

January 27, 2022

**BSE Limited**  
Corporate Relationship Department,  
2nd Floor, New Trading Wing,  
Rotunda Building, P.J. Towers,  
Dalal Street, Mumbai- 400 001  
(Scrip Code: 543386)

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

Dear Sir/Madam,

**Re: Investor Presentation**

**Sub: Intimation under Regulation 30 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")**

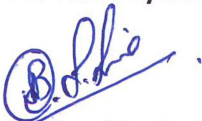
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In continuation to our letter dated January 25, 2022 and pursuant to Regulation 30 of the SEBI Listing Regulations, please find attached a presentation on Unaudited Standalone Financial Results of the Bank for the third quarter and nine months ended December 31, 2021.

The said presentation is also available on the website of the Bank i.e. [www.finobank.com](http://www.finobank.com)

Kindly take the same on record.

Yours faithfully,  
For Fino Payments Bank Limited



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



**Encl: a/a**

**Fino Payments Bank Limited**

**Registered Office:** Mindspace Juinagar, Plot No Gen 2/1/F, Tower 1, 8th Floor, TTC Industrial Area, MIDC Shirwane, Juinagar, Navi Mumbai - 400 706  
CIN: L65100MH2007PLC171959 Tel: (+91 22) 7104 7000, website: [www.finobank.com](http://www.finobank.com)



**Fino**

Payments Bank  
फिनो पेमेंट्स बैंक

## Q3FY22 Investor Presentation

27<sup>th</sup> January 2022



## Highlights of Fino Payments Bank's differentiating factors

- ☆ Fino Payments Bank is the **first ever payments bank** to list in India
- ☆ Fino Payments Bank is a **profitable fintech** bank
- ☆ Fino Payments Bank is the **first private Scheduled Bank** in the payment bank space in India
- ☆ Fino Payments Bank is a unique fintech player which **owns its customers** by opening subscription bank accounts for them
- ☆ Fino Payments Bank offer banking services through merchant network – in other words, the merchant points are converted into **mini banking outlets** through new age agile banking technology



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- ☆ 9MFY22 Highlights
- ☆ Q3FY22 Highlights
- ☆ Key Strategies for a Digital Future
- ☆ Q3FY22 Financial Performance
- ☆ Product Performance Trends
- ☆ Core Technology and Digital Strategy
- ☆ ESG, Board and Management Team





9MFY22 Highlights

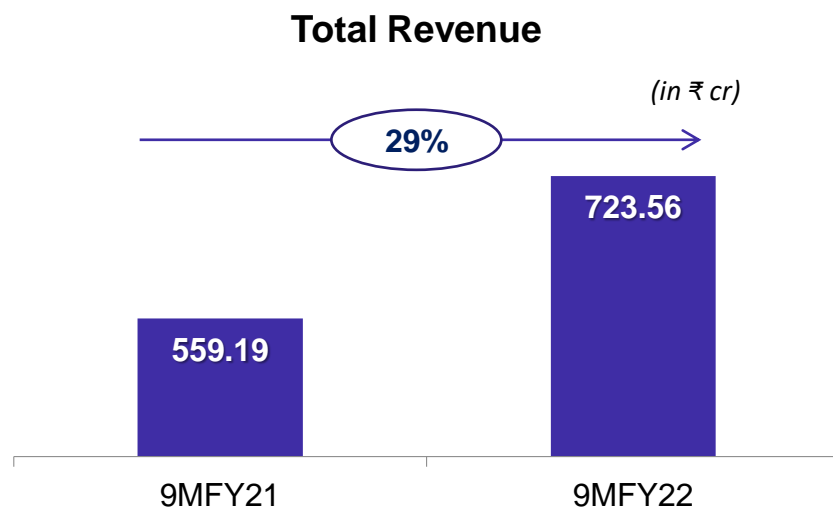
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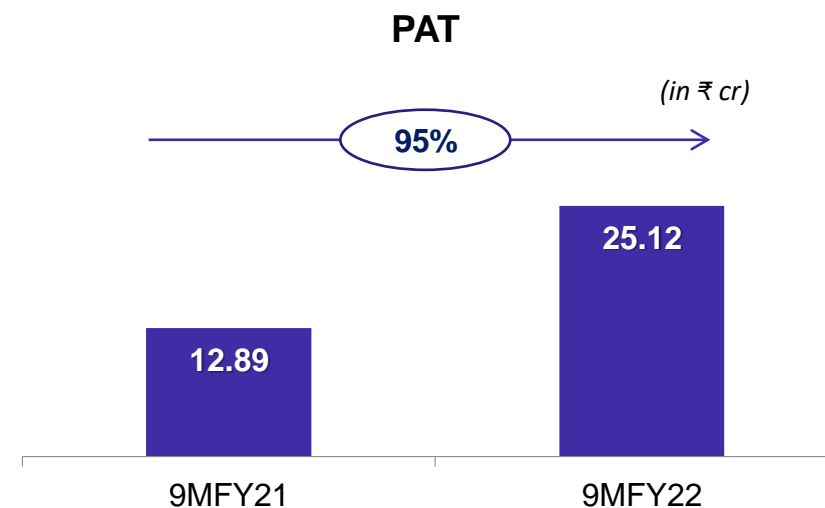
# The Journey of Profitability: Onwards and Upwards

Fino Bank continues to chart disproportionate profit growth every quarter

Reasonable and sustainable growth in revenue leading to....



.... Disproportionate growth in profits



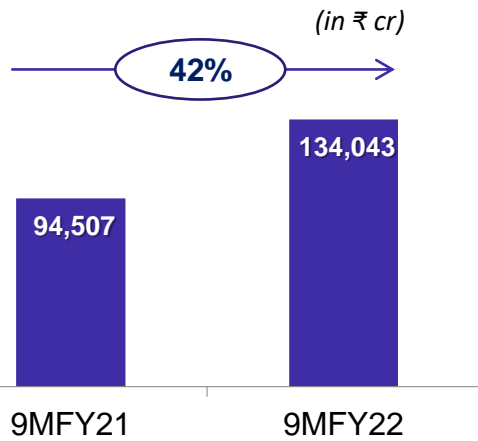
The rationale behind disproportionate profit growth

- ★ Reasonable revenue growth with a product mix that continues to keep gross margins range-bound around 32-33%
- ★ Controlled cost growth in existing businesses – focus on emerging products and digital expansion to continue
- ★ This will result in operating leverage leading to disproportionate growth in profits
- ★ We have already reached PAT of ₹14.1 cr in Q3FY22 – higher than PAT in entire H1FY22 at ₹11.0 cr

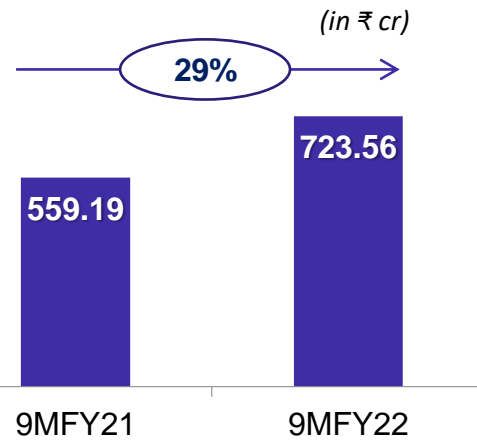
# 9MFY22 comparison over 9MFY21

Financial performance and operating parameters

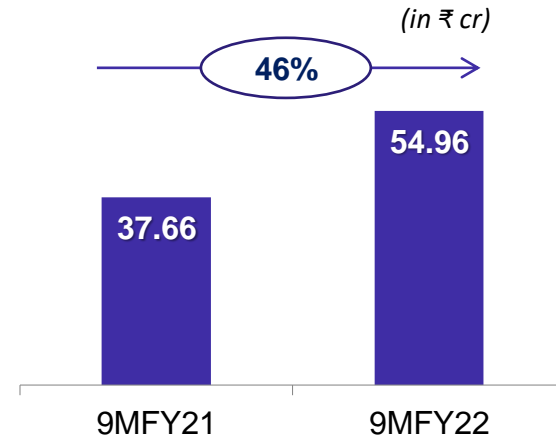
## Total Throughput



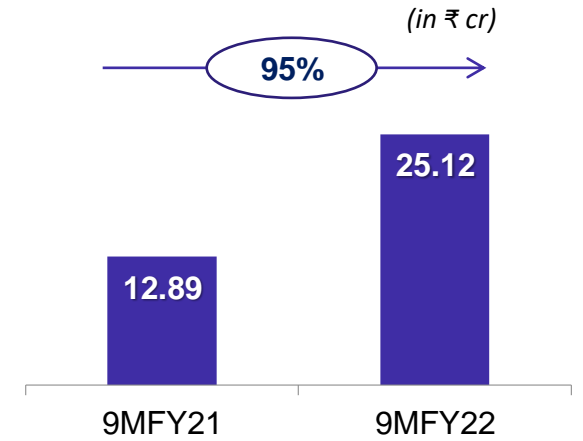
## Total Revenue



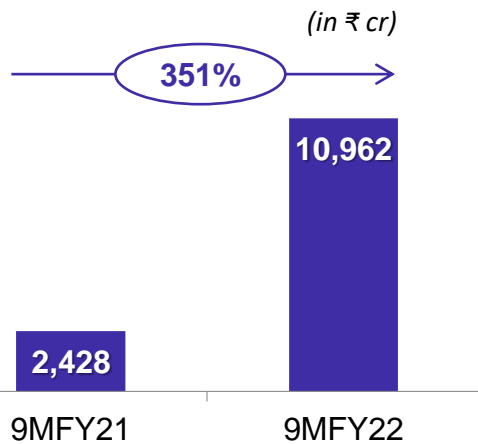
## EBITDA



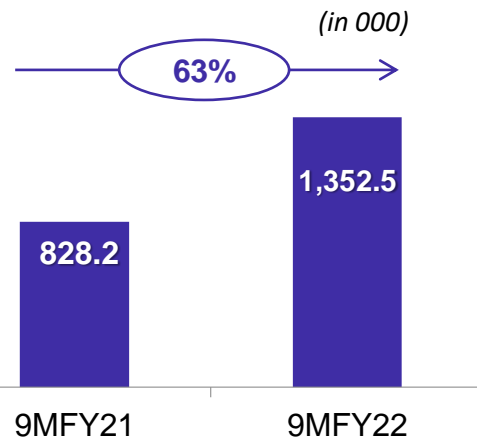
## PAT



## UPI Throughput



## Accounts Opened



Merchant Count	As on 31.12.2021	YOY Growth
Total Merchants	866,034	58%
Own Channel Merchants	457,653	51%
Open Banking Channel Merchants	408,381	68%



# Fino

Payments Bank  
फिनो पेमेंट्स बैंक

Q3FY22 Highlights

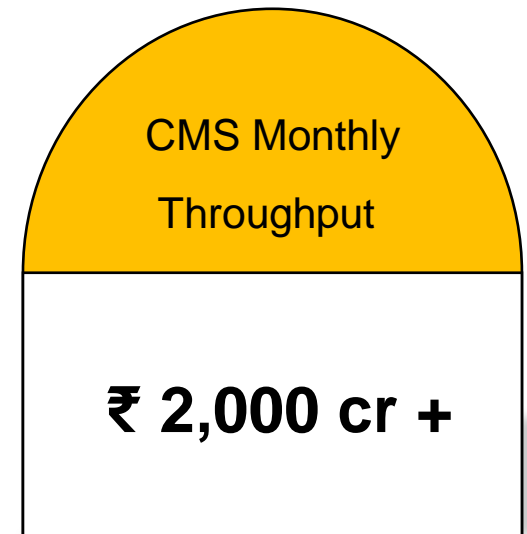
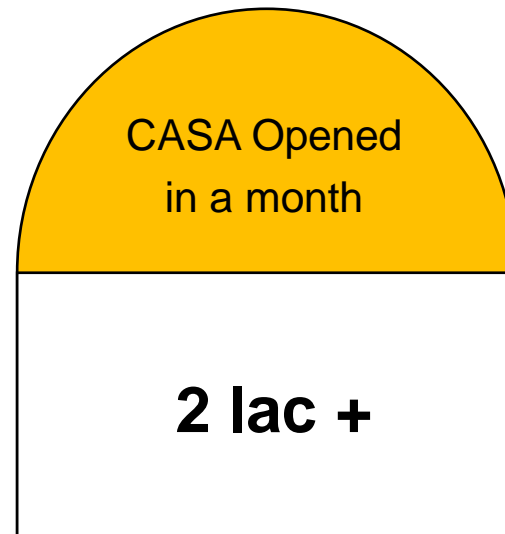
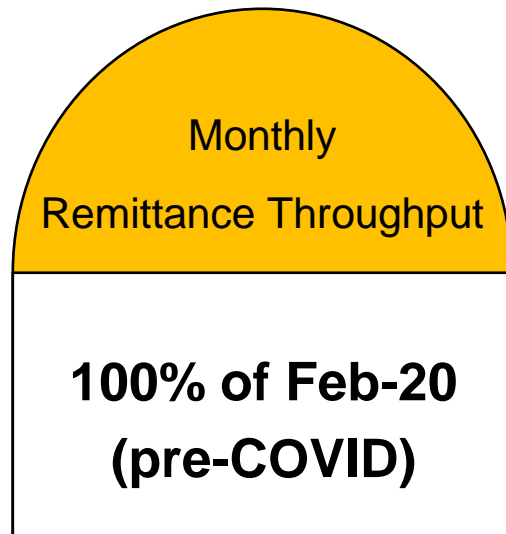
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# Milestones achieved in Q3FY22

Reclaiming pre-COVID levels in one business and touching new milestones in two other businesses



# Industry Leading Performance Highlights in Q3FY22

Demonstrating strong growth in business volumes, revenue and profitability

**18 Cr+**

Transactions on Fino platforms



**₹49,168 Cr**

Total Throughput in Q3FY22



**8.7 lac**

Registered merchants on Fino



**₹956K**

Revenue per employee in Q3FY22



**₹275.16 Cr**

Revenue in Q3FY22



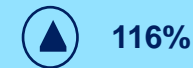
**₹25.93 Cr**

EBITDA in Q3FY22



**₹14.10 Cr**

PAT in Q3FY22



**18%**

Q3FY22 Annualized ROE

# Revenue and Margins on Own and Open Banking Channels

Strong margins in own banking channel and high revenue growth in open banking channel

Revenue in Q3FY22

**₹275.16 Cr**

 20% growth over Q3FY21

## Own Banking Channel

**₹72.38 Cr**  9%

Transaction Revenue (ex BC Banking)

**₹109.28 Cr**  3%

Transaction Revenue (incl BC Banking)

**₹68.03 Cr**  75%

Subscription, onboarding and other revenue

**45%+**

% Gross Margin

**12.9%**

% EBITDA Margin

## Open Banking Channel

**₹97.85 Cr**  26%

Transaction Revenue

**3.1%**

% Gross Margin

**3.1%**

% EBITDA Margin

### Gross Margin

- ✦ This is derived after deducting merchant payouts and other transaction charges from revenue earned

- ✦ Exclusive merchants to Fino Bank
- ✦ An extensive channel team manages the entire network

- ✦ Merchants managed by partner
- ✦ No marginal costs to Fino after gross margins, hence it is equal to EBITDA margins

