

January 15, 2025

**BSE Limited**

P.J. Towers,  
Dalal Street,  
Mumbai- 400 001

**National Stock Exchange of India Limited**

Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1, G  
Block, Bandra - Kurla Complex, Bandra (E),  
Mumbai - 400 051

**Scrip Code: 543386****Symbol: FINOPB**

Dear Sir/ Madam,

**Sub: Notice of Postal Ballot - Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")**

Pursuant to Regulation 30 of the Listing Regulations, please find enclosed a copy of the Postal Ballot Notice dated December 18, 2024 together with the Explanatory Statement thereto ("**Postal Ballot Notice**"), for seeking approval of the members of Fino Payments Bank Limited ("**Bank**") on the Special Business, by way of Special Resolutions as set out below, through Postal Ballot by means of remote e-voting process ("**e-voting**"), pursuant to the provisions of Section 110 of the Companies Act, 2013 read with Circulars issued by Ministry of Corporate Affairs ("**MCA Circulars**") and Securities and Exchange Board of India, ("**SEBI Circulars**") from time to time, Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ("**SS-2**") and any other applicable laws, rules, and regulations:

Sr. No.	Description of Resolution	Type of Resolution
1.	Payment of remuneration to Mr. Rishi Gupta, Managing Director & CEO ("M.D. & CEO") (DIN: 01433190) of the Bank for the FY 2023-24.	Special resolution
2.	Approval of 'Fino Payments Bank Limited - Employees Stock Option Policy, 2024'.	Special resolution

In compliance with the applicable MCA Circulars, the Postal Ballot Notice is being sent to all members whose names appear in the Register of Members / Register of Beneficial Owners maintained by the Depositories viz. National Securities Depository Limited ("**NSDL**") and Central Depository Services (India) Limited ("**CDSL**") and whose email address is registered with NSDL/CDSL, Depository Participants and/or KFin Technologies Limited ("**RTA**") as on **Friday, January 10, 2025 ("cut-off date")**.

The Bank has engaged the services of NSDL for facilitating e-voting to enable the members to cast their votes electronically. The e-voting on the resolutions set out in the Postal Ballot Notice shall commence on **Friday, January 17, 2025, at 9:00 a.m. (IST)** and ends on **Saturday, February 15, 2025, at 5:00 p.m. (IST)**. The e-voting module shall be disabled by NSDL thereafter.

The Postal Ballot Notice is also available on the Bank's website at [www.finobank.com](http://www.finobank.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and also on the e-voting website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

The results of the Postal Ballot will be announced on or before Tuesday, February 18, 2025.

Kindly take the same on record.

Yours faithfully,

For **Fino Payments Bank Limited**

**Basavraj Loni**  
**Company Secretary & Compliance Officer**  
Place: Navi Mumbai

Encl.: As above

**FINO PAYMENTS BANK LIMITED**

**Registered Office:** Mindspace Juinagar, 8<sup>th</sup> 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](mailto:cs@finobank.com)

**Website:** [www.finobank.com](http://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, January 17, 2025 at 9:00 a.m. (IST)	Saturday, February 15, 2025 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**”), 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**”) (including any statutory modification or re-enactment thereof for the time being in force), 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, 11/2022 dated December 28, 2022, 09/2023 dated September 25, 2023 and 09/2024 dated September 19, 2024 (collectively termed as “**MCA Circulars**”) and applicable circulars issued by Securities and Exchange Board of India, from time to time (collectively termed as “**SEBI Circulars**”) (MCA Circulars and SEBI Circulars are collectively termed as “**Circulars**”), to transact the special business as set out hereunder by passing Special Resolutions by the Members of Fino Payments Bank Limited (“**Bank**”) through Postal Ballot via remote Electronic Voting (“**e-Voting**”) only.

Pursuant to Sections 102 and 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 Circulars, the Bank is sending this Notice only in electronic form, to those Members whose e-mail addresses are registered with the Bank/ National Securities Depository Limited (“**NSDL**”) and Central Depository Services (India) Limited (“**CDSL**”) (collectively termed as “**Depositories**”)/ KFin Technologies Limited (“**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 e-Voting system. In respect of those Members who have not registered their email ids, the Bank 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 Sections 108 and 110 of the Act read with the Rules, the Circulars and SS-2, the Bank is providing e-Voting facility to its Members, to enable them to cast their votes electronically. The Bank has engaged the services of NSDL for the purpose of providing e-Voting facility to its Members. The instructions for e-Voting are appended to this Notice. The Notice is also available on the website of the Bank [www.finobank.com](http://www.finobank.com).

Members desiring to exercise their vote through the 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 e-Voting not later than 5.00 p.m. (IST) on Saturday, February 15, 2025. The e-Voting facility will be disabled by NSDL immediately thereafter.

