

November 13, 2021

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra - Kurla Complex,
Bandra (E), Mumbai - 400 051

BSE Limited
Corporate Relationship Department,
2nd Floor, New Trading Wing,
Rotunda Building, P.J. Towers,
Dalal Street, Mumbai- 400 001

Symbol: FINOPB
ISIN: INE02NC01014
Scrip Code: 543386

Dear Sir/ Madam,

Sub: Audited Financial Results of Fino Payments Bank Limited (“the Bank”) for the quarter and half year ended September 30, 2021 along with Auditors Report

Pursuant to Regulation 33 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the Audited standalone financial results of the Bank for the quarter and half year ended September 30, 2021 along with Auditors Report with unmodified opinion. The results were duly approved by the Board of Directors at its meeting held today.

The meeting of the Board of Directors of the Bank commenced at 12 p.m and concluded at 2.45 p.m.

This is for your information and appropriate dissemination.

Thanking You,
Your Faithfully,
For Fino Payments Bank Limited



Basavraj Loni
Company Secretary & Compliance Officer
Mem.No. A23095
Date: 13/11/2021
Place: Navi Mumbai



FINO PAYMENTS BANK LIMITED
CIN : U65100MH2007PLC171959

Registered Office: Mindspace Juinagar, Plot No Gen 2/1/F, Tower 1, 8th Floor, TTC Industrial Area, MIDC Shirawane, Navi Mumbai- 400 706

 Website: <https://www.finobank.com>, Tel.: 022- 7104 7000

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2021

(₹ in lakhs)

Sr No	Particulars	Quarter Ended			Half-year ended		Year ended
		30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	31.03.2021
		Audited	Audited	Audited	Audited	Audited	Audited
1	Interest earned(a)+(b)+(c)+(d)	704	606	485	1,310	928	2,026
(a)	Interest/ discount on advances/ bills	-	1	-	1	0	1
(b)	Income on investments	558	464	229	1,022	409	1,008
(c)	Interest on balances with Reserve Bank of India and other inter-bank funds	146	140	255	286	475	940
(d)	Others	0	1	1	1	44	77
2	Other Income	23,511	20,018	17,435	43,529	32,125	77,077
3	Total Income(1+2)	24,215	20,624	17,920	44,839	33,053	79,103
4	Interest Expended	343	306	207	649	499	954
5	Operating Expenses (i)+(ii)	23,083	20,005	16,951	43,088	31,594	75,700
(i)	Employees cost	3,294	3,338	2,826	6,632	5,413	11,471
(ii)	Other operating expenses	19,789	16,667	14,125	36,456	26,181	64,229
6	Total Expenditure (4+5) excluding provisions and contingencies	23,426	20,311	17,158	43,737	32,093	76,654
7	Operating Profit before provisions and contingencies (3-6)	789	313	762	1,102	960	2,449
8	Provisions (other than tax) and Contingencies	-	-	310	-	323	402
9	Exceptional Items	-	-	-	-	-	-
10	Profit (+)/ Loss (-) from Ordinary Activities before tax (7-8-9)	789	313	452	1,102	637	2,047
11	Tax expense	-	-	-	-	-	-
12	Net Profit(+)/ Loss(-) from Ordinary Activities after tax (10-11)	789	313	452	1,102	637	2,047
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	Net Profit(+)/ Loss(-) for the period (12-13)	789	313	452	1,102	637	2,047
15	Paid-up equity share capital (Face Value of ₹10/- each)	7,802	4,458	4,458	7,802	4,458	4,458
16	Reserves excluding Revaluation Reserves						10,597
17	Analytical Ratios						
(i)	Percentage of shares held by Government of India	-	-	-	-	-	-
(ii)	Capital Adequacy Ratio (%)	60.56%	54.84%	57.86%	60.56%	57.86%	56.25%
(iii)	Earning per share (EPS)- ₹						
(a)	Basic EPS before/ after Extraordinary items not annualised)	1.01	0.40	0.58	1.41	0.82	2.62
(b)	Diluted EPS before/ after Extraordinary items (not annualised)	1.01	0.40	0.58	1.41	0.82	2.62
(iv)	NPA Ratios	NA	NA	NA	NA	NA	NA
(v)	Return on Assets % (Not annualised)	0.71%	0.31%	0.60%	0.99%	0.84%	2.03%
(vi)	Net Worth	16,157	15,367	13,645	16,157	13,645	15,055
(vii)	Outstanding redeemable preference shares	-	-	-	-	-	-
(viii)	Capital Redemption Reserve	-	-	-	-	-	-
(ix)	Debt: equity ratio	1.62	1.37	0.62	1.62	0.62	1.20
(x)	Total debts to Total Assets	23.50%	20.71%	11.21%	23.50%	11.21%	17.90%