All growth figures are YOY growth over Q3FY21

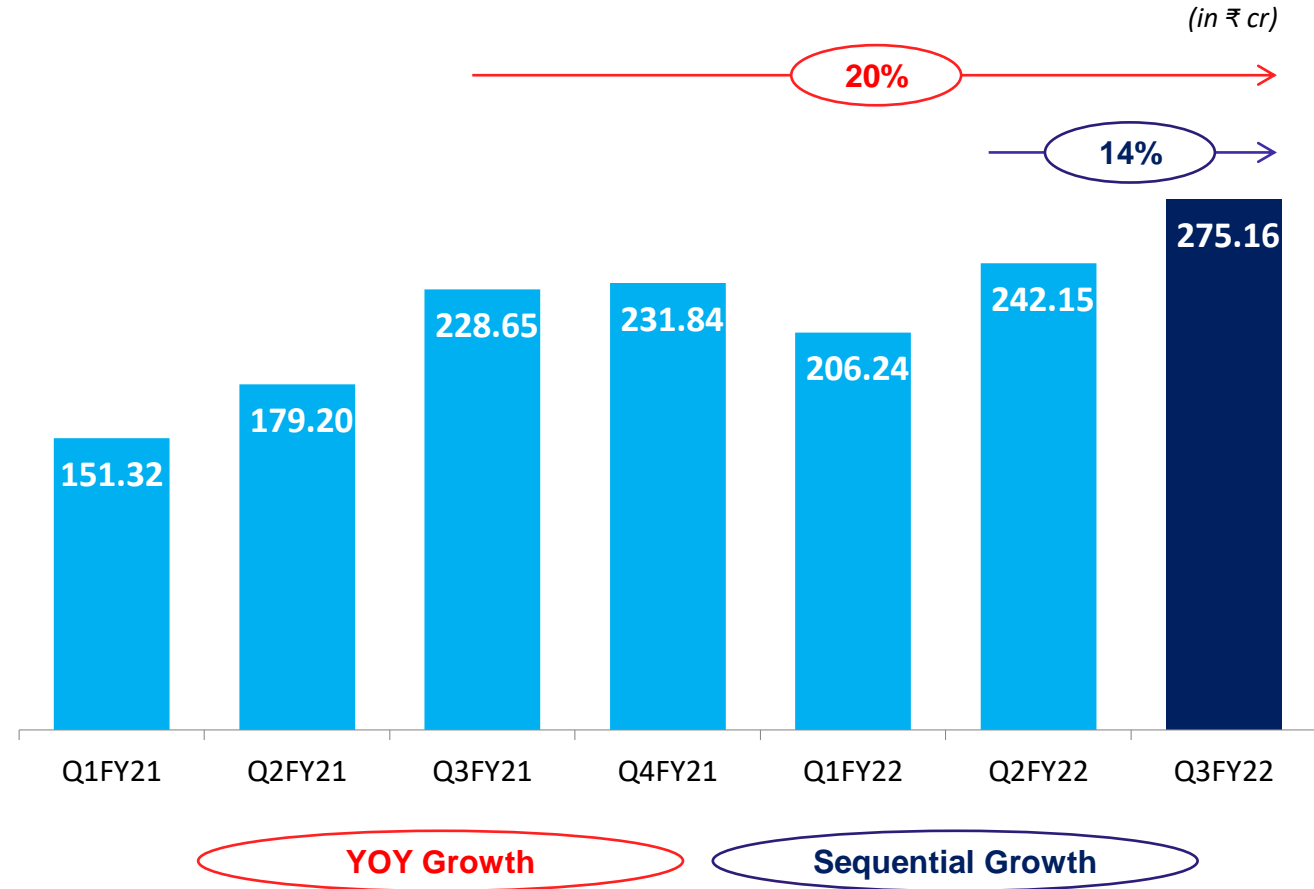
# Strong Revenue Momentum in Q3FY22

Emerging products like CMS, subscription and renewal income contributing to steady revenue growth alongside legacy products

Revenue in Q3FY22

₹275.16 Cr

▲ 20% growth over Q3FY21



- ✦ Q1FY22 got marginally impacted due to lockdowns and restrictions
- ✦ Q3FY22 showing strong YOY revenue growth even over a steep Q3FY21

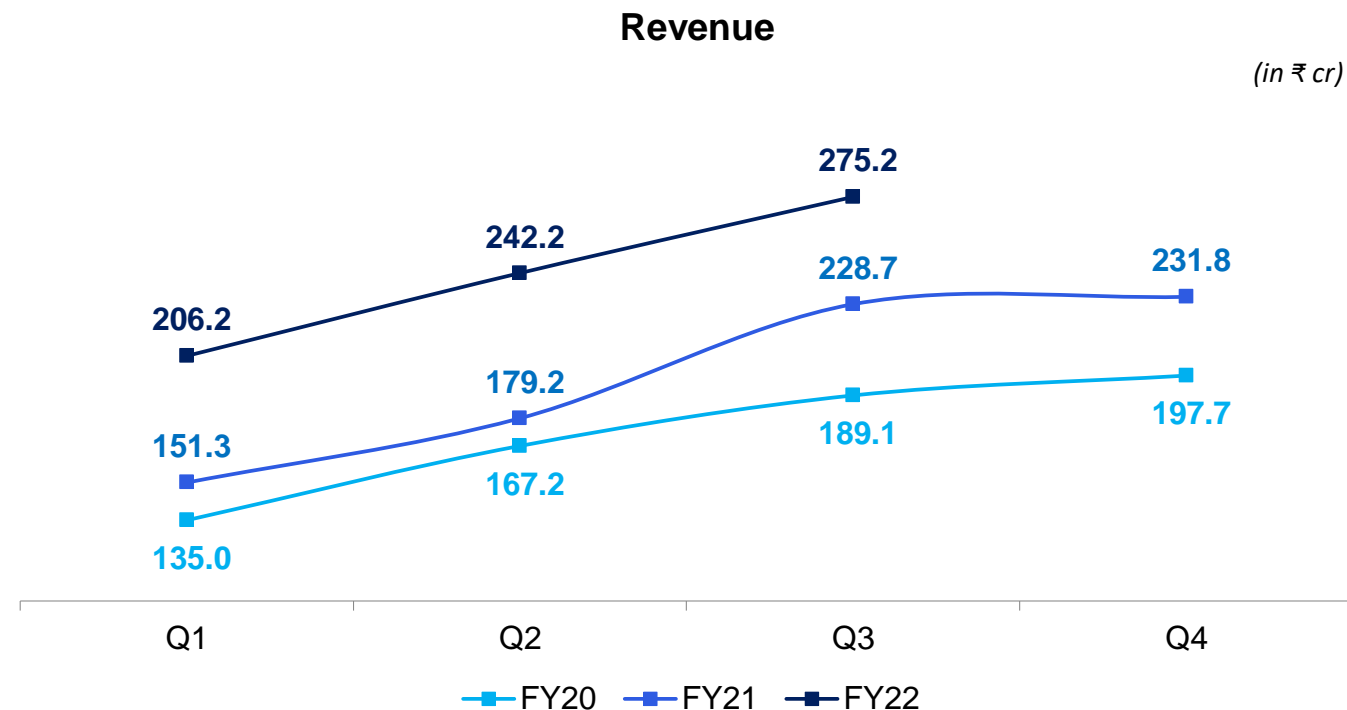
# Revenue Trajectory Mirroring Trends but at an Elevated Growth Level

Revenue levels in FY22 is much higher than FY20 and FY21 levels, but mirroring similar sequential growth trends

- ✦ Q1FY21 started 12.1% higher over Q1FY20 and then growth momentum picked up
- ✦ As compared to that, Q1FY22 started at 36.3% higher over Q1FY21

YOY Growth		
	FY21	FY22
Q1	12.1%	36.3%
Q2	7.2%	35.1%
Q3	20.9%	20.3%
Q4	17.2%	

- ✦ Q1FY22 was 11% lower over Q4FY21 as compared to 28% in Q1FY21 over Q4FY20
- ✦ This implies that we were much better off in wave 2 as compared to wave 1
- ✦ Historically witnessing strong sequential growth in Q2 & Q3



Sequential Growth				
	Q1	Q2	Q3	Q4
FY20		23.9%	13.1%	4.5%
FY21	-23.5%	18.4%	27.6%	1.4%
FY22	-11.0%	17.5%	13.6%	

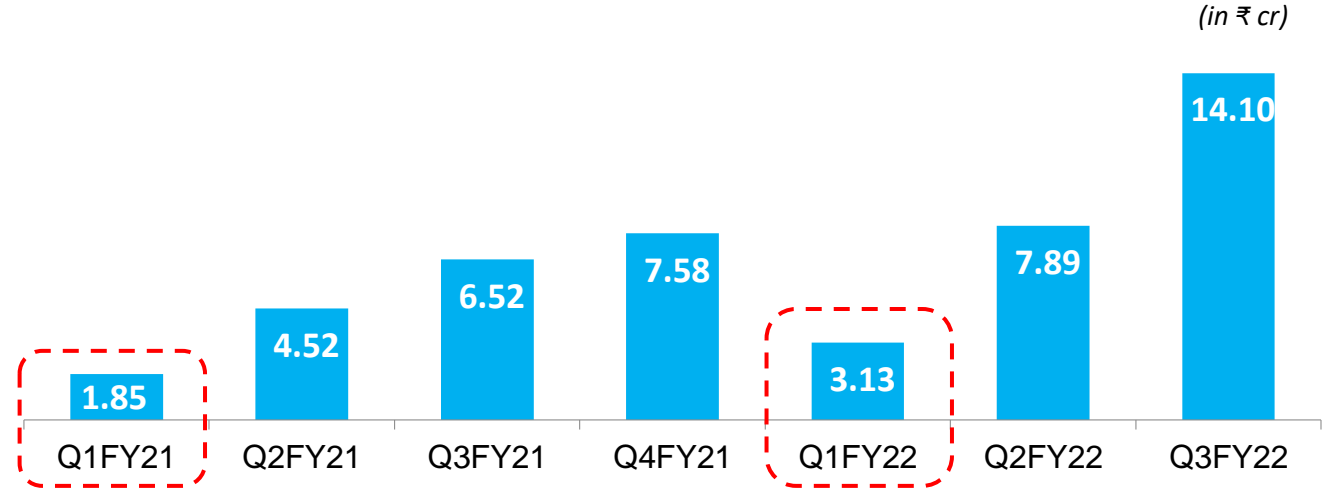
# Highest ever quarterly PAT in Fino Bank History!

Q3FY22 PAT higher than H1FY22 PAT

PAT for Q3FY22 at

## ₹14.10 Cr

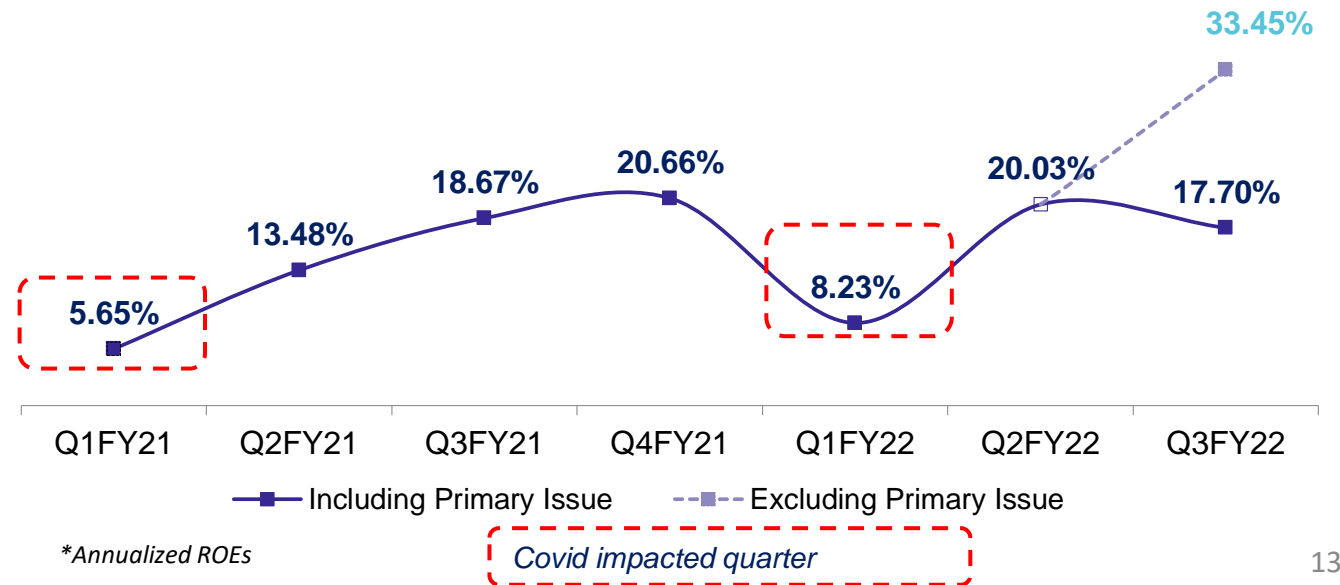
▲ 116% growth over Q3FY21



Annualized ROE of Q3FY22

## 17.70%

ROE numbers to be lower in subsequent quarter as primary issue proceeds from IPO will get fully factored in the average net worth calculation



\*Annualized ROEs

Covid impacted quarter

# Outlook for Q4FY22

Strong exit trends in Q3FY22 gives us confidence of an even better Q4FY22 ahead

## Business Outlook in Q4FY22

### Legacy products – DMT and MATM & AEPS

- ✓ Normalization in economy to boost Remittance business
- ✓ Recovery in MATM & AEPS transaction business in Q3FY22 – momentum to continue
- ✓ Legacy products will continue to be hook to attract customers into the acquisition funnel

### High margin products – CASA and CMS

- ✓ Account opening monthly run rate of 200k+ in Dec-21 to grow in Q4 – legacy products to boost footfall growth
- ✓ Renewal income to grow further in Q4FY22 given 12 month renewal cycle and strong account opening in Q4FY21
- ✓ Collections by NBFC/ MFIs and more mandates from retail, logistics, ecommerce & CRA companies to boost CMS in Q4

## Financials Outlook in Q4FY22

### Revenue and Throughput

- ✓ Momentum in legacy products to drive up revenue
- ✓ YOY revenue growth over FY21 to be in the range of 27-29% despite headwinds posed by wave 2 & 3 of COVID
- ✓ In addition, digital throughput expected to grow exponentially

### PAT

- ✓ High margin product growth to drive up sequential profit in Q4 by 12-15% and overall in FY22 by around 2x YOY
- ✓ PAT margin for Q4FY22 to be in the range of 5.2-5.5%



Key Strategies for a Digital Future

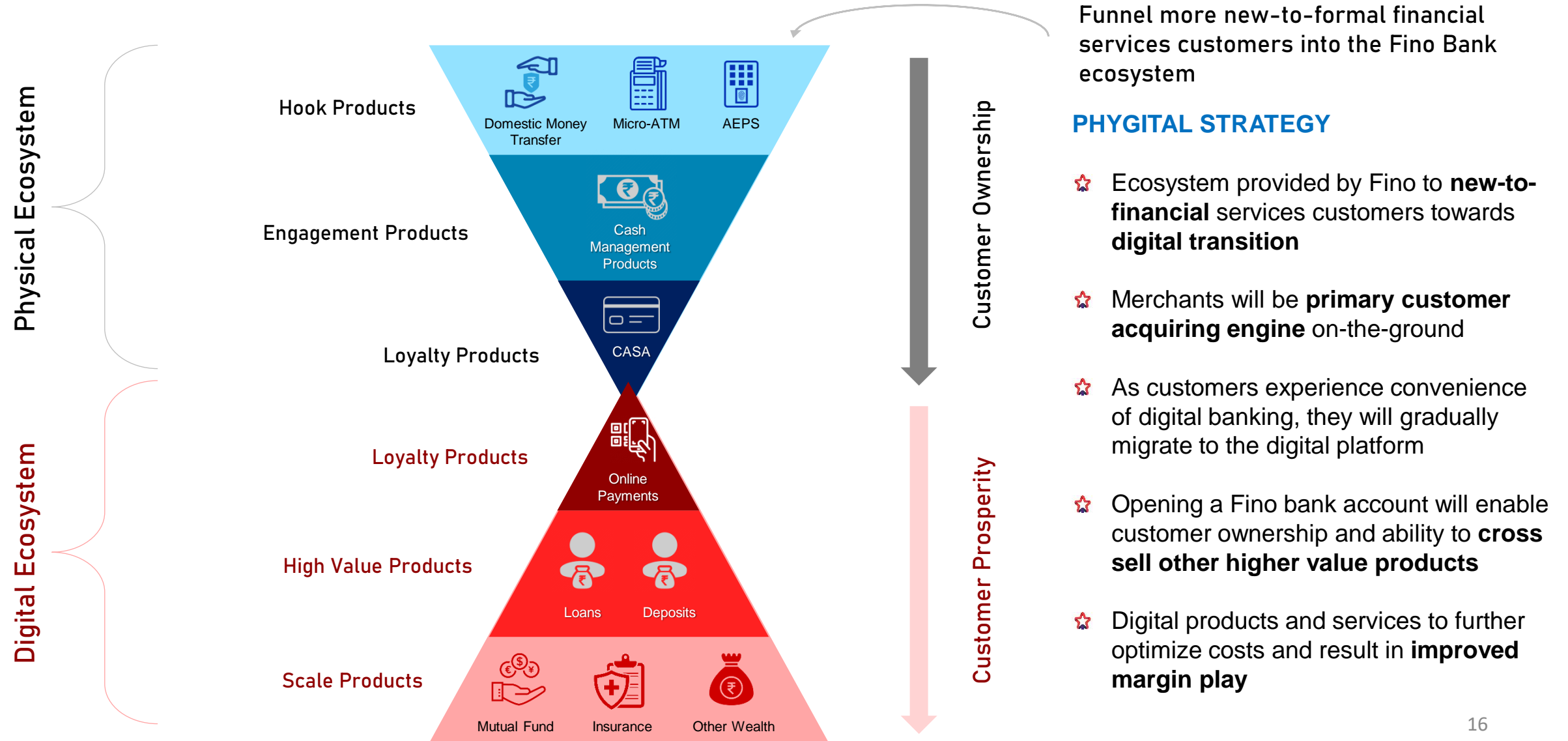
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# Physical to Digital Transition at the Middle of the Pyramid

Fino incorporating best of both the worlds through a PHYGITAL ecosystem



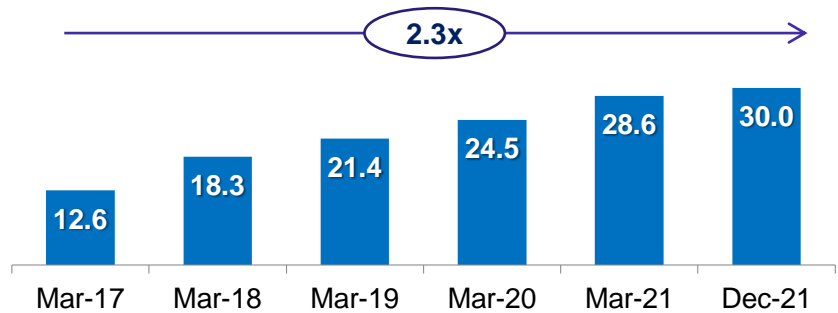
# The Phygital World – PHYSical and diGITAL

