



**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

Central Processing Centre
Plot No. 6,7, 8, Sector 5, IMT Manesar, Manesar, Haryana, India, 122050

Certificate of Incorporation Consequent upon conversion to public company

Corporate Identity Number: U67190KA2012PLC176031

IN THE MATTER OF PHONEPE PRIVATE LIMITED

I hereby certify that PHONEPE PRIVATE LIMITED which was originally incorporated on EIGHTEENTH day of DECEMBER TWO THOUSAND TWELVE under Companies Act, 1956 as FX MART PRIVATE LIMITED and upon an intimation made for conversion into public company under Section 18 of the Companies Act, 2013; and approval of Central Government signified in writing having been accorded thereto by the ROC, CPC vide SRN AB3626295 dated 30/04/2025 the name of the said company is this day changed to PHONEPE LIMITED

Given under my hand at ROC, CPC this FIRST day of MAY TWO THOUSAND TWENTY FIVE

Signature Not Verified
Digitally signed by
*.mca.gov.in
Date: 2025.05.01 16:55:13 IST

Brijesh Kain

Assistant Registrar of Companies/ Deputy Registrar of Companies/ Registrar of Companies

Central Processing Centre

Note: The corresponding form has been approved by Brijesh Kain, Assistant Registrar of Companies/ Deputy Registrar of Companies/ Registrar of Companies and this letter has been digitally signed by the Registrar through a system generated digital signature under rule 9(2) of the Companies (Registration Offices and Fees) Rules, 2014

Mailing Address as per record available in Registrar of Companies office:

PHONEPE LIMITED

Office-2, Floor 5, Wing A, Block A, Salarpuria Softzone, Bellandur Village, Varthur Hobli, Outer Ring Road, Bellandur, Bangalore South, Bangalore- 560103, Karnataka

Polen B. C.





**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

Registrar of Companies

2, Kendriya Sadana, Bangalore, E' Wing 2nd Floor, Kendriya Sadana, Karnataka, 560034, India

Corporate Identity Number: **U67190KA2012PTC176031**

SECTION 13(5) OF THE COMPANIES ACT, 2013

Certificate of Registration of Regional Director order for Change of State

M/s PHONEPE PRIVATE LIMITED having by special resolution altered the provisions of its Memorandum of Association with respect to the place of the Registered Office by changing it from the state of Maharashtra to the Karnataka outside the jurisdiction of existing RoC ROC Mumbai to the ROC Bangalore and such alteration having been confirmed by an order of Regional Director bearing the date 13/02/2023

I hereby certify that a certified copy of the said order has this day been registered.

Given under my hand at Bangalore this FOURTEENTH day of JULY TWO THOUSAND TWENTY THREE

Certification signature by DS MINISTRY OF CORPORATE
AFFAIRS 1 <roc.bangalore@msa.gov.in>, Validity Unknown

Digitally signed by
DS MINISTRY OF CORPORATE
AFFAIRS 1
Date: 2023.07.14 22:37:35 IST

VENKATRAMAN KAVADIKERI

Assistant Registrar of Companies/ Deputy Registrar of Companies/ Registrar of Companies Registrar of Companies

Registrar of Companies

ROC Bangalore

Mailing Address as per record available in Registrar of Companies office:

PHONEPE PRIVATE LIMITED

Office-2, Floor 4,5,6,7, Wing A, Block A, Salarpuria Softzone, Service Road, Green Glen Layout, Bellandur, Bangalore
South, Bangalore-560103, Karnataka, India





GOVERNMENT OF INDIA

MINISTRY OF CORPORATE AFFAIRS

Office of the Registrar of Companies

Everest, 100 Marine Drive, Mumbai, Maharashtra, India, 400002

Corporate Identity Number: U67190MH2012PTC337657

SECTION 13(5) OF THE COMPANIES ACT, 2013

Certificate of Registration of Regional Director order for Change of State

M/s PHONEPE PRIVATE LIMITED having by special resolution altered the provisions of its Memorandum of Association with respect to the place of the Registered Office by changing it from the state of Delhi to the Maharashtra and such alteration having been confirmed by an order of Regional Director bearing the date 11/12/2019.

I hereby certify that a certified copy of the said order has this day been registered.

Given under my hand at Mumbai this Thirteenth day of February Two thousand twenty.



Anil Bhagure

Registrar of Companies
RoC - Mumbai

Mailing Address as per record available in Registrar of Companies office:

PHONEPE PRIVATE LIMITED

Unit No.001, Ground Floor, Boston House,, Suren Road, Off.Andheri-Kurla Road,
Andheri (East), Mumbai, Mumbai City, Maharashtra, India, 400093





GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

Office of the Registrar of Companies
4th Floor, IFCI Tower 61, New Delhi, Delhi, India, 110019

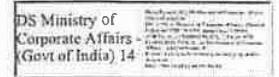
Certificate of Incorporation pursuant to change of name
[Pursuant to rule 29 of the Companies (Incorporation) Rules, 2014]

Corporate Identification Number (CIN): U67190DL2012PTC303812

I hereby certify that the name of the company has been changed from FX MART PRIVATE LIMITED to PHONEPE PRIVATE LIMITED with effect from the date of this certificate and that the company is limited by shares.

Company was originally incorporated with the name FX MART PRIVATE LIMITED.

Given under my hand at New Delhi this Eighteenth day of November two thousand sixteen.



Prahlad Meena
Deputy Registrar of Companies
Registrar of Companies
RoC - Delhi

Mailing Address as per record available in Registrar of Companies office:

PHONEPE PRIVATE LIMITED

A 25, Mohan Cooperative Industrial Area, New Delhi, South Delhi, Delhi, India, 110044





GOVERNMENT OF INDIA

MINISTRY OF CORPORATE AFFAIRS

Office of the Registrar of Companies

4th Floor, IFCI Tower 61, New Delhi, Delhi, India, 110019

Corporate Identity Number: U67190DL2012PTC303812

SECTION 13(5) OF THE COMPANIES ACT, 2013

Certificate of Registration of Regional Director order for Change of State

M/s FX MART PRIVATE LIMITED having by special resolution altered the provisions of its Memorandum of Association with respect to the place of the Registered Office by changing it from the state of Punjab to the Delhi and such alteration having been confirmed by an order of Regional Director bearing the date 20/06/2016.

I hereby certify that a certified copy of the said order has this day been registered.

Given under my hand at New Delhi this First day of August Two thousand sixteen.



Rajneesh Singh
Deputy Registrar of Companies
Registrar of Companies
RoC - Delhi

Mailing Address as per record available in Registrar of Companies office:

FX MART PRIVATE LIMITED

A 25, Mohan Cooperative Industrial Area, New Delhi, South Delhi, Delhi, India,
110044





प्रारूप 1
पंजीकरण प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : U67190PB2012PTC036950

2012 - 2013

मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स

FX MART PRIVATE LIMITED

का पंजीकरण, कम्पनी अधिनियम 1956 (1956 का 1) के अंतर्गत आज किया जाता है और यह कम्पनी प्राइवेट लिमिटेड है।

यह निगमन-पत्र आज दिनांक अठारह दिसम्बर दो हजार बारह को चण्डीगढ़ में जारी किया जाता है।

Form 1
Certificate of Incorporation

Corporate Identity Number : U67190PB2012PTC036950

2012 - 2013

I hereby certify that FX MART PRIVATE LIMITED is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the company is private limited.

Given at Chandigarh this Eighteenth day of December Two Thousand Twelve.



Registrar of Companies, Punjab and Chandigarh

कम्पनी रजिस्ट्रार, पंजाब एवं चण्डीगढ़

*Note: The corresponding form has been approved by NIPANE VILAS GAJANAN, Assistant Registrar of Companies and this certificate has been digitally signed by the Registrar through a system generated digital signature under rule 5(2) of the Companies (Electronic Filing and Authentication of Documents) Rules, 2006. The digitally signed certificate can be verified at the Ministry website (www.mca.gov.in).

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

FX MART PRIVATE LIMITED

FLAT NO 202, TOWER NO 12, ROYALE ESTATE, CHANDIGARH - AMBALA ROAD,

ZIRAKPUR - 140603,

Punjab, INDIA



MEMORANDUM OF ASSOCIATION
OF
PHONEPE LIMITED^{1 18}
(Company limited by shares)
(Incorporated under the Companies Act, 1956)

i. The Name of the company is **PHONEPE LIMITED.**^{1 18}

ii. The Registered Office of the Company will be situated in the State of Karnataka, i.e. within the jurisdiction of Registrar of Companies, Bangalore.^{2 3 16}

iii. The objects for which the Company is incorporated are:

(A) The Main Objects to be pursued by the Company on its Incorporation are:-

1. To act as agent, advisor, distributor, franchiser, surveyors, consultant for financial products such as deposits, mutual funds, government securities, shares, stocks, bonds, debentures, digital gold, e-gold, and/or other financial instruments/services either by itself or in partnership and/or in conjunction with others.⁴
2. To carry on the business of solicitation and procurement of insurance business for all classes of insurance including life insurance, general insurance, and health insurers acting as a corporate agent and to undertake such other activities as are incidental or ancillary thereto under the extant laws and regulations.^{4 5 6}
3. To carry on the business of Banking Correspondent for providing the banking services in association with banks in India in accordance with the extant laws and regulations.^{4 6}
4. To carry on the business or profession of providing a platform, technology, and/ or other mechanism/ services including through any future and known or unknown technology to facilitate transactions, payments, commerce, electronic

¹ The shareholders of the Company vide a special resolution passed at their Extra-ordinary general meeting held on 9 November 2016 have accorded their approval for change of name of the Company from "FX Mart Private Limited" to "PhonePe Private Limited".

² The Shareholders of the Company at their Extra-ordinary General Meeting held on 5 March 2016 had accorded their approval for shifting of Registered Office of the Company from the State of Punjab to the National Capital Territory of Delhi and such change has been approved by the Regional Director, New Delhi, vide order dated 8 July 2016.

³ The Shareholders of the Company at their Extra-ordinary General Meeting held on 29 July 2019 had accorded their approval for shifting of Registered Office of the Company from the State of Delhi to the State of Maharashtra at Mumbai and such change has been approved by the Regional Director, New Delhi, vide order dated 11 December 2019.

⁴ The Shareholders of the Company at their Extraordinary General Meeting held on 25 September 2017 have accorded their approval for the substitution of new clause "1" in place of existing clause "1" of the main objects and the addition of two new clauses "2" and "3" after clause "1", as a consequence of which the existing clauses "2", "3" and "4" of the main objects are renumbered as clause "4", "5" and "6" respectively.

⁵ The Shareholders of the Company at their Extraordinary General Meeting held on 23 September 2013 have accorded their approval by adding clause "2" after the existing clause "1".

⁶ The Shareholders of the Company at their Annual General Meeting held on 18 August 2016 have accorded their approval for amendments to clause "2" of the main objects and the addition of clause "3" and clause "4" to the main objects.

¹⁶ The Shareholders of the Company at their Extraordinary General Meeting held on 16 August 2022 have accorded their approval for shifting of Registered Office of the Company from Mumbai, the State of Maharashtra to Bangalore, the State of Karnataka which was confirmed by the Registrar of Companies, Bangalore vide Certificate of Registration dated 14 July 2023.

¹⁸ The shareholders of the Company at their Extraordinary General Meeting held on 16 April 2025 have accorded approval for conversion of the Company from Private Limited Company to a Public Limited Company and consequent change of name of the Company from "PhonePe Private Limited" to "PhonePe Limited". The same is effective from the approval of the Central Processing Centre, Ministry of Corporate Affairs and issuance of certificate of incorporation consequent upon conversion to public company dated 01 May 2025.



commerce, mobile commerce, any type of commerce whether by and between businesses, businesses, by and between individual consumers or by and between businesses and individual consumer and the likes and incidental and ancillary activities thereto including without limitation displaying advertisement and promotions, to operate payment systems, issue of multi- purpose pre-paid payment instruments, gift cards, gift vouchers, payment processing, payment collection and related services to customers for various business applications in E-commerce, M-Commerce and in physical space, to engage in the business of Payment Aggregator and provide associated services and solutions, to engage in the business of providing payment collection services in any form to any government/semi-government, company, organization, institution, trust, society, firm, individual etc. from their customers, service users and end users, to undertake the designing and development of payment systems or/and applications software either for own use or on any behalf or for sale.^{4 6 8}

5. To carry on in India and abroad, the business of operation, maintenance, development, marketing and otherwise dealing in all types of an electronic, technological, wireless application protocol (WAP), 3G, 4G, and internet properties, including websites, portals and Mobile Applications on the world wide web and providing internet, WAP, 3G or other existing and future, whether known or unknown, technology-based / other software, media, medium and information technology services or information technology enabled services of all kinds.^{4 6}
6. To carry on whether in India or abroad and whether as principals, agents, owners, proprietors, managers, contractors, consultants, advisors, investors, partners, joint venture partners, or otherwise the business of owning, managing, and operating any and all kinds of websites, portals and Mobile Applications including those providing news, information, analytics or otherwise.^{4 6}
7. To issue, implement, undertake, assist, offer, distribute, or otherwise promote such services, schemes, and projects including but not limited to the issue of all types of electronic and virtual payment systems services, e-wallets, mobile- wallets, cash card to consumers and setting up a payment and settlement system, payment gateway services, prepaid and post-paid payment instruments payment systems including open/ closed/ semi-closed systems payment instruments, support bank in issuing "card present", direct debit facility on mobile phone, provide solutions for payment for all goods and services and utility bills through mobile phone, landline, broadband, DTH, and such other manner remotely and operate as BBPOU and other over the counter payments systems, enabling online and retail merchants receiving payments systems, telecom value-added services schemes and projects in India or abroad including all kinds of payment services and solutions in any manner whatsoever.⁷
8. To act as sponsor/promoter to a Mutual Fund, investment trust, or asset manager of any trust or fund, incorporating or causing the incorporation of and/or acquiring and holding shares in an asset management company and/or trustee company to a mutual fund and to engage in such other activities relating to the Mutual Fund business as permitted under the applicable laws, to set-up, create, issue, float,

⁷ The Shareholders of the Company at their Extraordinary General Meeting held on 8th November 2019 have accorded their approval for addition of new clause "7" to the main objects.

⁸ The Shareholders of the Company at their Annual General Meeting held on 07 October 2021 have accorded their approval for the alteration of clause "4" to the main objects.