### SPECIAL BUSINESS

#### 1. Payment of remuneration to Mr. Rishi Gupta, Managing Director & CEO (“M.D. & CEO”) (DIN: 01433190) of the Bank for the FY 2023-24

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) and in accordance with 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 approvals 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 FY 2023-24 as per the Compensation Policy applicable to M.D. & CEO of the Bank:

	(₹ in crore)
<b>Break-up of the Remuneration</b>	<b>FY 2023-24</b>
Salary	1.21
Provident Fund	0.08
LTA	0.16
Free furnishing	0.16
Free use of Bank's car	0.30
Hard furnishing	0.25
Utilities	0.06
<b>Total Fixed Pay (including perquisites) (A)</b>	<b>2.22</b>
Variable Pay-Cash (deferred as per the RBI guidelines)	0.74
Variable Pay- Non Cash Share Linked (deferred over the period of three years as	2.30

<b>Break-up of the Remuneration</b>	<b>FY 2023-24</b>
per the vesting schedule of the options)	
<b>Total Variable Pay (B)</b>	<b>3.04</b>
<b>Total (A+B)</b>	<b>5.26</b>

**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 M.D. & 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 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."

## 2. Approval of 'Fino Payments Bank Limited - Employees Stock Option Policy, 2024'

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

**"RESOLVED THAT** pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder ("**Act**"), and in accordance with the Memorandum and Articles of Association of the Bank, provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and any circulars or notifications issued thereunder, as amended from time to time ("**SEBI (SBEB & SE) Regulations**"), provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**"), provisions of any regulations / guidelines prescribed by the Securities and Exchange Board of India ("**SEBI**") and/or the Reserve Bank of India ("**RBI**"), and all other applicable laws, rules and regulations, if any, and subject to such other approvals, permissions and sanctions as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanction and pursuant to the recommendation of the Nomination and Remuneration Committee ("**NRC**") and approval of the Board of Directors of the Bank, the consent of the Members of the Bank be and is hereby accorded to the introduction, formulation and implementation of "Fino Payments Bank Limited-Employees Stock Option Policy, 2024" ("**ESOP 2024**") the salient features of which are provided in the Statement annexed hereto and authorising the Board of Directors of the Bank ("**Board**") which term shall be deemed to include any committee, including the NRC which also act as Compensation Committee, which the Board has constituted/ designated to exercise certain powers, including the powers conferred by this resolution ("**Committee**") to create, grant, offer, issue and/or allot from time to time, in one or more tranches, stock options not exceeding 5,00,000 (Five Lakhs) in number in aggregate, to or for benefit of 'Employees' as defined in ESOP 2024 and in accordance with the SEBI (SBEB & SE) Regulations, ("**Eligible Employees**") from time to time, with each such options exercisable into equity share(s) of the Bank, as determined by the Board, which would in aggregate be exercisable into not more than 5,00,000 (Five Lakhs) equity shares of face value Rs.10/- each in one or more tranches, at an exercise price as mentioned in the explanatory statement annexed hereto and on such terms and conditions determined by the Board in accordance with applicable laws at the time of grant, and as contained in the ESOP 2024 and to provide for grant (subject to limits as specified) and subsequent vesting and exercise of options by Eligible Employees in the manner and method contained in the Statement annexed hereto and/or as the Board may decide in accordance with the provisions of the applicable laws and/or the provisions of the ESOP 2024.



**RESOLVED FURTHER THAT** the equity shares to be issued and allotted in terms of the ESOP 2024 as mentioned herein shall rank pari passu with the existing equity shares of the Bank, for all purposes.

**RESOLVED FURTHER THAT** the consent of the Members of the Bank be and is hereby also accorded to the Board to re- grant options lapsed, if any, under the Scheme, subject to the provisions of the ESOP 2024 and the SEBI (SBEB & SE) Regulations.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, split or consolidation of shares, change in capital structure, reorganization, merger or demerger, sale of division of undertaking and other similar corporate actions, the Board be and is hereby authorised to do all acts, deeds, matters and things as it may deem fit in its absolute discretion and permitted under applicable laws for the purpose of making a fair and reasonable adjustment to the entitlements under the ESOP 2024, including but not limited to, by way of issue of any additional options by the Bank to the option grantees, in which case the aforesaid ceiling of the options shall be deemed to have increased to the extent of such additional options issued, and/or the exercise price, as may be required.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of the equity shares, allotted under the ESOP 2024, from time to time, on the stock exchanges where the securities of the Bank are listed.

