduct of the meeting. The members who have registered as a speaker for the meeting will be unmuted at the appropriate time and will be called by their name to give their suggestions, ask desired questions with respect to business operations, financial performance of the bank. The participation of members through video conferencing is being recon for the purpose of quorum as per circular issued by MCA and section 103 of the Companies Act 2013.
- If member face any challenges in participating voting in the AGM, they may contact helpline number of NSDL as mentioned in the AGM notice, please also note that all necessary register such as register of members, register of directors and KMP, register of contract and arrangements in which directors are interested extra and other documents as required under Companies Act 2013 are kept open for inspection. We will be able to provide a copy of the same through email based on request.
- I would like to inform the members that the board has approved the appointment of Mr. Suresh Kumar Jain, Independent Director of the bank as part time Chairman, subject to approval of RBI and the bank is awaiting RBI approval on the same since presently the bank does not have a permanent Chairperson, I would request Board of Directors to elect one among themselves as the Chairman for this AGM in accordance with clause 80 of the Articles of Association of the Bank.
- **Dina Mehta - Independent Director, Fino Payments Bank:**
- I propose that Mr Jain be appointed as Chairman
- **Rajat Kumar Jain - Independent Director, Fino Payments Bank:**
- I will second that appointment. I second. Thank you.
- **Prakash Iyer - Independent Director, Fino Payments Bank:**
- I also second that.
- **Basavraj Loni - Company Secretary & DVP-Legal, Fino Payments Bank:**
- There are more than 45 members are present in the AGM as of now, which is well about the requisite quorum requirement. Now. I cordially invite Chairman Mr.

Suresh Kumar Jain to preside over the meeting and address to the members. Over to you, Chairman Sir.

- **Suresh Kumar Jain - Independent Director, Fino Payments Bank:**
- Thank you, Mr. Basavraj. Good afternoon, ladies and gentlemen. At the outset, I would like to convey my sincere gratitude to the directors for electing me as the Chairman of this AGM. It's a great privilege and honour for me to welcome you all, to this sixth (6th) annual general meeting of Fino Bank, which incidentally happens to be first AGM after IPO. As informed by Company Secretary, the requisite quorum is present. I now call the meeting to order.
- Before we start the main proceedings of the meeting, let me introduce our esteemed directors and senior officials of the bank, who are present through video conferencing.
- First of all, I, myself, I am Independent Director of the bank and Chairperson of the Nomination and Remuneration Committee and also Chairperson of Stakeholders Relationship Committee.
- We have Madam Deena Asit Mehta. She's an Independent Director of the bank, and the Chairperson of Audit and CSR Committee.
- We have Mr. Rajat Kumar Jain, he is an Independent Director of the bank and Chairman of the IT Strategy Committee.
- We have Mr. Rakesh Bhartia, he's an Independent Director of the bank.
- We have Mr. Avijit Saha, who is the Nominee Director in the bank.
- We have Mr. Prakash K Iyer, he is an Independent Director of the bank.
- We have Mr. Rishi Gupta on my right side. He's the Managing Director and CEO of the bank. There are senior bank officials who are present. Another person present with me is Mr. Ketan Merchant, he is the CFO of the bank.
- I have Mr. Ashish Ahuja, he is the Chief Operating Officer of the bank.
- Besides the above people, we also have Mr. Tushar Kurani, from M/s. MSKC and Associates, the Statutory Central Auditors of the bank, he is attending the meeting through VC.
- We have Mr. Dinesh Kumar Deora of M/s. DM & Associate Company Secretaries LLP, the Secretarial Auditor of the bank, he is attending the AGM through VC.
- We have with us Mr. Tribhuvneshwar Kaushik of M/s. Kaushik Joshi and Company, Practising Company Secretaries, the scrutinizer appointed by the board to scrutinize the e-voting process. He is attending the AGM through VC.
- Members may please note that the e-voting facility for casting vote during the AGM is open now, and will be available until 30 minutes. Let me repeat 30 minutes after the conclusion of the AGM. To those shareholders who have not already voted by means of remote e-voting. The AGM notice and complete set of annual reports for

financial year 2022, comprising of Board's Report, Report on Corporate Governance, Report of Auditors, Financial Statements etc. have been circulated to the members electronically well in advance.