SEGMENT REPORTING FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2021

(₹ in lakhs)

Sr No	Particulars	Quarter Ended			Half-year ended		Year ended
		30.09.2021 Audited	30.06.2021 Audited	30.09.2020 Audited	30.09.2021 Audited	30.09.2020 Audited	31.3.2021 Audited
1	Segment Revenue						
(a)	Corporate/ Wholesale Banking	-	-	-	-	-	-
(b)	Retail Banking	4,206	3,165	2,938	7,371	5,024	12,504
(c)	Treasury	564	464	229	1,028	409	1,008
(d)	Other Banking Operations	19,451	16,987	14,813	36,438	27,636	65,556
(e)	Unallocated	(6)	8	(60)	2	(16)	35
	Total [Items (a) to (e)]	24,215	20,624	17,920	44,839	33,053	79,103
	Less: Inter Segment Revenue	-	-	-	-	-	-
	Total Income	24,215	20,624	17,920	44,839	33,053	79,103
2	Segment Results(Profit(+)/ Loss(-) before tax)						
(a)	Corporate/ Wholesale Banking	-	-	-	-	-	-
(b)	Retail Banking	1,690	835	763	2,525	1,060	3,593
(c)	Treasury	422	367	188	789	360	838
(d)	Other Banking Operations	2,725	2,686	3,188	5,411	5,678	13,398
	Total [Items (a) to (d)]	4,837	3,888	4,139	8,725	7,098	17,829
	Less: (i) Interest	-	-	-	-	-	-
	(ii) Other Un-allocable Expenditure net off	4,042	3,583	3,627	7,625	6,445	15,817
	(iii) Un-allocable income	-	-	-	-	-	-
	Total Profit Before Tax	789	313	452	1,102	637	2,047
3	Segment Assets						
	Corporate/ Wholesale Banking	-	-	-	-	-	-
	Retail Banking	2,110	1,983	2,717	2,110	2,717	1,740
	Treasury	67,326	59,178	33,023	67,326	33,023	58,549
	Other Banking Operations	29,282	30,867	32,383	29,282	32,383	31,910
	Unallocated	12,878	9,988	7,664	12,878	7,664	8,830
	Total	1,11,596	1,02,016	75,787	1,11,596	75,787	1,01,029
4	Segment Liabilities						
	Corporate/ Wholesale Banking	-	-	-	-	-	-
	Retail Banking	31,499	26,542	15,085	31,499	15,085	25,947
	Treasury	21,100	16,000	4,500	21,100	4,500	13,000
	Other Banking Operations	33,297	34,399	33,827	33,297	33,827	38,339
	Unallocated	9,543	9,708	8,730	9,543	8,730	8,688
	Capital & Reserves	16,157	15,367	13,645	16,157	13,645	15,055
	Total	1,11,596	1,02,016	75,787	1,11,596	75,787	1,01,029



CASH FLOW STATEMENT

(₹ in lakhs)