**RESOLVED FURTHER THAT** the Bank shall conform to the accounting policies prescribed from time to time under Regulation 15 of the SEBI (SBEB & SE) Regulations and any other applicable laws and regulations to the extent relevant and applicable to the ESOP 2024.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may deem necessary in this regard, including appointment of various intermediaries, advisors, consultants or representatives, being incidental to the effective implementation and administration of the ESOP 2024 as also to make applications to the appropriate authorities, parties, institutions, as the case may be, for their requisite approvals as also to initiate or take all necessary or incidental actions in the above connection and to settle all such questions, difficulties or doubts whatsoever that may arise and take all such steps and decisions in this regard.”

**Registered Office:**

MindSpace Juinagar, 8<sup>th</sup> 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](mailto:cs@finobank.com)  
Website: [www.finobank.com](http://www.finobank.com)

Place: Navi Mumbai

Date: December 18, 2024

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

Sd/-  
**Basavraj Loni**  
**Company Secretary & Compliance Officer**  
Membership No.: A23095

**NOTES:**

1. An explanatory statement pursuant to Sections 102 and 110 of the 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 the applicable Circulars, the Bank is pleased to offer e-Voting facility to members to cast their vote electronically.
3. The Bank has engaged the services of National Securities Depository Limited (“NSDL” or “**Service Provider**”) for facilitating e-Voting to enable the members to cast their votes electronically.
4. In accordance with the 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, i.e. NSDL and Central Depository Services (India) Limited (the “CDSL”) as on January 10, 2025 (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, if any, with the Registrar and Share Transfer Agent of the Bank (“RTA”), in accordance with the provisions of the Act read with the Rules made thereunder and the framework provided under the 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](http://www.finobank.com) and the websites of the Stock Exchanges i.e. BSE Limited (“BSE”) at [www.bseindia.com](http://www.bseindia.com) and the National Stock Exchange of India Limited (“NSE”) at [www.nseindia.com](http://www.nseindia.com) and on the website of NSDL at [www.evoting.nsdl.com](http://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, subject to the relevant provisions of the Banking Regulation Act, 1949 and RBI (Acquisition and Holding of Shares or Voting Rights in Banking Companies) Directions, 2023 dated January 16, 2023.

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 Resolutions in accordance with the process specified in this Notice.

6. The e-Voting shall commence on Friday, January 17, 2025 at 9:00 a.m. (IST) and shall end on Saturday, February 15, 2025 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. Tribhuwneshwar Kaushik and in his absence, Mr. Savyasachi Joshi of M/s. Kaushik Joshi & Co., Practising Company Secretaries, as the Scrutinizer, for scrutinizing the e-Voting in a fair and transparent manner.
8. The Scrutinizer will submit his report to the Part-time 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 within two working days of conclusion of remote e-voting process. The Scrutinizer's decision on the validity of votes cast will be final.
9. The Results declared along with the Scrutinizer's Report shall be placed on the Bank's website [www.finobank.com](http://www.finobank.com) and on the website of NSDL [www.evoting.nsd.com](http://www.evoting.nsd.com) immediately after the result is declared by the Part-time 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 results shall also be displayed on the notice board at the Registered Office of the Bank.
10. The Resolutions, if passed by the requisite majority through Postal Ballot, shall be deemed to be passed on the last date specified for e-Voting i.e. Saturday, February 15, 2025.
11. The vote in this Postal Ballot cannot be exercised through proxy.
12. Relevant documents referred to in this Notice and the explanatory statement setting out the material facts in respect of the resolutions set out 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 as specified for e-Voting i.e. Saturday, February 15, 2025. Members who wish to inspect the documents are requested to send an email to [cs@finobank.com](mailto: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 resolutions 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](mailto: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](mailto:cs@finobank.com). If you are an Individual shareholder 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.com](mailto:evoting@nsdl.com) 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 09, 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 correctly in their demat account with their Depository Participants 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 09, 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.	<p>1. Existing IDeAS user can visit the e-Services website of NSDL viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> 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.</p> <p>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>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.</p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> 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</p>

	<p>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.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>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 <a href="http://www.cdslindia.com/">www.cdslindia.com/</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>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.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an e-Voting link available on <a href="https://www.cdslindia.com">https://www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; 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.</li> </ol>

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.
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**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 <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800-21-09911

**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 CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then

	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. 13 & 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](http://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](http://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.com](mailto:evoting@nsdl.com) 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.**

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/corporate shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scan (PDF/JPG Format) of the certified copy of relevant Board Resolution/ Authority letter etc. authorizing their representative(s) to vote on their behalf, to the Scrutinizer by e-mail to [cskaushikjoshi@gmail.com](mailto:cskaushikjoshi@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com) by quoting the concerned DP ID and Client ID or Folio Number. Institutional/corporate 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](http://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.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Mr. Sanjeev Yadav, Assistant Manager, National Securities Depository Limited, at [evoting@nsdl.com](mailto:evoting@nsdl.com). T301, 3<sup>rd</sup> Floor, Naman Chambers, G Block, Plot No- C-32, Bandra Kurla Complex, Bandra East, Mumbai- 400051.