- With your permission. I take the AGM notice as read. We are pleased to inform that there are no qualifications, observations or comments on financial transactions or other matters in the statutory auditor's report and secretarial auditors report having any adverse effect on the functioning of the bank. Hence, it is not required to be read at the meeting in terms of the Companies Act 2013 and secretarial standard issued by ICSI.
- Ladies and gentlemen, I would like to take this opportunity to thank you all for the support you have shown during bank's IPO and continuing such support during its journey as a listed entity also. Let me now briefly talk about overall economic, banking ecosystem today, Fino's journey so far and its way forward. India has emerged as the fastest growing economy in the world and is expected to be one of the top three economic powers globally over the next 10 to 15 years, backed by its sound fundamentals, strong partnerships and robust democracy. Biggest strength of our economy is that it's primarily a domestic demand driven economy, with consumption and investments contributing 70% to the country's economic activity.
- Over the years, the government of India has introduced many reforms and initiatives to strengthen the nation's economy. India today is in the midst of a technological revolution. As more and more people are adopting technology at a rapid pace. What's heartening to see is that even a small vendor on the street is feeling comfortable to use the technology. The Jan Dhan, Aadhaar and Mobile trinity, which we call it JAM has proved to be a game changer in reaching to the farthest corner of the country. Consequently, Fino has been able to create a deep differentiation across its core offering. Our mission has had to be to bring people at bottom of pyramid to the mainstream economy and we continue to strive towards the goal.
- Amongst all sectors after agriculture and food. Banking by far is the most dominant segment of the financial system and plays a pivotal role in the development of sound economy. A healthy banking system, besides providing necessary architecture for facilitating economic growth also serves as a strong repository of liquidity. The concept of payment banks, as you're all aware, was introduced by Reserve Bank of India in the year 2014. The idea behind this concept was to give banking license to FinTech companies, and provide banking services to the unserved and underserved population of India. It is then Fino Payments Bank started its journey and eventually started its operation in June 2017. The license allowed your bank to have its own customers and develop its own product offerings, initial version of Fino to enable a dignified and fulfilling banking experience for one and all, and also encourage banking services amongst unreached, unbanked section of the society, which do have bank accounts, but had to travel a long distance for basic services such as deposit, withdrawal etc.
- Fino's vision was to make banking available at their doorstep. Asset like Phygital network based on distribution, technology and partnership framework emerged as your bank's biggest strength to focus on last mile delivery. The strategic decision to put partner with the small business owners, which is over 1 million plus merchants

across more than 90% PIN codes in India, as a banking outlet turned out to be a game changer. The COVID period was a test of the capability of your bank's network. As the pandemic forced faster execution of business continuity plans, your bank staff and merchants ensured uninterrupted banking services and emerged as saviours to millions of people by providing doorstep access to the cash. I express my gratitude to all the COVID warriors for their dedication and selfless contribution to the society in these testing times.

