

**BEFORE THE ADJUDICATING OFFICER  
SECURITIES AND EXCHANGE BOARD OF INDIA  
SETTLEMENT ORDER**

**[SETTLEMENT ORDER NO.: SO/SM/KS/2025-26/8256]**

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		In respect of;
Settlement Application No.	Name of Applicant	PAN
8256/2024	Fino Payments Bank Limited	AABCF1125D

**In the matter of Fino Payments Bank Limited**

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**Background:**

1. Securities and Exchange Board of India (hereinafter referred to as "SEBI") initiated adjudication proceedings under Section 15-I of the Securities and Exchange Board of India Act, 1992 ("SEBI Act") against Fino Payments Bank Limited (hereinafter referred to as the "applicant" / "Noticee" / "Bank" / "company"), for the alleged violations of the provisions of regulations 30(3), 30(6) and 30(7) read with clause 9 of Para B of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "LODR Regulations"), clause 9 of Para B of Annexure I and clause 9 of Table I of Annexure II to SEBI Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023.
2. Whereas, the Competent Authority was prima facie of the view that there were sufficient grounds to adjudicate upon the alleged violation by the Noticee, as stated above and therefore, in exercise of the powers conferred under Section 15-I of the SEBI Act, 1992 and Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as "Adjudication Rules") read with

Section 19 of the SEBI Act, 1992, the Competent Authority appointed Shri Amar Navlani as Adjudicating Officer vide order dated August 12, 2024 which was communicated to the Adjudicating Officer vide order dated August 13, 2024.

3. Pursuant to transfer of the erstwhile Adjudicating Officer, the undersigned was appointed as Adjudicating Officer by the Competent Authority on September 11, 2025, to inquire into and adjudge under Section - 15A(b) of the SEBI Act, 1992 for the alleged violation by the Noticee. The appointment was communicated to the undersigned vide Communique dated September 19, 2025.
4. A Show Cause Notice (SCN) No. SEBI/HO/EAD/EAD5/P/OW/ 2024/31639/1 dated October 08, 2024 was served upon the Noticee by the erstwhile Adjudicating Officer in terms of provisions of Rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995, calling upon to show cause why an inquiry should not be held and penalty not be imposed, under Section 15A(b) of the SEBI Act, 1992 for the alleged violations of the provisions, as stated. The SCN was issued to the Noticee for the following alleged violations as briefly stated.

**Allegations in the SCN:**

5. The SCN inter alia alleged that the Noticee failed to make timely and complete disclosure of a material event regarding frauds perpetrated by its employees, as required under Regulation 30 of the LODR Regulations and SEBI Circular dated July 13, 2023. It was observed that;
  - a) Fifteen (15) complaints were received alleging fraudulent investment schemes by employees of the Bank.
  - b) The value of the event exceeded materiality thresholds under Regulation 30(4)(i)(c) of the LODR.

- c) The share price of the company declined significantly during the relevant period, reflecting material impact.
  - d) Despite receiving KPMG's investigation report on November 08, 2023, the Noticee failed to make adequate disclosure within 24 hours and did not provide subsequent updates as mandated.
  - e) The event should have been disclosed by the company latest by November 9, 2023, carrying all the details required under SEBI Circular dated July 13, 2023.
6. In consequence, it was alleged that the Noticee violated regulations 30(3), 30(6), 30(7) read with clause 9 of Para B of Part A of Schedule III of LODR regulations, clause 9 of Para B of Annexure I and clause 9 of Table I of Annexure II to SEBI Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023.
7. Noticee through its authorized representative, requested an inspection of records vide email dated October 29, 2024. Ms. Apoorva Upadhyay, the authorized representative on behalf of Noticee, inspected the documents on December 03, 2024.
8. In compliance with the principle of natural justice, an opportunity of personal hearing was granted to the Noticee on December 10, 2024 vide letter dated December 04, 2024 by the erstwhile Adjudicating Officer. A request was received from the Noticee to adjourn the hearing and grant a period of three weeks for filling the submission. The said request was acceded to. Noticee submitted its written reply dated January 14, 2025. During the hearing held on January 16, 2025, the Noticee was represented by their authorized representatives, Mr. Tomu Francis and Ms. Apoorva Upadhyay from Khaitan & Co. On that date, the Noticee reiterated the

points made in the reply dated January 14, 2025. Furthermore, the authorized representative requested additional time until January 28, 2025, to provide further submissions as final and complete, which was subsequently granted.