	Particulars	Half Year Ended 30.09.2021	Half Year Ended 30.09.2020	Year ended 31.03.2021
I	Cash Flow from / (used in) operating activities			
	Net Profit/(Loss) for the Period / Year before tax	1,102	637	2,047
	Adjustments for:-			
	Loss / (Profit) on Sale of Fixed Assets (Net)	7	60	64
	Add : Non-Cash Expenditure			
	Depreciation	1,526	1,426	5,358
	Provision for doubtful debts and advances	-	323	402
	Stock based compensation cost	90	-	-
	Gratuity	102	110	182
	Compensated absence	98	15	98
		2,925	2,571	8,151
	Cash Flow before working capital changes			
	Adjustments for working capital changes:-			
	Increase/(decrease) in deposits	5,879	2,237	12,531
	(Increase)/decrease in advances	2	8	(3)
	Increase/(decrease) in other liabilities and provisions	(4,845)	12,973	16,771
	(Increase)/decrease in investments	(13,504)	(14,522)	(37,529)
	(Increase)/decrease in other assets	3,533	(708)	(4,094)
	Direct tax(paid)/received (net of refunds)	(314)	615	951
	Net Cash Flow from / (used in) operating activities (A)	(6,324)	3,174	(3,222)
II	Cash Flow from / (used in) investing activities			
	Purchase of Fixed Asset (including capital work in progress)	(4,707)	(2,488)	(6,904)
	Sale of Fixed assets	1	8	9
	Net Cash flow from / (used in) Investing activities (B)	(4,706)	(2,480)	(6,895)
III	Cash Flow from / (used in) financing activities			
	Net Proceeds/ (repayments) from borrowings	8,140	(2,586)	7,001
	Net cash from / (used in) financing activities (C)	8,140	(2,586)	7,001
IV	Net (decrease)/increase in cash and cash equivalents during the Period/ Year (A + B + C)	(2,890)	(1,892)	(3,116)
V	Cash and cash equivalents at the beginning of the Period / Year	27,082	30,198	30,198
VI	Cash and cash equivalents at the end of the Period / Year	24,192	28,306	27,082



SUMMARISED STATEMENT OF ASSETS AND LIABILITIES

(₹ in lakhs)

	As at 30 Sep 2021	As at 30 Sep 2020	As at 31 March 2021
	Audited	Audited	Audited
CAPITAL AND LIABILITIES			
Capital	7,802	4,458	4,458
Employees Stock Options outstanding	90	-	-
Reserves and surplus	8,355	9,187	10,597
Deposits	30,163	13,990	24,284
Borrowings	26,220	8,493	18,080
Other liabilities and provisions	38,966	39,659	43,610
Total	1,11,596	75,787	1,01,029
ASSETS			
Cash and balances with Reserve Bank of India	4,535	6,969	8,832
Balances with banks and money at call and short notice	19,657	21,337	18,250
Investments	63,860	27,349	50,356
Advances	11	3	13
Fixed assets	9,595	5,943	6,422
Other Assets	13,938	14,186	17,156
Total	1,11,596	75,787	1,01,029



Notes:

1. The financial results have been prepared in accordance with the recognition and measurement principles given in Accounting Standard (AS) 25 on 'Interim Financial Reporting' as prescribed under Companies Act, 2013. These financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Bank at its meeting held on November 13, 2021. The financial results for the quarter and half year ended September 30, 2021, have been audited by the MSKC & Associates, the Statutory auditors of the Bank.
2. The figures for the quarter ended September 30, 2021, are the balancing figures between audited figures in respect of the half year ended September 30, 2021, and the audited figures for the quarter ended June 30, 2021.
3. The Bank successfully completed Initial Public Offer (IPO) and the shares of the Bank got listed on November 12, 2021, on National Stock Exchange Ltd. (NSE) and BSE Ltd. (BSE).
4. The Capital adequacy ratio ("CRAR") has been computed as per operating guidelines for Payments Banks in accordance with RBI circular No.DBR.NBD.No.25/16.13.218/2016-17 dated October 6, 2016 and RBI notification no. DBR.NBD.No.4503/16.13.218/2017-18 dated 08 November 2017. Payments Banks are exempted from maintaining capital for market risk and operational risk. The Bank has followed Basel II standardized approach for credit risk in accordance with the operating guidelines issued by the Reserve Bank of India for Payments Banks.
5. The Bank has applied its significant accounting policies in the preparation of these financial results that are consistent with those followed in the annual financial statements for the year ended March 31, 2021.
6. During the quarter and half year ended September 30, 2021, the Board of Directors and subsequently the shareholders of the Bank at Extra-ordinary General Meeting held on July 22, 2021 has approved the allotment of 33,434,999 Bonus Equity Shares of face value of Rs. 10/- each in ratio of 0.75:1 (i.e point seventy-five new equity share of Rs. 10/- each for every 1 equity share of Rs. 10/-each) to the existing shareholders.
7. The disclosure relating to segment information is in accordance with Accounting Standard 17 Segment Reporting (AS-17) and as per guidelines issued by Reserve Bank of India (RBI) in this regard.
8. The Bank measures compensation cost relating to the employee stock options using the fair value method. The fair value of stock options is estimated on the date of grant using the Black- Scholes model. During the quarter and half year ended September 30, 2021, the Bank has granted 780,236 options to the eligible employees as on 20 July 2021.
9. Other income relates to fees and commission earned from CASA, micro-ATMs and AePS transactions, domestic remittances, issuing of debit cards, third party products including insurance and gold loans, Business Correspondent Banking and Cash Management Services.