- Ladies and gentlemen, because of continued support from all our stakeholders, the bank had been able to achieve profit in quarter four of Financial Year 19-20 and continues to be in profit since then, in every subsequent part. For any business, continuous innovation is critical to stay relevant and achieve sustained growth. Riding on the growing network, innovative products and mutually beneficial partnerships, your bank has grown from strength to strength during Financial Year 21-22 registering 109% growth impact, and over Rs. 1000 Crore plus revenues. Our teams rededicate themselves to registers similar growth in future too. To commemorate the Aazadi Ka Amrut Mahotsav, 50,000 women SHG members were dedicated to nation as BC Sakhi in rural areas. I'm pleased to say that we are running programs with the UP Government BC Sakhi program and in Bihar Jivika program, where women doorstep bankers are playing a pivotal role in offering financial services to the community. Today 10% of our merchant networks are women bankers. Our vision to take always available banking services to every nook and corner of the country is exemplified by your banks, gali -gali Fino thought process.
- The management team has built a de-risked and diversified business model and is working towards achieving a holistic business inclusion for the bottom most strata of the society. The bank will be focused on driving customer ownership through CASA accounts and leveraging to cross sell in years to come. While this will provide bouquet of products to our valued customers at their doorsteps, it will add to the bottom line of your bank too. Fino 2 digital journey has just begun. Requisite infra is being built up to capitalize on the journey so far and opening lot more opportunities for enhancing the customer segment. For that your bank will continue to invest in technology in line with the changing requirements from time to time.
- People at your bank are passionate about bank's vision and are committed to achieve it. Capacity building continues to be another focus area and development of human relations within the bank. The management is well advice and guided by a high calibre board, which provides sound guidance, and is strongly committed to the highest level of governance. Conscious of our responsibility toward ESG. Besides various other initiatives, we have delivered paperless banking since our inception. By leveraging our robust technology, we will continue to do so
- On behalf of Fino board, I would like to thank each one of the stakeholders for their strong and continued support. We are confident that the bank is on the right path and is well poised to deliver superior stakeholder value in future. I'm thankful to Government of India, our regulators the Reserve Bank of India, Securities and Exchange Board of India and also stock exchanges for their guidance, support from time to time. Our philosophy on corporate governance continues to be driven towards value creation for all the stakeholders of the bank and the board as well as management remains committed towards this. As mentioned earlier, Fino is the first

payment bank which started showing profit since the last quarter of Financial Year 19-20 and crossing Rs. 1000 Crore revenues in Financial Year 21-22. Someone is very rightly said success is not reaching the top, but it is staying there. This is exactly what your bank intends to do. Thank you very much.

- Ladies and gentleman. Now I would like to call Mr. Rishi Gupta, our young and energetic Managing and CEO to address the members. Over to your Rishi.
- **Rishi Gupta - Managing Director and CEO, Fino Payments Bank:**
- Thank you, Chairperson sir and Jain Saab. Good afternoon, ladies and gentlemen. And I warmly welcome you all to the sixth annual general meeting of your bank. At the outset, I would like to thank you for becoming part of the Fino family, and also feel proud that we are the first Payments Bank to get listed on the stock exchange. We look forward to this association as you move ahead in our journey to achieve our vision of Bharat Ka Digital Bank, by providing banking services to the common man with ease and at their convenience. As leadership team we have conceptualized Fino model, I had three things in mind, which I fondly called CSR. Here CSR in the context of Fino, means convenience, simplicity and responsibility. Convenience to customers of Bharat is Cornerstone of our core business model. Fino's business model was conceptualize, keeping in mind the problem of a common man who doesn't have easy access to bank, unable to do banking in normal banking hours, and have many other constraints. Simplicity of our products and services, drive our volumes. Our market leadership in various products is a testimony to the same. Responsibility, our endeavour to run a profitable business model serving Bharat and in the long run be value accretive to our shareholders.
- Our goal is to provide affordable banking services to this set of people and making them not only comfortable with organized banking, but gradually getting them to move on to digital banking. Over the years, we have built products, keeping in mind the background and usability of products to the common man. The business model of Fino Payments Bank was also perceived to be challenging due to the lack of credit to the customer. But I'm happy to share with you that the way your bank has pioneered a revolution and has built the low-cost asset light model through a merchant network which is spread all across the country that the business by itself has become sustainable. As the distribution network expands, we will see more and more customers coming to the Fino platform which will mean continuous growth in business.
- This is evident from the scalability of our business model from the strong growth we have seen and delivered over the last few years. Our products like domestic money transfer, which is a remittance product, micro ATMs and Aadhar enable payment systems, which we fondly call AePS, makes banking easily accessible for everyone and offers them differentiated service at their convenience. To my mind, this is a major disruption in the banking leading to many more happy customers and achieving a total financial inclusion, a goal which is said by our Reserve Bank of India as well as Government of India. This product also provides footfalls to increase the customer acquisition.