The shift from physical to digital is a gradual transition for customers at the middle of the pyramid – a sweet spot for Fino

Addressing problems of the present

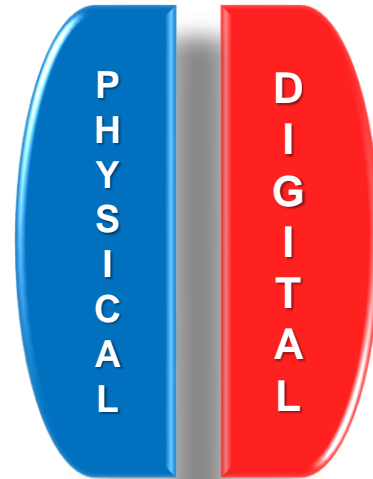
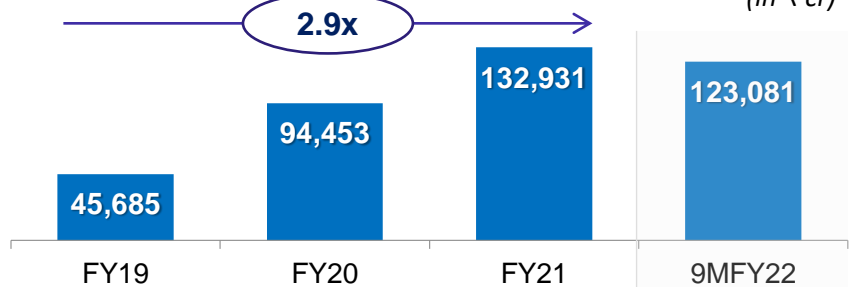
## Cash In Circulation – Industry

(in ₹ lac cr)



## Cash Throughput – Fino Payments Bank

(in ₹ cr)



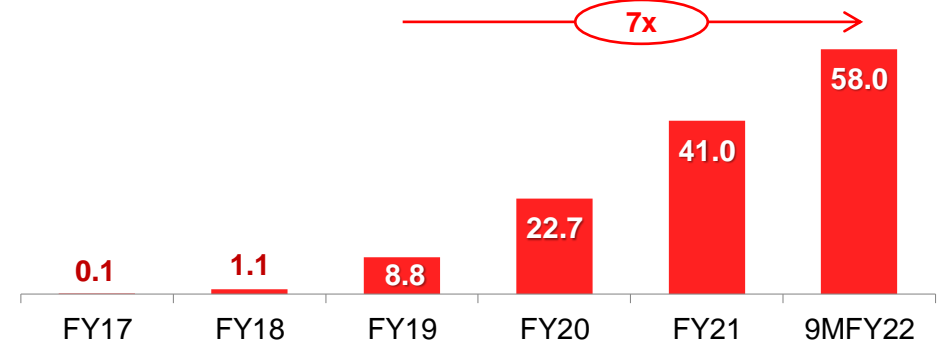
- ☆ Cash is still a convenient mode of transaction in India
- ☆ Cash-in-circulation is still growing at a rapid pace
- ☆ Sense of security of transacting in cash with a trusted brand is higher among many customers

**Fino enjoys unique advantage**  
It handholds its customers' transition journey from physical to digital banking mediums, gradually over a period of time

While investing for the future

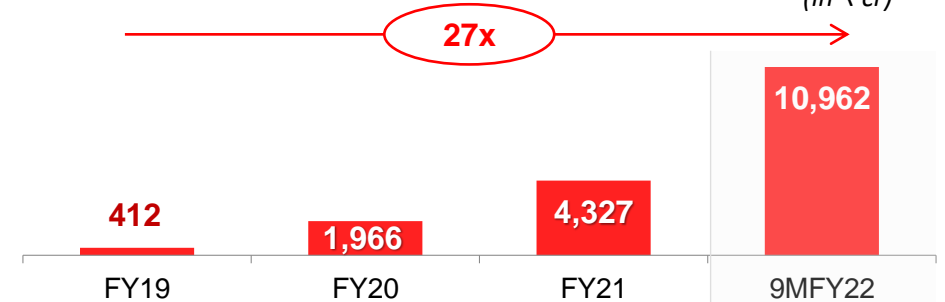
## UPI Payments – Industry

(in ₹ lac cr)



## UPI Throughput – Fino Payments Bank

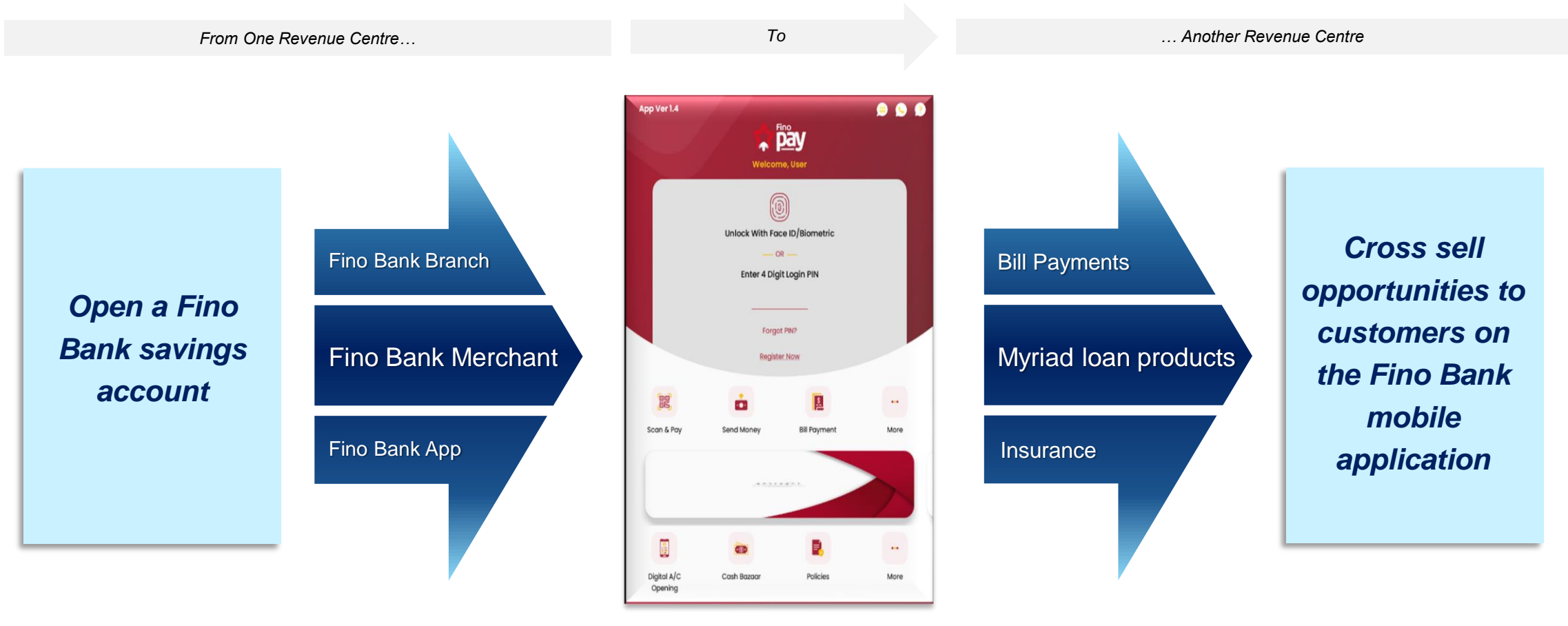
(in ₹ cr)



- ☆ Convenience of digital transactions is propelling a gradual shift to alternate channels
- ☆ Digital adoption by tech savvy customers improve cross-sell potential of other high value products

# Digital Marketplace Ecosystem

Seamless movement of cash in the merchant ecosystem – generating revenue in all legs



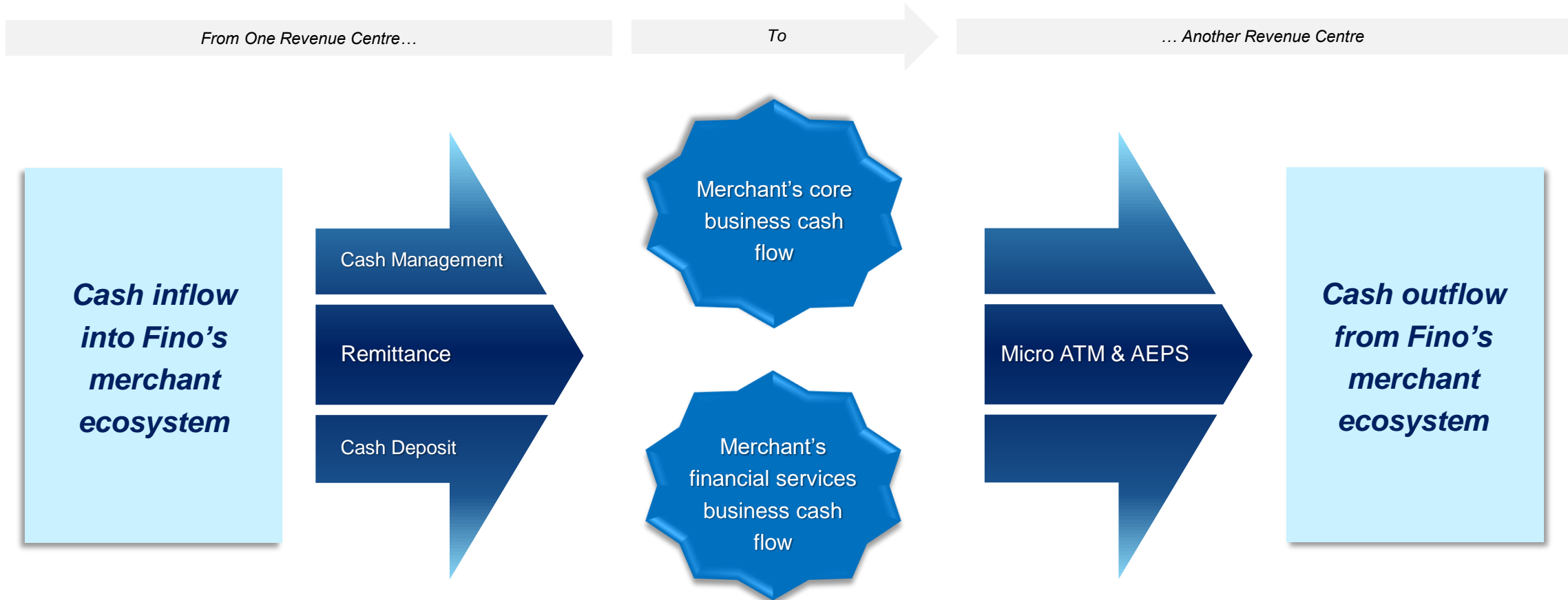
- ★ Converted a cost centre into a revenue centre by opening subscription accounts
- ★ A new product for the merchants to earn additional revenue on

*Facilitated by a state-of-the-art mobile application, FinoPay, which got revamped recently*

- ★ Opportunity to cross sell higher value products like various types of loans, deposit products, investment and wealth products among others
- ★ Larger impact expected on bottom line

# Cash Marketplace Ecosystem

Seamless movement of cash in the merchant ecosystem – generating revenue in all legs



- ★ Converted a cost centre into a revenue centre
- ★ Helped merchants improve their unit economics and thereby stickiness for Fino
- ★ Value proposition for merchants having more cash inflow in their core business

*Facilitated by an end-to-end technology platform that seamlessly connects customers having excess cash with customers having requirement of cash*

- ★ Merchants use cash sourced from their core business as well as financial services to disburse cash
- ★ Notional costs of digitizing cash by the merchants is saved
- ★ Value proposition for merchants having more cash inflow in their core business



Q3FY22 Financial Performance

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# Bank Level Profit & Loss

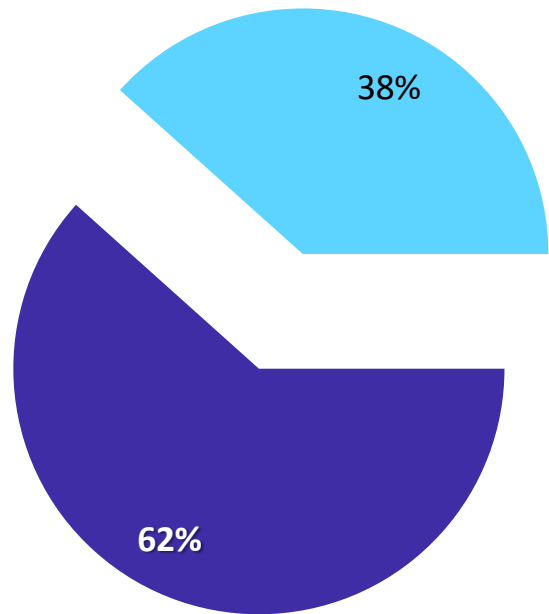
Revenue growth of 20% in Q3FY22 leading to a PAT growth of 116%

Particulars (in ₹ cr)	Q3FY22	Q2FY22	Q3FY21	Q3FY22/ Q3FY21	9MFY22	9MFY21	YoY Growth
<b>Revenue</b>	<b>275.16</b>	<b>242.15</b>	<b>228.65</b>	<b>20%</b>	<b>723.56</b>	<b>559.19</b>	<b>29%</b>
Product Cost	188.85	160.77	158.04	19%	485.11	362.76	34%
<b>Net Revenue</b>	<b>86.31</b>	<b>81.38</b>	<b>70.62</b>	<b>22%</b>	<b>238.45</b>	<b>196.43</b>	<b>21%</b>
Operating Cost	60.38	63.54	56.50	7%	183.49	158.77	16%
<b>EBITDA</b>	<b>25.93</b>	<b>17.84</b>	<b>14.12</b>	<b>84%</b>	<b>54.96</b>	<b>37.66</b>	<b>46%</b>
Other Fin. Cost, Dep. & Others	11.83	9.95	7.60	56%	29.84	24.77	20%
<b>PAT</b>	<b>14.10</b>	<b>7.89</b>	<b>6.52</b>	<b>116%</b>	<b>25.12</b>	<b>12.89</b>	<b>95%</b>
<b>EBITDA Margins</b>	<b>9.4%</b>	<b>7.4%</b>	<b>6.2%</b>	<b>3.3%</b>	<b>7.6%</b>	<b>6.7%</b>	<b>82 bps</b>
<b>PAT Margins</b>	<b>5.1%</b>	<b>3.3%</b>	<b>2.9%</b>	<b>2.3%</b>	<b>3.5%</b>	<b>2.3%</b>	<b>1.2%</b>

# Revenue Mix Across Parameters in Q3FY22

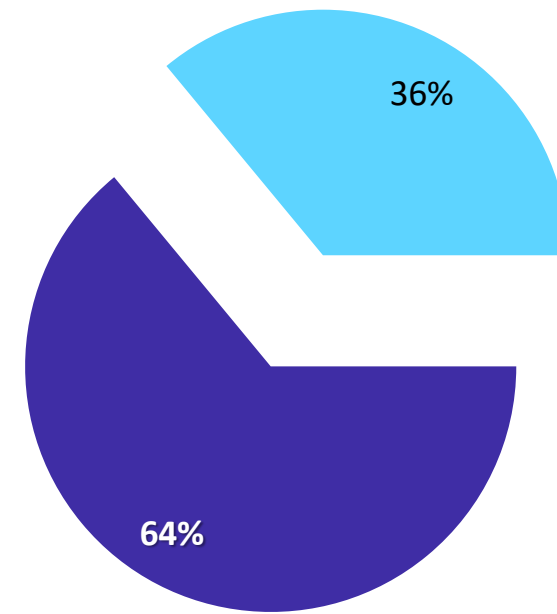
Annuity subscription business to continue to boost contribution of subscription revenue in the overall revenue pie