**Settlement Application:**

9. Pending the adjudication proceedings, the Noticee filed a Settlement Application, bearing Settlement Application No. 8256/2024 (hereinafter referred to as “application”) proposing to settle the instant proceedings initiated against it vide Show Cause Notice No. SEBI/HO/EAD/EAD5/P/OW/2024/31639/1 dated October 08, 2024 without admission or denial of findings of fact and conclusions of law, through a settlement order in terms of Chapter II of the SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as “Settlement Regulations”).
10. In this regard, I note that the matter was placed before the Internal Committee (“IC”) of SEBI in its meetings held on January 14, 2025 and April 03, 2025. After deliberations, the IC recommended an indicative settlement amount of ₹5,88,921.45/- (Five Lakh eighty-eight thousand nine hundred twenty-one rupees and forty-five paise only), computed in terms of Schedule II read with Regulation 10 of the Settlement Regulations.
11. The aforesaid findings were communicated to the authorized representative of the applicant viz., Mr. Tomu Francis. The applicant was informed to inter alia submit Revised Settlement Terms (“RST”) along with the list of remedial measures undertaken subsequent to issuance of SCN, within 15 working days from the date of the IC Meeting in terms of Regulation 13(2)(c) of SEBI (Settlement Proceedings) Regulations, 2018.
12. The applicant subsequently submitted its Revised Settlement Terms (“RST”) vide letter dated April 03, 2024, along with details of remedial measures undertaken to

strengthen its disclosure processes and internal compliance framework with regard to issues highlighted in the SCN. Vide the said letter dated April 03, 2024, the applicant confirmed its willingness to pay the settlement amount as communicated by the IC.

13. The matter was thereafter placed before the High Powered Advisory Committee ("HPAC") in its meeting held on June 05, 2025. The HPAC, after considering the facts and submissions, recommended acceptance of the settlement terms. Thereafter the matter was placed for the consideration of the Panel of Whole Time Members, SEBI, in terms of Regulation 14(3) of the Settlement Regulations. The recommendation of the HPAC in this regard was accepted by the Panel of WTMs on August 08, 2025 and accordingly, applicant was informed about the recommendations on August 25, 2025.

14. The applicant remitted the settlement amount of ₹5,88,921.45/- (Five Lakh eighty-eight thousand nine hundred twenty-one rupees and forty-five paisa only), on September 16, 2025, the receipt of which has been confirmed as per material available on record.

**Order & Directions:**

15. In view of the above, and in exercise of powers conferred under Section 15JB of the SEBI Act, 1992 read with Regulation 23(1) of the Settlement Regulations, the instant Adjudication Proceedings initiated against Fino Payments Bank Limited vide SCN No. SEBI/HO/EAD/EAD5/P/OW/2024/31639/1 dated October 08, 2024 are hereby disposed of.

16. This order is passed without prejudice to the rights of SEBI under Regulations 28 and 31 of the Settlement Regulations to initiate appropriate proceedings, including restoration of the present proceedings, if:

13.1. It comes to notice of the Board that the applicant has not made full and true disclosure;

13.2. The applicant has violated undertakings or waivers; or

13.3. There was a discrepancy while arriving at the settlement terms.

17. This Settlement Order shall come into force with immediate effect.

18. In terms of Regulation 25 of the Settlement Regulations, a copy of this Order shall be sent to the applicant and shall also be published on the website of SEBI.

**DATE: OCTOBER 06, 2025**  
**PLACE: MUMBAI**

**SUDEEP MISHRA**  
**ADJUDICATING OFFICER**