

FINO PAYMENTS BANK LIMITED

Registered Office: Mindspace Juinagar, 8th Floor, Plot No. Gen 2/1/F, Tower 1, TTC Industrial Area, MIDC Shirwane, Juinagar, Navi Mumbai, Thane - 400706
CIN: L65100MH2007PLC171959 E-mail: cs@finobank.com
Website: www.finobank.com Phone: +91 22 7104 7000

POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, each as amended and applicable circulars issued by the Ministry of Corporate Affairs, Government of India, from time to time]

VOTING STARTS ON	VOTING ENDS ON
Friday, March 24, 2023, at 9:00 a.m. (IST)	Saturday, April 22, 2023, at 5:00 p.m. (IST)

Dear Members,

NOTICE is hereby given pursuant to the provisions of Section 110 read with Section 108 and other applicable provisions, if any, of the Companies Act, 2013 (“**Act**”) read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, (“**Rules**”) (including any statutory modification or re-enactment thereof for the time being in force), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India (“**SS-2**”), each as amended, and in accordance with the guidelines prescribed by the Ministry of Corporate Affairs (“**MCA**”) for holding general meetings/conducting Postal Ballot process through e-voting vide General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022 and 11/2022 dated December 28, 2022 (collectively the “**MCA Circulars**”), to transact the special business as set out hereunder by passing a Special Resolution by the Members of Fino Payments Bank Limited (“**Bank**”) through Postal Ballot via remote Electronic Voting (“**e-Voting**”) only.

Pursuant to Section 102 and Section 110 and other applicable provisions of the Act read with the Rules made thereunder, the statement pertaining to the said Resolution setting out the material facts and the reasons/rationale thereof is annexed to this Postal Ballot Notice for your consideration and forms part of this Postal Ballot Notice (“**Notice**”).

In terms of the MCA Circulars, the Bank is sending this Notice only in electronic form, to those Members whose e-mail addresses are registered with the Bank/Depositories/RTA. Accordingly, physical copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope is not being sent to the Members for this Postal Ballot. The communication of the assent or dissent of the Members would take place only through the remote e-voting system. In respect of those Members who have not registered their email ids, the Company has provided the mechanism in this Notice to register their email ids.

In compliance with Regulation 44 of the SEBI Listing Regulations and pursuant to the provisions of Section 108 and Section 110 of the Act read with the Rules, the MCA Circulars and SS-2, the Bank is providing remote e-voting facility to its Members, to enable them to cast their votes electronically. The Bank has engaged the services of National Securities Depository Limited (“NSDL”) for the purpose of providing remote e-voting facility to its Members. The instructions for remote e-voting are appended to this Notice. The Notice is also available on the website of the Bank www.finobank.com.

Members desiring to exercise their vote through the remote e-voting process are requested to carefully read the instructions indicated in this Notice and record their assent (FOR) or dissent (AGAINST) by following the procedure as stated in the Notes forming part of the Notice for casting of votes by remote e-voting not later than 5.00 p.m. (IST) on Saturday, April 22, 2023. The remote e-voting facility will be disabled by NSDL immediately thereafter.

SPECIAL BUSINESS

1. To approve the remuneration of Mr. Rishi Gupta, Managing Director & CEO (“M.D. & CEO”) of the Bank for the financial year 2021-22

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“**Act**”) read with rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 35B and other applicable provisions, if any, of the Banking Regulation Act, 1949, applicable rules, circulars and guidelines issued by the Reserve Bank of India (“**RBI**”) in this regard and any other applicable laws (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force), the provisions of the Articles of Association of the Bank, and subject to the approvals, as may be necessary from the concerned authorities or bodies and subject to the conditions as may be prescribed by any of them while granting such approvals and based on the recommendation of the Nomination and Remuneration Committee (“**NRC**”) and approval of the Board of Directors of the Bank (“**Board**”) and the RBI, consent of the Members be and is hereby accorded for approval/ ratification of the following remuneration of Mr. Rishi Gupta (DIN: 01433190), Managing Director & CEO of the Bank (“**M.D. & CEO**”) for the financial year 2021-22 as per the Compensation Policy applicable to M.D. & CEO of the Bank:

(Rs. in crore)	
Break-up of the Remuneration	F.Y. 21-22
Salary	1.14
Provident Fund	0.08
LTA	0.09
Free furnishing	0.16

Break-up of the Remuneration	F.Y. 21-22
Free use of Bank's car	0.21
Hard furnishing	0.15
Utilities	0.03
Education allowance	0.10
Total Fixed Pay (including perquisites) (A)	1.96
Variable Pay-Cash	0.15
Variable Pay-Non Cash Share Linked (deferred over the period of three years as per the vesting schedule of the options)	2.08
Total Variable Pay (B)	2.23
Total (A+B)	4.19

Note: As per the Bank's Policy, the Gratuity amount is being provisioned on a group basis through an actuarial valuation as per the Payment of Gratuity Act, 1972 and is payable only at the end of employment and hence is not included in the above.