### Income Breakup: Transaction & Subscription



■ Transaction Income    ■ Subscription, On-boarding & Other Income

### Income Breakup: Own and Open Banking Channel

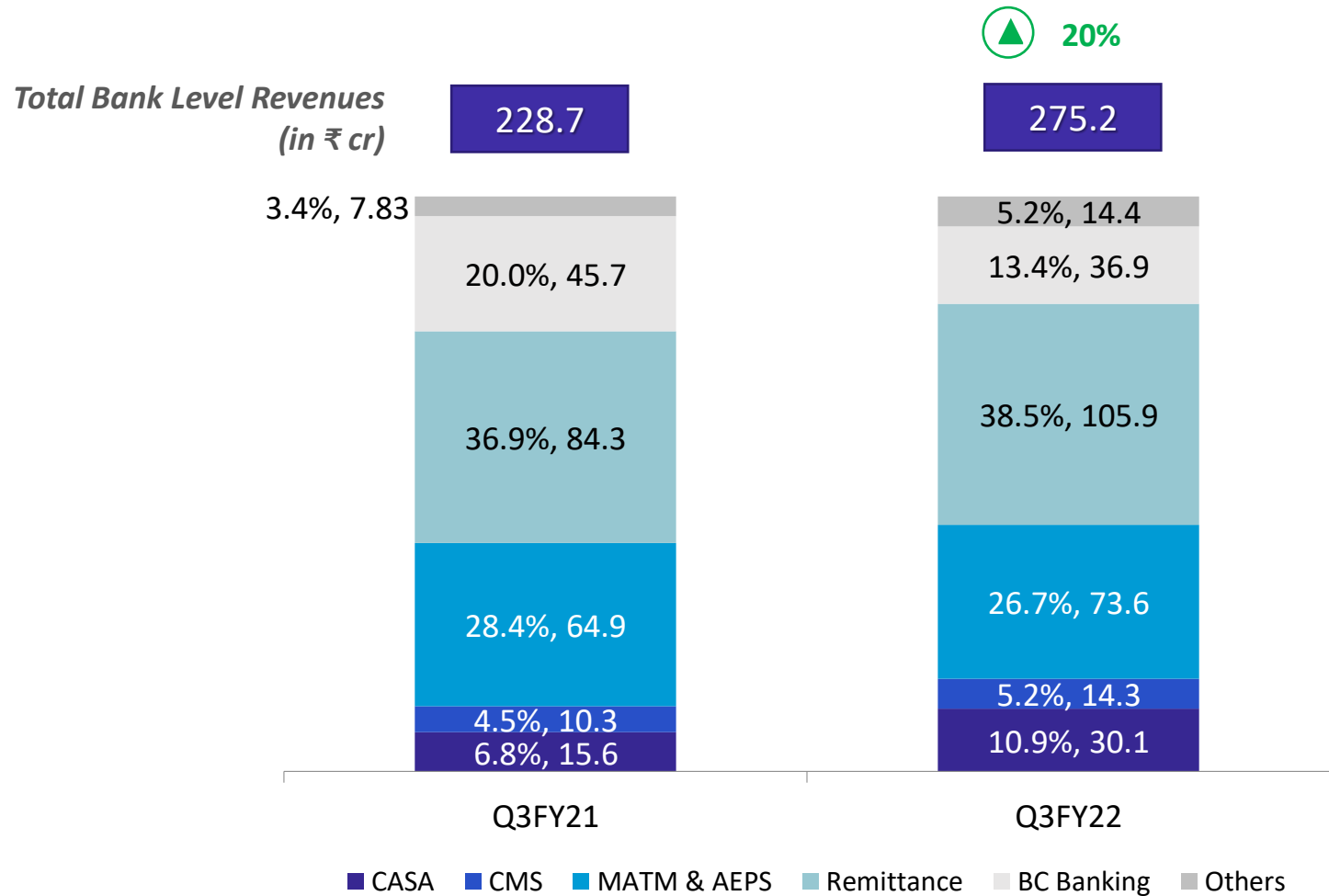


■ Own Banking Channel    ■ Open Banking Channel

# Revenue Mix Across Products

Shift in revenue mix towards higher margin products like CASA & CMS and high take rate products like Remittance in Q3FY22

*CMS & CASA occupy 16.1% of the revenue pie in Q3FY22 vis-à-vis 11.3% as compared to Q3FY21 – these two are also the high growth and high margin products*

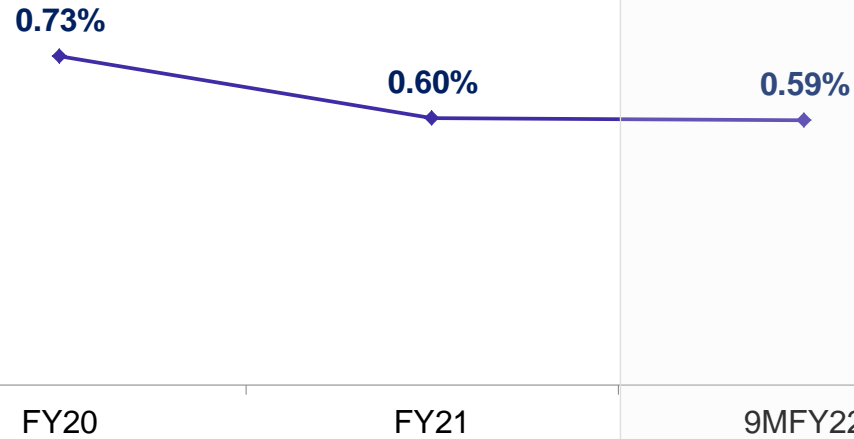




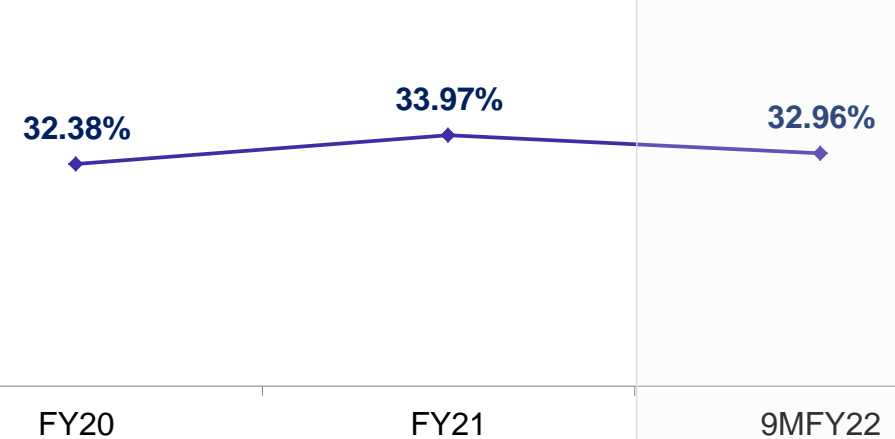
# Key Ratios at Bank Level

PAT Margins on a rise despite Take Rates and Gross Margins being range-bound – implies strong Operating Leverage

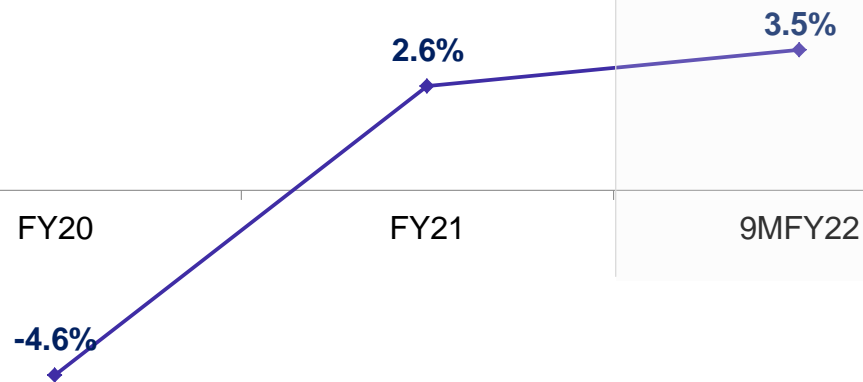
### Take Rate (ex. UPI throughput)



### Blended Gross Margins



### PAT Margins

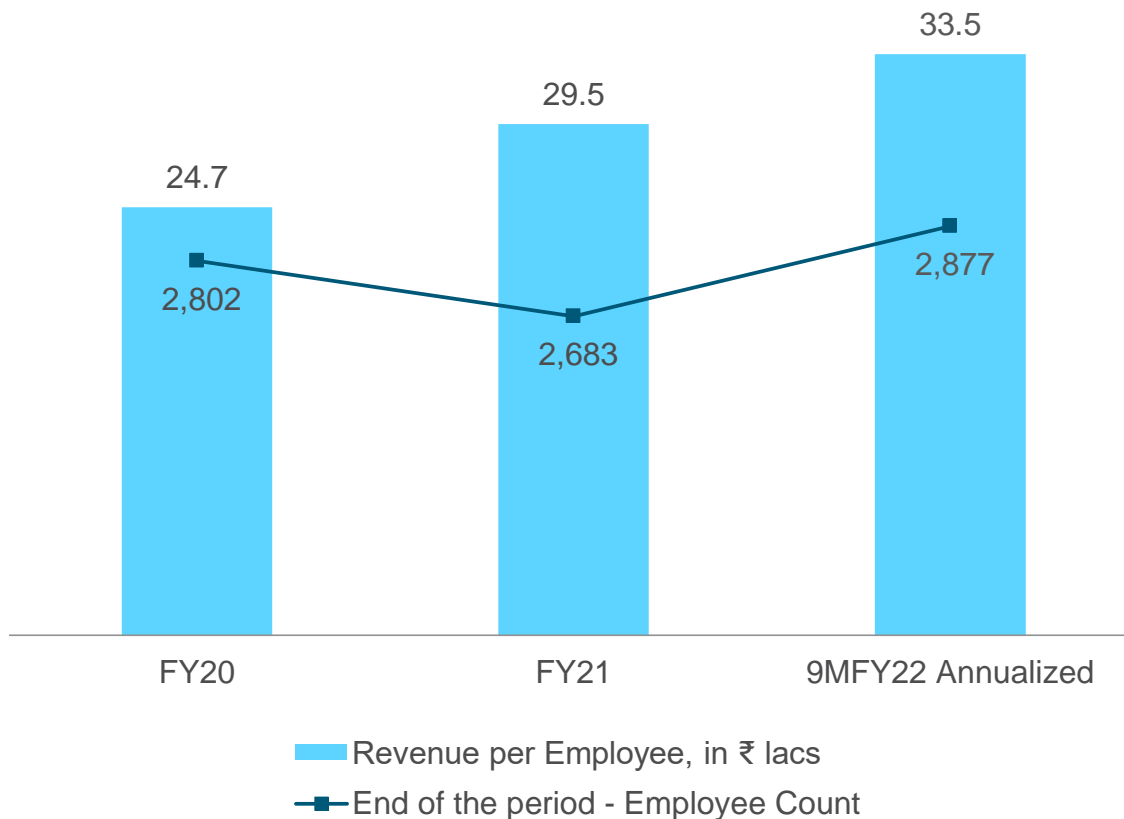


Pat Margins for Q3FY22 at 5.1%

# Operating Leverage

Strong operating leverage playing out despite addition in teams to support exponential future business growth

Revenue per Employee & Total Employee count



- ✦ Growth in revenue per employee by 29.6% for Q3FY22 annualized for full year over FY21
- ✦ This is despite an increase in employee count by 7.2% in 9 months
- ✦ Rise in employee count is primarily on account of rapid expansion of teams across several geographies – like West Bengal, Orissa, Rajasthan, Telengana, Assam, Tamil Nadu, Kerala, Chattisgarh, Uttarakhand and Madhya Pradesh among others
- ✦ Majority of the new employees are part of the feet-on-street teams



Product Performance Trends

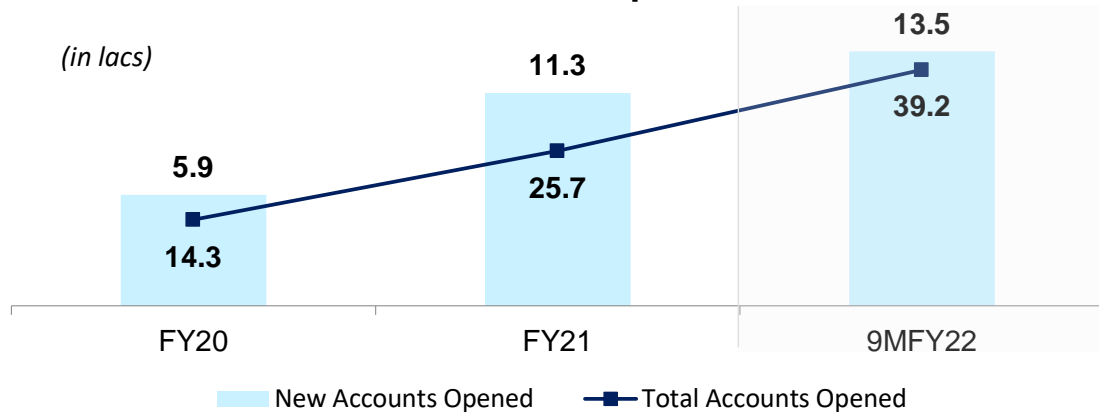
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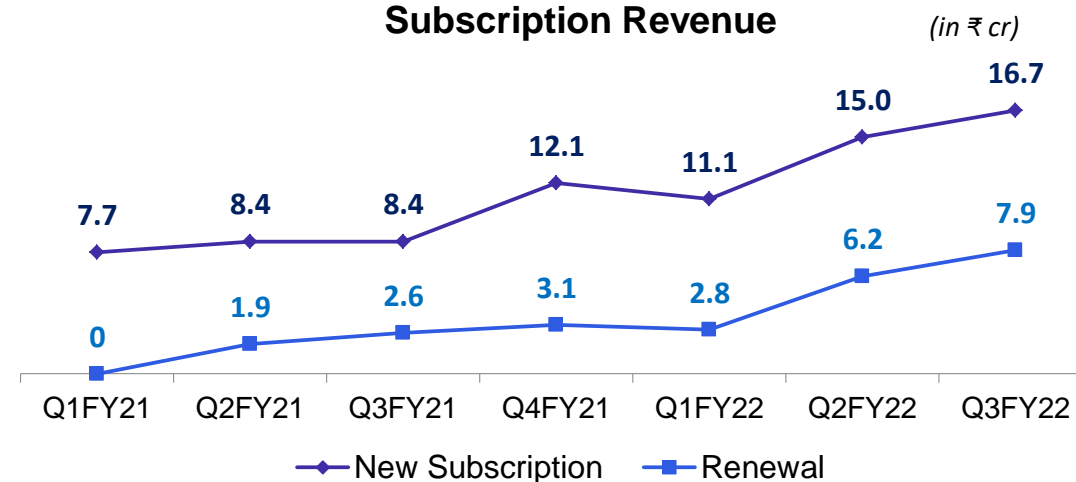
# CASA and Debit Cards

A high margin-high growth product now showing robust annuity income through subscription renewal

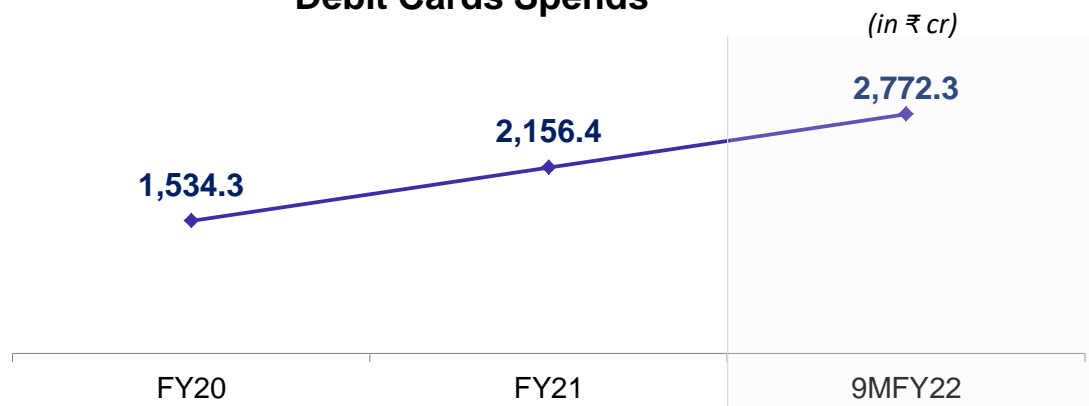
### Accounts Opened



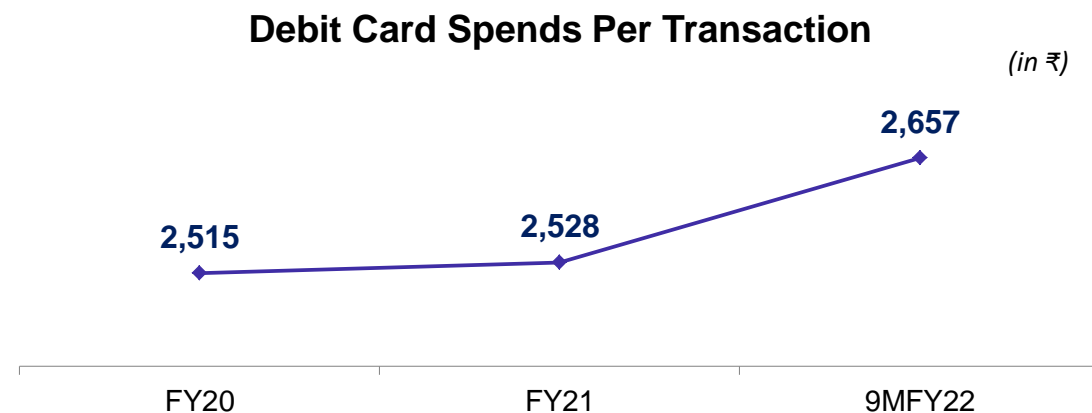
### Subscription Revenue



### Debit Cards Spends \*



### Debit Card Spends Per Transaction



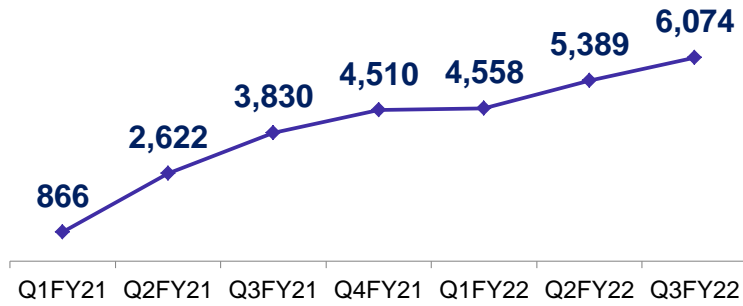
- ✦ Both renewal and subscription income in CASA is growing every quarter along with rise in new accounts opened
- ✦ Debit card spends per transaction have further grown in 9MFY22 from FY21 levels despite COVID headwinds