Stamp & Sign



promote and manage assets, trusts or funds including mutual funds, growth funds, investment funds, income or capital funds, taxable or tax exempt funds, venture funds, risk funds, real estate funds, education funds, on shore funds, off shore funds, consortium funds, provident funds, gratuity funds, pension funds, superannuation funds, charitable funds, or organize or manage funds or investments on a discretionary or non-discretionary basis on behalf of any person or persons (whether individual, firms, companies, bodies corporate, public body or authority, supreme, local or otherwise, trusts, pension funds, charities, other associations or other entities), whether in the private or public sector, to provide advisory and/or consultancy services for investments and financial services, exchange of research information and analysis on a commercial basis, render corporate advisory services and/or manage a portfolio of securities and/or to pursue such other activities as may be necessary for attainment of these purposes.⁹

(B) Matters which are necessary for furtherance of Objects specified under Clause III (A) are:

1. To open branch offices of the Company anywhere in India or abroad subject to statutory approvals and to appoint franchisees, sole selling agents, distributors, sub-agents, dealers, etc. by whatever name called and to enter into any kind of agreement with any entity for the purpose of doing business of the Company.
2. To be appointed franchisees, sole selling agents, distributors, sub-agents, dealers, etc. by whatever name called and to enter into any kind of agreement with any entity for the purpose of doing business of the Company.
3. To enter into any arrangement or contract with any person, association, firm, or corporation whether in India or outside, for technicians, or for such other purpose that may seem beneficial and conducive to the objects of the Company.
4. To acquire and undertake all or any part of business, property, liabilities, and rights of any person, firm, or Company carrying on any business which this Company is authorized to carry on or be possessed of property suitable for the purpose of the Company.
5. To enter into any agreement with government or authority (supreme, local municipal, or otherwise) that may seem conducive to the Company's objects or any of them and to obtain from any such Government or authority all rights, concession, and privileges, which the company may think desirable to obtain in connection with its business and to carry out, exercise and comply with any such arrangement, rights, privileges and concessions.
6. To design, develop, alter, exchange, deal either as principal agents, let on hire, import or export technical know-how, machinery, assembling, components and such other parts specified above and ancillaries thereof.
7. To institute, conduct, defend, compound, compromise any legal proceedings against or by the Company.

⁹ The Shareholders of the Company at their Extraordinary General Meeting held on 27 July 2021 have accorded their approval for the addition of new clause "8" to the main objects.



8. To remunerate any person, firm, or Company for services rendered or to be rendered in the acquisition of property by the Company or conduct of its business.
9. Generally, to purchase or take on lease or in exchange, hire or otherwise acquire any movable or immovable property and any rights or privileges which the company may think necessary or convenient with reference to any of these objects and capable of being profitable dealt with in connection with and to the company's property or right, for the time being.
10. To employ expert to investigate and examine into the condition prospect value character and circumstances of any business concern and undertaking and generally of any assets property or rights proposed to be acquired by the Company.
11. To guarantee the performance of any contract or obligation of and the payment of money unsecured of and interest on, any debenture, stock, or securities of any Company, corporation, firm, or person in any case in which such guarantee may be considered likely directly or indirectly to further the main objects of the company and in the above context to act as securities.
12. To sell, improve, manage, develop, exchange, lease, mortgage, dispose of, or otherwise deal in or any part of the property and rights of the Company.
13. To open and operate all types of Bank accounts, to avail any credit facility from banks and other Financial Institutions, to draw, make, accept, endorse, discount, negotiate, execute, and issue Bills of Exchange, Promissory Notes, Bills of Lading, Debentures and such other negotiable or transferable instruments or securities.
14. To distribute as dividend or bonus, among the members or to place to reserve or otherwise to apply as the company may from time to time think fit, any money received by way of premium on shares or debentures issued at a premium by the Company and money arising from the sale by the Company of forfeited shares.
15. To undertake the study of consumer or medical tests in Indian or foreign markets, and to co-operate with Trade Associations, Government Agencies, and manufacture of products.
16. To establish, Purchase, and take on lease or otherwise acquire and run shops showrooms, distributing centers, stores, and depots at any place in India or abroad.
17. To acquire, purchase, and take on lease all or any of the fixed assets, machinery, furniture, stores, stocks of raw and finished materials, privileges, quota rights, goodwill pertaining to any business to achieve the aforesaid objects.
18. To acquire for the purpose of the Company at various stations/offices by purchase, lease, exchange, or otherwise any estates, lands, buildings, and property of any or nature or description and or interest therein, and any rights over or connected with land and to turn the same to account as may deem expedient in connection with business of the Company.
19. To borrow from any state financial corporations, Banks, Companies, firms, or other financial institutions any term loans or other sums on such security and other charges as stipulated by the financial corporation or banks with mortgage on all or any of properties of the Company whether present or future or both.



20. To adopt such means of making known the products of the Company as may deem expedient and in particular by advertising in the press, by purchase and exhibition of works of art or interest, by publication of books and periodicals, and by granting prizes, rewards, and dominations.
21. To take interest and promote and undertake the formation and establishment of such institutions and companies as may be considered to be conducive to the interest of the Company and also to promote subsidiaries.
22. To sell, lease, mortgage, or otherwise dispose off property, assets, or undertaking of the Company or any part thereof for such consideration as the Company may think fit, and in particular for shares, stocks, debentures, or securities or any other such Company having objects altogether or in part similar to those of this Company.
23. To employ/acquire technical experts, technocrats, engineers, mechanics, foremen, skilled and unskilled labor for the business of the Company.
24. To amalgamate with or take any other company or companies having objects altogether or in part similar to those of this Company.
25. To insure with any person or company against losses, damages, risk, and liabilities of any kind which may effect the Company either wholly or in part directly or indirectly.
26. To enter into partnership, agreements, or arrangements for sharing profits or any union of interest, joint venture, reciprocal concession, or co-operation with any person or person, company or companies carrying on or engaged in or about to carry on or engage in or being authorized to carry on or engage in any business or transaction which this company is authorized to carry on or engage in, or any business or transaction capable, of being conducted so as directly or indirectly to benefit the Company.
27. To apply for, purchase, or otherwise acquire and protect and renew in any part of the world, any design/trademarks/copy rights, patent rights, ingestion licenses, concessions, and the like conferring any exclusive or non-exclusive or limited rights their use or any information as to any invention which may seem calculated directly or indirectly to benefit the company in connection with its business and to use, exercise, develop or grant licenses in respect of the information so acquired and to spend money in experimenting upon, testing or improving any such patents, inventions or rights.
28. To produce the registration or other recognition of the company in any country, state, or place and to regulate agency for the purpose of the company's business and to apply or join in applying to any parliament, Local Government, Municipal, or other authority or body, Indian or foreign, for any Acts or parliament Laws, objects, or any of them and to oppose any proceedings or applications which may seem calculated directly/indirectly or to prejudice company's interest.
29. To do all or any of the company's business as principals, agents, or the business as representative of any person, firm, company or corporation, having business or objects, all together or in part similar to those of this company and to carry on the business of the company with foreign collaboration on terms and conditions subject to laws governing the same.



30. To invest in any, real or personal property rights or interest acquired by or belonging to the Company on behalf of or for the benefit of the Company but with the declared trust in favor of the Company.
31. To carry on any business or branch of a business which this company is authorized to carry on by means of or through the agency of any subsidiary or ancillary Company or companies and to enter into any arrangement with any such subsidiary company/companies for taking the profits or losses of any business or branch so carried on, or for financing any such subsidiary company or guaranteeing its liabilities, or to make any other arrangement which may seem desirable with reference to any other business or branch so carried on, and to appoint Directors or managers of any such company.
32. To take such steps as may be necessary to give the Company the same rights or privileges in any part of the world as are possessed by local companies or concerns of a similar nature.
33. Subject to the directives of the Reserve Bank of India and Provisions of Sections 58A and 292 of the Companies Act, 1956 and the rules made thereunder, to borrow or raise money or to receive money on deposit or loan on interest or otherwise in such manner as the Company may think and in particular by the issue of debentures stock (perpetual or otherwise) whether convertible or not, into the shares of the company and to secure the repayment of any such money borrowed, raised or received or owing by mortgage, pledge, charge or lien upon all or any of the property, assets or revenue of the company (both present and future) including its uncalled Capital and to give to the creditors the power of sale and other powers as may deem expedient and to purchase redeem or pay off any such securities and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company in connection with its business provided that the company shall not carry on banking business as defined in Banking Regulations Act, 1949.
34. To create a depreciation fund, sinking fund, insurance fund, provident fund, or any special or other fund, whether for depreciation or for repairing, improving, extending, or maintaining any of the properties of the Company or for any other such purpose whatsoever conducive to the interest of the Company.
35. To pay all costs, charges, and expenses of and incidental to the promotion, registration, and establishment of the Company.
36. To draw, accept, make, endorse, discount, and negotiate promissory notes, cheques, hundies, bills of exchange, bill of lading, and other negotiable instruments of all types in connection with the business of the company.
37. To train or pay for the training in India or abroad of any of the Company's officers, employees, or any candidate in the interest of or for the furtherance of the company's objects.
38. To make donations to such persons or institutions either in cash or any other assets as may be thought directly or indirectly conducive to any of the Company's objects or otherwise expedient and to provide for the welfare of the directors, officers, employees and ex-directors, ex-officers and ex- employees of the Company and wives, widows, and families of the dependents.
39. To give to officers, servants or employees of the Company's business or any branch



thereof and whether carried on by means of or through the agency of any subsidiary/ancillary Company or not and for that purpose to enter into any arrangements, the Company may think it.

40. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory provident, pension or superannuation funds for the benefit of, and give or procure the giving of donation, gratuities, pension, allowances or employment or any other pecuniary aid to any person who are or were at any time in the employment or service of the company, or of any company, which is a subsidiary of the company or is allied to or associated with the Company.
41. To provide residential and/or sleeping accommodation for workmen and in connection with to afford to such person facilities and convenience for washing, bathing, cooling, reading, and writing and for the purchase, sale and consumption of provision both liquid and solid and for the safe custody of goods.
42. To do all and everything necessary, suitable or proper for the accomplishment of any of the purposes or the attainment of any of the objects or the furtherance of any of the powers hereinbefore set forth.
43. To pay for preliminary and pre-incorporation expenses of the Company.

(C) The Other Objects for which the Company is established are:-

1. To undertake domestic and international tours, travel packages, air ticketing, rail ticketing, road transportation, medical tourism, VISA services and all other allied activities on behalf of its customers, to enter into all types of Agreements with third parties and to make all financial arrangements with them.
2. To carry on the business of Immigration consultancy services whether in India or abroad and to assist and guide individuals, groups of people or companies in obtaining landing immigration or VISA, Visitors VISA, Family Visa, Student VISA, Educational VISA, Business VISA, Entrepreneur VISA, Investors VISA, Spouse VISA and all types of VISAs and on all matters of employment, immigration, skilled immigration, business immigration, other types of immigrations and to provide liaison services for all immigration services.
3. To enter any type of data sharing, referral, corporate agency agreement or any other type of Tie Up with any insurance, Finance, Mutual Fund and/or Banking Company to undertake all insurance and financial services.
4. To carry on any business as agent/sub agent/corporate Agent of any Entity as per applicable law of land.
5. To carry on the business of tourist agents and contractors and to facilitate traveling, and to provide for tourists and travelers and promote the provision of conveniences of all kinds through tickets, circular tickets, sleeping care or berths, reserved places, hotel and lodging accommodation guides, safe deposits, inquiry bureaus libraries, lavatories, reading rooms, baggage transport and otherwise.
6. To carry on the business of broker, agent, and manufacturer's representative and indenting agents for Indian and foreign customers.

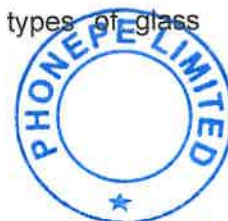


7. To carry on the business as dealers in and purchase of dairy, poultry, fishing, floriculture, horticulture farm, garden and produce of all kinds and in particular milk, cream, butter, ghee, cheese, poultry, eggs, fruits, vegetable oil, vegetable ghee, artificial ghee, porkpies, sausages, prawn, poltled meat, table delicates, and to purchase, acquire, keep, maintain, breed, sell or otherwise dispose of all kinds of cattle, cows, buffaloes, pigs, poultry, and live or dead stock of all description.
8. To carry on the business of manufacturing and selling carbonated or other waters, suppliers of heat, light, waters, gas or brine for refrigerating purposes. To keep, maintain and equip service stations for the said purposes.
9. To own, purchase, take on lease, hire or exchange or otherwise acquire any estate, land, tea garden, orchards, groves, plantations and farms and to carry on business as cultivators groves, producers, planters, manufacturers, buyers, sellers, dealers, importers, exporters, agents, brokers, traders, or stockists of tea, coffee, coconut, spices, cardamom, jute, hemp, cotton, sugarcane, linseed, oil seeds, wheat and other grains and any kind of horticulture, foods or beverage product or products.
10. To carry on business as manufacturers, dealers, importers, exporters, stockists or distributors of razors, safety razors, blades, shaving set, lotions, creams soaps, or other materials and utilities.
11. To carry on business of advertisements and publicity agents and contractors in various ways and manners including outdoor and in newspapers, magazines, books, screens, slides, walls, buses, railways and other transport vehicles and public places, audio visual display and to prepare, advice, manufacture, and construct advertising devices and to publish or advertise the same through any media whatsoever.
12. To engage and carry on the business of raising, packing, grading, preparing for market eggs, butter cream, milk, ghee, cheese, vegetables, fruits, farm, dairy and poultry products of all description. To hatch, breed and raise either by natural means, or incubators or otherwise floriculture, horticulture, poultry of all kinds and to buy, sell, rear and deal in chickens, chickens foods, incubators, ducks, turkey geese and guinea fowls, partridges and other birds, to carry on the business of slaughtering cattle, pigs, hogs, sheep, lamb and other animals for food purposes as may be permitted by law and to manufacture bides, oils fat horn, glue feather, fertilizers and other by-products.
13. To carry on the business of producing, milling, extracting, refining, storing, exporting, importing, transporting and dealings in flour of all kinds and descriptions whatsoever and to construct and run flour mills, rice mills, oil extraction plant, solvent plant and to manufacture and by-products and food products of all kinds and descriptions. To purchase, sell, import, export, manufacture, repair, assemble or otherwise deal in all machinery used in the manufacture flour, basin, biscuits, flakes, dalai, allied products and confectionary products. To purchase, sell store or otherwise deal in wheat, paddy, and other grains, cereals, cotton, kappa's, rice, seeds of all kinds.
14. To promote, establish, improve, develop, administer, own and run industries, projects, enterprises or programmers for processing and preservation of agriculture produce, forest produce and products of pisciculture, sericulture, floriculture, agriculture and of animal origin for purposes of increasing quality or availability or



otherwise of goods and subsidiary foods and all their forms and variations either for export or consumption in the country.