RESOLVED FURTHER THAT in accordance with the extant Compensation Policy of the Bank, the remuneration of MD & CEO will be subject to Malus and Clawback clauses, applicable in such circumstances as defined by NRC in accordance with the RBI guidelines, from time to time.

RESOLVED FURTHER THAT the Board, which shall include the NRC, be and is hereby authorised to do all such acts, deeds, matters and things including variation or alteration in the remuneration payable to Mr. Rishi Gupta, as they may deem fit within the overall limit mentioned hereinabove in accordance with the provisions of the Companies Act, 2013 and RBI guidelines and to execute any agreements, documents, instruments and writings as may be required with power to settle all questions, difficulties or doubts that may arise in regard to the above resolution as it may in its absolute discretion, deem necessary or desirable to give effect to this resolution."

Registered Office:

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 CIN: L65100MH2007PLC171959
 Email: cs@finobank.com
 Website: www.finobank.com

By Order of the Board of Directors
 For **Fino Payments Bank Limited**

Sd/-
Basavraj Loni
Company Secretary & Compliance Officer
 ICSI Membership No. ACS: 23095

Place: Navi Mumbai
 Date: March 11, 2023

NOTES:

1. An explanatory statement pursuant to Sections 102 and 110 of the Companies Act, 2013 (“Act”), setting out all material facts relating to the resolution in this Notice are appended herein below for information and consideration of Members and the same should be considered as part of this Notice.
2. In compliance with the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations as amended from time to time, read with SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on remote e-voting facility provided by listed entities, and the applicable MCA circulars, the Bank is pleased to offer remote e-voting facility to members to cast their vote electronically.
3. The Bank has engaged the services of NSDL (“Service Provider”) for facilitating remote e-voting to enable the members to cast their votes electronically.
4. In accordance with the MCA circulars, the Bank is sending the Postal Ballot Notice in electronic form only, instead of dispatching hard copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope to the Members for this Postal Ballot.
5. The Postal Ballot Notice is being sent by e-mail to all Members, whose names appear in the Register of Members / Register of Beneficial Owners maintained by the Depositories, National Securities Depository Limited (the “NSDL”) and Central Depository Services (India) Limited (the “CDSL”) as on Friday, March 17, 2023 (the “Cut-Off Date”) and who have registered their e-mail addresses, in respect of electronic holdings, with the Depository through the concerned Depository Participants and in respect of physical holdings, with the Registrar and Share Transfer Agent of the Bank, KFin Technologies Limited (the “RTA”), in accordance with the provisions of the Act read with the Rules made thereunder and the framework provided under the MCA circulars. Cut-Off Date is for determining the eligibility to vote by electronic means. A person who is not a member as on the Cut-Off Date should treat this Notice for information purpose only. This Notice is also available at the Bank’s website: www.finobank.com and the websites of the Stock Exchanges i.e. BSE Limited (“BSE”) at www.bseindia.com and National Stock Exchange of India Limited (“NSE”) at www.nseindia.com and on the website of NSDL at www.evoting.nsdl.com The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Bank as on the Cut-Off Date.

It is however, clarified that all Members of the Bank as on the Cut-Off date (including those Members who may not have received this Notice due to non-registration of their e-mail address with the Bank /RTA/Depositories) shall be entitled to vote in relation to the aforementioned Resolution in accordance with the process specified in this Notice.

6. The remote e-voting shall commence on Friday, March 24, 2023 at 9:00 a.m. (IST) and shall end on Saturday, April 22, 2023 at 5:00 p.m. (IST). During this period, members of the Bank

holding shares in physical or electronic form as on the Cut-Off Date may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter.