### **Registered Office:**

Mindspace Juinagar, 8<sup>th</sup> 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](mailto:cs@finobank.com)  
Website: [www.finobank.com](http://www.finobank.com)

Place: Navi Mumbai

Date: December 18, 2024

By Order of the Board of Directors

**Fino Payments Bank Limited**

Sd/-

**Basavraj Loni**

**Company Secretary & Compliance Officer**

Membership No.: A23095



**ANNEXURE TO NOTICE**
**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“ACT”)**
**Item no.1**
**Payment of remuneration to Mr. Rishi Gupta, Managing Director & CEO (“M.D. & CEO”) (DIN: 01433190) of the Bank for the FY 2023-24**

Pursuant to the provisions of Sections 196, 197 and other applicable provisions of the Act and basis the recommendation of the Nomination and Remuneration Committee (“NRC”), the Board of Directors has approved the appointment of Mr. Rishi Gupta as the Managing Director & CEO (“M.D. & CEO”) of the Bank with effect from May 02, 2017. He has been re-appointed for his further tenures from time to time after seeking necessary approvals from the Members and Reserve Bank of India (“RBI”). His current term as the MD & CEO of the Bank has been approved by the Members of the Bank at their 6<sup>th</sup> 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 RBI.

Pursuant to the recommendation of NRC and approval of Board of Directors, RBI has vide its letter dated January 18, 2024 approved the fixed remuneration and vide its letter dated November 26, 2024 approved the performance bonus (variable pay) of Mr. Rishi Gupta for FY 2023-24 as given below.

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 2023-24:

<b>Break-up of the Remuneration</b>	<b>(₹ in crore) F.Y. 23-24</b>
Salary	1.21
Provident Fund	0.08
LTA	0.16
Free furnishing	0.16
Free use of Bank's car	0.30
Hard furnishing	0.25
Utilities	0.06
<b>Total Fixed Pay (including perquisites) (A)</b>	<b>2.22</b>
Variable Pay-Cash (deferred as per the RBI guidelines)	0.74
Variable Pay-Non Cash Share Linked (deferred over the period of three years as per the vesting schedule of the options)	2.30
<b>Total Variable Pay (B)</b>	<b>3.04</b>
<b>Total (A+B)</b>	<b>5.26</b>

**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 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.

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 30 years of rich experience across industries (primarily in financial services). Mr. Rishi Gupta started his career with Maruti Udyog Limited 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 FY2021-22. 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:

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	(₹ in Lakhs)
				Growth in FY24 over FY23
<b>Balance Sheet</b>				
Saving Bank Deposits	49,762	91,158	1,39,778	48,620
Current Account Deposits	307	556	1,476	920
<b>Total Assets/ Liabilities</b>	<b>1,68,000</b>	<b>2,46,640</b>	<b>3,41,911</b>	<b>95,271</b>
<b>Profit &amp; Loss Account</b>				
Net Sales & other Income	1,00,885	1,22,991	1,47,838	24,847
Less: Expenses	92,447	1,09,383	1,28,749	19,366
Profit/(Loss) before Interest, Depreciation & Tax	8,438	13,608	19,089	5,481
Less: Depreciation	3,545	4,185	5,345	1,160
Less: Financial Charge	619	2,915	5,114	2,199

Profit/(Loss) before Tax & prior period items	4,274	6,508	8,630	2,122
Prior Period items	-	-	-	-
Profit/(Loss) before Tax	4,274	6,508	8,630	2,122
Taxes	-	-	8	8
<b>Net Profit /(Loss) after Tax</b>	<b>4,274</b>	<b>6,508</b>	<b>8,622</b>	<b>2,114</b>

- Profit after tax of the Bank was ₹86.2 Crore in FY24 i.e. increase by 32.4%, year on year basis.
- Throughput grew by a whopping 40.6% year-on-year basis in FY24.
- The Bank processed 211 Cr+ transactions in FY24, a 74.8% growth compared to the previous year (Almost 1% of those who walk-in to transact, eventually commenced a relationship with the Bank).
- Digital throughput in FY24 grew exponentially by 170.8% to touch nearly 37.0% of overall throughput in FY23 at ₹1,32,576 Crore.
- The Bank opened approx. 31.79 lakh current and savings accounts of customers in FY24, of which 80%+ were subscription based accounts.
- The Bank delivered a robust ROE in FY 2024 of 14.7%.
- Merchant network went up by 28%, the Bank's physical outreach reached to 17.5 lakh+ banking points in FY 2024.