15. To produce, manufacture, refine, prepare, import and export, purchase, sell and generally to deal in all kinds of Portland cement (Portland, puzzling cement, Portland slag cement, Portland rapid hardening cement, Portland high alumina, Portland oil well cement, special cement, masonry cement, line puzzling cement etc.) cement products of any description (pipes, holes, asbestos, sheets, blocks, tiles, garden wires, etc.) lime, lime stones, calcium carbonate, carbide, gypsum kantar, and or bye products, allied chemicals thereof and in connection therewith to take on lease or acquire, erect, construct, establish, operate and maintain cement factories, quarries, workshop and other works.
16. To carry on the business of manufacturing of bricks, tiles, stones, pipes, potteries, earthen, kiln, and similar goods.
17. To manufacture, assemble, market, buy, sell, lease, import, export, produce, to act as agents, or otherwise deal in computers, computer system, software development, computer goods and components, computer hardware, computer peripherals and accessories, all kinds of business machines, all kinds of office equipment, systems and components, all kinds of data communication equipment and systems.
18. To procure, manufacture, prepare and otherwise deal in poly vinyl chloride and plastic based products such as HOP bags, polythene bags, plastic ware, plastic polymerize, vinyl asbestos and solid vinyl ware, fiber glass ware and other synthetic and all other appliances sacks, to prepare, to manufacture and otherwise deal in poly vinyl chloride and plastic based products and chemicals of all types.
19. To carry on the business of manufacture and otherwise deal in packing, packing requisites made of polythene and synthetic material, cartons made of cardboard, straw board, wood glass, or other material, rubber metal, glass or plastic containers as also containers of any other material or substances.
20. To conduct, carry on and manage the business of manufacturers and traders of wine, whisky, gin, rum, brandy and general distillers, compounds, spirit, wines, liquors, and all other products derived from malt, sugar, grapes, apples and other similar substances.
21. To construct, purchase, acquire, develop and take over from time-to-time hotels, restaurants, resorts, bars, liquor vends, bonded warehouses, wholesale and retail vends of foreign liquor, cafeterias, milk bars, bakeries, shop, catering establishments, petrol pumps, repair workshops, tourist bungalows, hotels huts, motels, guest houses, entertainment projects, and other places of tourist, archaeological and historic interest in India or abroad.
22. To carry on the business and publishers including of newspapers, books, and journals as well as producers, importers, exporters, exhibitors and financers of cinematographic films, proprietors, hires of and managers of cinema halls, theatres, picture palaces, dance halls, studios touring talkies and other buildings and places of entertainments of all kinds.
23. To carry on the business of manufacture of or dealers in all types of glass



products, including sheets and plate, glass/optical, glass wool and laboratory ware.

24. To undertake to manufacture, process, import, export and sale of claimed petroleum, petrochemical and its by-products coal and coal tar products, dyes, drugs, medicines and pharmaceuticals and derivatives paints pigment and varnishes, explosives and ammunition all types of heavy chemicals, textiles chemicals, photographic chemicals, clay and boards, soaps, glycerin, fertilizers, pesticides, manures, fungicides and allied products, fats and waxes.
25. To carry on the business of financiers, investors, goldsmiths, silversmiths, jeweler and gem merchants, watch and clock repairers, importers and exporters of bullion and any other articles.
26. To carry on the business of manufactures of or dealers in typewriter, calculating machines, cleaners, sewing, printing machines, ice-cream manufacturing machinery and Dairy Equipment.
27. To acquire or set up and run hospitals, clinics, nursing homes, maternity and family planning units or pathological laboratories and optician shops and to carry on the business of manufacturing and dealing in all kinds of ayurvedic, allopathic, homeopathic and biochemical, medicines, basic drugs, crude, drugs, herbs, pharmaceutical formulations, cosmetics and indictable ophthalmic instruments, lenses, contact, spectacles and frames and to carry on the business of surgical equipment, hospital equipment, medical equipment.
28. To manufacture and or deal in automobile parts spare parts and components or machineries. To carry on the business of machinists, manufactures of pressed bowls, marine engineers, iron founders, brass founders, iron and steel converters, metallurgists, smiths, iron masters, steel masters, blast furnace proprietors, consulting, engineers, asbestos manufactures, Japanese, anteaters, enamellers, electric and chromium plasters, painters, polisher, tinsmith, locksmiths, ironmongers, wire weavers and to buy, sell, manufacture, repair, alter, convert, let on hire and deal in plant, machinery, tools, implements, utensils and rolling stock.
29. To carry on the business as manufactures and dealers in all types of celluloid, Bakelite, industrial rollers, sheets, belting, tires, tubes, scientific, industrial and surgical instrument and agricultural equipment.
30. To carry on the business as manufacturers and dealers in plywood, hardwood, blocks for flooring and other purposes, windows, doors, wood-pulp, wood wool, masts, spares, derricks, sleepers, tool handles, paneling woodwork, furniture and articles of all description wholly or partly made from wood, bricks, cement or stone and to establish saw mills and to act as timber and lumber merchants.
31. To carry on the business of manufactures, buyers, sellers, exporters and importers of pulp, paper, boards and paper products of all types and kind and in all forms and to process and re-pack paper and paper products and to carry on the business of stationers, printers, lithographers, stereotypes, electrotypes, photographic printers, block makers, photo lithographers, engravers, die-sinkers, account book manufactures, book sellers and publishers.



32. To carry on the business of spinners, weavers, manufactures, cotton, textile and other fibrous (natural and chemical) materials, balers and pressers of jute cutting jute rejections, hemp, and cultivations thereof and the business of buyers, sellers and dealers of jute, jute cutting, jute rejections, jute manufacturing, hemp and other fibrous material and oil seed.
33. To sink wells and shafts, lay down pipes, construct, improve, maintain develop, work, manage carry out control any roadways, tramways, runways, branches or sidings, telegraph lines, canal reservoirs, water, courses shares, sheds, hydraulic works and factory, power houses, coolly lines and houses and villages.
34. To carry on the business of manufacturers and dealers of all kinds of electrical machinery and electrical apparatus for any purpose whatsoever and to manufacture, sell, supply and deal in accumulators, lamps, meters, engine, dynamos, batteries, telephonic apparatus of any kind and manufactures of and dealers in scientific instruments of any kind.
35. To carry on the business of couriers and cargo carriers and to act as forwarding agents.
36. To carry on the business of water works engineers and manufacturers and suppliers of atomic powers and gas generators.
37. To manufacture railways wagons, passenger coach (railways or roadways), bus body builders, tramway and their components, jigs and fixtures, precision instruments, gas welding plants, paper and cement plants, general purpose and tool room machinery, hardening annealing and tempering furnaces, motorboats, cable and conductors.
38. To purchase, manufacture, produce, boil, refine, prepare, export, sell and to deal in sugar, candy, jiggery, sugar beet, sugarcane, molasses, syrup, meld and all sugar products such as confectioneries, glucose, sugar candy, golden syrup, alcohol and their byproducts.
39. To carry on the business of manufacturing, processing, re-processing, altering, re-altering, melting, forging, grading, machining, mining, converting, preparing, formulating, dealing, buying storing, importing, exporting of all kinds and varieties of ferrous and non-ferrous steel, special steel, stainless steel, carbon steel, mild steel, carbon iron steel, iron store ore, gal vanished products, tin products, ferrous and non-ferrous metals, high carbon and low carbon alloys, and raw metals, pig iron, sponge iron, and to manufacture, design, deal in all kind of steel wires, copper, wires, copper, wire, cables, tubes pipes and bolts, dewdrops, tower bolts, roofing nails, pad bolts, door shutter nuts, karats, gate channels, sanitary fittings, wire, wire knitting, wire ropes, hardware fittings of all kinds, cuttings and hand tools and wires of all ferrous and non-ferrous metal and their components, iron and steel makers, iron masters, steel founders, machine tools or parts and equipments engineering goods and machinery fixtures founders and manufacture of Ferro manganese, colliery proprietors and coke manufacturers.
40. To manufacture, produce, compress, liquefy, supply, purchase, sell, trade, import, export, distribute, as agents of all types of industrial, domestic, medical and commercial gases, including oxygen, hydrogen, acetylene, nitrogen, argon, carbon dioxide, Freon, dissolved acetylene, Freon, carbonic acids in gas



and liquid form and to manufacture, gas cylinders, bottles, containers, receivers, corks, valves, scales, liberations, gasmasks regulators, compressors and to manufacture, produce, refine, import, export or otherwise deal in all types of heavy and light chemicals, chemical, elements and compounds.

41. To carry on the business of steam and general laundry and to wash, clean, purify, bleach, wring, dry iron, color, dye, disinfect, renovate and prepare for use all articles of wearing apparel, household, domestic and other linen and cotton and woolen goods and clothing and fabrics of all kinds.
42. To carry on the business as seed merchants, oil merchants, cotton groundnuts, more and castor merchants, cake and corn merchants, millers, flour merchants, bakers, biscuit makers and confectioners.
43. To carry on the business as wood and steel furniture, iron, safer, roller, shutters, office equipment and other steel structural products.
44. To carry on business of petrol pumps and service stations.
45. To carry on the business of helicopter-spraying on farms, Groveland, cultivation, products and other allied business of eradication of diseases, virus and insecticides.
46. To manufacture, process, fabricate, design, buy, sell, import, export or otherwise deal in all kind of electrical wires and cables, insulated cables, welding cables, D.C.C. wires, Super Enameled Wires (bare or covered by plastic, Rubber, Cotton, paper and PVC) conductors, low, medium and high tension insulators, switch gears made of ferrous or non-ferrous metal including silver or any other substance.
47. To carry on all or any of the business of manufacturers of and dealers in all kinds of hosiery goods, readymade garments, carpets, durries, mats, rugs, blankets and other similar articles of woolen and worsted materials.
48. To carry on all or any of the business of importers and exporters, ship owners, ship builders, chatters of ships and other vessels, ware, housemen, ships and insurance brokers, carriers forwarding agents, harbingers.
49. To carry on the business as manufacturers of and dealers an leather and leather goods of all descriptions and of leather dresses, tanners, hides skins and all things and material connected therewith.
50. To construct, purchase, establish or otherwise run or operate cold storages, warehouses and to carry on the business of ice makers, ice dealers, refrigerating storekeeper, makers, manufactures, dealers of and freezing and refrigerating agents, mixture and medicines of all descriptions both, natural and artificial.
51. To carry on the business of manufactures of and dealer in sports goods.
52. To grow, cultivate, rise, plants, shrubs, herbs and carry on the scientific plantation of high quality Excepts and such other high yield plantation on Agricultural, wasteland and urban land owned by the company or public investors on contract, lease purchase, and to acquire take on lease, or contract, sale & purchase land



and carry on the research and business in agro forests seeds.

53. To carry on the business of contractors, builders, sub-contractors, civil and mechanical engineers, structural designers, consultant, construction supervisors, interior decorators, furnishers sanitary and wood workers in all types works connected with lands, buildings and roads for railways, P.W.D., or municipal committees and corporations, or any other mode from any other contractor or builder for any type of construction activity, electrification and wiring and to compose building plants, prepare construction estimates, projects and projects reports and to carry on the business of real estates deal in all kinds of movable and immovable properties.
54. To carry on the business as tourist agents and contractors and to facilitate traveling by air, road and sea to provide all type of facilities for tourists and travelers and to promote the provision of convenience of all kinds in the way of through tickets, sleeping car or berths, reserve places, loading accommodation, guides, safe deposits, inquiry bureaus, libraries, resting rooms, baggage transport and otherwise and to charter steamships and aeroplanes for fixed periods or for particular voyages and flights.
55. To carry on the business of manufacturers, importers of explosives, ammunition, fireworks and other explosive products.
56. To carry on the business of transport of goods, animal or passengers from place to place either by air or by land or sea party through sea and partly by land or air whether in aeroplanes, motor vehicles, cycles, cars, ships, biplanes or any other manner whatsoever and to carry on all or any of the following businesses.
57. To act as advisors, financial consultants and provide advice, services, consultancy in various fields, general administrative, secretarial, commercial, financial, legal, economic, labour, industrial, public relations, scientific, technical, direct and indirect taxation and other levies, statistical, accountancy, quality control, data processing and to prepare project reports and plan lay outs.
58. To carry on the business of manufacturers and dealers, importers and exporters of natural and synthetic resins moulding powders, adhesives, and cements, oils paints, distempers, cellular paints, colours, varnishes, enamels, gold and silver leaf enamels and spirits.
59. To organize, run, maintain, operate, promote the business of interior decorators, furniture and carpet designers and manufacturers, boutiques, operators of fashion centers, fashion shows and to make, acquire, deal in any way in handicrafts, objects of art, precious stones, jewelry, whether artificial or otherwise, and articles wherein precious metals or precious stones may be used.
60. To act as an import and export house.
61. To acquire or set up computer centers and run nursery, primary, middle and higher secondary schools, college, training, guidance and professional institutions, music, dance, art, centers and other hobby classes and promote research in economic, financial technical and scientific problems.
62. To manufacture, assemble, buy, sell, import, export and dealers in computers,



computer system, software development, computer goods and components, computer hardware, data communication equipment, computer peripherals and accessories, all kinds of business machines.

63. To carry on the business of exhibition of films, cinema, owners, film distributors, studio-owners and all other allied materials, traders and techniques.
64. To carry on the business as stud farms, horse keepers, buyers, sellers, importers, exporters and dealers in horses of all kinds and maintain the farms.
65. To manufacture, import, export, assemble and deal in all kinds of electrical equipment, air conditioners, air coolers, freezers, gramophones, televisions, wireless, tape recorders and all kinds of home appliances.
66. To acquire, undertake (foreign or inland) sole or sub-agencies of motor cars, buses, lorries, trucks, gas producers, plants auto accessories and spare parts, petrol, diesel oil, lubricants and other petroleum products, tyres and tubes or any kind of machinery or tools.
67. To carry on the business of mechanical, electrical & building engineers, machinists, fitters, millwrights, wire drawers, tube makers, metallurgists & saddlers galvanizers annealers, electro platers, painters and packing case makers.
68. To carry on the business of iron founders and manufacturers of agricultural implements and other machinery, tool makers, brass founders metal works, boilers makers, millwrights, machinists, iron and steel converters, smiths, wood workers builders, painters, metallurgists, electrical engineers, and gas makers.

IV The liability of the members is limited.

- v "The Authorized Share Capital of the Company is INR 100,00,00,000/- (Rupees One Hundred Crores Only) divided into 100,00,00,000 (One Hundred Crores) equity shares of face value INR 1/- (Rupees One only) each."** ^{9 10 11 12 13 14 15 17}

⁹ The Shareholders of the Company at their Extra-ordinary General Meeting held on 24 January 2013 had approved increase in the Authorized share capital of the Company from Rs. 1,00,00,000 (Rupees One Lakh Only) divided into 10,00,000 equity shares of Rs. 10/- (Rupees Ten only) each to Rs. 1,00,00,000 (Rupees One Crore Only) divided into 10,00,000 equity shares of Rs. 10/- (Rupees Ten only) each.

¹⁰ The Shareholders of the Company at their Extra-ordinary General Meeting held on 23 September 2013 had approved increase in the Authorized share capital of the Company from Rs. 1,00,00,000 (Rupees One Crore Only) divided into 10,00,000 equity shares of Rs. 10/- (Rupees Ten only) each to Rs. 1,10,00,000 (Rupees One Crore Ten Lakhs Only) divided into 11,00,000 equity shares of Rs. 10/- (Rupees Ten only) each.

