



October 22, 2024



BSE Limited

Department of Corporate Services,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001

National Stock Exchange of India Limited

The Listing Department,
Exchange Plaza,
Bandra Kurla Complex,
Mumbai - 400 051

Scrip Code: 543396

Symbol: PAYTM

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Outcome of the Board Meeting held on October 22, 2024

Dear Sir/ Ma'am,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), we wish to inform you that the Board of Directors of the Company at its meeting held today i.e., October 22, 2024, have inter alia, considered and approved, to provide a Default Loss Guarantee (DLG) to our lending partner for loans disbursed to merchants.

There is increased interest and comfort from existing as well as new lenders to expand the partnership due to better asset quality trends and higher demand from our merchants. Following the regulatory framework, and the emerging market practice, we see increased willingness from lenders to partner and allocate more capital in the Default Loss Guarantee (DLG) model. DLG model will help to increase disbursements with the existing partners and expand partnership with new lenders for the loan distribution.

The relevant details as required under the SEBI Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, is enclosed as **Annexure**.

The Board meeting commenced at 09:05 a.m. (IST) and concluded at 10:24 a.m. (IST).

This disclosure will also be hosted on the Company's website viz. <https://ir.paytm.com/>.

Kindly take the same on record.

Thanking you,

Yours Sincerely,

For **One 97 Communications Limited**

Sunil Kumar Bansal
Company Secretary and Compliance Officer

One 97 Communications Limited

compliance.officer@paytm.com

www.paytm.com

Corporate Office - One Skymark, Tower-D, Plot No. H-10B, Sector-98, Noida-201304

T: +91120 4770770 F: +91120 4770771 CIN: L72200DL2000PLC108985

Registered Office - 136, First Floor, Devika Tower, Nehru Place, New Delhi-110019



Information as required under Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and SEBI Circular dated July 13, 2023

Annexure

Providing Default Loss Guarantee to the Lending Partner

S. No.	Particulars	Details
1.	Name of party for which such guarantees or indemnity or surety was given;	SMFG India Credit Co. Ltd. (Lending partner who disburses loans to merchants of the Company)
2.	Whether the promoter/ promoter group/ group companies have any interest in this transaction? If yes, nature of interest and details thereof and whether the same is done at "arm's length";	<p>The Company (OCL) is a professionally managed Company and does not have any identified promoter or promoter group.</p> <p>Group companies do not have any interest in this transaction.</p>
3.	Brief details of such guarantee or indemnity or becoming a surety viz. brief details of agreement entered (if any) including significant terms and conditions, including amount of guarantee;	<p>The Company is in the business of helping lending partners distribute loans to its customers. The Company makes a sourcing fee and collection fee on such loans.</p> <p>Following the regulatory framework, the Company intends to provide Default Loss Guarantee of up to Rs. 225 Crores over time on loans disbursed by Lending partner to merchants.</p> <p>This guarantee will be provided in the form of Bank Guarantee or Fixed Deposit.</p>
4.	Impact of such guarantees or indemnity or surety on Company	<p>Financial expense of up to Rs. 225 Crores over period of time</p> <p>Basis expected credit loss (ECL) model, entire cost of DLG will be taken upfront, however the revenue will accrue over the life of the loan (other than sourcing revenue which is booked up front). Hence, there will be higher upfront costs and higher revenue over the life of the loan.</p>