\* Data for FY20 & FY21 are from FINOPB RHP and data for 9MFY22 are as per RBI disclosures which does not include transactions done by Fino customers

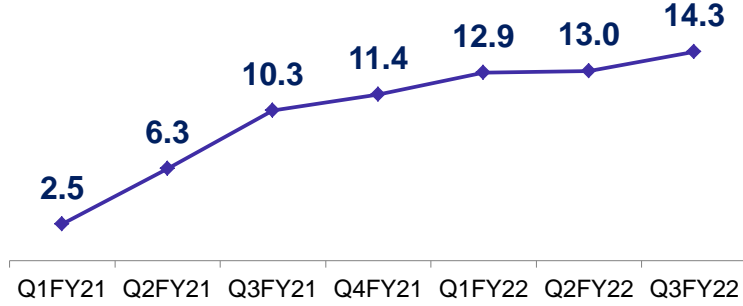
# Cash Management Services

The cash-in product in the ecosystem continues to show massive traction

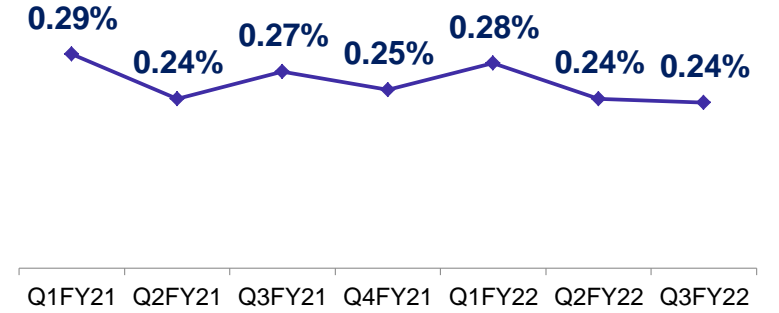
### Throughput *(in ₹ cr)*



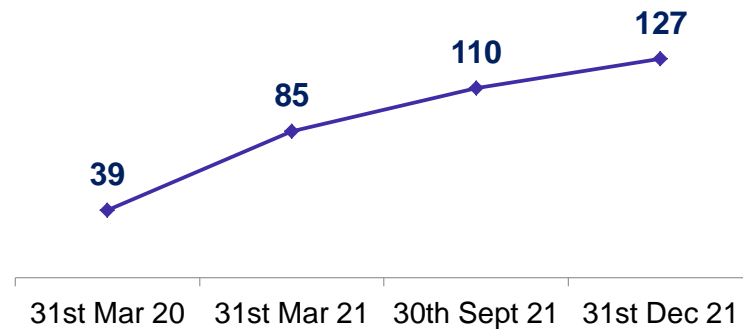
### Revenue *(in ₹ cr)*



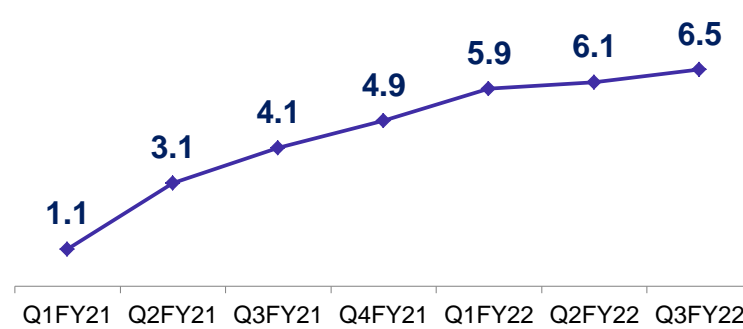
### Take Rate



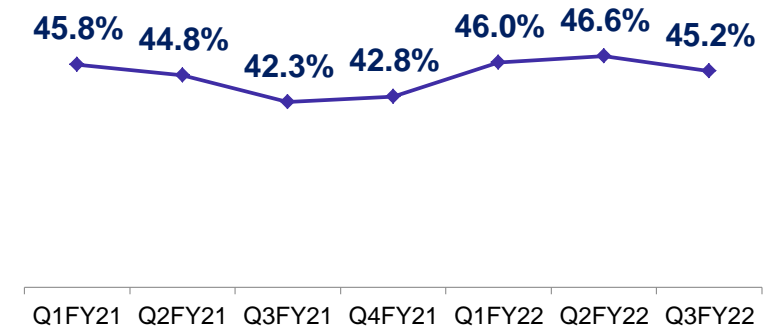
### Number of partners



### Net Revenue *(in ₹ cr)*



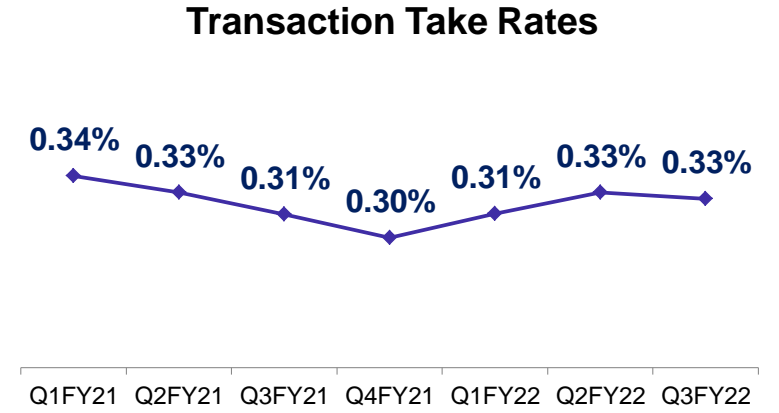
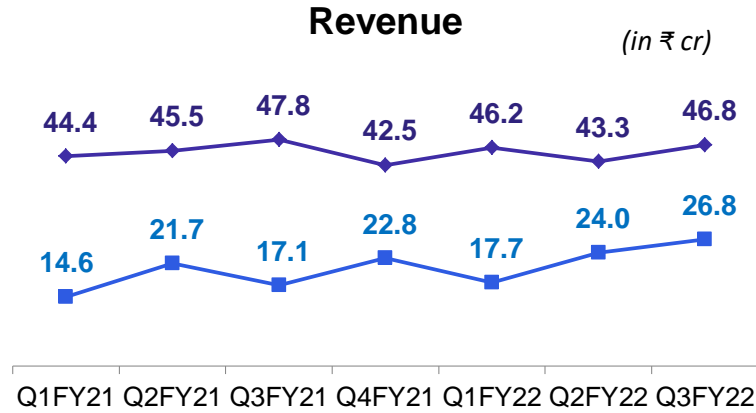
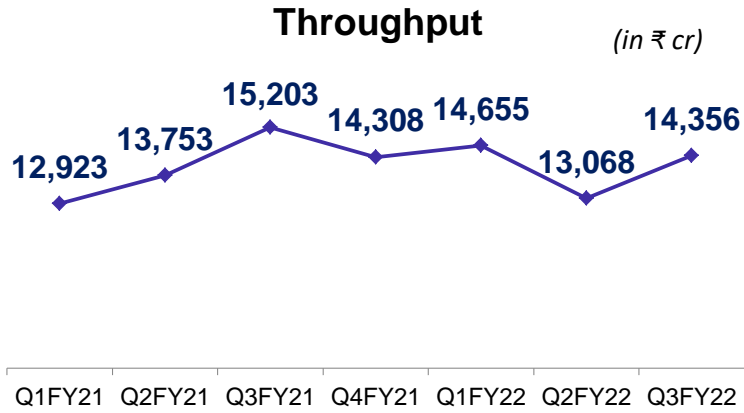
### Gross Margins



- ✦ CMS is a collection-in-the-last-mile product – targeted to various companies across multiple sectors
- ✦ Currently, our CMS clientele includes companies from banks, SFBs, NBFCs, MFIs, B2B ecommerce, retail ecommerce, logistics, agritech, cab aggregators, retail and even cash logistics operators themselves

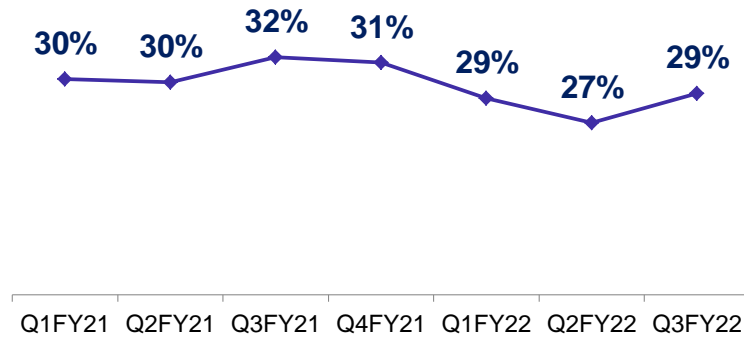
# Micro-ATM & AEPS

A high margin-moderate take rate product where the one-time income implies first mover advantage

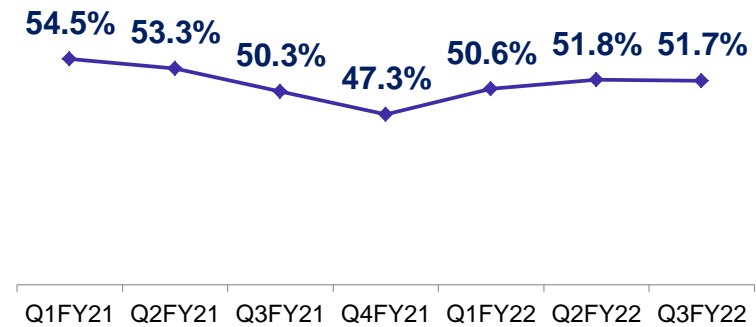


◆ Transaction ■ Onboarding

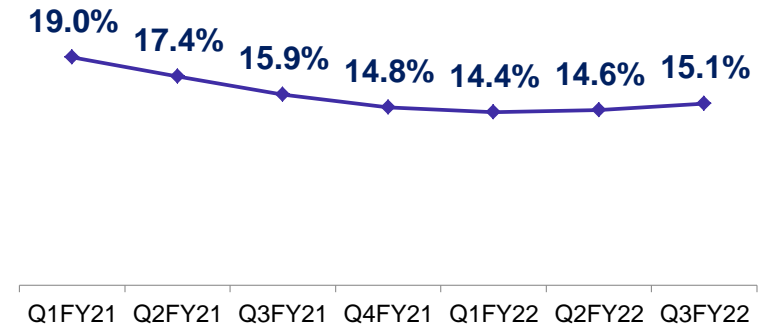
### Throughput On Open Banking Channels



### Own Channel Transaction Margin



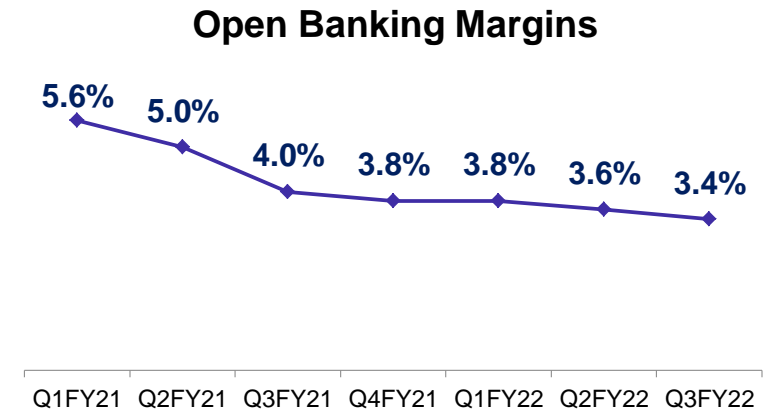
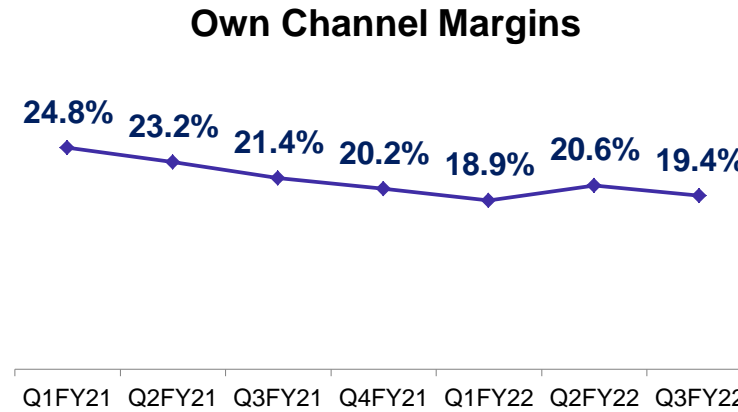
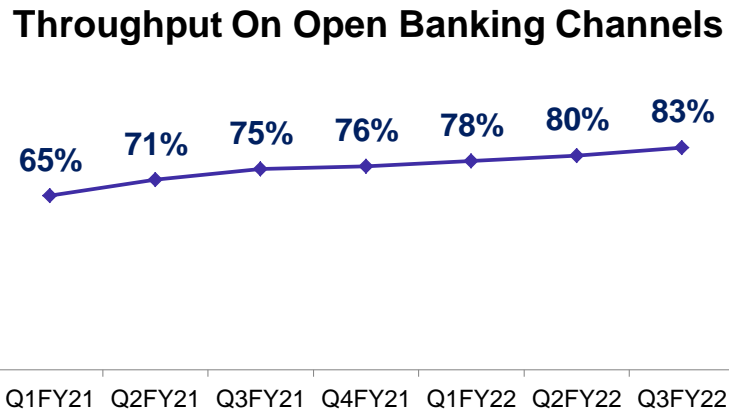
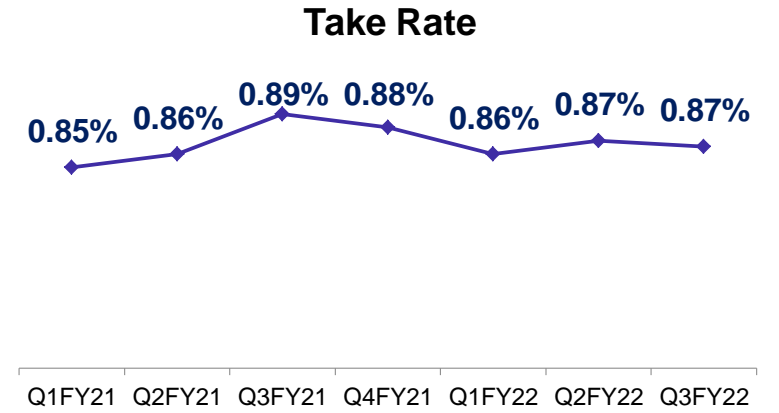
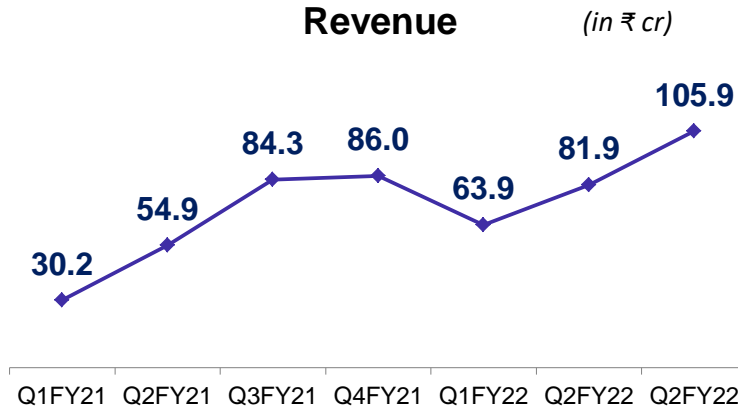
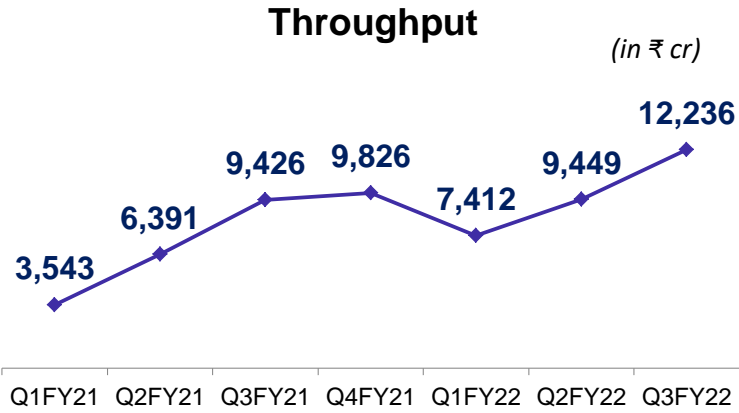
### Open Banking Transaction Margin



- ✦ Micro ATM & AEPS are products wherein customers of other bank accounts primarily walk to a Fino merchant points to withdraw cash
- ✦ As a bank, there is a tremendous opportunity to open Fino Bank accounts of these customers – funnel to attracting more future transactions

# Remittance

A low margin-high take rate product that attracts more customers into Fino's ecosystem



- ✦ Remittance is a product wherein customers of other bank accounts primarily walk to a Fino merchant points to digitize cash
- ✦ As a bank, there is a tremendous opportunity to open Fino Bank accounts of these customers – funnel to attracting more future transactions



Core Technology and Digital Strategy

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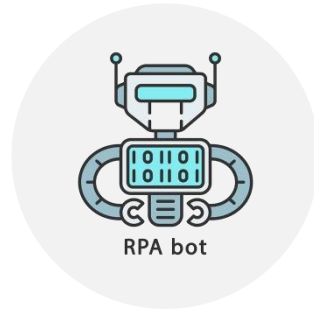
# Core Technology Strengths

A healthy balance of in-house developments as well as best-in-class tech developed with partners



## Video KYC

*Implemented seamless merchant on-boarding*



## RPA

*Implemented with partner; development WIP in-house*



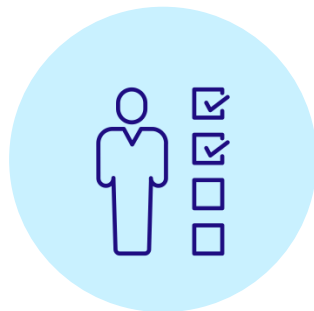
## PTA

*Custom transaction system under development*



## Chatbot

*Integrated merchant and customer channels*



## Central KYC

*Initially outsourced but now being maintained in-house*



## FIS

*CBS, Switching, UPI, SFMS*



## Prepaid

*Partner platform integrated with background*



## Virtual engagement

*Central IVR calling integrated with system*

# Customer Engagement Initiatives

Campaign strategy that is focused more on the value proposition than freebies



**Fino** Payments Bank  
फिनो पेमेंट्स बैंक

Powered By  
**NPCI** **B BHARAT BILLPAY**

**#BindaasJeeto**  
12<sup>th</sup> Oct 2021 – 12<sup>th</sup> Nov 2021

**B**illPay Karo  
indaas rewards jeeto

This festive season, there is something special for you!