¹¹ The Shareholders of the Company at their Extra-ordinary General Meeting held on 20 August 2014 had approved increase in the Authorized share capital of the Company from Rs. 1,10,00,000 (Rupees One Crore Ten Lakhs Only) divided into 11,00,000 equity shares of Rs. 10/- (Rupees Ten only) each to Rs. 1,50,00,000 (Rupees One Crore Fifty Lakhs Only) divided into 15,00,000 equity shares of Rs. 10/- (Rupees Ten only) each.

¹² The Shareholders of the Company at their Extra-ordinary General Meeting held on 15 July 2015 had approved increase in the Authorized share capital of the Company from Rs. 1,50,00,000 (Rupees One Crore Fifty Lakhs Only) divided into 15,00,000 equity shares of Rs. 10/- (Rupees Ten only) each to Rs. 5,00,00,000 (Rupees Five Crores Only) divided into 50,00,000 equity shares of Rs. 10/- (Rupees Ten only) each.

¹³ The Shareholders of the Company at their Extra-ordinary General Meeting held on 24 February 2016 had approved increase in the Authorized share capital of the Company from Rs. 5,00,00,000 (Rupees Five Crores Only) divided into 50,00,000 equity shares of Rs. 10/- (Rupees Ten only) each to Rs. 25,00,00,000 (Rupees Twenty-five Crores Only) divided into 2,50,00,000 equity shares of Rs. 10/- (Rupees Ten only) each.




¹⁴ The Shareholders of the Company at their Extra-ordinary General Meeting held on 20 September 2018 had approved increase in the Authorized share capital of the Company from Rs. 25,00,00,000 (Rupees Twenty-Five Crores Only) divided into 2,50,00,000 equity shares of Rs. 10/- (Rupees Ten only) each to Rs. 50,00,00,000 (Rupees Fifty Crores Only) divided into 5,00,00,000 equity shares of Rs. 10/- (Rupees Ten only) each.

¹⁵ The Shareholders of the Company at their Extra-ordinary General Meeting held on 16 December 2021 had approved the increase in the Authorized share capital of the Company from Rs. 50,00,00,000 (Rupees Fifty Crores Only) divided into 5,00,00,000 equity shares of Rs. 10/- (Rupees Ten only) each to Rs. 100,00,00,000 (Rupees Hundred Crores Only) divided into 10,00,00,000 equity shares of Rs. 10/- (Rupees Ten only) each.

¹⁷ The Shareholders of the Company at their Extra-ordinary General Meeting held on 31 March 2025 had approved the sub-division/split of the face value of the equity shares of the Company from Rs. 10/- (Rupees Ten Only) each to Rs. 1/- (Rupee One Only) each. Consequently, the number of equity shares of the Company has increased to 100,00,00,000 (One Hundred Crores) equity shares. However, the Authorized Share Capital of the Company remains unchanged at Rs.100,00,00,000/- (Indian Rupees One Hundred Crores only), divided into 100,00,00,000 (One Hundred Crores) equity shares of Rs. 1/- (Rupee One Only) each.



We, the several persons whose names and addresses are given hereunder subscriber are and desirous of being formed into a company in pursuance of this Memorandum of Association and we, respectively agree to take the number of shares in the Capital of the Company set opposite our respective names.

Sr. No	Names, Address, Description & Occupation of Subscribers	Number of Equity shares taken by each subscriber	Signature of Subscriber	Names, Addresses and Description of witness
1	AMIT NARANG S/O S.L. JAGDISH CHANDER NARANG, 261-L, MODEL TOWN, JALANDHAR CITY-144003. PUNJAB, INDIA (BUSINESS)	5000 (FIVE THOUSAND)		<p>2 hereby witness the signatures of all the subscribers</p> <p>SHIL K. SIKKA) CP-3582 Company Secretary - 3582 S/O M. K. R. SIKKA. H.No. 5411, Sector 38 (West) CHANDIGARH - 160014.</p> <p>2 hereby witness</p> <p></p>
2	JYOTI NARANG D/O BALBIR SINGH BHATTI 261-L, MODEL TOWN JALANDHAR CITY-144003 (SERVICE)	5000 (FIVE THOUSAND) 10000		

Place: CHANDIGARH
Dated: 09.12.2012

TEN THOUSAND.



amp:
P. R. A. G.

ARTICLES OF ASSOCIATION¹
OF
PHONEPE LIMITED
(PUBLIC COMPANY LIMITED BY SHARES)
(INCORPORATED UNDER THE COMPANIES ACT, 1956)

This set of Articles of Association of the PhonePe Limited (the “Company”) consists of two parts, Part A and Part B. Notwithstanding anything contained in these Articles of Association, in case of inconsistency or conflict or overlap between Part A and Part B of the Articles of Association, the provisions of Part B, subject to applicable Law, shall prevail. However, upon the commencement of listing and trading of the equity shares of the Company on any recognized stock exchange in India pursuant to an initial public offering of the equity shares of the Company, Part B shall automatically stand deleted, not have any force and be deemed to be removed from the Articles of Association and the provisions of Part A shall automatically come in effect and be in force, without any further corporate or other action by the Company or by its shareholders.

PART A
(GENERAL ARTICLES)

1. CONSTITUTION

- 1.1 Subject as hereinafter provided the regulations contained in Table “F” in the First schedule to the Companies Act (*defined below*), as far as the same are applicable to a public company (as defined in the Companies Act) except provisions which are applicable only to a one-person company, shall apply to the Company except in so far as they have implied or expressly modified by what is contained in these Articles mentioned herein and as altered or amended from time to time.

2. INTERPRETATION

- 2.1. In Part A of these Articles, the following words and expressions shall have the meanings assigned to them herein, unless excluded by the subject or context:

¹ 1. The shareholders of the Company vide a special resolution passed at their Extra Ordinary General Meeting held on 3rd July 2015 approved and adopted a new set of Articles of Association.
2. The shareholders of the Company vide a special resolution passed at their Extra Ordinary General Meeting held on the 9th November 2016 approved the change of name of the Company from “FX Mart Private Limited” to “Phonepe Private Limited”. The Certificate of Incorporation pursuant to name change was issued by Registrar of Companies, Delhi on 18 November 2016.
3. The shareholders of the Company vide a special resolution passed at their Extra Ordinary General Meeting held on 6th January 2023 approved and adopted the restated Articles of Association in total exclusion and substitution of the previous Articles of Association of the Company.
4. The shareholders of the Company vide a special resolution passed at their Extra Ordinary General Meeting held on 10th February 2023 approved and adopted the restated Articles of Association in total exclusion and substitution of the existing Articles of Association of the Company.
5. The shareholders of the Company vide a special resolution passed at their Extra Ordinary General Meeting held on 16 April 2025 approved and adopted the restated Articles of Association in total exclusion and substitution of the existing Articles of Association of the Company owing to conversion of the Company from private limited company to public limited company which includes change of name of the Company from “PhonePe Private Limited” to “PhonePe Limited” to be effective from the approval of the Central Processing Centre, Ministry of Corporate Affairs and issuance of certificate of incorporation consequent upon conversion to public company.
6. The shareholders of the Company vide a special resolution passed at their Extra Ordinary General Meeting held on 05 June 2025 approved and adopted the restated Articles of Association in total exclusion and substitution of the existing Articles of Association of the Company.
7. The shareholders of the Company vide a special resolution passed at their Extra Ordinary General Meeting held on 19 September 2025 approved and adopted the restated Articles of Association in total exclusion and substitution of the existing Articles of Association of the Company.



"Affiliate" means:

- (a) in relation to a natural person: the spouse, parent, sibling or child (including a step parent, step sibling and step child) of such person (all of the foregoing collectively referred to as "family members"), or any trustee of any family trust created for estate planning purposes and solely for the benefit of such natural person or any of his family members, or any Entity Controlled by such natural person;
- (b) in relation to any Entity: any Person that Controls, is Controlled by, or is under common Control with, such Entity; and
- (c) in relation to an investment fund or private fund, shall also include any other investment fund or private fund under common Control with such fund or managed by the manager of such investment fund or private fund (it being understood, however, that, for the avoidance of doubt, an Entity in which such investment fund or private fund has merely made an investment shall not be deemed to be an Affiliate of such investment fund or private fund, solely as a result of such investment);

provided, however, that no PhonePe Group Company shall be considered an Affiliate of a Shareholder for the purposes of these Articles. For the avoidance of doubt, any Person will only be considered an Affiliate for so long as such Person continues to meet the requirements of the definition of "Affiliate" as aforesaid;

"Annual Operating Plan" means the annual operating plan for the PhonePe Group prepared for each Financial Year;

"Applicable ABAC Laws" means any anti-bribery or anti-corruption Laws (including Laws that prohibit the corrupt payment, giving, offer, promise or authorization of the unlawful payment or transfer of anything of value (including gifts or entertainment), directly or indirectly, to any Government Official, commercial entity or any other Person to obtain a business advantage) applicable to the PhonePe Group and its operations, as well as the Shareholders and their operations in connection with the PhonePe Group, from time to time, including, the (Indian) Prevention of Corruption Act 1988 and, to the extent applicable: (a) the US Foreign Corrupt Practices Act of 1977; and (b) the UK Bribery Act of 2010, in each case as amended from time to time;

"Applicable Money Laundering Laws" means the Laws applying to any PhonePe Group Company (which shall be deemed to include the Laws of India and, to the extent applicable to the relevant PhonePe Group Company, the Laws of the US) prohibiting money laundering and similar activities;

"Articles" means these articles of association of the Company, as amended from time to time;

"Asset Sale" means: (a) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by any PhonePe Group Company of all or substantially all of the assets or intellectual property rights of the PhonePe Group taken as a whole; or (b) the sale, transfer or other disposition (whether by sale of shares, merger, consolidation, amalgamation, scheme of arrangement or otherwise) of one or more PhonePe Group Companies if substantially all of the assets or intellectual property rights of the PhonePe Group taken as a whole are held by such PhonePe Group Company or PhonePe Group Companies, except, in the case of each of paragraphs (a) and (b) above, where such sale, lease, transfer, exclusive license or other disposition is to one or more PhonePe Group Companies;

"Board" or "Board of Directors" means the board of Directors of the Company;



"Business Day" means any day on which banks in Bengaluru, India, are open for general banking operations;

"Chairperson" means the Director appointed as the chairperson of the Board;

"Companies Act" means the (Indian) Companies Act, 2013, the rules made thereunder and any amendments thereto or re-enactments thereof from time to time;

"Contract" means any written, oral or other agreement, contract, license, sublicense, subcontract, settlement agreement, deed, lease, indenture, understanding, arrangement, instrument, note, loan, purchase order, warranty, insurance policy, benefit plan or legally binding commitment or undertaking of any nature;

"Control" (including, with its correlative meanings, the terms **"Controlling"**, **"Controlled by"** and **"under common Control with"**) means:

- (a) a holding of a direct or indirect interest in the majority of the equity, voting, beneficial or financial interests of the relevant Entity;
- (b) a holding of the direct or indirect right to appoint or remove a majority of the board of directors or members of an equivalent management body of the relevant Entity;
- (c) the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of the relevant Entity; or
- (d) being a shareholder or member of the relevant Entity and controlling jointly, pursuant to a Contract with other shareholders or members or otherwise, a majority of the voting rights in the Entity;

"Deemed Sale Event" means:

- (a) the acquisition of greater than fifty percent (50%) of the Company's issued and outstanding voting securities by means of any transaction or series of related transactions (including any share purchase, business combination, reorganization, merger, consolidation, amalgamation or scheme of arrangement) but excluding any such transaction or series of related transactions where holders of the Company's issued and outstanding voting securities immediately prior to the consummation of such transaction or series of related transactions hold, directly or indirectly, immediately following the consummation of such transaction or series of related transactions, greater than fifty percent (50%) of the issued and outstanding voting securities of the surviving corporation or resulting entity; or
- (b) an Asset Sale;

"Depository" means a depository, as defined in Section 2(1)(e) of the Depositories Act, 1996 and a company formed and registered under the Companies Act and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992;

"Depositories Act" means the Depositories Act, 1996, the rules made thereunder and any amendments thereto or re-enactments thereof from time to time;

"Director" means a director of the Company appointed in accordance with the provisions of the Companies Act;



"Entity" means any corporation (including any non-profit corporation or other body corporate), general partnership, limited partnership, limited liability partnership, joint venture, estate, trust, business trust, company (including any limited liability company or joint stock company), firm or other enterprise, association, organization or entity;

"Financial Year" means the financial year of the Company as determined under the Companies Act;

"Government Official" means: (a) an officer or employee of any national, regional, local or other component of a Governmental Authority; (b) a director, officer or employee of any entity in which a Governmental Authority or component of a Governmental Authority possesses a majority or controlling interest; (c) a candidate for public office; (d) a political party and political party official; (e) an officer or employee of a public international organization; and (f) an individual who is acting in an official capacity for any Governmental Authority, component of a Governmental Authority, political party or public international organization, even if such individual is acting in that capacity temporarily and without compensation;

"Governmental Authority" means any: (a) multinational or supranational body exercising legislative, judicial or regulatory powers; (b) nation, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (c) federal, state, local, municipal, foreign or other government; or (d) governmental or quasi-governmental, statutory or quasi-statutory or regulatory authority of any nature (including any division, department, corporation, authority, agency, commission, instrumentality, official, organization, unit, body or entity, any court or other tribunal, taxing authority, stock exchange, public international organization, or other body entitled to exercise executive power or power of any nature);

"Indemnification Agreement" means an agreement be executed in each case amongst the Company on the one hand, and each Director and their respective alternate directors (if any), on the other hand;

"Independent Director" means an individual who satisfies the eligibility requirements of an 'independent director' under the Companies Act and applicable securities Laws of India, and is appointed as a Director in accordance with Article 18.2 to Article 18.4;

"Law" means any federal, national, central, state, local, municipal, foreign, supranational or other law (including common law), statute, constitution, treaty, convention, principle of common law, directive, resolution, ordinance, code, edict, writ, decree, rule, regulation, judgment, ruling, injunction or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Authority;

"Listing Regulations" means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, or any other regulations issued by the Securities and Exchange Board of India which are applicable to a public listed company, and any amendments thereto or re-enactments thereof from time to time;

"Memorandum" means Memorandum of Association of the Company, as amended from time to time;

"Office" means the registered office of the Company;

"Outstanding Shares" means, as of the date of determination, the Shares that are then issued and paid up;



"Person" means any natural person, firm, Entity, unincorporated organization, Governmental Authority, works council or employee representative body or other entity or organization of any nature whatsoever;

"PhonePe Group" means the Company and each of its Subsidiaries, from time to time;

"PhonePe Group Company" means any member of the PhonePe Group;

"Register" means the register of members to be kept in accordance with the Companies Act and the register of beneficial owners pursuant to Section 11 of the Depositories Act in case of shares held in a Depository;

"Sanctions" means: (a) sanctions imposed pursuant to a UN Security Council resolution; (b) US sanctions administered by the US Department of the Treasury, US Department of State or US Department of Commerce; (c) EU restrictive measures implemented pursuant to an EU Council or Commission Regulation or Decision adopted pursuant to a Common Position in furtherance of the EU's Common Foreign and Security Policy; (d) UK sanctions adopted by or pursuant to the UK Terrorist Asset Freezing, etc., Act 2010 or other UK legislation or statutory instruments enacted pursuant to the United Nations Act 1946 or the European Communities Act 1972; and (e) any other trade, economic or financial sanctions laws, regulations, embargoes or similar restrictive measures administered, enacted or enforced by any Governmental Authority as being applicable to any PhonePe Group Company;

"Share" means equity shares in the issued share capital of the Company, with one (1) vote per equity share and having face value of INR one (₹ 1) per equity share;

"Share Capital" means the total paid up share capital of the Company;

"Shareholder" means any holder of at least one (1) Share;

"Subsidiary" of the Company means any Entity of which the Company owns (directly or indirectly) securities or other ownership interests having voting power in circumstances other than a breach or default to elect or remove at least a majority of the board of directors, managers or trustees or other persons performing similar functions, or in which the Company holds or Controls a majority of the equity, voting, beneficial or financial interests, or in relation to which the Company has the right (whether under Contract or the Entity's organizational documents) or power, directly or indirectly, to direct the management of the Entity; and

"Super Majority Directors' Consent" shall mean consent and votes by such number of Directors who constitute at least 3/4th of the Board.