7. The Board of Directors has appointed Mr. Tribhuvneshwar Kaushik and in his absence, Mr. Savyasachi Joshi of M/s. Kaushik Joshi & Co., Practising Company Secretaries., as the Scrutinizer, for scrutinizing the Postal Ballot process in a fair and transparent manner.
8. The Scrutinizer will submit his report to Chairperson or Company Secretary as authorized by the Board of Directors, after scrutiny of the votes cast, on the result of the Postal Ballot process on or before Tuesday, April 25, 2023. The Scrutinizer's decision on the validity of votes cast will be final.
9. The Result declared along with the Scrutinizer's Report shall be placed on the Bank's website www.finobank.com and on the website of NSDL www.evoting.nsdl.com immediately after the result is declared by Chairperson or Company Secretary as authorized by the Board of Directors, and the same shall be communicated to the Stock Exchanges, where the equity shares of the Bank are listed. The result shall also be displayed on the notice board at the Registered Office of the Bank.
10. The Resolution, if passed by the requisite majority through Postal Ballot, will be deemed to have been passed on the last date specified for remote e-voting i.e. Saturday, April 22, 2023.
11. The vote in this Postal Ballot cannot be exercised through proxy.
12. Relevant documents referred to in this Notice requiring the approval of the members shall be available for inspection by the members until 5:00 p.m. (IST) of the last date of voting of this Postal Ballot i.e. till Saturday, April 22, 2023. Members who wish to inspect the documents are requested to send an email to cs@finobank.com from their registered e-mail addresses mentioning their names, folio numbers/DP ID and Client ID and the documents they wish to inspect.
13. **Process for those members whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolution set out in this notice:**
 - a. In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@finobank.com.
 - b. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cs@finobank.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at Sr. No. 14 - **Step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**

- c. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
- d. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

14. The instructions for Members for remote e-voting are as under:

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by listed companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Proceed to complete registration using your DP ID, Client ID, Mobile Number, etc. After successful registration, please follow steps given under Sr. No. 1 above to cast your vote. 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and

a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on

 App Store  Google Play



Individual Shareholders holding securities in demat mode with CDSL

1. Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi/Easiest are requested to visit CDSL website www.cdslindia.com/ and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.
2. After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.
3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <https://www.cdslindia.com> home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login, can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login, can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDeAS, you can log-in at <https://eservices.nsdl.com> with your existing IDeAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then

CDSL.	your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 119627 then user ID is 119627001***.

5. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

ii. If your email ID is not registered, please follow the detailed procedure with respect to registration of e-mail addresses as mentioned in note no. 14 of this Notice.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option is available on www.evoting.nsdl.com.

b) Physical User Reset Password? (If you are holding shares in physical mode) option is available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

2. Select “**EVEN**” of Fino Payments Bank Limited.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “**Submit**” and also “**Confirm**” when prompted.
5. Upon confirmation, the message “**Vote cast successfully**” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cskaushikjoshi@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries/issues or grievances you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of <https://www.evoting.nsdl.com> or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Sanjeev Yadav, Assistant Manager, National Securities Depository Limited, Trade World, ‘A’ Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013 at evoting@nsdl.co.in.

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Email: cs@finobank.com
Website: www.finobank.com

By Order of the Board of Directors
For **Fino Payments Bank Limited**

Sd/-
Basavraj Loni
Company Secretary & Compliance Officer
ICSI Membership No. ACS: 23095

Place: Navi Mumbai
Date: March 11, 2023

ANNEXURE TO NOTICE
EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“ACT”)
Item No. 1
To approve the remuneration of Mr. Rishi Gupta, Managing Director & CEO (“M.D. & CEO”) of the Bank for the financial year 2021-22

Mr. Rishi Gupta has been the Managing Director & CEO (“MD & CEO”) of the Bank with effect from May 02, 2017. He has been reappointed for his further tenures from time to time after seeking necessary approvals from the Members and RBI. His next term as the MD & CEO of the Bank has been approved by the Members of the Bank at their 6th Annual General Meeting held on September 29, 2022 for a period of three years with effect from May 02, 2023 to May 01, 2026 (both days inclusive) on the existing terms & conditions and on remuneration as may be approved by the Members of the Bank from time to time, subject to the approval of the Reserve Bank of India (RBI).

Pursuant to the recommendation of Nomination and Remuneration Committee and approval of Board of Directors, RBI vide its letter dated July 18, 2022 approved the fixed remuneration and vide its letter dated January 18, 2023 approved the performance bonus (variable pay) of Mr. Rishi Gupta for FY 2021-2022.