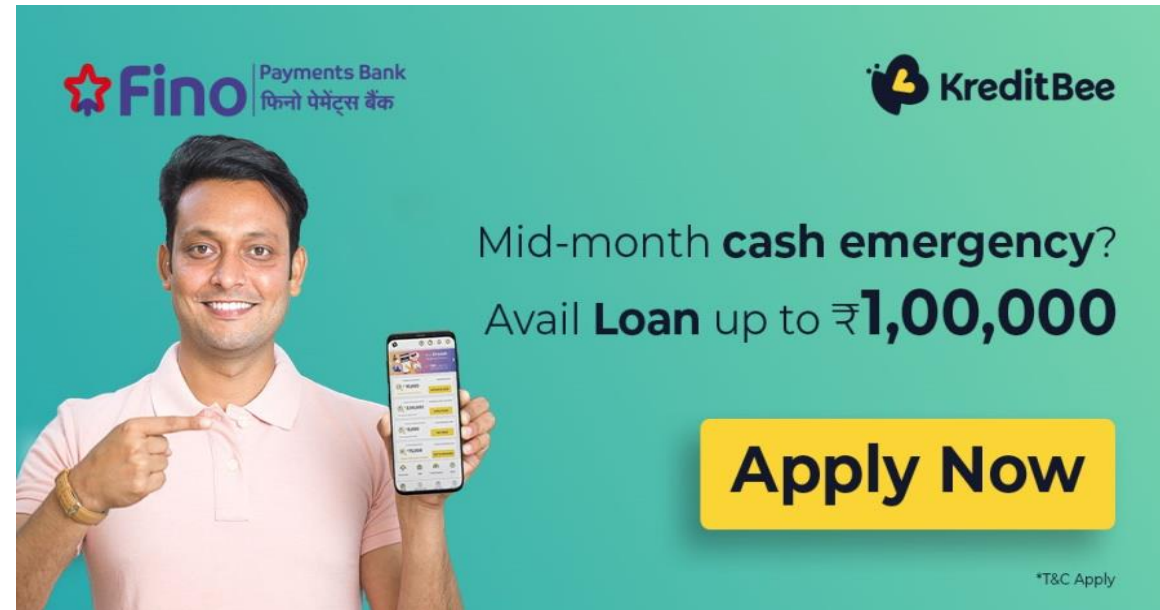
Make all your bill payments easily via Bharat BillPay enabled **Fino Payments Bank** & win exciting prizes!

**Top 8 customers with highest number of transactions to be rewarded with**

1 <sup>st</sup> Prize iPhone 13 1 Winner	2 <sup>nd</sup> Prize Smartphone 3 Winners	3 <sup>rd</sup> prize Alexa Echo Dot 4 Winners
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[Know more](#)

T&C Apply



**Fino** Payments Bank  
फिनो पेमेंट्स बैंक

**KreditBee**

Mid-month **cash emergency?**  
Avail **Loan** up to ₹**1,00,000**

**Apply Now**

\*T&C Apply

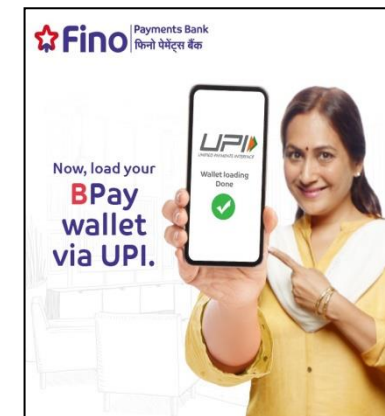


**Fino** Payments Bank  
फिनो पेमेंट्स बैंक

**WHY TYPE MANUALLY, WHEN YOU CAN PAY DIRECTLY.**

Introducing 'UPI to Contact' feature on your bpay app.

**UPI**  
UNIFIED PAYMENTS INTERFACE



**Fino** Payments Bank  
फिनो पेमेंट्स बैंक

Now, load your **BPay** wallet via UPI.

Wallet loading Done

# Our Digital Footprint

Omni channel presences on the digital landscape increases our ability to outreach



**Instagram**

7,690 followers



**Facebook**

1,45,773 Followers



**LinkedIn**

70,583 followers



**Twitter**

5031 followers



**YouTube**

47,552 subscribers



**Merchant**

61,700+ leads sourced in the Q3FY22



**Account Opening**

1.39 lac leads sourced in the Q3FY22

# Digital Overlay Strategy

A digital overlay on the physical model will add robustness to resilience

## *Favorable Demographics*

### **Increasingly younger customer profile**

*A millennial and Gen Z customer profile to use more digital platforms on long term basis*

## *Digital Overlay*

### **Immense potential of online banking and UPI platforms**

*Early traction of cross sell already visible like for merchant referral product – a long pipeline of such exciting products await launch*

## *Tech Infrastructure*

### **Robust tech infra already in place**

*Significant capex incurred in setting up robust banking channels and equipping them with necessary devices*

## *Network*

### **8.7 lac merchant network**

*Pan-India banking access points (including customers of other commercial banks, small finance banks, payment banks & fintechs)*



ESG, Board and Management Team

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# Positive Impact on Environment

Fino's new age banking model is bringing down emissions and carbon footprints significantly

## Innovation in the Physical Ecosystem



### Branchless banking

Fino operates through very low branches which leads to lesser use of energy consuming electronic gadgets like computers, ATMs, printers, air-conditioners, etc.



### Handheld ATM devices

Compact, energy efficient, handheld machines that work without any air-conditioned rooms – reducing carbon footprints and real estate space occupation



### Local cash for local use

Transportation costs incurred for cash logistics are reduced substantially – leading to lower emissions and hence lower carbon footprints



### Neighbourhood banking

Customers need not travel to far away bank branches or ATMs to avail banking services thereby reducing emissions and carbon footprints

## Innovation through Digital Ecosystem



### Lesser documentation

Using modern technologies like eKYC, vKYC, and mobile apps to fulfill compliance needs, thereby reducing the usage of papers



### Better productivity

Quicker, leaner and more efficient processes help in improved turnaround time for transactions



### Digital payments

Usage of lower number of devices and lesser paper cash to carry out a payment transaction



### Digital leads for cross-sell

On ground sales and marketing efforts that generate cross sell potential are optimized through digital channels

# Well Governed Board of Directors

Board comprising reputed professionals across different sectors

## Experienced Board of Directors...



**Rishi Gupta**  
MD & CEO

- Co-founder of Fino and has been associated with Fino Paytech<sup>1</sup>
- Previously worked at IFC<sup>2</sup>, ICICI Bank Ltd and Maruti Udyog Ltd
- Awarded “100 top most influential BFSI leaders” in Feb 2019



**Mahendra Kumar Chouhan**  
Independent  
Director

- Served on SEBI committee on corporate governance
- Part of the MCA committee for national policy on corporate governance



**Punita Kumar Sinha**  
Independent  
Director

- Experience in investment management and financial markets
- Previously worked as SMD of Blackstone – Asia Advisory Group
- Founder and managing partner of Pacific Paradigm Advisors, LLC



**Suresh Kumar Jain**  
Independent  
Director

- Has worked 36 years as a banker and was a General manager at Bank of India
- Experience in dealing in credit and foreign exchange as well
- Certified associate of the Indian Institute of Bankers



**Deena Mehta**  
Independent Director

- Served as Director and acting President of BSE Ltd
- Was also a Director of Central Depository Services Ltd
- Qualified chartered accountant and a member of ICAI



**Rajat Kumar Jain**  
Additional Director -  
Independent

- Several years of experience in leaderships roles across Consumer and TMT in India
- Founder Director of PadUp Ventures
- Alumnus of IIT Delhi and IIM Ahmedabad



**Avijit Saha**  
Nominee Director

- Has been working with ICICI Bank for c.15 years
- Previously worked with Operations Research Group and ICI Paints
- Holds a post graduate diploma in management from IIM, Lucknow



**P.S. Ravi**  
Nominee Director

- c.30 years of experience in the oil industry
- Joined Bharat Petroleum Corporation Ltd in 1987
- Holds a master's degree in financial management.

# Founder's Passion: The Team

Committed and professional management team



**Ketan Merchant**  
Chief Financial Officer

- Joined Fino in 2018
- Qualified chartered accountant from the ICAI
- Previously worked at Barclays Shared Services Ltd, HSBC and Standard Chartered Bank amongst others



**Ashish Ahuja**  
Chief Operations Officer

- Joined Fino in 2017
- Served as a Major in the Indian Army for 11 years
- Also worked with ICICI Bank Ltd as Deputy General Manager



**Shailesh Pandey**  
Chief Sales Officer

- Joined Fino in 2017
- Previously worked at BPL Mobile Communications Ltd, ICICI Prudential Life Insurance Company Ltd, Aviva Life Insurance Company India Ltd and Fino PayTech



**Anand Bhatia**  
Chief Marketing Officer

- Joined Fino in 2018
- Previously worked at Subhiksha Trading Services Ltd, Career Launcher India Ltd and Ormax Money Pvt Ltd
- Holds a PGDM from IIM, Lucknow



**Vinod Kumar K B**  
Chief Information Officer

- Joined Fino in 2017
- Previously worked at Teletech Services India Ltd, ICICI Bank Ltd and Rakbank amongst others



**Bharat Bhanushali**  
Head – Business Technology

- Joined Fino in 2017
- Previously worked with Genesys International Corporation Ltd, Goldfiled Services Pvt Ltd and Fino PayTech amongst others



**Amit Kumar Jain**  
Head – Business Alliance

- Joined Fino in 2017
- Previously worked with Geosansar Advisors Pvt Ltd, ICICI Bank Ltd and Mudra Communications Ltd



**Pratima Pinto Thomas**  
Head HR

- Joined Fino in 2019
- Served in the Indian army for 10 years
- Also worked with Vijay Sales, The Mobile Store Ltd and BDO India LLP



**Basavraj Loni**  
Company Secretary & Compliance Officer

- Experienced in secretarial, legal, corporate governance and compliance domains
- Previously worked at Priya Ltd, Raj Oils Mills Ltd, GOL Offshore Ltd, and Mahindra & Mahindra Financial Services Ltd





**Fino**

Payments Bank  
फिनो पेमेंट्स बैंक

Thank You



Annexure



Understanding Fino's Products



# Current and Savings Account (1/2)

Defining the problem statement, customer segment, potential and market size opportunity

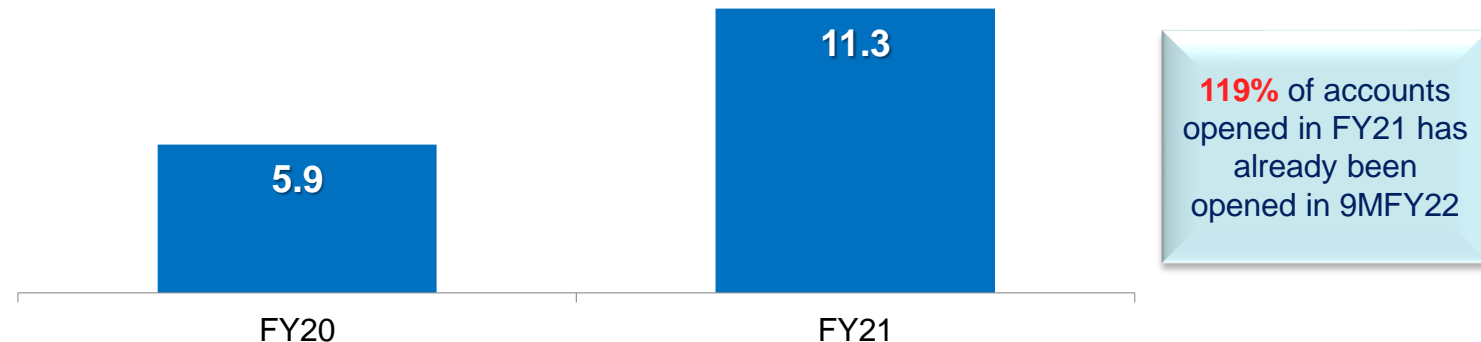
**Use Case:** A bank branch in tier 3 and below city is generally very crowded and is far away. It is also open during limited banking hours on weekdays. Through Fino Bank, the idea here is to provide a bank account at the doorstep of the customer

**Customer Segment:** Typically Emerging India customers who wish to have a bank account with features like those of regular banks but at a fraction of the cost and at a much greater convenience

**Potential:** Branch penetration in India is low. Due to high fixed costs of operating a branch, banks are averse to expand the network. To bring more Indians into the banking ecosystem, asset light and scalable network through merchant points is critical

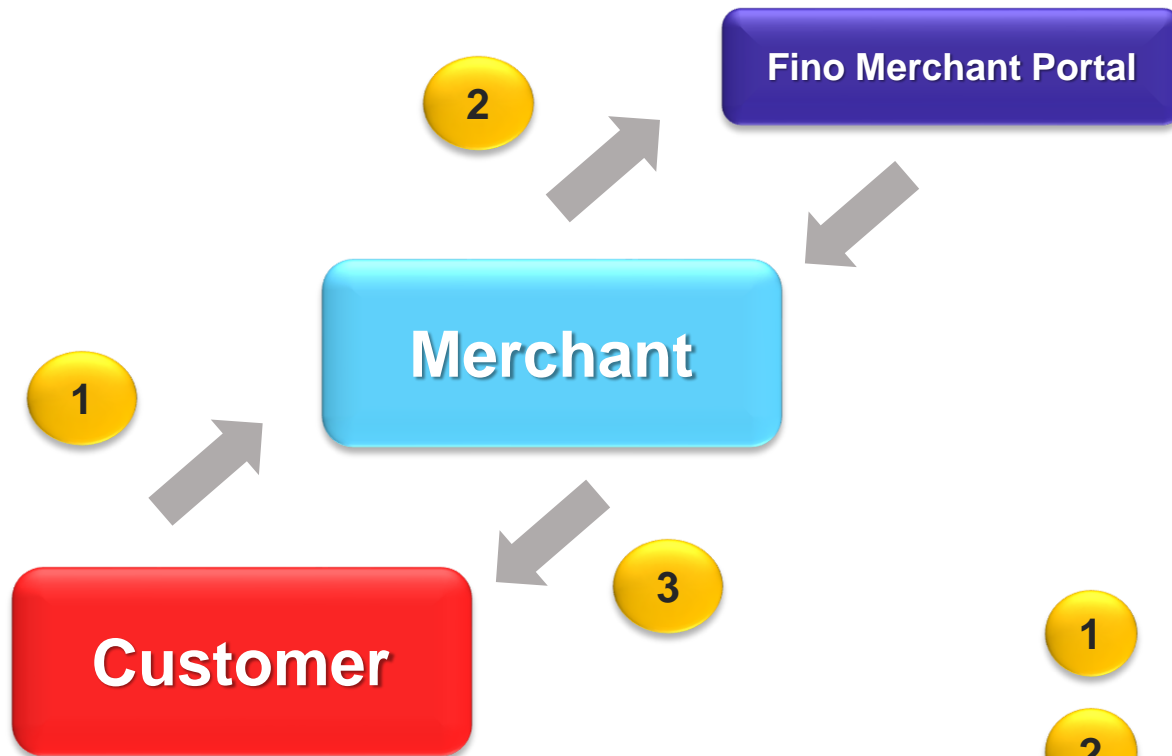
## Bank Accounts Opened – Fino Payments Bank

