



December 13, 2022

**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.: Outcome of Board Meeting – Buyback of equity shares of One 97 Communications Limited**

Dear Sir/ Ma'am,

Further to our intimation dated December 08, 2022 and in terms of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) read with the circular issued by the Securities and Exchange Board of India ("SEBI") bearing number CIR/CFD/CMD/4/2015 dated September 09, 2015, we wish to inform that the Board of Directors ("Board") of One 97 Communications Limited ("Company") approved a Buyback of Equity Shares (*as defined below*) wherein all directors present voted unanimously in favour of the proposal, including all independent directors. The members on the Board, at its meeting held today i.e. on December 13, 2022 have *inter-alia*,

- a) Approved the proposal for the Company to buyback fully paid-up equity shares of face value of Re. 1/- (Rupee One only) each of the Company ("Equity Shares") at a price not exceeding **Rs. 810/-** (Rupees Eight Hundred and Ten only) per Equity Share ("**Maximum Buyback Price**") and for an amount not exceeding **Rs. 850 crores** (Rupees Eight Hundred and Fifty crores only) excluding any other expenses incurred or to be incurred for the buyback like filing fees payable to SEBI, stock exchanges fees, advisors' fees, publication of public announcement and other advertisements, transaction cost viz., brokerage, applicable taxes such as securities transaction tax, stamp duty, buyback tax etc., and any other incidental and related expenses ("**Maximum Buyback Size**"), from the shareholders of the Company via open market route through stock exchange mechanism (i.e., through National Stock Exchange of India Limited and BSE Limited (collectively "**Stock Exchanges**")) in such manner as may be prescribed in the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 (as amended) ("**Buyback Regulations**"), the Companies Act, 2013 (as amended) and rules made thereunder ("**Companies Act**") and other applicable laws (the process hereinafter referred to as the "**Buyback**"). The Maximum Buyback Size represents 6.67% and 6.97% of the aggregate of the total paid-up equity capital and free reserves of the Company based on the audited standalone and consolidated financial statements of the Company, respectively, for the financial year ended on March 31, 2022 (being the latest available audited financial statements of the Company), which is not more than 10% of the total paid-up capital and free reserves of the Company, and accordingly, approval of the shareholders of the Company is not required in terms of Section 68(2)(b) of the Companies Act and proviso to Regulation 5(i)(b) of the Buyback Regulations.

At the Maximum Buyback Price and the Maximum Buyback Size, the indicative maximum number of Equity Shares bought back would be 10,493,827 Equity Shares ("**Maximum Buyback Shares**"),



which represent approximately 1.62% of the paid-up share capital of the Company as of March 31, 2022. If the Equity Shares are bought back at a price below the Maximum Buyback Price, the actual number of Equity Shares bought back could exceed the Maximum Buyback Shares, but will always be subject to the Maximum Buyback Size.

- b) The Company shall utilise at least 50% of the amount earmarked as the Maximum Buyback Size i.e. Rs. 425 crores (Rupees Four Hundred and Twenty-Five crores only), for the Buyback ("**Minimum Buyback Size**"). Based on the Minimum Buyback Size and Maximum Buyback Price, the Company would purchase a minimum of 5,246,913 Equity Shares.
- c) The Board has constituted the Buyback Committee to oversee and implement the Buyback and has delegated powers to it to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, usual or proper in connection with the proposed Buyback.
- d) The public announcement setting out the process, timelines and other requisite details of the Buyback will be released in due course, in accordance with the Buyback Regulations. The dates of the Buyback offer shall be mentioned in the public announcement.
- e) The pre-Buyback shareholding pattern of the Company, as on December 9, 2022 is enclosed hereto as "**Annexure – 1**".

Further, since the Buyback is from the open market, the details of the actual number of Equity Shares that would be bought back (including, as a percentage of the existing paid-up capital) and the post-Buyback shareholding pattern cannot be ascertained at this stage. The same will be provided upon completion of the Buyback.

- f) A copy of press release titled as "Paytm Board unanimously approves buyback of its equity shares from open market" is enclosed herewith as "**Annexure – 2**".

This disclosure will also be hosted on the Company's website viz. [www.paytm.com](http://www.paytm.com).

The Board meeting commenced at 7:43 p.m. (IST) and concluded at 8:45 p.m. (IST).

Kindly take the same on record.