#### **Governance:**

Mr. Rishi Gupta had played an important role in ensuring all the regulatory and statutory guidelines across all functions at all times with close coordination with relevant team and work in a cohesive compliant manner.

#### **Technology and Infra:**

Mr. Rishi Gupta took initiatives to strengthen the Infra roadmap for digital strategy and building scalable systems to manage business and regulatory requirements.

- Various new technologies introduced in IT Infra, Information Security, end point devices which helped in achieving certifications like PCI-DSS, scalability, no know-data breach, protection from Zero day attacks (Data Leakage Prevention, Data Classification etc are part of this roll-outs).
- The Bank has obtained ISO 27001 and ISO 9001 certifications for the Bank by implementing various processes.
- Implemented remote location management of devices to have higher customer satisfaction.

#### **People:**

Mr. Rishi Gupta showed significant contribution towards the enhancement of people capabilities and organization's recognition in the industry with timely involvement in cultural and engagement initiatives.

His contribution led to the recognition and achievement of the Great Places to Work Certification for a second time in a row.

## Awards and accolades

### 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 3<sup>rd</sup> 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

### 2022-23

- a. Continued Bank journey as a Great Place to Work by bagging GPTW certification continuously for the 2<sup>nd</sup> time in FY 22-23
- b. ASSOCHAM: 17<sup>th</sup> Annual Summit & Awards Banking & Financial Sector
- c. Best Brand Building Campaign by Krypton
- d. Best Use of AI & ML by Krypton
- e. 5<sup>th</sup> India BFSI Awards on Digital Payments by Governance Now
- f. Elets: BFSI Tech Innovation Awards 2023 for Outstanding Contribution to Rural Community by Elets Media

### 2023-24

- a. ASSOCHAM, 2<sup>nd</sup> Vibrant Bharat CFO Summit & Awards: Best CFO – Financial Innovation
- b. Quantic Data Analytics and AI Show: Best Use of Predictive Analysis in Fraud Detection (Payments Bank)
- c. Dun & Bradstreet – BFSI & Fintech Awards 2024: India’s Leading Payments Bank

Mr. Rishi Gupta has participated in prominent forums sharing insights from personal and firm level experiences, 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.

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

The information as required to be disclosed under Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India (“SS-2”) and sub-clause I of Section II of Part II of Schedule V to the Act and has been given as **Annexure-A** and **Annexure – B** respectively, attached to this Notice.

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 2023-24.

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 resolution mentioned at Item No. 1 of the notice.

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

## Item no.2

The Bank has formulated and implemented Fino Payments Bank Limited - Employees Stock Option Policy, 2020 (“**ESOP 2020**”) and Fino Payments Bank Limited - Employees Stock Option Policy, 2023 (“**ESOP 2023**”) with a view to attract, retain, incentivize and motivate employees by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability of the Bank.

In order to accommodate future grant to employees including Material Risk Takers (“**MRTs**”) as per RBI Compensation Guidelines, based on the recommendations of the Nomination & Remuneration Committee of the Bank (“**NRC**”), the Board of Directors of the Bank (“**Board**”) at its meeting held on December 18, 2024, has subject to approval of Members, approved the adoption and implementation of Fino Payments Bank Limited- Employees Stock Option Policy, 2024 (“**ESOP 2024**”) for the employees of the Bank (whether now or hereafter existing, as may be, from time to time, be allowed under the prevailing laws, rules and regulations and/or any amendments thereto from time to time), whether working in India or out of India.

The purpose of ESOP 2024 is to attract, motivate and retain the employees and to provide them opportunity to create long term wealth during their journey with the Bank.

The options shall be granted under the ESOP 2024 in one or more tranches as may be determined by the Board which term shall be deemed to include any committee, including the NRC which also acts as the Compensation Committee constituted by the Board, to exercise powers conferred by this resolution.

The Bank shall have a governance framework for implementing this ESOP 2024, which would entail articulation and implementation of robust performance conditions prior to grant. The NRC shall determine the quantum/ proportion of options that need to be granted. Such options shall be granted based on pre-defined performance conditions as determined by the NRC on a case-to-case basis as applicable for the function/role. The NRC can vary the conditions and the weightages assigned to each condition.

Accordingly, the Bank proposes to adopt a new scheme under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, under the name and style of ‘Fino Payments Bank Limited -Employees Stock Option Policy, 2024’, (“**ESOP 2024**”) and to create, grant, offer, issue and/or allot from time to time, in one or more tranches, stock options not exceeding 5,00,000 (Five Lakhs) in number in aggregate, to the Eligible Employees.