- Ladies and gentleman, FY22 was the best financial year for your bank. During the year, we opened more than 2 million plus CASA accounts across more than Rs. 1,000 Crores of revenue. A significant achievement for a bank that doesn't offer traditional instruments like loans, fixed deposits and recurring deposits.
- Our revenue grew by more than 28% during the last year, and we deliver strong profitability with an EBITDA growth of 62% and PAT growth of 109%. Some of the other important highlights of the year were, transaction throughput grew 41% year-on-year to Rs. 1.87 lakh Crores that is like more than Rs. 500 Crores of transactions every day. Digital throughput which is one of our growth drivers which is something which we are investing a lot of money also, digital throughput has substantially grown by 325% on a year-on-year basis to Rs. 18,393 Crores which means 10% of our overall throughput. Transactions of the platform grew by more than 55% year-on-year to cross Rs. 67 Crores worth of transactions. The bank opened more than 79% more current and savings account at 20.2 lakhs in FY21-22 compared to 11.3 lakhs in FY20-21.
- Merchant network as of March 31, 2022 stood at 10.2 lakhs number. More than 3.78 lakhs banking points were added in FY22. That is around 1,037 points per day. Your bank in the past two years along with profitability and growth journey is also looking at enhancing brand value. And in this regard, we have on boarded Pankaj Tripathi, the famous Bollywood actor as a brand ambassador in 2021. In addition, your bank has also partnered with Rajasthan Royals for as their digital payments partner for IPL season 2022. Our vision is to build long term growth and over the next few years, we will further strengthen our business model by creating diversified product streams. Specifically, we will be focusing on following three categories of products, CASA and CMS. This is our growth products and, in this segment, showed strong growth in FY22. Together they contributed 17% of the revenue. CASA subscription and renewable revenue grew 106% year-on-year, while revenue from renewal accounts jump more than 4x in last year.
- CMS overall throughput grew 102% year-on-year basis, while average ticket size grew by 41% on YOY basis. Mature products like domestic money transfers, micro ATM and Aadhar enabled payment system. These are our hook products that will continue to grow at a reasonable pace, going to increasing the brand value network and processes. During FY21-22, they together contributed 62% of the revenue. New products like international remittances, mutual fund distribution and loan referral are now set to take off. We are now poised to continue the growth momentum and focus on creating Fino 2.0. Our vision for Fino 2.0 will be to leverage existing footfalls generated by our mature products like remittances, micro ATM and Aadhar enabled payment system and convert them to Fino Bank subscription model. This unique combination of physical plus digital will elongate our secular growth period.
- Fino 2.0 is a natural evolution in the customer lifecycle journey and will enable our existing customers to move up the FinTech value chain. At the same time, our digital tag will help us target millennials, a new user group which will provide us with a more diversified customer base. We are uniquely positioned in the space and have scalable and profitable business model. Our strong focus on customer ownership and service will provide us with the superior growth in the years to come. We are well capitalized, have good profitable metrics and an excellent distribution reach. We are

led by passionate team of employees and our value added by our stakeholders and our board. We look forward to their continued support and commitment going forward. The journey has just started with your bank completing five years in June 2022. It is a long road ahead with exciting opportunities. And it is my commitment to all my stakeholders that we shall continue to drive through innovation and passion to enhance shareholder value in the long run. And I look forward to your wholehearted support in the journey. Thank you.

– **Suresh Kumar Jain - Independent Director, Fino Payments Bank:**

– Thank you, Rishi. Before, I hand over to the company secretary for further proceedings. I wish to inform the esteemed members that our Director, Mr. Ravi S Pagadala could not attend the meeting due to his other preoccupation. I now request the company secretary to brief the members on the resolutions proposed to be passed in the AGM. Over to you, Mr. Basav.

– **Basavraj Loni - Company Secretary & DVP-Legal, Fino Payments Bank:**

– Thank you, sir. As required under the Companies Act 2013, the bank has engaged the services of National Securities Depository Limited for facilitating remote e-voting and e-voting to enable the members to cast their votes electronically on all resolutions set out in the notice. The detailed instruction for remote e-voting are provided in the AGM notice. The members who have not cast their vote electronically, and who are participating in this meeting will have an opportunity to cast their vote through e-voting system provided by NSDL.