In order to seek specific approval on remuneration as approved by RBI, Shareholders’ approval is hereby being sought for the following remuneration of Mr. Rishi Gupta, M.D. & CEO for the financial year 2021-22:

	Amount (Rs. in crore)
Break-up of the Remuneration	F.Y. 21-22
Salary	1.14
Provident Fund	0.08
LTA	0.09
Free furnishing	0.16
Free use of Bank's car	0.21
Hard furnishing	0.15
Utilities	0.03
Education allowance	0.10
Total Fixed Pay (including perquisites) (A)	1.96
Variable Pay-Cash	0.15
Variable Pay-Non Cash Share Linked (deferred over the period of three years as per the vesting schedule of the options)	2.08
Total Variable Pay (B)	2.23

Break-up of the Remuneration	F.Y. 21-22
Total (A+B)	4.19

Note: As per the Bank's Policy, the Gratuity amount is being provisioned on a group basis through an actuarial valuation as per the Payment of Gratuity Act, 1972 and is payable only at the end of employment and hence is not included in the above.

While approving aforesaid remuneration of Mr. Rishi Gupta, the NRC and Board considered the following aspects:

Profile of Mr. Rishi Gupta

Mr. Rishi Gupta is one of the founders of FINO PayTech Ltd, the holding Company of Fino Payments Bank Limited and was appointed as COO and CFO on January 01, 2007 where he successfully helped the group to build a robust business model with good governance and a cutting-edge operational & financial capabilities at FINO. Subsequently he became MD & CEO of FINO PayTech Ltd (till May 2017). He is also the founding member of the Business Correspondent Federation of India (BCFI) and served as the Chairman of its Economic Affairs Committee. He is a member of ASSOCHAM and is a Co-Chairman of their National Council on Banking and Financial Services.

Mr. Rishi Gupta is a qualified Chartered Accountant (Rank Holder) and Cost & Management Accountant and also holds a Bachelor's degree in commerce (Rank holder) from the prestigious Shri Ram College of Commerce (SRCC), University of Delhi.

He has a rich 26 years of experience across industries (primarily in financial services). Mr. Rishi Gupta started his career with Maruti Udyog Ltd. and thereafter moved to ICICI group. Post ICICI he moved to International Finance Corporation (IFC) where he was also a part of Regional Office of IFC and handled Budget and Project Finance.

For 2011, 2012 and 2013, three years in stretch Mr. Rishi Gupta has been awarded "CFO100 Roll of Honor" - an effort to recognize the top 100 senior finance professionals in India, who have made a difference with their acumen, attitude and energy. In 2014, he also got India CFO Award for excellence in Finance –one start up by IMA. In 2018, He got the award for "CA Entrepreneur-Path Breaker – Banking & Financial Services" by Institute of Chartered Accountants of India (ICAI).

The Listing Process

In order to unlock shareholders' value, Mr. Rishi Gupta embarked on the journey of listing of the equity shares of the Bank in the financial year 2021-22. He led the organization to be the first Payments Bank to be listed on the stock exchanges. The Bank got listed on the stock exchanges in November 2021.

Financial and Business Performance in nutshell as given below:

(₹in Lakhs)

Particulars	2019-20	2020-21	2021-22	Growth in FY22 over FY21
Balance Sheet				

Particulars	2019-20	2020-21	2021-22	Growth in FY22 over FY21
Saving Bank Deposits	11,589	24,121	49,762	106%
Current Account Deposits	164	163	307	88%
Total Assets/ Liabilities	62,400	1,01,029	1,68,000	66%
Profit & Loss Account				
Net Sales & other Income	69,140	79,103	1,00,885	28%
Less: Expenses	69,278	71,187	92,447	30%
Profit/(Loss) before Interest, Depreciation & Tax	(138)	7,916	8,438	7%
Less: Depreciation	2,357	5,358	3,545	(34)%
Less: Financial Charge	709	511	619	21%
Profit/(Loss) before Tax & prior period items	(3,204)	2,047	4,274	109%
Prior Period items	-	-	-	
Profit/(Loss) before Tax	(3,204)	2,047	4,274	109%
Taxes	-	-	-	
Net Profit /(Loss) after Tax	(3,204)	2,047	4,274	109%