- 2.2. In these Articles unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Companies Act or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

3. PUBLIC LIMITED COMPANY

- 3.1. The Company is a public limited company within the meaning of Section 2(71) of the Companies Act, and the minimum paid-up capital of the Company shall be such amount as prescribed under the Companies Act.

4. SHARE CAPITAL AND VARIATION OF RIGHTS

- 4.1. The authorized share capital of the Company shall be as mentioned in the Memorandum, with power to increase or reduce or alter the capital for the time being into several classes and to



attach thereto respectively such preferential, deferred or qualified or special rights, privileges or conditions as may be determined by or in accordance with the Companies Act and these Articles and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being provided by these Articles and consolidate or sub-divide the shares and issue shares of higher or lower denomination.

- 4.2. Subject to the provisions of the Companies Act and these Articles, the Board may issue and allot securities in the capital of the Company, either as fully paid up or partly paid up against cash with power to make calls on the amount remaining unpaid on such securities from time to time or as full payment or part payment for property, inclusive of goodwill of any business sold or transferred, goods or machinery supplied, or for services rendered to the Company or against conversion of any outstanding loans or debt or for any consideration other than cash.
- 4.3. Shares at the disposal of the Directors: Subject to the restrictions contained in the Companies Act and these Articles, the shares shall be under the control of the Board of Directors who may issue, allot or otherwise dispose of the same to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of section 53 the Act) at a discount and at such time as they may from time to time think fit. Additionally, with sanction of the Company in a general meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Board of Directors think fit and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in a general meeting.
- 4.4. Except as required by Law, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by Law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
- 4.5. The Company may issue the equity shares with voting rights and/or with differential rights as to dividend, voting or otherwise and preference shares in accordance with the provisions of the Companies Act, these Articles and other applicable Laws. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 48 of the Companies Act and whether or not the Company is being wound up, be varied with the consent in writing of the holders of not less than three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- 4.6. To every such separate meeting, the provisions of the regulations relating to general meetings shall mutatis mutandis apply.
- 4.7. Sub-Division, Consolidation and Cancellation of Share Certificate: Subject to the provisions of Section 61 of the Companies Act, the Company may, by ordinary resolution:
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid- up shares of any denomination;



- (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum;
- (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

4.8. Further issue of Shares: Where at any time the Board or the Company, as the case may be, proposes to increase the subscribed capital by the issue of further shares, then such shares shall be offered, subject to the provisions of Section 62 of the Companies Act, and the rules made thereunder:

- a) to the persons who, at the date of offer, are holders of shares of the Company in proportion as nearly as circumstances admit, to the paid-up share capital on those shares at that date, subject to the conditions mentioned in (i) to (ii) below; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or

- (i) the offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days or such lesser number of days as may be prescribed under the Companies Act or the rules made thereunder, or other applicable Law and not exceeding thirty days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined;

Provided that the notice referred above shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue;

- (ii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to shareholders and the Company.
- b) to employees under any scheme of employees' stock option subject to approval of shareholders of the Company by way of special resolution as per applicable provisions / Law and subject to the rules and such other conditions, as may be prescribed under applicable Law; or
- c) to any person(s), if it is authorised by approval of the shareholders of the Company by way of special resolution, whether or not those persons include the persons referred to in paragraph (a) or paragraph (b) above either for cash or for a consideration other than cash, including by way of preferential offer or private placement, at such price as may be determined in accordance with Law, subject to such conditions as may be prescribed under the Companies Act and the rules made thereunder, or
- d) nothing in these Articles shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company or to subscribe for shares of the Company. Provided that the terms of issue of such debentures or loans containing such an option have been approved before the issue of such debentures or the raising of such loans by approval of Shareholders of the Company in a general meeting as per applicable provisions of Law.
- e) subject to the provisions of the Companies Act and these Articles, the Company may from



time to time, issue sweat equity shares.

- 4.9. The Company in general meeting may decide to issue fully paid-up bonus share to the member, if so recommended by the Board.
- 4.10. Notwithstanding anything contained herein and subject to the provisions of the Companies Act, Company shall be entitled to admit its shares, debentures and other securities for dematerialization pursuant to the Depositories Act for the time being in force and to offer its shares, debentures and other securities for subscription/investment in a dematerialized form.
- 4.11. Certificate:
- (a) Subject to applicable Law, a person subscribing to shares of the Company shall have the option either to receive certificates for such shares or hold the shares with a Depository in electronic form. Where person opts to hold any share with the Depository, the Company shall intimate such Depository of details of allotment of the shares to enable the Depository to enter in its records the name of such person as the beneficial owner of such shares.
 - (b) The certificate of shares, registered in the name of two (2) or more persons shall be delivered to first named person in the Register and this shall be a sufficient delivery to all such holders.
 - (c) Limitation of time for issue of certificates: Unless the shares have been issued in dematerialized form, every person whose name is entered as a member in the Register shall be entitled to receive within two (2) months after incorporation, in case of subscribers to the Memorandum or after allotment of shares, or in the case of an allotment of debentures within a period of six (6) months from the date of allotment and subject to other applicable Laws, within one (1) month from the date of receipt of instrument of transfer or sub-division or intimation of transmission for the registration of transfer or transmission of securities or within such other period as prescribed under the Companies Act one or more certificates in marketable lots, in the manner below:
 - (i) one (1) certificate for all his shares without payment of any charges; or
 - (ii) several certificates, each for one or more of his shares, upon payment of such amount as the Board may deem fit, for each certificate after the first.
 - (d) Every certificate shall specify the shares/debentures to which it relates and the amount paid-up thereon and shall be signed by two (2) Directors or by a Director and the Company secretary.
 - (e) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one (1) certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
 - (f) If the shares are held in the name of two (2) or more persons jointly, then the person first named in the Register shall for all the purpose except voting and transfer, be deemed to be sole holder thereof. But the joint holders are severally and jointly liable for all purposes.
 - (g) Issue of new certificate in place of one defaced, lost or destroyed: If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed



then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fee (not exceeding Rs. 20/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for the issue of new certificates in replacement of those that are old, defaced, or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Board of Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Companies Act or the rules made under the Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf.

- 4.12. For a share held in dematerialized form, the record of the depository is the prima facie evidence of the interest of the beneficial owner.
- 4.13. The provision of the foregoing Articles relating to the issue of certificates shall *mutatis mutandis* apply to the issue of certificates for any other securities, including debentures (except where the Companies Act otherwise requires) of the Company.
- 4.14. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
- 4.15. The Company, in a general meeting may, from time to time increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Companies Act, any shares of the original or increased capital shall be issued upon such terms and conditions and with such right and privileges annexed thereto, as the general meeting resolving upon the creation thereof shall direct, and if no direction be given, as the Directors shall determine and in particular, such may be issued with a preferential or qualified right to divide and in the distribution of assets of the Company.
- 4.16. The Company shall cause to be kept a register and index of members with details of securities held in dematerialized form in any media as may be permitted by Law, including any form of electronic media, in accordance with all applicable provisions of the Companies Act and the Depositories Act. The register and index of beneficial owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of members for the purposes of this Act.

5. COMPANY'S LIEN ON SHARE/DEBENTURES

- 5.1 The Company shall have a first and paramount lien upon all the shares (not being a fully paid up share) registered in the name of such member (whether solely or jointly with others) and upon the proceeds of sale thereof for his debts, liabilities and engagements (whether presently payable or not) for all money called or payable at a fixed time in respect of such shares, solely or jointly with any other person, to or with the Company, whether the period for the payment, fulfillment or discharge thereof shall have actually a lien or not and such lien shall extend to all dividends, from time to time, declared in respect of shares, subject to Section 124 of the Companies Act and bonuses declared from time to time in respect of such shares under the Companies Act and no equitable interest in any share shall be created except upon the equal footing and condition that this Article will have full effect. The Board may at any time declare any shares to be wholly or in part exempt from the provisions of this Article. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien,



if any, on such shares. The Directors may at any time declare any shares wholly or in part to be exempt from the provisions of this Article.

- 5.2 The fully paid-up shares shall be free from all lien, and in the case of partly paid-up shares, the Company's lien shall be restricted to monies called or payable at a fixed time in respect of such shares.
- 5.3 The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made,

- a) unless a sum in respect of which the lien exists is presently payable; or
- b) until the expiration of fourteen (14) days' after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of their death or insolvency or otherwise.

No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by them have not been paid, or in regard to which the Company has exercised any right of lien.

- 5.4 To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall their title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.
- 5.5 The proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.
- 5.6 In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by Law) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.
- 5.7 The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

6. CALLS ON SHARES

- 6.1 Payment in anticipation of call may carry interest: The Board may, subject to provisions of the Companies Act, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him beyond the sums actually called for; and upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be agreed upon between the Board and the member paying the sum in advance. Nothing contained in this Article shall confer on the member (i) any right to participate in profits or dividends; or (ii) any voting rights in respect of the moneys so paid by him, until the same would, but for such payment, become presently payable by him. The Board may at any time repay the amount so



advanced.

- 6.2 (a) The Directors are empowered to make call on members of any amount payable at a time fixed by them. Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one (1) month from the date fixed for the payment of the last preceding call.
- (b) Each member shall, subject to receiving notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
- (c) A call may be revoked or postponed at the discretion of the Board. The power to call on shares shall not be delegated to any other person except with the approval of the shareholders in a general meeting and as maybe permitted by Law.
- 6.3 A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.
- 6.4 Each member shall, subject to receiving at least fourteen (14) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on their shares.
- 6.5 The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call, in respect of one or more members, as the Board may deem appropriate in any circumstances.
- 6.6 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 6.7 (a) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten percent (10%) per annum or at such lower rate, if any, as the Board may determine.
- (b) The Board shall be at liberty to waive payment of any such interest wholly or in part.
- 6.8 (a) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (b) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 6.9 The provisions of these Articles shall apply *mutatis mutandis*, including the calls of debentures.

7. TRANSFER OF SHARES

- 7.1 Instrument of transfer: The securities or other interest of any member shall be freely transferable, provided that any contract or arrangement between 2 (two) or more persons in respect of transfer of securities shall be enforceable as a contract. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the Register in respect thereof. A common form of transfer shall be used in case of transfer of shares. The instrument of transfer shall be in writing and shall be executed by or on behalf of both the



transferor and transferee and shall be in conformity with all the provisions of Section 56 of the Companies Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration thereof.

7.2 In the case of transfer of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act shall apply.

7.3 Directors may refuse to register transfer: Subject to the provisions of these Articles and other applicable provisions of the Companies Act or any other Law for the time being in force, the Board of Directors may (at its own absolute and uncontrolled discretion) decline or refuse by giving reasons, whether in pursuance of any power of the Company under these Articles or otherwise, to register or acknowledge any transfer of, or the transmission by operation of Law of the right to, any securities or interest of a member in the Company, after providing sufficient cause, within a period of thirty (30) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company. Provided that the registration of transfer of any securities shall not be refused on the ground of the transferor being alone or jointly with any other person or persons, indebted to the Company on any account whatsoever except where the Company has a lien on shares. Transfer of shares/debentures in whatever lot shall not be refused. The Board may decline to recognize any instrument of transfer unless:

- (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of Section 56 of the Companies Act;
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- (c) the instrument of transfer is in respect of only one (1) class of shares.

7.4 At the death of any members his or her shares be recognized as the property of his or her heirs upon production of reasonable evidence as may require by the Board.

7.5 On giving not less than seven (7) days previous notice in accordance with Section 91 of the Companies Act and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty (30) days at any one (1) time or for more than forty-five (45) days in the aggregate in any year.

8. TRANSMISSION OF SHARES

- 8.1
- (a)
 - (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.
 - (ii) Nothing in Article 8.1(a)(i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
 - (b)
 - (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either:



- (A) to be registered himself as holder of the share; or
 - (B) to make such transfer of the share as the deceased or insolvent member could have made
 - (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
 - (c)
 - (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
 - (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
 - (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
 - (d) A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.
- Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.
- (e) No fee on transfer or transmission: No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney, or similar other documents.

9. FORFEITURE OF SHARES

- 9.1 (a) If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
- (b) The notice aforesaid shall:
 - (i) name a further day (not being earlier than the expiry of fourteen (14) days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - (ii) state that, in the event of non-payment on or before the day so named, the



shares in respect of which the call was made shall be liable to be forfeited.

- (c) If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
- (d)
 - (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
 - (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- (e)
 - (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.
 - (ii) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.
- (f)
 - (i) A duly verified declaration in writing that the declarant is a Director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
 - (ii) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
 - (iii) The transferee shall thereupon be registered as the holder of the share; and
 - (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
- (g) The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

10. ALTERATION OF CAPITAL

- 10.1 The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
- 10.2 Subject to the provisions of Section 61 of the Companies Act, the Company may, by ordinary resolution:
 - (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;



- (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum;
- (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

10.3 Where shares are converted into stock:

- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit.

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- (c) such of the regulations of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

10.4 The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by Law,

- (a) its share capital;
- (b) any capital redemption reserve account; or
- (c) any share premium account.

11. CAPITALIZATION OF PROFITS

- 11.1 (a) The Company in general meeting may, upon the recommendation of the Board, resolve:
- (i) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and
 - (ii) that such sum be accordingly set free for distribution in the manner specified in Article 11.1(b) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.



- (b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in Article 11.1(c), either in or towards:
 - (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions afore said; or
 - (iii) partly in the way specified in Article 11.1(b)(i) and partly in that specified in Article 11.1(b)(ii).
- (c) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.
- (d) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
- (e) Whenever such a resolution as aforesaid shall have been passed, the Board shall:
 - (i) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and
 - (ii) generally do all acts and things required to give effect thereto.
- (f) The Board shall have power:
 - (i) to make such provisions, by the issue of certificates representing such fractional part or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
 - (ii) to authorize any person to enter, on behalf of all the members entitled there to, into an agreement with the Company providing for the allotment to them respectively, credited a fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares.
- (g) Any agreement made under such authority shall be effective and binding on such members.