– We now take five resolutions for approval as set out as set forth in the notice.

– First to receive consider and adopt the audited financial statements of the bank for the financial year ended March 31, 2022 together with the report of Board of Directors and auditors thereon.

– Number two, to appoint a director in place of Mr. Rishi Gupta (DIN: 01433190) who retire by rotation and being eligible offer himself for reappointment.

– Three, to appoint and fixed remuneration of M/s. A P Sanzgiri & Company as Statutory Central Auditor of the bank for a period of one year.

– Four, to reappoint Mr. Rishi Gupta (DIN: 01433190), as Managing Director and CEO of the bank for a period of three consecutive years with effect from May 2, 2023 to May 1, 2026 both days inclusive.

– Five, to appoint Mr. Rakesh Bhartia (DIN: 00877865), as an Independent Director of the bank.

– Since necessary resolutions have already been circulated to the members as a part of AGM notice, I take these resolutions as read with permission of members. Before we move to question answer. Here are some points to note for everyone's convenience. Kindly turn on your video when your name is called out. Unmute yourself and proceed to ask question, please mention your name.

- Each member will have three minutes for their questions, to avoid repetition, board will respond to all questions at the end.
- **Suresh Kumar Jain - Independent Director, Fino Payments Bank:**
- Now, we will open the floor for questions by the members and my colleagues Mr. Rishi Gupta and Mr. Ketan Merchant will answer the questions. Floor is open for the members, please.
- **Moderator:**
- Thank you, sir. Now I will call upon the first speaker shareholder. Mr. Vinay Bhide. Vinay sir, can you unmute yourself and ask your question please?
- **Vinay Bhide - Speaker Shareholder:**
- Hello.
- **Moderator:**
- Yes. We can hear you.
- **Vinay Bhide - Speaker Shareholder:**
- If there's a facility of a video, can you enable that also, otherwise, I'll start right away.
- **Suresh Kumar Jain - Independent Director, Fino Payments Bank:**
- Sorry, Mr. Bhide, can you repeat? Yeah, please go ahead.
- **Rishi Gupta - Managing Director and CEO, Fino Payments Bank:**
- Mr. Bhide, you may ask your question.
- **Suresh Kumar Jain - Independent Director, Fino Payments Bank:**
- Mr. Bhide you might be on mute, so we are not able to listen.
- **Moderator:**
- Mr. Bhide!
- **Rakesh Bhartia, Independent Director, fino Payments Bank:**
- I think he's waiting for his video to get turned on. He may just want to check.
- **Suresh Kumar Jain - Independent Director, Fino Payments Bank:**
- I think we can move to the second question.
- **Moderator:**
- No, sir, he is there meeting. Mr. Bhide, you can unmute yourself. Start your video and ask question, please.
- **Vinay Bhide - Speaker Shareholder:**

- Hello, yes, fine. Can you hear me? Chairman for today's meeting, Mr. Rishi Gupta, our CFO, Directors present today company shareholders. Good afternoon to all of you. I am Vinay Bhide, Fino Bank shareholders speaking from Mumbai. I must at the outset compliment for excellent working well represented in the annual report. And I must thank both you Chairman as well as Mr. Rishi Gupta for having expanded in a very lucid fashion. Now, just for the facility of understanding the present working and the future better, I have listed out a few questions, which I will quickly read out.
- They are as follows. I request you to refer to pages 115 and 116 of our annual report, these pages deal with the segment reporting of our business. I've picked one basic ratio and that is segment results to gross revenue. In that for retail banking for Financial Year 21, the ratio is 35.93 to 125.04, which is 28.73 in 21. And that has improved to 44.1 in financial year 22. So, that was for retail banking. For other banking operations ratio has gone down from 20.43% to 15.01% in financial year 22. So, the question here is, what were the reasons for change in both these verticals and what is the expected trend in the current year? That was a first question.
- For the second question, the net profit margin and the ROE figures were 4.24% and 14% respectively. Question here is that what could be the expected range in the medium term? So, these are a few questions that I could list out enough from the reading of the annual report. So, I must say that the bank is well on the path of growth, and we look forward to better working in the times to come and thank you for giving me an opportunity to speak. Thank you so much.
- **Rishi Gupta - Managing Director and CEO, Fino Payments Bank:**
- Thank you, Mr. Bhide. We will answer the question after we here all the questions. We have noted the question, sir.
- **Moderator:**
- The next speaker shareholder is Mr. Jahangir Batliwala but he has not joined the meeting. So, I will move on to the next speaker, Mr. Nalin Shah. Unfortunately, he has not joined the meeting. Moving on to the fourth speaker, Mr. Hiranand Kotwani. Sir, I have unmuted your mic. Kindly go ahead with your question, please. Yes. Yes, your
- **Hiranand Kotwani - Speaker Shareholder:**
- Are you audible?
- **Moderator:**
- Yes, you are audible.
- **Hiranand Kotwani - Speaker Shareholder:**
- Video is not coming.
- **Suresh Kumar Jain - Independent Director, Fino Payments Bank:**
- Okay, Mr. Kotwani, go ahead.