- The Bank became the first Payments Bank to cross ₹1,000 crore revenue milestone in a financial year on the back of core transaction business.
- Profit after tax of the Bank was Rs. 42.74 Cr. in FY22 i.e. increase by 109%, year on year basis.
- Throughput grew by a whopping 41% year-on-year basis in FY22.
- The Bank processed 67cr+ transactions in FY22, a 55% growth compared to the previous year (Almost 1% of those who walk-in to transact eventually commence a relationship with the Bank).
- Digital throughput in FY22 grew exponentially by 325% to touch nearly 10% of overall throughput in FY22 at ₹18,393 crs.
- The Bank opened approx. 20.2 lakh current and savings accounts of customers in FY22, of which 85%+ were subscription based accounts.
- The Bank delivered a robust ROE in FY 22 of 14.8%.
- Active Merchant ratio up by 35% on AEPS, by 17% on CMS, by 29% on Micro ATMs and by 45% on CASA.
- Merchant network went up by 59%, the Bank's physical outreach reached to 10 lakh+ banking points in FY 22.

- The Bank signed up with Rajasthan Royals (a sports franchise for IPL) as its Digital Payments Partner, which helped in interaction with a very different and digitally savvy customers .
- Risk, Compliance and Governance has been the key focus for Mr. Rishi Gupta which enabled the smooth listing process. No qualifications from Statutory Central Auditors and Secretarial Auditors. Cyber risk security enhanced through various initiatives while working on various architectural enhancements for scale up of business.

Bank's Infrastructure and IT Architecture

In the last five years, the Bank's IT systems have gone through various significant changes in terms of Architecture, Capacity rganizatio, Implementation of cloud and hybrid model for scalability. The Bank has adopted many SaaS model systems to leverage faster deployment, cost saving etc.

Focus on the cyber security been heightened, taken layered approach cyber security protection mechanism to improve the security spectrum.

Some of the major steps taken are:

- The Bank has implemented 24X7 monitored Security Operations Center which has integrated with various Cyber Security solutions like Network level Intrusion.
- Detection/Prevention systems at perimeter level and advanced technology that will support forensic investigations of malware intrusion.
- The Bank has also implemented honeypot technology solutions act like a decoy to protect critical systems.

Entire architecting and implementation is based on ability to manage the digital transformation mind set at rganizational and environmental level.

Awards and accolades

2020

- a. ACEF Global CE Awards 2020 – PR – Gully Gully Fino campaign
- b. Finnoviti Award 2020 – FPB – Shubh Account
- c. Videa Award for Best Video Content in Low Budget
- d. ACEF Global CE Awards 2020 – Online Marketing – Banking for Bharat Campaign
- e. iNFHRA Workplace Excellence Awards 2020-21 Excellence in Logistics Movement

2021-22

- a. Great Place to Work certification for the period from March 2021 to February 2022
- b. Great Place to Work on being "Committed to be a Great Place to work"
- c. ET BFSI Award 2022
- d. Best Use of Technology in CX-Banking at 3rd Annual BFSI Technology Excellence Awards 2022
- e. Drivers of Digital – Gold Award for 'Fikar Not' Campaign
- f. Videa Awards – Best Branded Video Content for ' Fino Matlab Fikar Not' Ad
- g. Kirti Puraskar at National Informatics Centre

Mr. Rishi Gupta has been leading the Bank as a forerunner in the Payments Bank industry and positively contributing to the thought leadership through various knowledge forums, which is required to develop the landscape of the payments and financial inclusion ecosystem of the country. Mr. Rishi Gupta has developed his social media presence with adequate responsibility and by leveraging his strategic thought leadership. He has been an eminent thought leader all these years contributing to the Payments and Fintech industry. He has been prominent speaker in various forums.

At a time when many industry participants had apprehensions on the viability of the payments bank business model, Mr. Rishi Gupta along with his team started work at grass root level. The focus was always to identify revenue accretive businesses which at the same time created an impact on the lives of people. As a result of all these initiatives, the Bank stands out as one of the very few profitable financial services company focused on payments.

Further, the given remuneration of Mr. Rishi Gupta, MD & CEO is a related party transaction, therefore the same has been approved by the Audit Committee.

The information as required to be disclosed under sub-clause I of Section II of Part II of Schedule V to the Act, Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India has been given as **Annexure – B**.

In view of the above, the approval/ratification of the Members is being sought for the aforesaid remuneration of Mr. Rishi Gupta, MD & CEO of the Bank for the financial year 2021-22.