12. BUY-BACK OF SHARES

- 12.1 Notwithstanding anything contained in these Articles but subject to the provisions of Sections 68 to 70 of the Companies Act and any other applicable provision of the Companies Act or any other Law for the time being in force, the Company may purchase its own shares or other specified securities.

13. GENERAL MEETINGS



- 13.1 (a) The Company shall in each year hold, in addition to any other meeting, a general meeting as its annual general meeting and shall specify the meeting as such in the notice calling it. The annual general meeting shall be held within six (6) months of the close of the financial year, with an interval of not more than fifteen months between two (2) successive meetings and as per the requirements of the Companies Act.
- (b) (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- (ii) The Board shall on the requisition of members convene an Extraordinary General Meeting of the Company in the circumstances and in the manner provided under the Companies Act.
- (iii) Without prejudice to the right of shareholders under the applicable law, a Shareholder (directly or through its Affiliates) holds Shares equivalent to or more than the Control Threshold shall have the right to call for an extraordinary general meeting of the Shareholders by way of a requisition notice to the Board ("**Requisition Notice**") in accordance with the provisions of the Companies Act. The Requisition Notice shall set out the matters for consideration and shall be signed by such Shareholder. Upon receipt of the Requisition Notice, the Board shall be required to call an extra-ordinary general meeting of the Shareholders within seven (7) days (with such notice period as required under the Companies Act) from the date of the Requisition Notice ("**Requisition Meeting**").

14. PROCEEDINGS AT GENERAL MEETINGS

- 14.1 Save for the provisions of the Companies Act relating to matters requiring special notice, at least twenty-one (21) days' (subject to applicable Law) prior written notice of every general meeting of Shareholders shall be given to all Directors, the auditors of the Company and all Shareholders whose names appear on the register of members / index of beneficial owners as per most recent record of the depository provided to the Company. A meeting of the Shareholders (including a Requisition Meeting) may be called by giving shorter notice with the written consent of the Shareholders subject to applicable Law. Subject to applicable Law, the Company shall ensure that it facilitates the ability of every Shareholder to participate in a general meeting through video conference or audio-visual means.
- 14.2 Every notice of the general meeting of the Company shall specify the day, date, time and full address of the venue of the meeting and shall set forth in full and sufficient detail the text of the resolutions sought to be passed thereat, the business to be transacted thereat and any other details required by applicable Law, and no business shall be transacted at such meeting unless the same has been stated in the notice convening the meeting. It shall contain a statement with reasonable prominence that a member entitled to attend and vote is entitled to appoint a proxy and that the proxy need not be a member of the Company.
- 14.3 Notice of every general meeting of the Company shall be given to every member and to such other persons entitled to receive the same. The accidental omission to give notice to or the non-receipt of the notice by any member or other person to whom it should be given will not invalidate the proceedings of the meeting.
- 14.4 No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. The quorum for a general meeting shall be as provided in Section 103 of the Companies Act.
- 14.5 If the quorum is not present within half-an-hour from the time appointed for holding a



meeting of the Company, such meeting shall stand adjourned to the same day in the next week at the same time and place or such time and place as the Board may determine in accordance with the Act, provided, however, that if such day is not a Business Day, the meeting shall be held on the next Business Day. The Shareholders present at such adjourned meeting shall constitute the quorum for such re-convened meeting, subject to applicable Law.

- 14.6 The Chairperson of the Board, if any, shall be the Chairperson for all general meetings.
- 14.7 In the absence of Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the general meeting, or is unwilling to act as Chairperson of the meeting or if no Director has been so designated, the Directors present shall elect one of the members to be the Chairperson of the meeting.
- 14.8 If at any meeting no Director is willing to act as Chairperson or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of the members to be Chairperson of the meeting.
- 14.9 The Chairperson of a general meeting of the Company shall not have second or casting vote.

15. ADJOURNMENT OF MEETING

- 15.1 The Chairperson may, with the consent of majority of members at a meeting at which a quorum is present, and shall, if so directed, adjourn the meeting from time to time and from place to place.
- 15.2 No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- 15.3 When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

16. VOTING RIGHTS

- 16.1 (a) Subject to any rights or restrictions for the time being attached to any class or classes of shares,
 - (i) on a show of hands, every member present in person shall have one (1) vote; and
 - (ii) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.
- (b) A member may exercise his vote at a meeting by electronic means in accordance with Section 108 of the Companies Act and shall vote only once.
- (c) (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
 - (ii) For this purpose, seniority shall be determined by the order in which the names stand in the Register.
- (d) A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a



poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

- (e) Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- (f) No member shall be entitled to vote at any general meeting unless all calls or other sums presently due and payable by him in respect of shares in the Company have been paid.
- (g)
 - (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
 - (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.
- (h) Except as otherwise provided herein, all resolutions of the Shareholders shall, be subject to the requirements imposed by the Companies Act or any other applicable Law.

17. PROXY

- 17.1 (a) The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited not less than 48 (forty eight) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or in the case of a poll, not less than 24 (twenty four) hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
- (b) An instrument appointing a proxy shall be in the form as prescribed in the rules made under Section 105 of the Companies Act.
- (b) A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given.

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

18. BOARD OF DIRECTORS

- 18.1 Subject to Article 18.2, the number of Directors shall not be less than three (3) and not more than fifteen (15).

- (a) The first Directors of the Company at the time of the incorporation were:
- (i) Mr. Amit Narang; and
 - (ii) Ms. Jyoti Narang.



- (b) The Directors may from time to time, appoint one or more of their body to the office of the managing director for one or more of the divisions of the business carried on by the Company and to enter into agreement with him in such terms and conditions as they may deem fit.
- (c) Subject to the provisions of Section 149 of the Companies Act, the Board of Directors, at any time and from time to time, to appoint any person as additional Director in addition to the existing Director so that the total number of Directors shall not at any time exceed the number fixed for Directors in these Articles. Any Directors so appointed shall hold office only until the next following annual general meeting but shall be eligible thereof for election as Director at that meeting subject to the provisions of the Companies Act.
- (d) Subject to the provisions of Section 197 and Schedule V of the Companies Act, a managing director, whole-time director or manager shall be appointed and the terms and conditions of such appointment and remuneration payable be approved by the Board of Directors at a meeting which shall be subject to approval by a resolution at the next general meeting of the company and such remuneration as may be fixed by way of salary or commission or participation in profits or partly in one way or partly in another subject to the provisions of the Companies Act.
- (e) The quorum of any meeting of the Board shall be one-third of its total strength. Subject to the provisions of the Companies Act, if the quorum is not present within half an hour of the scheduled time of the meeting, the meeting shall stand adjourned to the same day, location and time on the following week; provided, however, that if such day is not a Business Day, the meeting shall be held on the next Business Day at the same location and time. Subject to the provisions of the Companies Act, the Directors present at such adjourned meeting shall constitute the quorum for such re-convened meeting. The participation of the Directors by video conferencing or by other audio-visual means shall also be count for the purpose of quorum.
- (f) The Directors will be paid remuneration pursuant to the applicable provisions of the Companies Act and/or any other applicable Laws.
- (g) Subject to the Companies Act, any Director shall be entitled to nominate an individual for appointment as an alternate Director, with the prior consent of the Board, during the absence of such Director, provided such absence is for not less than three (3) months from India. Such an alternate Director must vacate the office for the original Director, once the original Director returns back to India. Any person considered to be an alternate Director must not be a person holding any alternate directorship for any other director in the Company or holding directorship himself/ herself in the Company. The Company shall enter into an Indemnification Agreement with each of the Directors and their respective alternate Directors (if any)
- (h) No share qualification is necessary for an individual to be appointed as a Director of the Company.
- (i) The Board shall include such number of Directors of the Company as are identified to be liable to retire by rotation as per the provisions of the Companies Act.
- (j) The Company may exercise the powers conferred on it by Section 88 of the Companies Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that Section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.



- (k) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

18.2 Composition and Size of the Board

Subject to applicable Law, if:

- (a) any Shareholder (directly or through its Affiliates) holds more than fifty percent (50%) of the Share Capital ("**Control Threshold**"), the Board shall consist of up to fifteen (15) Directors.
- (b) no Shareholder (directly or through its Affiliates) holds Shares equivalent to the Control Threshold, the Board shall consist of up to ten (10) Directors.

The Board and Shareholders can take all such actions and steps as may be considered necessary to ensure compliance with this Article 18.2.

- 18.3 **Specific Board Matters:** Notwithstanding anything to the contrary contained in these Articles but subject to Article 18.4, any decision relating to any matter specified in this Article 18.3 ("**Specific Board Matters**") shall require a prior Super Majority Directors' Consent. Except as otherwise provided under Article 18.4 and subject to Sections 100 and 111 of the Act, unless and until a prior Super Majority Directors' Consent has been obtained in relation to a Specific Board Matter, the Company shall not include any agenda items in relation to Specific Board Matters for meetings of the Shareholders:

- 18.3.1. Other than (a) any merger, acquisition, consolidation, scheme of arrangement, amalgamation or any other type of business combination solely among or between PhonePe Group Companies, including any internal restructuring or other internal reorganization where the applicable PhonePe Group Company's (or any successor parent entity's) direct or indirect ownership remains the same in all material respects as the ownership of such PhonePe Group Company prior to such restructuring or reorganization; (b) any disposal, sale, lease, transfer, exclusive license or other disposition solely between PhonePe Group Companies or from one PhonePe Group Company to another, any: (i) Asset Sale; (ii) Deemed Sale Event; (iii) business combination, restructuring or reorganization not covered under the Companies Act; (iv) sale of any shares of any subsidiary of the Company, or the sale, lease, transfer, exclusive license or other disposition by the Company of any assets, in each case, outside the ordinary course of business; or (v) an issuance of Shares by the Company where prior to such issuance, the Company was not a "controlled foreign corporation" ("**CFC**") as defined in the US Internal Revenue Code of 1986, as amended (or any successor thereto) ("**US IRS Code**") and following such issuance the Company, in the determination of counsel or accountants appointed by the Board, would be a CFC.
- 18.3.2 Creation, adoption or amendment of any equity incentive plan or other benefit plan not covered under the Companies Act or the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
- 18.3.3 Any application for a regulatory or other material business license, closure of any material or licensed or regulated business or commencement of any material, licensed or regulated business by the Company beyond the purview of the Annual Operating Plan approved by the Board.
- 18.3.4 Any direct or indirect change in shareholding or voting, economic or other ownership rights in



any other PhonePe Group Company (except for the Company).

- 18.3.5 Any material change that is outside the ordinary course of business or not on arm's length terms in any material agreement between Company and its material customers and/or business partners or any termination of such agreement.
- 18.3.6 The approval of any Annual Operating Plan, or any amendment to the Annual Operating Plan approved by the Board or any equivalent business plans or budget of the Company.
- 18.3.7 Any: (a) sale or transfer or termination of ownership, exit or disposition of existing investments; (b) joint ventures under partnership agreements; (c) new or additional investment by the Company including projects or financial investments; or (d) purchase of any intellectual property rights from any Person.
- 18.3.8 Any change in the trading style of the Company, the nature or scope of the businesses of the Company, expansion of the businesses of the Company to any new country / territory, or any transfer of brand names used in such businesses, service marks and trademarks or other proprietary rights used in such businesses.
- 18.3.9 Any resolution passed or policy adopted by the Board, or modifications thereto, (whether prior to or after adoption of these Articles) requiring the Company to (a) comply with US IRS Code and US federal laws pertaining to Sanctions (the "**Covered Laws**") to the extent the non-compliance thereof would result in the Company or Shareholders (specified in such resolutions or policy) being non-compliant with the Covered Laws; (b) comply with Applicable ABAC Laws; and (c) comply with Applicable Money Laundering Laws and (d) provide reasonable assistance or information to the Shareholders (as specified in such resolutions or policies) that are subject to the Covered Laws, Applicable ABAC Laws and Applicable Money Laundering Laws.
- 18.3.10 Any declaration or payment of any dividend or distribution of profits or commissions to Shareholders, employees or directors, by the Company.
- 18.3.11 Any termination or variation of any shareholders' agreement between the Company and any PhonePe Group Company or any variation of the articles of association of any PhonePe Group Company to the extent that such articles of association relate to matters contained in the shareholders' agreement between the Company and such PhonePe Group Company.
- 18.3.12 Any decision to consider and/ or approve any matter that is a "Parent Reserved Matter" (as defined under the shareholders' agreement between the Company and any other PhonePe Group Company).
- 18.4 **Passing of Resolutions and Voting.** All decisions of the Board shall be taken by the Super Majority Directors' Consent while any Shareholder holds Shares equivalent to or more than the Control Threshold. Provided that, where any Shareholder holds Shares equivalent to or more than the Control Threshold and if the composition of the Board reaches to the maximum capacity of fifteen (15) members, then the decisions of the Board in relation to any matter (including the Specific Board Matters) shall be taken by simple majority vote of such number of Directors who constitute the Board. If no Shareholder holds Shares equivalent to or more than the Control Threshold, then only Specified Board Matters shall require a Super Majority Directors' Consent pursuant to Article 18.3. Each Director participating in the meeting has one (1) vote.
- 18.5 **Circular Resolution.** Subject to the provisions of the Companies Act and Article 18.4, a resolution signed by such Directors which represent the Super Majority Directors' Consent shall be deemed to be a decision of the Board without the need for a meeting provided,



however, that if at least one-third of the members of the Board require any resolution under circulation to be decided in a meeting, such a resolution shall be considered only in a meeting of the Board, convened and conducted in accordance with Articles 18.7, 18.1(e) and 19.1(i). Subject to the Companies Act, a resolution signed by a majority of the Directors who are members of a committee and are entitled to vote on the resolution shall be deemed to be a decision of the committee without the need for a meeting. Any such resolution may consist of several documents in original or electronic form, each signed by one or more Directors. The expressions "in writing" and "signed" in this Article 18.5, shall include approval by any such Director by telefax or electronic/digital signature or any form of electronic communication approved by the Directors and recognized under applicable Law for such purpose from time to time incorporating, if the Board deems necessary, the use of security and/or identification procedures and devices approved by the Board.

- 18.6 **Notice of Meetings.** The Company shall provide prior notice of at least seven (7) days (or any longer minimum notice required by applicable Law) of the meetings of the Board and committees thereof to all the Directors. The Company shall convene Board meetings at shorter notice subject to and in compliance with the provisions of Section 173 of the Companies Act.