- **Hiranand Kotwani - Speaker Shareholder:**
- Yeah, it is great -- to join you. I convey my good wishes to the young team. And into the first meeting and I enjoyed your pre-formal meeting, informal meeting also I enjoyed. This madam used to give advice not to discuss the issue price, but certainly I have no question and you are not control the market or certainly if you do hard work and result will be given good, then your price will move in the next year and the years to come. If your profit was Rs. 100 Crores PAT, if you distribute dividends 50% and you were policies that frame because long way to go. You are new to this, your responsibility is taking, your commitment is when -- Mr. Gupta. You said we are committed, first bank, first listed company. Gentlemen, how much amount you received from this public issue and how you are utilizing it? I want to know from you. And your team is good but certainly your responsibilities also is there, responsibilities, sincerity competence will be checked the future and the stock market will reflect. This is -- you are not control but if you do all these things your mark -- because I have 40 years' experience of attending the meeting and the investment the stock market, 400 company 100 companies.
- **Suresh Kumar Jain - Independent Director, Fino Payments Bank:**
- Thank you, sir, for your question. We will respond.
- **Rishi Gupta - Managing Director and CEO, Fino Payments Bank:**
- Thank you, Mr. Kotwani, for your compliments and suggestions. We'll answer to your questions.
- **Moderator:**
- Thank you, sir. Moving on to the next speaker, Mr. Rohinton Batiwala. He has also not joined the meeting. Moving on to the last speaker, Mr. Mukesh Chandiramani, even sir he has not joined the meeting. That brings to the end of the speaker shareholder. Over to you, Chairman sir.
- **Suresh Kumar Jain - Independent Director, Fino Payments Bank:**
- Okay now, I'll request Mr. Ketan to please reply to the first question.
- **Ketan Merchant – Chief Financial Officer, Fino Payments Bank:**
- Thank you, Chairman Sir. Mr. Bhide, to your first question in terms of the segment reporting, how retail banking has increased and other banking operations has reduced. To that effect, I will just draw attention to what Rishi Gupta said earlier in his speech, our endeavour is to do customer acquisition, and he actually mentioned that we have open 20 lakhs new accounts. So, that is where our endeavour, and that's where we are seeing the classification is such that whatever we are owning, the ownership of customer that is coming under retail banking. And I would also want to put it on the table that this is the highest margin product which we are seeing it off. The other banking operations are the traditional products, which are essentially the DMT, micro ATM and DC banking, wherein we do banking transactions for other bank. It has been our endeavour since the time we've got our banking licence to shift more and more towards a retail banking or towards

ownership of customers, which as I said has margin in the excess of 55%. So, the reason it is moved up the retail banking has increased and other banking operations have reduced is attributable to the growth in the customer acquisition or the CASA account, which we have opened off.