The salient features and broad terms and conditions of the ESOP 2024, inter alia, are as under:

i. Brief Description of the ESOP 2024:

The Bank proposes to formulate and implement ESOP 2024 in terms of the relevant provisions of the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Securities and Contract (Rules), 1957, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“**SEBI (SBEB & SE) Regulations**”), the Companies Act, 2013 and the relevant rules notified thereunder, the guidelines/regulations prescribed by the Reserve Bank of India, the Foreign Exchange Management Act, 1999, and the rules, regulations and guidelines issued thereunder, the Income Tax Act, 1961, the Income Tax



Rules, 1962 and such other applicable laws, rules and regulations enacted by any other statutory/regulatory authority in India.

The objective of the ESOP 2024 is to reward the Employees for their past association and performance as well as to motivate them to contribute to the growth and profitability of the Bank. The Bank also intends to use this Policy to attract and retain talent in the Bank. The Bank views employee stock options as instruments that would enable the Employees to share the value they create for the Bank in the years to come.

- ii. Total number of Options to be offered/granted under the ESOP 2024: It is proposed to create /grant/offer/issue up to 5,00,000 (Five Lakhs) options of the Bank, in one or more tranches as may be determined by the Board which shall include any Committee of the Board, from the date of approval of the ESOP 2024 by the shareholders, which shall entitle the employees one fully paid-up equity share of face value of ₹10 of the Bank against each options exercised and accordingly, up to 5,00,000 equity shares of face value of Rs.10 each fully paid-up shall be allotted to the Eligible Employees under the ESOP 2024 upon exercise.
- iii. Identification of classes of employees entitled to participate and be beneficiaries in ESOP 2024: The ESOP 2024 shall be extend to:
  - (i) an employee as designated by the Bank who is exclusively working in India or outside India; or
  - (ii) a director of the Bank, whether a Managing / Whole time director or not, but excluding an independent director; or
  - (iii) Material Risk Takers.
- iv. Date of Grant: The date of grant would be the date on which the NRC approves the grant of options to the Eligible Employees.
- v. Requirement of Vesting and period of Vesting: Options granted under ESOP 2024 would vest as follows:

At the end of First (1 <sup>st</sup> ) Year from the date of Grant of Options	33.33% of Options so granted
At the end of Second (2 <sup>nd</sup> ) Year from the date of Grant of Options	33.33% of Options so granted
At the end of Third (3 <sup>rd</sup> ) Year from the date of Grant of Options	Balance 33.33% of Options so granted

Unless otherwise set out in ESOP 2024, vesting of the Options would be subject to continued employment with the Bank and thus the Options would vest on passage of time in accordance with the above schedule. In addition to this, the NRC may also specify certain performance parameters subject to which the Options would Vest. The specific vesting schedule and conditions subject to

which Vesting would take place would be outlined in the agreement to be executed by the Options Grantee at the time of grant of the Options.

- vi. Maximum period within which the Options shall be vested: The maximum period within which the options shall be vested is as per the vesting schedule mentioned hereinbefore. The options that have not been exercised in accordance with the provisions of the ESOP 2024 shall be deemed to have lapsed. The lapsed options can be re-issued and the maximum period within which the lapsed options shall be vested is as per the vesting schedule from the date of its re-grant.
- vii. Exercise Price or Pricing Formula: All Options to subscribe to equity shares pursuant to the ESOP 2024 shall have a purchase or Exercise Price at the Market Price. Payment of the Exercise Price along with applicable taxes, shall be made by a crossed cheque or a demand draft or NEFT or other electronic mode drawn in favour of the Bank or in such other manner as the NRC may decide.

Market Price means the latest available closing price on a Stock Exchange on which the shares of the Bank are listed on the date immediately prior to the Grant Date.

Explanation: If such shares are listed on more than one stock exchange, then the closing price of the shares on the Stock Exchange having higher trading volume shall be considered as the Market price.

- viii. Exercise period and process of exercise: The options shall be exercised by the eligible employee of the Bank, in accordance with ESOP 2024 inter-alia while in employment and post resignation within a period mentioned below:
  - a. While in employment: 5 years from the date of Vesting.
  - b. Post resignation: 3 years from the date of Vesting.

The options will be exercisable by the option grantees by a written application to the Bank expressing his/ her desire to exercise such Options along with payment of exercise price and applicable taxes in such manner and on execution of such documents, as may be prescribed from time to time. The options will lapse if not exercised within the specified exercise period.