19. **PROCEEDINGS OF THE BOARD**

- 19.1 (a) (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit, provided that adjournment for want of quorum shall be in accordance with Article 18.1(e).
- (ii) A Director may, and the manager or secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.
- (iii) The Board shall meet at least four (4) times per year (or any greater number required under the Companies Act) at such locations as determined by the Board, provided that the gap between any two (2) meetings of the Board must not exceed one hundred and twenty (120) days. Travel, hotel and related expenses reasonably incurred by the Directors for attending meetings of the Board and committees shall be borne by the Company.
- (b) The continuing Directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by Article 18.1(e) for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum under Article 18.1(e), or of summoning a general meeting of the Company, but for no other purpose.
- (c) (i) The Chairperson shall be appointed by the Board and must be an Independent Director and shall not have a second or casting vote. In the absence of the Chairperson at any meeting, the Directors present may elect one (1) among the Directors (who must also be an Independent Director) to chair that meeting.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five (5) minutes after the time appointed for holding the meeting, the Directors present may choose one of their numbers to be Chairperson of the meeting.
- (d) (i) The Board may set up, change, re-constitute, integrate, amend the terms of reference (or charter) of, or dissolve such committees of the Board as it deems fit from time to time, or as required by applicable Law. Any committee so formed shall, in the exercise of the power so delegated, conform to the terms



of reference (*or charter*) as required by the Board or under applicable Law. The Board shall at all times maintain:

- (A) an Audit Committee: (a) The audit committee shall have minimum three (3) Directors as members; (b) at least, two-thirds of the members of the audit committee shall be Independent Directors; (c) all members of the audit committee shall be financially literate and at least one (1) member shall have accounting or related financial management expertise; (d) the chairperson of the audit committee shall be an Independent Director; and (e) the company secretary shall act as the secretary of the audit committee, provided, however, the requirements in (b) and (d) shall apply only from the earlier of: (A) the requirements being imposed by applicable Law; and (B) the required number of minimum Independent Directors being appointed to the Board and until such time the composition of the audit committee may be determined by the Board as it deems fit. The terms 'financially literate' and 'accounting or related financial management expertise' shall have the meaning ascribed to the term given under regulation 18 of the Listing Regulations.
 - (B) a Nomination and Remuneration Committee: (a) The nomination and remuneration committee shall comprise at least three (3) directors; (b) all directors of the committee shall be non-executive directors; (c) at least two-thirds of the directors shall be Independent Directors; and (d) the chairperson of the nomination and remuneration committee shall be an Independent Director, provided that: (A) the chairperson of the Company, whether executive or non-executive, may be appointed as a member of the nomination and remuneration committee but shall not be chairperson of the nomination and remuneration committee; and (B) the requirements in (c) and (d) shall apply only from the earlier of: (I) the requirements being imposed by applicable Law; and (II) the required number of minimum Independent Directors being otherwise appointed to the Board and until such time the composition of the nomination and remuneration committee may be determined by the Board as it deems fit.
 - (C) a Risk Management Committee: The risk management committee shall have minimum three (3) members with majority of them being members of the Board, including at least one (1) Independent Director. The chairperson of the risk management committee shall be a member of the Board and senior executives of the Company may be members of the risk management committee.
 - (D) an Executive Committee: The members of the executive committee must be members of the Board and shall be determined and appointed, removed or replaced by the Board.
 - (E) a Stakeholders' Relationship Committee: The stakeholders' relationship committee must have at least three (3) Directors, with at least one (1) being an Independent Director. The chair must be a non-executive Director.
 - (F) all committees required by the Companies Act and other applicable Laws, from time to time.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated,



conform to any regulations that may be imposed on it by the Board.

- (e)
 - (i) If no such chairperson is elected, or if at any meeting the chairperson is not present within five (5) minutes after the time appointed for holding the meeting, the members present may choose one of their members to be chairperson of the meeting.
 - (ii) A committee may meet and adjourn as it thinks fit.
 - (iii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present. The chairperson of such committee shall not have a second or casting vote.
 - (iv) All acts done in any meeting of the Board or of a committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.
- (f) A meeting of the Directors for the time being, at which a quorum as prescribed under Article 18.1(e) is present, shall be competent to exercise all or any of the authorities, powers and discretions by Law or under these Articles and regulations for the time being vested or exercisable by the Directors generally.
- (g) For meeting of Board of Directors of the Company, the Board of Directors may meet for the dispatch of business, adjourn and otherwise regulate its meetings, as it thinks fit, each in accordance with Article 18.
- (h) **Convening Meetings of the Board.** Any Director may, and the company secretary shall, on the requisition of a Director, summon a meeting of the Board or any committee, in accordance with the notice and other requirements set out in Article 18. Subject to applicable Law, any Director wishing to place a matter on the agenda for any meeting of the Board may do so by communicating with the Chairperson sufficiently in advance of the meeting of the Board so as to permit timely dissemination of information with respect to the agenda items to all Directors.
- (i) The members may by passing an ordinary resolution remove a Director, before the expiry of his period of office.
- (j) All acts done in any meeting of the Board or of a committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.

20. **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

20.1 (a) Subject to the provisions of the Companies Act:

- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration



and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed from such office by means of a resolution of the Board in accordance with Section 203 of the Companies Act; and

- (ii) A Director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- (b) A provision of the Companies Act or these regulations requiring or authorising a thing to be done by or to a Director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

21. DIVIDENDS AND RESERVE

- 21.1 (a) The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
- (b) Subject to the provisions of Section 123 of the Companies Act, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.
- (c) (i) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- (d) (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.
- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
- (e) The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.



- (f) (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register, or to such person and to such address as the holder or joint holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- (g) Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Companies Act.
- (h) No dividend shall bear interest against the Company.
- (i) Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

21.2 RIGHT TO DIVIDEND AND UNPAID OR UNCLAIMED DIVIDEND

- (a) Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration the Company shall within seven (7) days from the date of expiry of the said period of thirty (30) days transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty (30) days to a special account to be opened by the Company in that behalf in any scheduled bank to be called Unpaid Dividend Account of PhonePe Limited.
- (b) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer shall be transferred by the Company to the fund known as Investor Education and Protection Fund established under the Companies Act.
- (c) No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by Law.
- (d) All other provisions under the Companies Act will be complied with in relation to the unpaid or unclaimed dividend.

22. ACCOUNTS

- 22.1 (a) The Board shall, from time to time, determine whether and to what extent and at what times and places and under what conditions or regulation the accounts and books of the Company or any of them shall be open to the inspection of members (not being Directors).
- (b) No members (not being Director) shall have any right of inspecting any accounts or books of account of the Company except as conferred by Law or authorised by the Board or by the Company in general meeting.
- (c) The Directors shall in all respect comply with the provisions of Sections 128,134, 137, 206, 207 and 208, of the Companies Act, and profits and loss account, balance sheet and auditors report and every other document required by Law to annexed or attached as the case may be, to the balance sheet, to be sent to every member and debenture holder of the Company and every trustee for the holders of the



debentures issued by the Company at least twenty-one (21) days before the date of annual general meeting of the Company at which they are to be laid, subject to the provisions of Section 136 of the Companies Act.

23. WINDING UP

23.1 Winding up when necessary, will be done in accordance with the requirements of the Companies Act or statutory modification thereto:

- (i) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Companies Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.
- (iv) Any person who is or has been a Director or manager, whose liability is unlimited under the Companies Act, shall, in addition to their liability, if any, to contribute as an ordinary member, be liable to make a further contribution as if he were at the commencement of winding up, a member of an unlimited company, in accordance with the provisions of the Companies Act.

24. INDEMNITY

24.1 Every officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the tribunal.

25. ALTERATION TO MEMORANDUM

25.1 The Company shall have the power to alter the conditions of the Memorandum in any manner.

26. BORROWING POWERS

26.1 Subject to Section 73, 179 and 180 of the Companies Act and regulations made there under and directions issued by the Reserve Bank of India, the Directors may, from time to time, raise or borrow any sums of money for and on behalf of the Company from the member or other persons, companies or banks or they may themselves advance money to the Company on such interest as may be approved by the Directors.

26.2 The Directors may, from time to time, secure the payment of such money in such manner and upon such terms and conditions in all respects as they deem fit and in particular by the issue of bonds or debentures or by pledge, mortgage, charge or any other security on all or any properties of the Company (both present and future) including its uncalled capital for the time being.

26.3 Term of issue of Debentures: Any bonds, debentures, debenture-stock or other securities may if permissible under the applicable Laws be issued at a discount, premium or otherwise by the



Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company and on the condition that they or any part of them may be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) a general meeting, for appointment of Directors and otherwise debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in a general meeting by a special resolution.

27. OPERATION OF BANK ACCOUNTS

- 27.1 The Directors shall have the power to open bank accounts to sign cheques on behalf of the Company and to operate all banking accounts of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, hundies and bills or may authorise any other person or persons to exercise such powers.

28. AUDIT

- 28.1 (a) The first auditor of the Company shall be appointed by the Board of Directors within thirty (30) days from the date of registration of the Company and the auditors so appointed shall hold office until the conclusion of the first annual general meeting.
- (b) At the first annual general meeting the Company shall appoint an auditor to hold office from the conclusion of the meeting till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every six (6) meetings.
- (c) The remuneration of the auditor shall be fixed by the Company in the annual general meeting or in such manner as the Company in the annual general meeting may determine. In case of an auditor appointed by the Board his remuneration shall be fixed by the Board.

29. COMMON SEAL

- 29.1 The Board may provide a common seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new common seal in lieu thereof, and if the common seal provides for, the Board shall provide for the safe custody of the common seal for the time being.
- 29.2 The common seal of the Company, if any, shall not be affixed to any instrument except by the authority of a resolution of the Board, or of a committee of the board authorised by it in that behalf, and except in the presence of the company secretary or any other person as the Board may appoint for such purpose; and the said authorised person or company secretary shall sign every instrument to which the common seal of the Company is so affixed in their presence.

30. CONFIDENTIALITY

- 30.1 Subject to the provisions of Law and the Companies Act, every manager, auditor trustee, member of a committee, officer servant, agent accountant or other persons employed in the business of the Company shall, if so required by the Board of Directors before entering upon his duties, sign, declaration, pledging himself to observe strict secrecy respecting all transactions of the Company with its customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself, not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by any court of law and except so far as may be necessary in order to comply with any of the provisions in these present.



31. **GENERAL AUTHORITY**

Wherever in the applicable provisions under Companies Act it has been provided that any Company shall have any right, privilege or authority or that any Company could carry out any transaction only if the Company is authorized by it Articles, then and in that case this regulation hereby authorizes and empowers the Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the Companies Act without there being any other specific regulation in that behalf herein provided.

32. **MISCELLANEOUS**

At any point of time from the date of adoption of these Articles, if these Articles are or become contrary to the provisions of the Companies Act, the rules, the Listing Regulations, byelaws issued by the stock exchanges and any other applicable Laws, the provisions of the Companies Act, the rules, the Listing Regulations, byelaws issued by the stock exchanges and other applicable Laws shall prevail over these Articles to such extent and the Company shall, at all times, discharge all of its obligations as prescribed under applicable Laws, from time to time.

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PART - B

- I. These Articles consist of two parts, **Part A** and **Part B**. The provisions of Part A shall apply to all the matters to which they pertain, to the extent, and only in so far, as they are not contrary to or inconsistent with the special provisions of **Part B**. Part A and Part B shall, unless the context otherwise requires, co-exist with each other until listing and commencement of trading of equity shares of the Company on the stock exchanges pursuant to the initial public offering by the Company ("**Listing**").
- II. As long as **Part B** remains a part of these Articles, in the event of any conflict or inconsistency or overlap, the provisions of **Part B** shall override and prevail over the provisions of **Part A**, to the maximum extent permitted under the Companies Act, 2013. All Schedules set out in this Part B of the Articles shall form a part of **Part B** of these Articles.
- III. The provisions of Part B of these Articles shall be applicable to, and bind, all Shareholders of the Company and to the Company itself.
- IV. Without prejudice to: (a) any Person's ability to enforce or seek enforcement of any provision of the SHA (*defined below*); and (b) the ability of the Company or any Shareholder to enforce or seek enforcement of any provision of these Articles even when a Founder does not hold at least one (1) Share, the provisions of this Part B of these Articles shall be capable of being enforced by or against (as applicable) such Founder only to the extent permissible under applicable Law and all references in this Part B of these Articles to any rights, entitlements, privileges, obligations, covenants or duties of such Founder shall be construed accordingly.
- V. Part B including all Schedules thereto, shall automatically terminate, stand deleted, not have any force and be deemed to have been deleted from these Articles on Listing and Part A of the Articles shall automatically come in effect and be in force, without any further corporate or other action by the Company, the directors or its shareholders.

1. DEFINITIONS AND INTERPRETATION

- 1.1. **Definitions:** In this Part-B of these Articles, the terms and expressions when used with the first letter capitalized shall have the meanings assigned to them under **Schedule 1**. All capitalized items not defined in **Schedule 1** shall have the meanings assigned to them in the other parts of Part-B of these Articles when defined for use in bold letters enclosed within quotes ("").
- 1.2. **Interpretation:** In this Part-B of these Articles, unless the context otherwise requires, the rules of interpretation set out in **Schedule 2** shall apply.

2. MANAGEMENT AND CONTROL

- 2.1. **Board-governed Company:** The business and affairs of the Company, including its assets, shall be managed and operated under the supervision and oversight of the Board in accordance with and subject to the Articles, applicable Law and any matters expressly reserved for Shareholder approval under the SHA.

2.2. Composition and Size of the Board:

Subject to applicable Law, if:

- (a) any Shareholder (directly or through its Affiliates) holds more than fifty percent (50%) of the Share Capital ("**Control Threshold**"), the Board shall consist of up to fifteen (15) Directors, who will be nominated, appointed, replaced and removed in accordance with this Article 2.



- (b) no Shareholder (directly or through its Affiliates) holds Shares equivalent to the Control Threshold, the Board shall consist of up to ten (10) Directors.

The Board and Shareholders can take all such actions and steps as may be considered necessary to ensure compliance with this Article 2.2.

- 2.3. **Nomination rights:** Subject to applicable Law, so long as Walmart holds Shares equivalent to or more than the Control Threshold, it shall have the right to nominate four (4) members of the Board. If Walmart holds Shares less than the Control Threshold but more than ten percent (10%) of the Share Capital, it shall have the right to nominate up to three (3) members of the Board (each, a **"Walmart Director"**) and Walmart shall undertake necessary steps (including resignation by the required number of Walmart Directors) to reduce the Walmart Directors on the Board to three (3). Provided that, if the shareholding of Walmart falls below ten percent (10%) of the Share Capital and Walmart is re-classified as a non-'Promoter' in accordance with the procedure stipulated under the Listing Regulations, then the right of nomination of Walmart Directors shall fall-away. Further, if, Walmart's Shares constitute less than ten percent (10%) of the Share Capital and it has ceased to be classified as a 'Promoter' under the Listing Regulations Walmart shall undertake necessary steps to reduce Walmart Directors on the Board to nil, as required for the Board composition to reflect the provisions of this Article 2.3. Subject to applicable Law and Article 2.9(ix), the Company shall promptly complete all legal formalities to give effect to the appointment of the relevant individuals identified as Directors in the Nomination Notice or other notice received by the Company. Each Founder shall be entitled to be a Director (each, a **"Founder Director"**) so long such Founder satisfies at least one of the following conditions (**"Founder Conditions"**):

- (A) Such Founder, continuing to be an employee of any PhonePe Group Company (**"Employment Condition"**); or
- (B) Such Founder, continuing to own: (a) outstanding Ordinary Shares and/or outstanding unexercised options to purchase Ordinary Shares as governed pursuant to and in accordance with the terms of the Scheme; and/or (b) other outstanding Ordinary Shares that have been issued or Transferred to such Founder, in accordance with the terms of these Articles; where the sum of: (i) such outstanding Ordinary Shares (including Restricted Performance Award Shares); plus (ii) the number of Ordinary Shares underlying such outstanding unexercised options equals at least seven million four hundred twenty-one thousand and one hundred (7,421,100) Ordinary Shares (as appropriately may be adjusted for share-splits, share dividends, reverse share-splits and other variations of the Company's share capital which may occur after the date of adoption of these Articles) (**"Founder Ownership Condition"**). In addition, if a Founder loses his right to be a Director under this Article 2.3, then the ensuing vacancy will be filled by an Independent Director, who has been identified, evaluated and recommended for appointment to the Board by the Nomination and Remuneration Committee.