- Also, the question was how that trend is going to look at it, yet again, I would reiterate to the statement made by Rishi earlier that for us the key driver essentially is CASA. We want ownership of CASA. And so, we intend to further enhance the retail banking operations. Having said that, we will utilize our mature products, the footfall which we get on account of our transaction products to have an enhanced customer transaction. That is the first question and I hope I have addressed along with data points.
- Second aspect which was there was a net margin of 4.2% and ROE of 14%. As a bank philosophy, we refrain from providing any formal forward-looking guidance. However, our endeavour again is to drive a consistent result for the bank. For us, we are asset light model; we do not require capital for making branches. It's not a brick and mortar business. So, our enhancement, our endeavour is to enhance profitability, our endeavour is to grow the business on a CAGR basis which we formally said earlier as well at a 25% growth over the next couple of years. Once we do that the way our model asset model as well.
- **Rishi Gupta - Managing Director and CEO, Fino Payments Bank:**
- Abhijit, if you can put it on mute.
- **Ketan Merchant – Chief Financial Officer, Fino Payments Bank:**
- Okay, so, with the kind of business momentum and the kind of growth which we are looking in customer acquisition, we will definitely be able to enhance both net margin, profit margin and consequently ROE as well.
- **Rishi Gupta - Managing Director and CEO, Fino Payments Bank:**
- Just to add to what Ketan has said, sir, if you have heard my speech I've also mentioned the fact that we are well capitalized bank our performance metrics have been good. We have a very large distribution network as such, we have millions and millions of customers coming to our outlets on a monthly basis. Part of that we are converting into CASA and also, we are moving into Fino 2.0 journey of moving physical customers to digital. All of this put together gives us the confidence, one of the facts that the model itself is self-sustainable. And, the second fact is that the model has started to convert lots of the footfalls from normal cash withdrawal, remittance transactions to ownership transactions. So, that gives us the comfort and the confidence that we can continue to grow at a 25% number on year to year basis. And which will -- because we have a high operating leverage and benefit from the fact that we have a low-cost variable model, we should get the benefit in terms of the profitability, both these parameters obviously will get reflected in the net profit margin as well as the ROE in the years to come.
- **Ketan Merchant – Chief Financial Officer, Fino Payments Bank:**

- Thank you, Rishi. I just take the next question as well in terms of the IPO proceeds usage. Thus, far we had raised Rs. 300 Crores from the market last year. At that point of time, our understanding was for it will be used for augmenting tier one capital and primarily with the kinds of operations which we run it will be utilized for IT and digital and branding as well. That's why we have spent Rs. 20 Crores in the entire process and we will be spending it wherever we are requiring to upscale our technology and to bring in the Fino 2.0 which Rishi said in terms of the digital. So, here we are committed to have a very judicious use in terms of our capital so that with our asset light model, we can lead to an enhancement of ROE.
- **Suresh Kumar Jain - Independent Director, Fino Payments Bank:**
- Thank you, Rishi and Ketan. And thank you members for your active participation. Members may please note that the voting through e-voting will commence to be available for next 30 minutes of the conclusion of the AGM. Therefore, members who have not cast their votes yet are requested to do so. The board of directors has appointed Mr. Tribhuwneshwar Kaushik of M/s. Kaushik Joshi and Company, Practising Company Secretary as a scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The results of the remote e-voting and e-voting along with scrutinizer report will be hosted at bank's website is at www.fino.bank.com and e-voting website of NSDL at <https://www.evoting.nsdl.com>. And also, will be communicated simultaneously to the respective stock exchanges viz. BSE limited and National Stock Exchange of India Limited where the equity shares of the bank are listed.
- Additionally, the results will also be placed on the notice board at the Registered Office of the bank. The resolutions as set forth in the notice shall be deemed to be passed today. That is September 29, 2022, subject to receipt of requisite number of votes in favour. Thank you, members for attending the sixth AGM of the bank, and I hereby declare the proceedings closed and concluded. Thank you very much.
- Thank you.
- **Rishi Gupta - Managing Director and CEO, Fino Payments Bank:**
- Thank you.
- **Ketan Merchant – Chief Financial Officer, Fino Payments Bank:**
- Thank you
- **End of Transcript**