10. During financial year 2020-21, the Covid-19 pandemic resulted in a nation-wide lockdown which substantially impacted economic activity. The second wave of the Covid-19 pandemic in April-May 2021 led to the re-imposition of localised/regional lock-down measures in various parts of the country. The second wave has started to subside from June 2021 onwards and there has been a lifting of lock downs, resulting in a gradual increase in economic activity. While there has been a reduction in the number of new reported Covid-19 cases, progress in the vaccination programme and gradual increase in economic activity, the extent to which the COVID-19 pandemic will impact the Bank's performance will depend on future developments, which are uncertain. The Bank will continue to closely monitor any material changes to future economic conditions
11. Figures of the previous periods have been regrouped/ reclassified wherever necessary to confirm to current period's classification.

Place : Navi Mumbai

Date : 13 November 2021

For Fino Payments Bank Limited


✓ Rishi Gupta

Managing Director & CEO



Independent Auditor's Report on Quarter and Half year ended Financial Results of the Bank pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements), 2015

TO THE BOARD OF DIRECTORS OF FINO PAYEMENTS BANK LIMITED

Report on the Audit of the Financial Results

Opinion

We have audited the accompanying Financial Results of Fino Payments Bank Limited ("the Bank") for the quarter and half year ended September 30, 2021 (the "Statement"), being submitted by the Bank pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement:

- i. is presented in accordance with the requirements of the Listing Regulations; and
- ii. gives a true and fair view, in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Accounts) Rules, 2014, as amended to the extent applicable, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time (the "RBI Guidelines") and other accounting principles generally accepted in India of the net profit and other financial information for the quarter and half year ended September 30, 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Statement, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Statement.

Emphasis of Matter

We draw attention to note 10 to the audited financial results, which describes the extent to which the Covid - 19 pandemic will continue to impact the Bank's results will depend on ongoing and future developments which are uncertain.

Our opinion is not modified in respect of this matter.

Board of Directors' Responsibility for the Financial Results

This Statement has been compiled from the interim financial statements. The Bank's Board of Directors are responsible for the preparation of the Statement that gives a true and fair view of the net profit and other financial information of the Bank in accordance with the recognition and measurement principles laid down in Accounting Standards - 25 "Interim Financial Reporting" (AS - 25) specified under section 133 of the Act, the RBI Guidelines and other accounting principles generally accepted in India and in compliance with the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act and RBI Guidelines for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error. which have been used for the purpose of preparation of the Statement by the Board of Directors of the Bank, as aforesaid.

In preparing the Statement, the Board of Directors are responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Bank are also responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing our opinion whether the Bank has internal financial controls with reference to the Statement in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

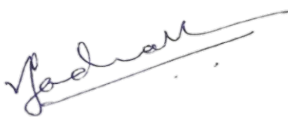
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The Statement include the results for the quarter ended September 30, 2021, and September 30, 2021, being the balancing figure between the audited figures in respect of the half year September 30, 2021, and September 30, 2020, and the audited figures for the quarter ended June 30, 2021, and June 30, 2020, respectively.

Our opinion is not modified in respect of this matter.

For **MSKC & Associates (Formerly known as R K Kumar & Co)**
Chartered Accountants
ICAI Firm Registration Number: 001595S



Padmashree Crasto
Partner
Membership Number: 117156
UDIN: 21117156AAAABA8567

Mumbai
November 13, 2021