Except Mr. Rishi Gupta and his relatives, none of the Directors, Key Managerial Personnel of the Bank and/ or their relatives are, in any way, financially or otherwise, concerned or interested, in the passing of this resolution.

The Board recommends passing of the Special Resolution as set out in Item No. 1 of this Notice, for approval of the Members.

Registered Office:

Mindspace Juinagar, 8th Floor,
Plot No. Gen 2/1/F, Tower 1,
TTC Industrial Area, MIDC Shirwane,
Juinagar, Navi Mumbai, Thane -400706
CIN: L65100MH2007PLC171959
Email: cs@finobank.com
Website: www.finobank.com

By Order of the Board of Directors
For **Fino Payments Bank Limited**

Sd/-
Basavraj Loni
Company Secretary & Compliance Officer
ICSI Membership No. ACS: 23095

Place: Navi Mumbai

Date: March 11, 2023

Annexure – A
Information of Directors pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India

Name of the Director and DIN	Mr. Rishi Gupta (DIN: 01433190)
Designation	Managing Director & CEO
Age	54 years
Qualifications	Chartered Accountant and Cost Accountant
Experience / Brief Profile	<p>Mr. Rishi Gupta is one of the founders of FINO PayTech Ltd, the holding Company of Fino Payments Bank Limited and was appointed as COO and CFO on January 01, 2007 where he successfully helped the group to build a robust business model with good governance and cutting-edge operational & financial capabilities at FINO. Subsequently he became MD & CEO of FINO PayTech Ltd (till May 2017). He is also the founding member of the Business Correspondent Federation of India (BCFI) and served as the Chairman of its Economic Affairs Committee. He is a member of ASSOCHAM and is a Co-Chairman of their National Council on Banking and Financial Services.</p> <p>Mr. Rishi Gupta is a qualified Chartered Accountant (Rank Holder) and Cost & Management Accountant and also holds a Bachelor's degree in commerce (Rank holder) from the prestigious Shri Ram College of Commerce (SRCC), University of Delhi.</p> <p>He has a rich 26 years of experience across industries (primarily in financial services). Mr. Rishi Gupta started his career with Maruti Udyog Ltd. And thereafter moved to ICICI group. Post ICICI he moved to International Finance Corporation (IFC) where he was also a part of Regional Office of IFC and handled Budget and Project Finance.</p> <p>For 2011, 2012 and 2013, three years in stretch Mr. Rishi Gupta has been awarded "CFO100 Roll of Honor" – an effort to recognize the top 100 senior finance professionals in India, who have made a difference with their acumen, attitude and energy. In 2014, he also got India CFO Award for excellence in Finance – one start up by IMA. In 2018, He got the award for "CA Entrepreneur-Path Breaker – Banking & Financial Services" by</p>

	Institute of Chartered Accountants of India (ICAI).
Date of first appointment on the Board	June 27, 2016
Number of Meetings of the Board attended during the year	8/8
Directorships held in other companies (Except Section 8 and Foreign Companies)	Nil
Memberships/Chairpersonships of Committees of other Boards	Nil
Listed entities from which the person has resigned from the directorship in the past three years	Nil
Number of shares held in the Bank (including shareholding as a beneficial owner)	<ul style="list-style-type: none"> • 5,325 Equity Shares in his personal capacity. • 2 Equity Shares as a registered owner without having beneficial interest in the same.
Terms and conditions of appointment including details of remuneration	As mentioned in the explanatory statement.
Justification for appointment and skills and capabilities required for the role and the manner in which the proposed person meets such requirements	NA
Remuneration last drawn	As mentioned in the explanatory statement.
Nature of expertise in specific functional areas	As mentioned in the explanatory statement.
Relationship with other Directors, Managers and Key Managerial Personnel of the Bank	None

Statement to the Shareholders as required under sub-clause I of Section II of Part II of Schedule V to the Companies Act, 2013:
II. GENERAL INFORMATION:

1. **Nature of Industry:** The Company is engaged in the business of Payments Bank segment and is a Banking Company. The Bank offers services such as current and savings accounts, remittances, business correspondent, mobile banking, bill payments and third party financial products distribution. The Bank is engaged in various types of financial services to the rural, poor and underserved and unserved classes to help them being economically self-reliant.
2. **Date of commencement of commercial production:** June 23, 2007 (erstwhile Fino Fintech Ltd). However June 30, 2017 was the commencement date of Payments Bank business. Since the Company is into banking sector, hence there is no date of commercial production.
3. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable
4. **Financial performance based on given indicators:**