Thanking you

Yours Sincerely,  
For **One 97 Communications Limited**

**Amit Khara**  
**Company Secretary & Compliance Officer**

**Pre-Buyback Shareholding Pattern of the Company as on December 9, 2022**

S.No	Category of Shareholders	Pre-Buyback	
		No. of Equity Shares	% of Equity Shares
1.	<b>Promoter and Promoter Group</b>	0	0.00
2.	<b>Foreign Investors</b>		
	FII/FPI	41,446,804	6.38
	NRIs	2,124,626	0.33
	ADRs	0	0.00
	FDI, Foreign Nationals and Overseas Corporate Bodies	429,458,530	66.14
	<b>Sub Total</b>	<b>473,029,960</b>	<b>72.85</b>
3.	<b>Domestic (Institutions)</b>		
	Banks	370,000	0.06
	Mutual Funds	10,220,598	1.57
	Alternative Investment Funds	514,362	0.08
	NBFCs registered with RBI	13,928	0.00
	Insurance Companies	719,982	0.11
	<b>Sub Total</b>	<b>11,838,870</b>	<b>1.82</b>
4.	<b>Domestic (Indian Public, Corporates, and others)</b>	<b>164,465,557</b>	<b>25.33</b>
	<b>Total</b>	<b>649,334,387</b>	<b>100.00</b>

## **Paytm Board unanimously approves buyback of its equity shares from open market**

- Buyback size of up to ₹850 crores approved, in line with SEBI regulations
- Maximum buyback price of ₹810 per share (50% premium to the closing price as on board meeting date)
- All directors present voted unanimously in favour of the proposal, including all independent directors
- Company's directors and key management personnel will not sell any shares during the buyback period

One 97 Communications Limited (OCL) that owns the brand Paytm, India's leading payments and financial services company and the pioneer of QR and mobile payments, today announced that its Board has approved a proposal for buyback of equity shares. All directors present voted unanimously in favour of the proposal, including all independent directors. The company will undertake a buyback of up to ₹850 crores (excluding buyback taxes and other transaction costs) at a maximum price of ₹810 per share and has opted for the open market route through stock exchanges method, which is to be completed within a maximum period of 6 months. Witnessing Paytm's momentum of financial performance, clear path to cash flow generation and excess cash as a result, the Board has determined that a buyback of the company's shares would be accretive for its shareholders.

Over the last 18 months, the company has improved monetisation and unit economics for payments business. At the same time, the lending business has shown tremendous growth, and has contributed to the bottom line. This is a clear demonstration of operating leverage, resulting in improvement of EBITDA before ESOP cost margin from -51% in the quarter ending March 2021 to -9% in the most recent quarter.

While Paytm will continue disciplined investments to drive long-term value creation, across technology, sales, marketing, and other areas, the Paytm Board has determined that there is surplus liquidity that can be productively applied to a buyback of shares. This decision has been taken after a detailed review of projected investment requirements to drive long-term value creation. Paytm reiterates that proceeds from the IPO are not being directed towards the share repurchase plan.

Paytm board believes that this buyback is a sign of confidence that the company is on a clear path to deliver cash flow profitability, and this buyback will not have any impact on its growth plans in the near future or on its profitability plans.



Until completion of the buyback period, the company's directors and key management personnel — Vijay Shekhar Sharma (Founder & CEO) and Madhur Deora (Executive Director, President & Group CFO) – will not be participating in any sale of shares. They remain focussed on long-term growth, and value creation for all stakeholders.

**Vijay Shekhar Sharma, Founder & CEO - Paytm said,** “Over the last year, there is clear business momentum, and we are ahead of our plans. Looking at the monetisation opportunities in our core payment and credit business, we feel confident to generate healthy revenues and cash flows to invest in sales, marketing and technology. We value our shareholders and their journey with us in the public markets. I believe that a buyback at this stage will be immensely beneficial for our stakeholders and will drive long-term shareholder value.”

In October and November 2022, Paytm's operating performance has shown strong growth in its lending business with the annualised run rate for the loan distribution business is now ₹39,000 crores (\$4.8 billion). The company continued to maintain its leadership in offline payments with merchants paying subscriptions for payment devices exceeding 5.5 million.

The company is ahead of its previously-stated plans to achieve EBITDA before ESOP costs profitability by quarter ending September 2023.

Assuming a full buyback of ₹850 crores, and applicable buyback taxes, the total outlay will be in excess of approximately ₹1,048 crores.

### **About Paytm:**

Paytm is India's payment Super App offering consumers and merchants most comprehensive payment services. Pioneer of the mobile QR payments revolution in India, Paytm's mission is to bring half a billion Indians into the mainstream economy through technology-led financial services. Paytm enables commerce for small merchants and distributes various financial services offerings to its consumers and merchants in partnership with financial institutions.

### **Paytm media contact:**

[corpcomm@paytm.com](mailto:corpcomm@paytm.com)