- ix. Appraisal process for determining the eligibility of the Employees to ESOP 2024: The options shall be granted to the eligible Employees as per performance appraisal system of the Bank and the NRC may adopt any eligibility criteria for determining eligibility of any Employee or a class thereof on the basis of designation, role, and future potential of Employees as per ESOP 2024.
- x. The Maximum number of Options to be offered and issued per Employee and in aggregate: Such number as may be decided by the NRC in accordance with the ESOP 2024 and in accordance with SEBI (SBEB & SE) Regulations and other applicable laws, from time to time.
- xi. The Maximum quantum of benefits to be provided per Employee under the ESOP 2024: As per ESOP 2024 and subject to the provision of the SEBI (SBEB & SE) Regulations and other applicable laws.

- xii. Whether the ESOP 2024 is to be implemented and administered directly by the Bank or through a Trust: ESOP 2024 is implemented and administered directly by the Bank.
- xiii. Whether the ESOP 2024 involves new issue of shares by the Bank or secondary acquisition by the Trust or both: The ESOP 2024 involves issue/ allotment of fresh shares by the Bank.
- xiv. The amount of loan to be provided for implementation of the ESOP 2024 by the Bank to the Trust, its tenure, utilization, repayment terms, etc.: Not Applicable.
- xv. The Maximum percentage of secondary acquisition (subject to limits specified under the Regulations) that can be made by the Trust for the purposes of the ESOP 2024: Not Applicable.
- xvi. Statement to the effect that the Bank shall conform to the accounting policies specified in Regulation 15: The Bank shall comply with the applicable accounting policies as prescribed under Regulation 15 of SEBI (SBEB & SE) Regulations and other applicable laws.
- xvii. The method which the Bank shall use to value its Options: The Bank adopts fair value method for accounting of employee compensation cost in accordance to the guidance note on Accounting for Employee Share Based payments issued by the ICAI.
- xviii. Statement with regard to Disclosure in Directors' Report: As the Bank is adopting the fair value method, presently there is no requirement for disclosure in the Board's report.
- xix. Period of lock-in: The equity shares arising out of exercise of Vested Options will not be subject to any lock-in period after such exercise.
- xx. Terms & conditions for buyback, if any, of specified securities: Subject to the provisions of the prevailing applicable laws, the NRC shall determine the procedure for buyback of Options granted under the ESOP 2024 if to be undertaken at any time by the Bank, and the applicable terms and conditions thereof.
- xxi. Conditions under which options vested in employees may lapse e.g. in case of termination of employment for misconduct: All Vested options which are not exercised at the time of such termination due to misconduct or due to breach of Bank's policies or the terms of employment shall stand cancelled with effect from the date of such termination.
- xxii. The specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee: In accordance with the ESOP 2024.
- xxiii. Listing: The equity shares allotted pursuant to the exercise of the stock options under ESOP 2024, shall be listed on BSE Limited and National Stock Exchange of India Limited subject to obtaining their in-principle approval prior to granting such options.

The resolution and the terms stated therein in this explanatory statement shall be subject to the guidelines/ regulations issued/to be issued by statutory authorities in that behalf and the NRC shall have authority to modify the terms herein in accordance with and subject to all applicable regulations/ guidelines & approvals as may be stipulated under Companies Act, 2013 or by SEBI or any other statutory/ regulatory authority, from time to time, provided that such variation is not detrimental to the interest of the option Grantees or the Eligible Employees, who have been granted options under the ESOP 2024.

None of the Promoters, Directors, Key Managerial Personnel and their relatives (except to the extent of ESOPs to be granted to them pursuant to ESOP 2024), are in any way, concerned or interested, financially or otherwise in this resolution.

The Board of Directors of the Bank recommends the Special Resolution set out at Item No. 2 of this Notice, for the approval of the Members of the Bank.

**Registered Office:**

Mindspace Juinagar, 8<sup>th</sup> 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](mailto:cs@finobank.com)  
Website: [www.finobank.com](http://www.finobank.com)

Place: Navi Mumbai

Date: December 18, 2024

By Order of the Board of Directors  
**Fino Payments Bank Limited**  
Sd/-  
**Basavraj Loni**  
**Company Secretary & Compliance Officer**  
ICSI Membership No. ACS: 23095

**Information 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**

<b>Name of the Director and DIN</b>	<b>Mr. Rishi Gupta (DIN: 01433190)</b>			
Designation	Managing Director & CEO			
Age/Date of Birth	55 years/January 26, 1969			
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 &amp; financial capabilities at Fino. Subsequently he became MD &amp; 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.</p> <p>Mr. Rishi Gupta is a qualified Chartered Accountant (Rank Holder) and Cost &amp; 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 30 years of rich experience across industries (primarily in financial services). Mr. Rishi Gupta started his career with Maruti Udyog Limited 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 &amp; Financial Services” by Institute of Chartered Accountants of India (ICAI).</p>			
Date of first appointment on the Board	June 27, 2016			
Number of Meetings of the Board attended during the F.Y. 2023-24	9/9			
Directorships held in other companies (Except Section 8 and Foreign Companies)	Nil			
Memberships / chairmanships of committees of Boards as on	<b>Sr. No.</b>	<b>Name of Company</b>	<b>Name of Committee</b>	<b>Position Held</b>