(in lacs)



# Current and Savings Account (2/2)

Understanding the process flow of an account opening



Revenue source

**Subscription Fee  
charged to Customer**

- 1 Customer approaches a merchant for account opening
- 2 Merchant seeks various customer details and enters in the Fino portal
- 3 Once verification process is completed, merchant shares the welcome kit and debit card to the customer over the counter and an annual subscription is upfront collected

# Cash Management Services (1/2)

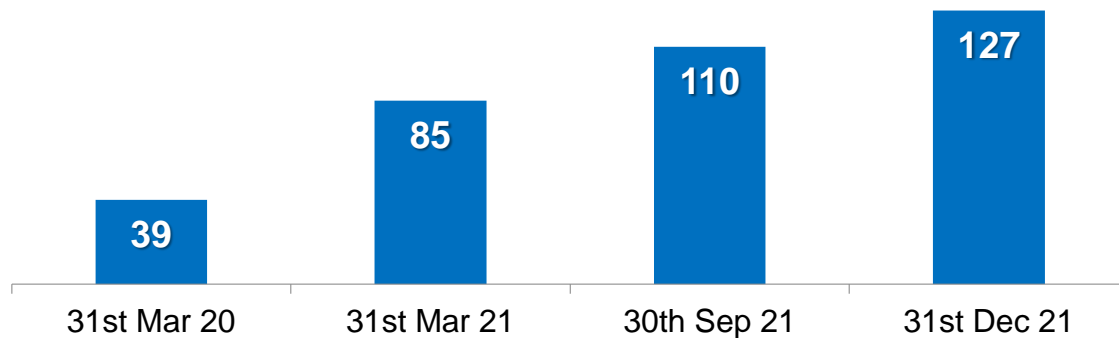
Defining the problem statement, customer segment, potential and Fino's business value

**Use Case:** Companies which collect cash from their customers need to deposit the same at a bank branch for money in the account. They do the same at a nearest Fino merchant point. This saves the agent of time & travel to a branch and risk of carrying the cash

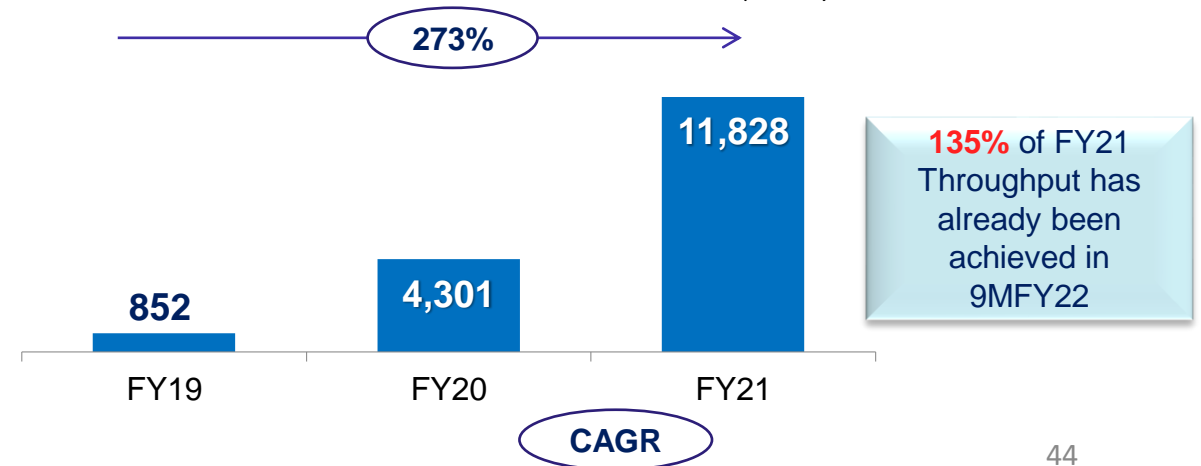
**Customer Segment:** NBFCs, MFIs, logistics, retail & B2B ecommerce, cab aggregators, agritech, retail, among others are the segment of companies – they collect cash either for loan EMI's or on COD orders from their retail customers

**Potential:** Companies require a massive network for collection activities on the ground. With overall growth in business of such companies, their collection requirements will also keep growing. They prefer pan-India players which cover a large geography. CMS is also a **cash digitizing product** wherein merchants receive cash which they can use to disburse through MATM & AEPS

**CMS No. of Partners – Fino Payments Bank**

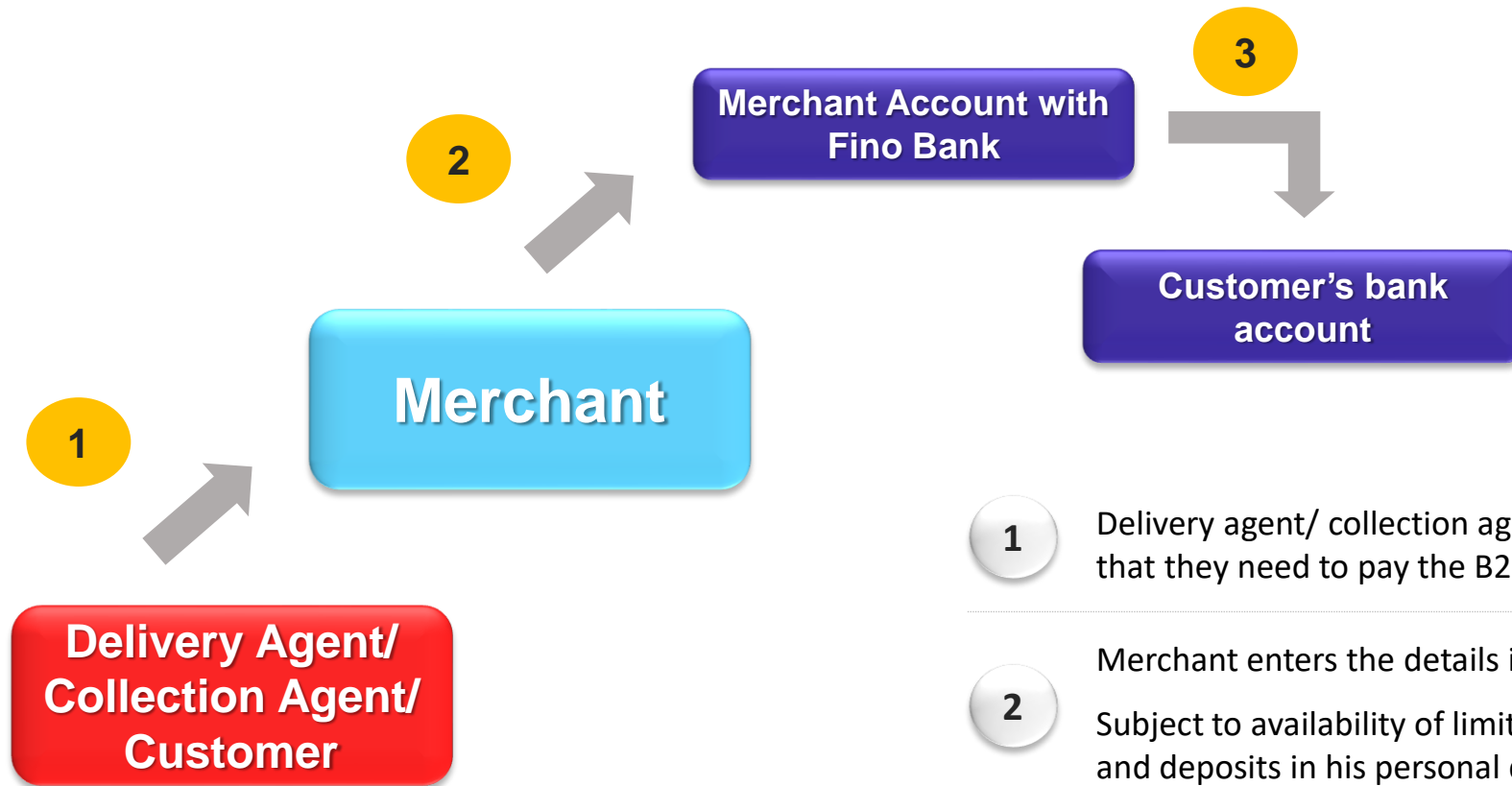


**CMS Transaction Value – Fino Payments Bank**  
(in ₹ cr)



# Cash Management Services (2/2)

Understanding the process flow of a CMS transaction



Revenue source

**Fee Income from B2B partners**

- 1 Delivery agent/ collection agent/ customer visits merchant point with cash that they need to pay the B2B partner company
- 2 Merchant enters the details in the Fino merchant portal (Mitra App)  
Subject to availability of limit in merchant account, he accepts the cash and deposits in his personal drawer physically
- 3 Fino debits the merchant and credits the B2B partner in T+1 time period

*Delivery agent/ collection agent/ customers will get an automated receipt confirmation*

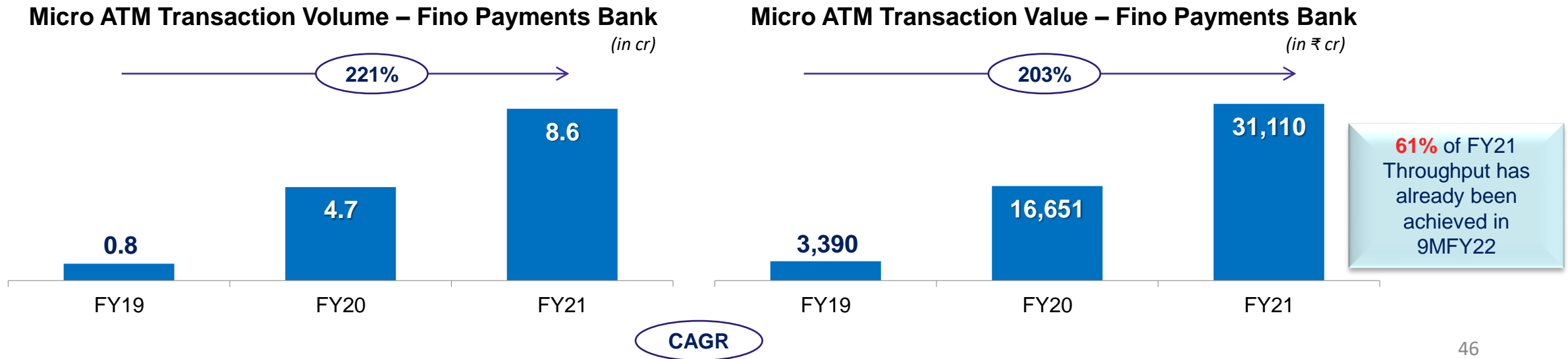
# Micro-ATM (1/2)

Defining problem statement, customer segment, potential and Fino's business volume and value

**Use Case:** Beyond the metro and tier 1 cities, ATM penetration is low. Customers have to travel a distance to withdraw cash. The genesis of micro-ATM is to facilitate convenient cash withdrawal in the customers' neighbourhood at low costs to the merchant

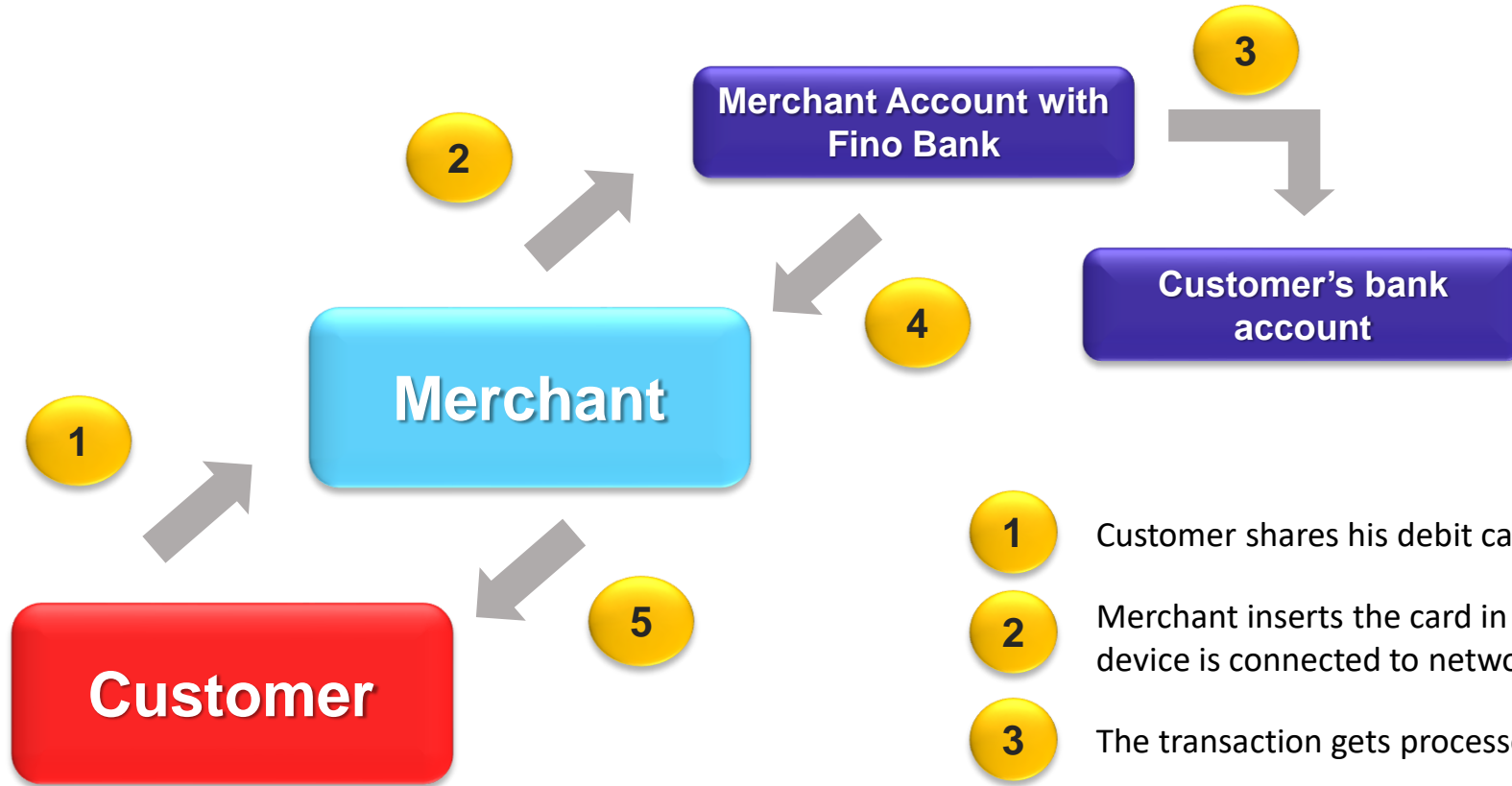
**Customer Segment:** Customers in markets which don't have a deep ATM penetration. These would be the emerging India customers at the middle of the pyramid

**Potential:** As it becomes increasingly expensive for banks to maintain an ATM network and manage the cash logistics, micro-ATMs are poised to grow to fill up the void – plus the positive cost arbitrage for setting up a micro-ATM network also is an advantage



# Micro ATM (2/2)

Understanding the process flow of an MATM transaction



- 1 Customer shares his debit card to the merchant
- 2 Merchant inserts the card in his/ her micro-ATM handheld device – device is connected to network and also to the merchant portal of Fino
- 3 The transaction gets processed through Fino's CBS platform
- 4 Merchant gets credit of amount in his merchant account with Fino
- 5 Merchant then dispenses cash physically to the customer from his own drawer

Revenue source

**Interchange Fees**



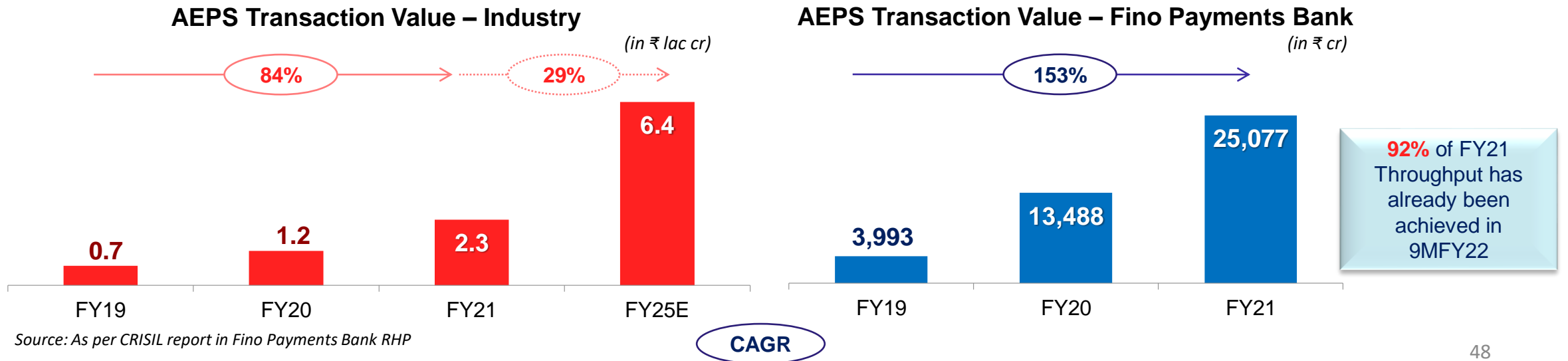
# AEPS (1/2)