	(Rs. In lakhs)	
Particulars	2021-22	2020-21
Net Sales and other income	1,00,885	79,103
Less: Expenses	92,447	71,187
Profit /(Loss) before Interest, Depreciation and Tax	8,438	7,916
Less: Depreciation	3,545	5,358
Less: Finance Charges	619	511
Profit /(Loss) before Tax and prior period items	4,274	2,047
Prior period items	-	-
Profit /(Loss) before Tax	4,274	2,047
Taxes	-	-
Net Profit /(Loss) after Tax	4,274	2,047
Other Comprehensive Income	-	-
Balance of Profit /(Loss) carried forward to next year	4,274	2,047

5. **Foreign Investments or Collaborators, if any:** Nil as on March 31, 2022

II. INFORMATION ABOUT THE APPOINTEE:

- 1. Background details of Mr. Rishi Gupta:** The detailed profile has already been provided hereinbefore.
- 2. Past Remuneration:** Remuneration for F.Y 2020-21 is as below:

Amount in crores	
Break-up of the Remuneration	Amount (Rs. in crore)
Total Fixed Pay (including perquisites) (A)	1.87
Variable Pay-Cash	0.1
Variable Pay-Non Cash Share Linked (deferred over the period of three years as per the vesting schedule of the options)	1.77
Total Variable Pay (B)	1.87
Total (A+B)	3.74

- 3. Recognition or awards:** The details of recognition and awards are already provided hereinbefore.
- 4. Job profile and his suitability:**

Mr. Gupta has been instrumental in transforming the Business Correspondent (BC) Company into Bank through focus on robust processes and making a sustainable organisation. He was instrumental in conceptualising the strategy for the Bank and pioneered technology based Digital Banking for the Bank. With Financial inclusion at helm of mind along with sustainability, Mr. Gupta devised **Phygital (Physical + Digital)** approach for delivering service to the customers (Physical through Access points viz., assisted mode and Digital through Technology platform for self-mode). Starting with 400 plus Banks' Access points and 20,000 plus BC Access points in June 30, 2017, (FINO was the only Payments Bank to launch its operations at a grand scale from first day) and currently, it has more than 10.2 lakh Access (merchant) points.

Due to sophisticated technology set up coupled by corporate partnership our Bank as one of the largest user of IMPS payments system in the country and belong to top five Banks club. We are the Pioneers in the revolutionary (Merchant based) Banking model to reach last mile customer, thus weaving together the Financial Inclusion story of Bharat.

Mr. Gupta's achievements made him as top MD & CEO among Payments Banks Sector.

Mr. Gupta led the organization to be the first Payments Bank to list on the stock exchanges. This was also the largest fund raise in the existence of Fino as a group. The relentless efforts of the team led by Rishi to pitch the business model of Fino Payments Bank to the prospective investors led to a significant value discovery for the Bank. The valuations eventually generated industry leading returns for the existing investors.

- 5. Remuneration proposed:** As mentioned in the explanatory statement hereinbefore.

- 6. Comparative remuneration profile with respect to industry size of the Company, profile of the position and person:** Considering the size of the Bank, the profile of Mr. Rishi Gupta, his responsibilities and the industry benchmarks, the remuneration proposed is in line with the remuneration drawn for similar position in the companies of similar scale and size.
- 7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:** Mr. Rishi Gupta has no pecuniary relationship directly or indirectly with the Bank or its key managerial personnel other than his remuneration in the capacity of Managing Director & CEO. As of the date of this notice he holds 5,325 Equity Shares and 175,974 Stock options of the Bank in his personal capacity.

III. OTHER INFORMATION:

- 1. Reasons of loss or inadequate profits:** The Bank has completed five (5) years of its operations since the date of commencement on June 30, 2017. Due to being in its initial stage of operations, the Bank is continuously investing in technology, process & related infrastructure which led to inadequate profits.
- 2. Steps taken or proposed to be taken for improvement:** The Business operations are to be increased, costs of operations are to be reduced to the extent possible and other indirect costs are also to be reduced comparatively.
- 3. Expected increase in productivity and profits in measurable terms:** As Payments Bank, we have made a steady start which is evident with increase in our transaction volumes despite huge competition in the market. The Bank has been also reckoned as a more evolved Payments Bank in the segment and our USP of convenience and simplicity is now standing out.