Name of the Director and DIN	Mr. Rishi Gupta (DIN: 01433190)			
December 18, 2024	1.	Fino Payments Bank Limited	Risk & Asset Liability Management Committee	Member
			Stakeholders Relationship Committee	Member
			Corporate Social Responsibility Committee	Chairman
			IT Strategy Committee	Member
			Customer Service Committee	Chairman
			Committee of Directors (Operations)	Member
			Strategic Investment Committee	Member
			Business & Corporate Restructuring Committee	Member
			Special Committee of Board on Fraud Monitoring	Member
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"> <li>• 5,325 Equity Shares in his personal capacity.</li> <li>• 2 Equity Shares as a registered owner without having beneficial interest in the same.</li> </ul>			
Terms and conditions of appointment including details of remuneration	<p>The Members at their 6<sup>th</sup> (Sixth) AGM of the Bank held on September 29, 2022, had approved the re-appointment of Mr. Rishi Gupta as Managing Director &amp; CEO of the Bank, liable to retire by rotation, for a period of three (3) years, commencing from May 02, 2023 upto May 01, 2026 (both days inclusive) on a remuneration as may be approved by the Members of the Bank and RBI from time to time.</p> <p>Accordingly, Mr. Rishi Gupta shall be paid such remuneration, as may be approved by the Members of the Bank and RBI from time to time.</p>			
Remuneration last drawn	Pursuant to the approval of the RBI and Members vide postal ballot approved on Sunday, April 07, 2024, Mr. Rishi Gupta was paid remuneration of ₹ 4.69 Crore for F.Y. 2022-23.			
Nature of expertise in specific functional areas	Business Management, Payment Settlement, Banking, Accountancy, Rural Economy, Economics and Finance.			
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:**
**I. 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's aim is to promote digital payments and banking among rural masses and managing cash efficiently. The Bank operates on an asset light business model where each banking outlet (merchant) serves the banking and financial needs of its community, which in turn forms the backbone of the Bank's assisted-digital ecosystem, referred to as "phygital" (Physical + Digital) delivery model. The Bank has a strategic focus on Data, Digital and Distribution (D-D-D) to drive growth and profitability.
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:**

(₹ in lakhs)

Particulars	2023-24	2022-23
Net Sales and other income	1,47,838	1,22,991
Less: Expenses	1,28,749	1,09,383
<b>Profit /(Loss) before Interest, Depreciation and Tax</b>	<b>19,089</b>	<b>13,608</b>
Less: Depreciation	5,345	4,185
Less: Finance Charges	5,114	2,915
<b>Profit /(Loss) before Tax and prior period items</b>	<b>8,630</b>	<b>6,508</b>
Prior period items	-	-
<b>Profit /(Loss) before Tax</b>	<b>8,630</b>	<b>6,508</b>
Taxes	8	-
<b>Net Profit /(Loss) after Tax</b>	<b>8,622</b>	<b>6,508</b>
Other Comprehensive Income	-	-
<b>Balance of Profit /(Loss) carried forward to next year</b>	<b>8,622</b>	<b>6,508</b>

5. **Foreign Investments or Collaborators, if any:** Nil as on March 31, 2024.

## 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 2022-23 is as below:

	(₹ in Crore)
<b>Break-up of the Remuneration</b>	<b>Amount</b>
<b>Total Fixed Pay (including perquisites) (A)</b>	<b>2.02</b>
Variable Pay-Cash	0.18
Variable Pay-Non Cash Share Linked (deferred over the period of three years as per the vesting schedule of the options)	2.49
<b>Total Variable Pay (B)</b>	<b>2.67</b>
<b>Total (A+B)</b>	<b>4.69</b>

**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.

3. **Recognition or awards:** The details of recognition and awards are already provided hereinbefore.

4. **Job profile and his suitability:**

Mr. Rishi 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 as on September 30, 2024, it has more than 18.5 lakh Access (merchant) points.

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 Mr. Gupta 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 5325 Equity shares in the individual capacity and 2 Equity Shares as a registered owner without having beneficial interest in the same and 4,96,924 Stock options of the Bank in his personal capacity.

### III. OTHER INFORMATION:

1. **Reasons of loss or inadequate profits:** The Bank has completed more than seven (7) 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.