Defining problem statement, customer segment, potential, market size and Fino's business value

**Use Case:** Customers often don't carry their ATM cards with them. Many at the bottom of the pyramid may not even have an ATM card. Most ATM kiosks will not be suitable for such customers – they have to visit a bank branch

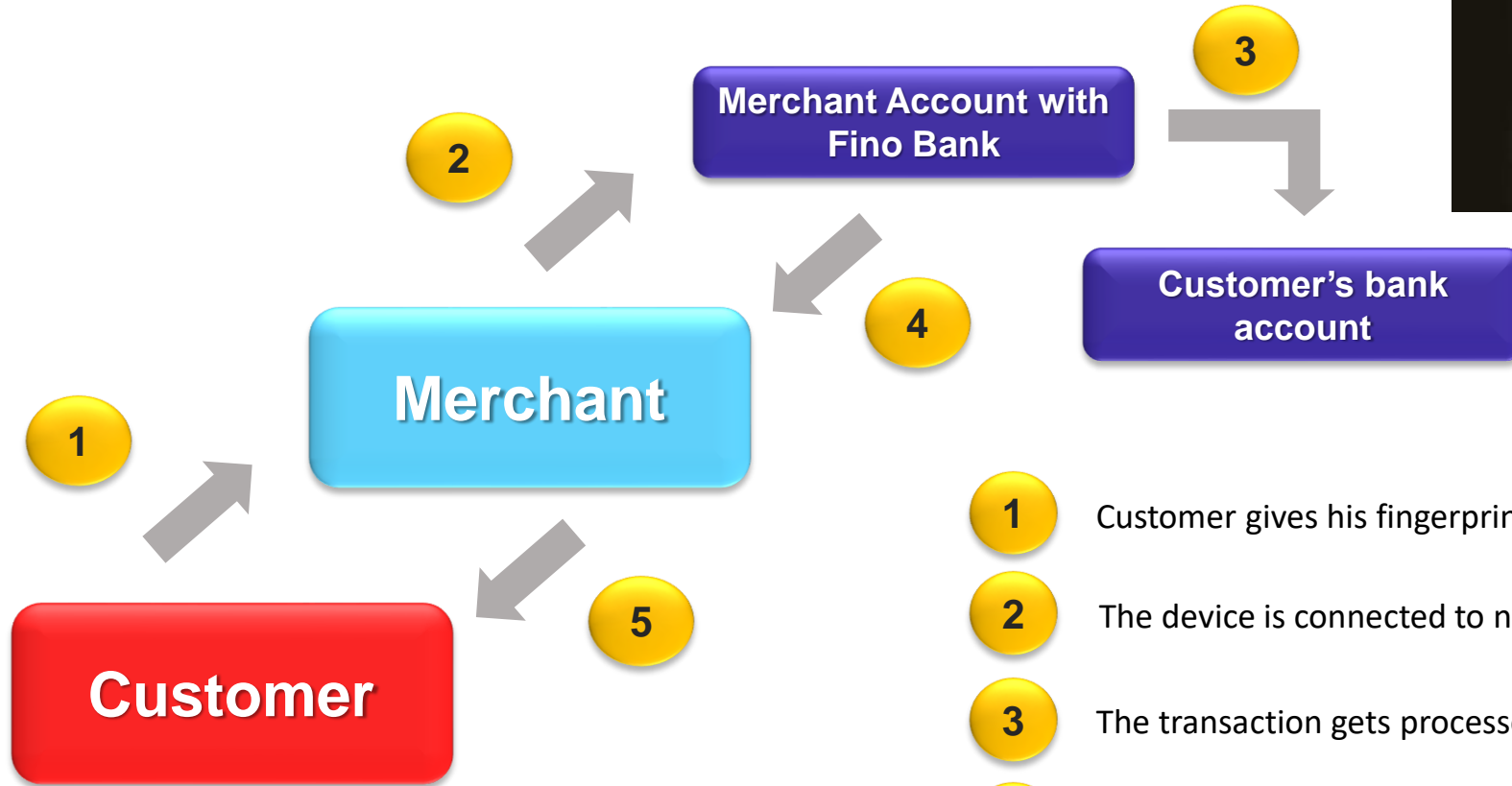
**Customer Segment:** As opposed to micro-ATMs, these are customers who don't have debit cards or don't carry one frequently with them. They find it more convenient withdrawing with a fingerprint authentication

**Potential:** New-to-financial services customers will initially use basic services like AEPS before they migrate to other transaction mediums on alternate and digital channels as they gradually get familiar and comfortable with the system



# AEPS (2/2)

Understanding the process flow of an AEPS transaction



- 1 Customer gives his fingerprint on bio-authentication device of the merchant
- 2 The device is connected to network and also to the merchant portal of Fino
- 3 The transaction gets processed through Fino's CBS platform
- 4 Merchant gets credit of amount in his merchant account with Fino
- 5 Merchant then dispenses cash physically to the customer from his own drawer

Revenue source

**Interchange Fees**

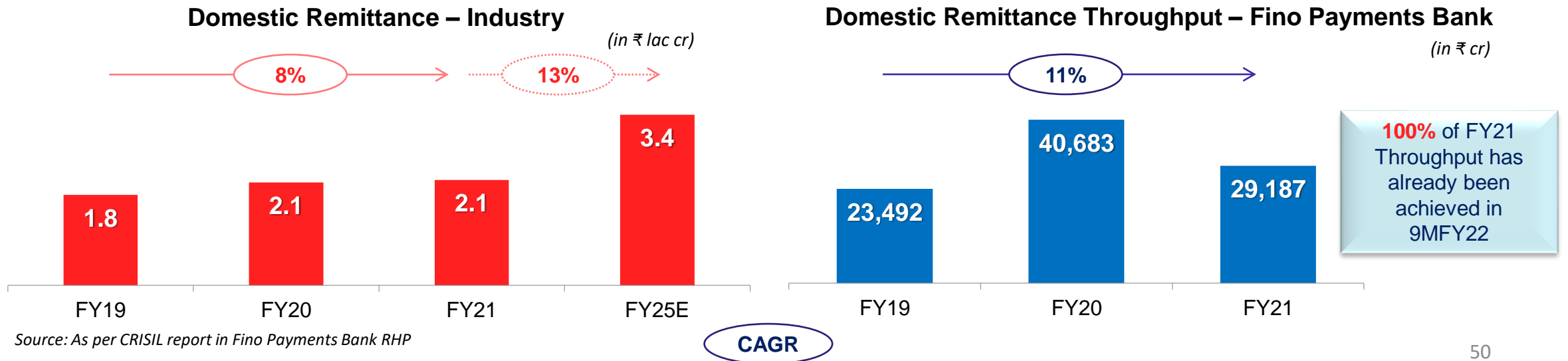
# Remittance (1/2)

Defining problem statement, customer segment, potential, market size and Fino's business value

**Use Case:** Customers having cash with them can visit a merchant point to transfer the same to a bank account on the beneficiary side. Remittance is essentially a cash digitizing product wherein customers on the transferring side need not have a bank account

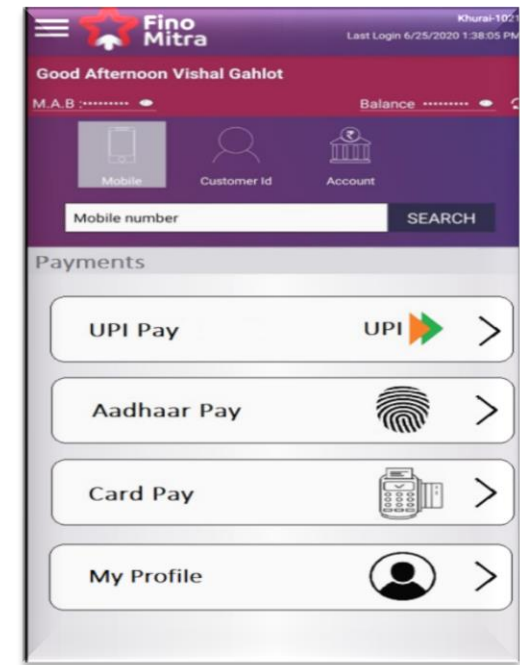
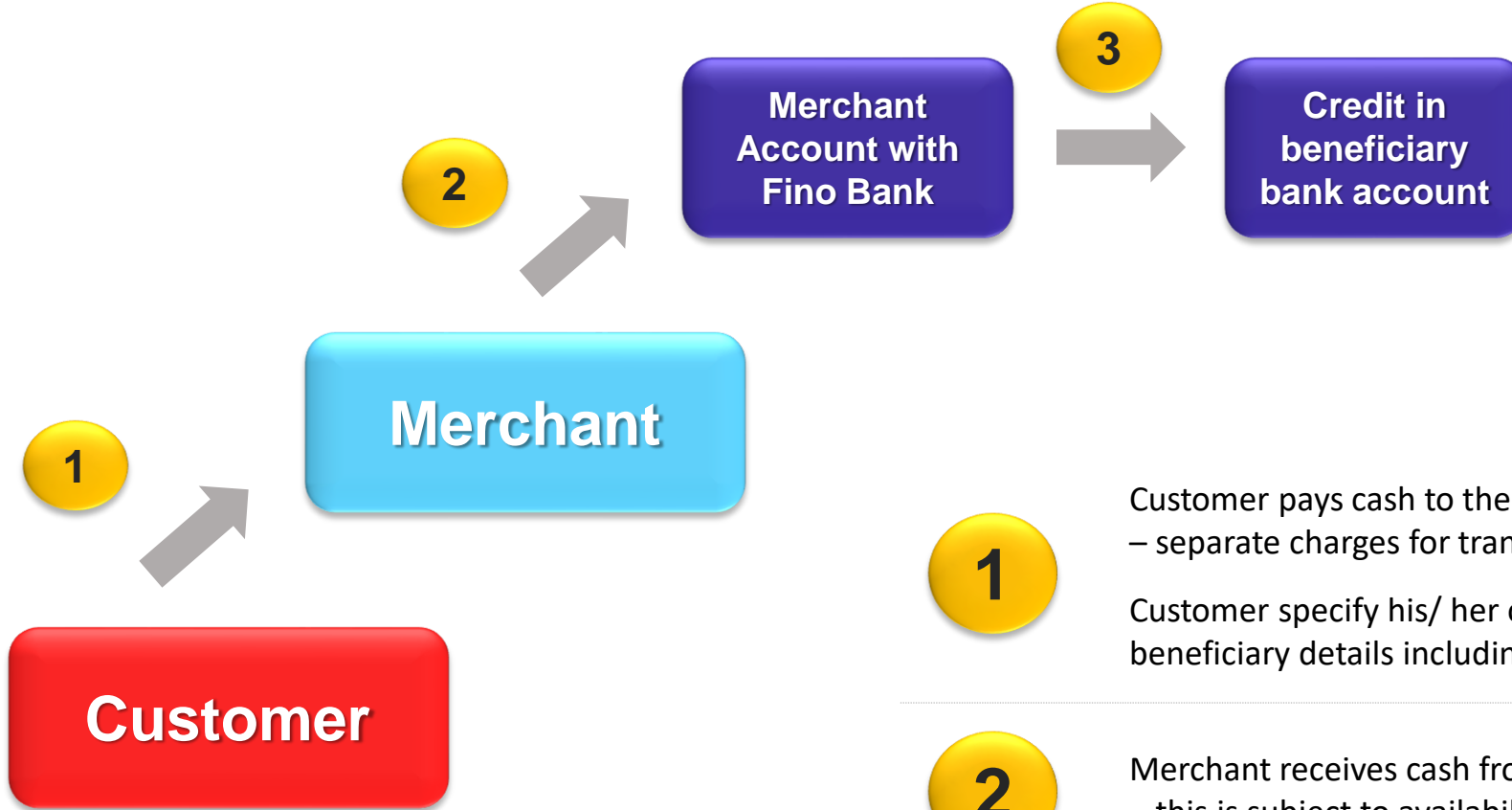
**Customer Segment:** Typically Emerging India customers at the middle of the pyramid are our target segment. Such customers earn in the range of ₹10,000-40,000 per month. Other customers who deal in cash are also our target customers for this product

**Potential:** There has to be a player to digitize the cash till the last mile for commencement of a customer's digital journey – with a growing cash in circulation, the opportunity for this business is expected to multiply – remittance also leads to withdrawal of the cash, partly or full, on the other side through a micro-ATM or AEPS



# Remittance (2/2)

Understanding the process flow of a remittance transaction



1

Customer pays cash to the merchant for transfer to beneficiary account – separate charges for transaction is also paid by customer to merchant

Customer specify his/ her own details as per AADHAR card as well as beneficiary details including bank account number to the merchant

2

Merchant receives cash from customer and deposits in his own drawer – this is subject to availability of limit in merchant account with Fino

3

He then transfers the amount to the respective beneficiary bank account

Post successful transfer, there will be an automated acknowledgement SMS sent to the transferring customer

Revenue source  
**Customer**

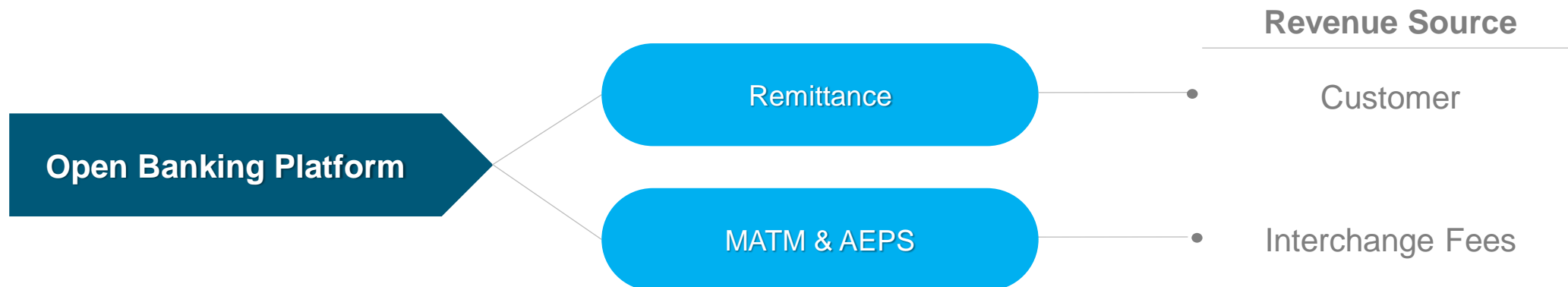
# Open Banking Platform (1/2)

Defining the problem statement, customer segment, potential and market size opportunity

**Use Case:** Fintech players offering various payment products require a bank at the back-end to process a transaction. Being a bank, Fino can offer its technology platform to such fintechs

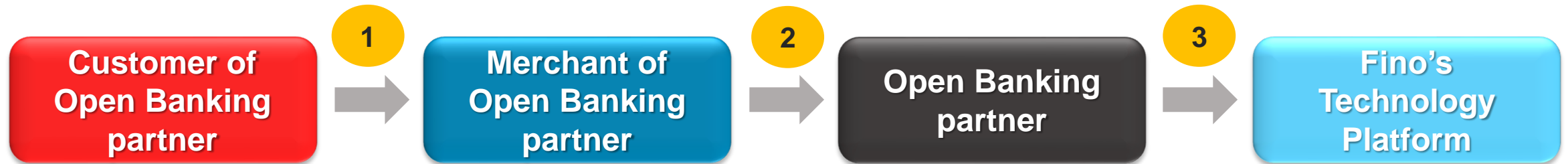
**Customer Segment:** Fintech partners who do not have a banking license of RBI

**Potential:** India is a huge country with a massive addressable market which cannot be catered by any single player. Multiple fintechs will have the last mile reach. However, not everyone can be given access to the secure banking platforms that are periodically audited by RBI. Such fintechs with the last mile reach will need a banking rail to carry out a transaction and for the banks, it is a perfect way to leverage their technology investments at no marginal costs



# Open Banking Platform (2/2)

Understanding the process flow of a remittance transaction



- 1 Customers visit the merchant points of the Open Banking partner (API partners)
- 2 Merchant uses the technology front end of the Open Banking partner
- 3 Transaction is processed end-to-end through Fino's technology platforms

## Revenue source

**Customer (Remittance)  
Interchange Fees (MATM & AEPS)**

- ✦ *Fino Bank earns commission on every transaction*
- ✦ *Part of the commission is shared with the merchant and API partner*
- ✦ *Share of commission to Fino Bank is lower in Open Banking Channel as compared to same products on own banking channel*