- 2.3A Subject to and in accordance with applicable Law, the optimal composition of the Board should be maintained as stipulated under Article 2.2 and 2.3. Accordingly, the Company shall undertake to incorporate the following provisions in Part A of these Articles for approval in the first general meeting of shareholders convened after the Listing Date:

- (i) Subject to applicable Law, Walmart shall have the right to nominate four (4) members of the Board so long as it holds Shares equivalent to or more than the Control Threshold and if the shareholding of Walmart falls below the Control Threshold but remains more than ten percent (10%) of the Share Capital, Walmart shall have the right to nominate up to three (3) members of the Board.
- (ii) Each Founder shall be entitled to be a Director for so long as such Founder satisfies at



- least one of the Founder Conditions. If no Founder Conditions is being satisfied by a Founder, such Founder shall take all necessary steps to resign as a Director.
- (iii) Except one (1) Walmart Director and any one (1) Founder Director, all remaining Directors shall be liable to retire by rotation, subject to the provisions of applicable Law.
 - (iv) A majority of the Directors (including the Key Directors) must approve the convening of a Board meetings convened at shorter notice.
 - (v) The quorum of any meeting of the Board shall be one-third of its total strength and shall include the presence of the Key Directors.
 - (vi) The written consent of one (1) Walmart Director will be required to postpone a Board meeting to a date, location and time that is later than prescribed day, location and time for an adjourned Board meeting.
 - (vii) Prior approval by at least one (1) Walmart Director of the agenda of a Board meeting.
- 2.3B **Retirement by rotation:** Except one (1) Walmart Director and any one (1) Founder Director serving as a Director, all remaining Directors shall be liable to retire by rotation, subject to the provisions of applicable Law.
- 2.4. **Chair:** The Chair shall be appointed by the Board and must be an Independent Director and shall not have a second or casting vote. In the absence of the Chair at any meeting, the Directors present may elect one (1) among the Directors (who must also be an Independent Director) to chair that meeting.
- 2.5. **Specific Board Matters:** Notwithstanding anything to the contrary contained in this Part-B of these Articles but subject to Article 2.9(vii), any decision relating to any matter specified in **Schedule 3 ("Specific Board Matters")** shall require a prior Super Majority Directors' Consent. Except as otherwise provided under Article 2.9(vii), unless and until a prior Super Majority Directors' Consent has been obtained in relation to a Specific Board Matter, the Company must not propose or permit any shareholder resolutions in relation to, take any action to give effect to, or enter into any commitment that relates to, any of the Specific Board Matters.
- 2.6. **Alternate Directors:** Subject to the Companies Act, any Director shall be entitled to nominate an individual for appointment as an alternate Director, with the prior consent of the Board, during the absence of such Director, provided such absence is for not less than three (3) months from India. Such an alternate Director must vacate the office for the original Director, once the original Director returns back to India. Any person considered to be an alternate Director must not be a person holding any alternate directorship for any other director in the Company or holding directorship himself/ herself in the Company. The Company shall enter into an Indemnification Agreement with each of the Directors and their respective alternate Directors (if any), other than with respect to information provided by such Directors, if any appointed to the Board, in writing expressly for inclusion in any offer document in relation to a Qualified Public Offering.
- 2.7. **Non-executive Status:** The Walmart Directors and their respective alternate Directors shall be non-executive Directors of the Company, unless otherwise mutually agreed by Walmart and such Director.
- 2.8. **Board Committees:**
- The Board may set up, change, re-constitute, integrate, amend the terms of reference (*or charter*) of, or dissolve such committees of the Board as it deems fit from time to time, or as required by applicable Law. Any committee so formed shall, in the exercise of the power so delegated, conform to the terms of reference (*or charter*) as required by the Board or under applicable Law. The Board shall at all times maintain:
- (i) an Audit Committee: (a) The audit committee shall have minimum three (3) Directors



as members; (b) at least, two-thirds of the members of the audit committee shall be Independent Directors; (c) all members of the audit committee shall be financially literate and at least one (1) member shall have accounting or related financial management expertise; (d) the chairperson of the audit committee shall be an Independent Director; and (e) the company secretary shall act as the secretary of the audit committee, provided, however, the requirements in (b) and (d) shall apply only from the earlier of: (A) the requirements being imposed by applicable Law; and (B) the required number of minimum Independent Directors being appointed to the Board and until such time the composition of the audit committee may be determined by the Board as it deems fit. The terms 'financially literate' and 'accounting or related financial management expertise' shall have the meaning ascribed to the term given under regulation 18 of the Listing Regulations.

- (ii) a Nomination and Remuneration Committee: (a) The nomination and remuneration committee shall comprise at least three (3) directors; (b) all directors of the committee shall be non-executive directors; (c) at least two-thirds of the directors shall be Independent Directors; and (d) the chairperson of the nomination and remuneration committee shall be an Independent Director, provided that: (A) the chairperson of the Company, whether executive or non-executive, may be appointed as a member of the nomination and remuneration committee but shall not be chairperson of the nomination and remuneration committee; and (B) the requirements in (c) and (d) shall apply only from the earlier of: (I) the requirements being imposed by applicable Law; and (II) the required number of minimum Independent Directors being otherwise appointed to the Board and until such time the composition of the nomination and remuneration committee may be determined by the Board as it deems fit.
- (iii) a Risk Management Committee: The risk management committee shall have minimum three (3) members with majority of them being members of the Board, including at least one (1) Independent Director. The chairperson of the risk management committee shall be a member of the Board and senior executives of the Company may be members of the risk management committee.
- (iv) an Executive Committee: The members of the executive committee must be members of the Board and shall be determined and appointed, removed or replaced by the Board.
- (v) a Stakeholders' Relationship Committee: The stakeholders' relationship committee must have at least three (3) Directors, with at least one (1) being an Independent Director. The chair must be a non-executive Director.
- (vi) all committees required by the Companies Act and other applicable Laws, from time to time.

2.9. Board Meetings and Voting:

- (i) **Meetings of the Board**: The Board shall meet at least four (4) times per year (or any greater number required under the Companies Act) at such locations as determined by the Board, provided that the gap between any two (2) meetings of the Board must not exceed one hundred and twenty (120) days. Travel, hotel and related expenses reasonably incurred by the Directors for attending meetings of the Board and committees shall be borne by the Company. Directors may also participate in Board meetings or committee by way of video conference or other audiovisual means or similar communications equipment, as permitted by and in accordance with the Companies Act.



- (ii) **Notice of Meetings:** The Company shall provide prior notice of at least seven (7) days (or any longer minimum notice required by applicable Law) of the meetings of the Board and committees thereof to all the Directors. For Board meetings convened at shorter notice: (a) a majority of the Directors (including the Key Directors) must approve the convening; and (b) at least one (1) Independent Director must attend the meeting or subsequently ratify the decisions of the meeting.
- (iii) **Agenda:** At least seven (7) days (or with notice of meeting in case of any board meeting convened with shorter notice) prior to each meeting of the Board or committee the Company shall circulate an agenda specifying in reasonable detail the matters to be discussed at the relevant meeting to adequately inform Directors regarding the matters to be placed before the Board and the same shall be pre-approved by at least one (1) Walmart Director so long as the Board comprises at least 1 (one) Walmart Director in accordance with Articles 2.3 and 2.4. With the consent of at least one (1) Walmart Director, the Board or committee may also consider any matter not circulated in the agenda prior to the meeting.
- (iv) **Convening Meetings of the Board:** Subject to Article 2.9(ix), any Director may, and the Secretary shall, on the requisition of a Director, summon a meeting of the Board or any committee, in accordance with the notice and other requirements set out in this Article 2.9. Subject to applicable Law and Article 2.9(ix), any Director wishing to place a matter on the agenda for any meeting of the Board may do so by communicating with the Chair sufficiently in advance of the meeting of the Board so as to permit timely dissemination of information with respect to the agenda items to all Directors.
- (v) **Quorum:** The quorum of any meeting of the Board shall be one-third of its total strength and shall include the presence of the Key Directors. Subject to the provisions of the Companies Act, if the quorum is not present within half an hour of the scheduled time of the meeting, the meeting shall stand adjourned to the same day, location and time on the following week; provided, however, that if such day is not a Business Day, the meeting shall be held on the next Business Day at the same location and time. Notwithstanding the foregoing, with the written consent of one (1) Walmart Director, such meeting may be postponed to a date, location and time that is later than the date prescribed by the previous sentence. Subject to the provisions of the Companies Act, the Directors present at such adjourned meeting shall constitute the quorum for such re-convened meeting.
- (vi) **Circular Resolution:** Subject to the provisions of the Companies Act and Article 2.9 (vii) and (ix), a resolution signed by such Directors which represent the Super Majority Directors' Consent shall be deemed to be a decision of the Board without the need for a meeting provided, however, that if at least one-third of the members of the Board require any resolution under circulation to be decided in a meeting, such a resolution shall be considered only in a meeting of the Board, convened and conducted in accordance with Articles 2.9(ii) to 2.9(v). Subject to the Companies Act, a resolution signed by a majority of the Directors who are members of a committee and are entitled to vote on the resolution shall be deemed to be a decision of the committee without the need for a meeting. Any such resolution may consist of several documents in original or electronic form, each signed by one or more Directors. The expressions "in writing" and "signed" in this Article 2.9(vi), shall include approval by any such Director by telefax or electronic/digital signature or any form of electronic communication approved by the Directors and recognized under applicable Law for such purpose from time to time incorporating, if the Board deems necessary, the use of security and/or identification procedures and devices approved by the Board.
- (vii) **Passing of Resolutions and Voting:** All decisions of the Board shall be taken by the



Super Majority Directors' Consent while any Shareholder holds Shares equivalent to or more than the Control Threshold. Provided that, where any Shareholder holds Shares equivalent to or more than the Control Threshold and if the composition of the Board reaches to the maximum capacity of fifteen (15) members, then the decisions of the Board in relation to any matter (including the Specific Board Matters) shall be taken by simple majority vote of such number of Directors who constitute the Board. If no Shareholder holds Shares equivalent to or more than the Control Threshold, then only Specified Board Matters shall require a Super Majority Directors' Consent pursuant to Article 2.5. Each Director participating in the meeting has one (1) vote.

- (viii) **PhonePe Award Matters:** The Founders shall not participate in, vote on or attempt to influence any implementation or administration of, or any decisions or discussions in relation to, the PhonePe Award, Scheme or any matters related to or contemplated therein (whether by the Board, any committee of the Board, or otherwise by the Company in any capacity). If any such matters are discussed at a meeting of the Board or any committee thereof: (a) any Founder present at such meeting shall recuse himself from: (A) the meeting itself, while such matters are under consideration, and (B) any votes or other decisions made by the Board in relation to such matters; and (b) if such meeting was quorate in accordance with Article 2.9(v) at its outset, the recusal by a Founder in accordance with this Article 2.9(viii) shall not result in the meeting no longer being quorate.
- (ix) **Other requirements:** Notwithstanding anything else in this Article 2.9, if Walmart delivers a Nomination Notice, then, until the relevant individuals identified in the Nomination Notice are appointed as Directors, the Company must ensure that no other resolutions of the Board may be passed, whether by circulation or in any Board meeting (including the meeting where that appointment is approved), and no other agenda items may be considered in any Board meeting (including the meeting where that appointment is approved), provided, however, that nothing in this Article 2.9(ix) shall preclude the Company from convening a Board meeting or preclude the Board, with the consent of a Walmart Director, from considering any matter or passing any resolution if and to the extent that the meeting must be convened, the matter must be considered or the resolution must be passed to satisfy any requirement under applicable Law. For any public offering of Equity Securities (including through a Qualified Public Offering) the Company must ensure that: (X) such public offering is approved by the Board; and (Y) the prior written consent of Walmart is obtained before the Board's approval, if the Board determines that Walmart is required to be categorized as a "promoter" under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for the purposes of such public offering.
- (x) **Legacy Consultation Right.** Each Legacy Minority Shareholder shall have the right (but not the obligation) to be consulted in advance regarding, and provide its non-binding feedback on, any Legacy Board Matters that are proposed to be discussed or considered for approval in meetings of the Board, from time to time. The receipt or non-receipt (as applicable) of any such feedback shall not condition, prevail over, restrict, defer or otherwise affect in any manner, any matters discussed, decisions taken, or resolutions passed in any Board meeting. The feedback received under this Article 2.9(x) from the Legacy Minority Shareholders shall be subject to the same standard of confidentiality that is applied, from time to time, by the Company to the minutes of Board meetings.

3. SHAREHOLDER MEETINGS AND RIGHTS

- 3.1. **Requirement to Give Notice:** An annual general meeting of the shareholders shall be held as



per the requirements of the Companies Act. Subject to the foregoing, the Board may convene an extraordinary general meeting of the shareholders whenever it deems appropriate. Save for the provisions of the Companies Act relating to matters requiring special notice, at least twenty-one (21) days' (subject to applicable Law) prior written notice of every general meeting of shareholders shall be given to all Directors, the auditors of the Company and all shareholders whose names appear on the register of members of the Company. A Shareholder holding Shares equivalent to or more than the Control Threshold shall have the right to call for an extraordinary general meeting of the shareholders by way of a requisition notice to the Board ("**Requisition Notice**") in accordance with the provisions of the Act. The Requisition Notice shall set out the matters for consideration and shall be signed by such Shareholder. Upon receipt of the Requisition Notice, the Board shall be required to call an extra-ordinary general meeting of the shareholders within seven (7) days (with such notice period as required under the Companies Act) from the date of the Requisition Notice ("**Requisition Meeting**"). A meeting of the shareholders (including a Requisition Meeting) may be called by giving shorter notice with the written consent of the shareholders subject to applicable Law. The Company shall ensure that it facilitates the ability of every shareholder to participate in a general meeting through video conference or audio-visual means by complying with the requirements of the applicable Law for every general meeting.

- 3.2. **Contents of Notice:** Each notice to shareholders shall specify the place, date and time of the meeting. Every notice convening a meeting of the shareholders shall set forth in full and sufficient detail the text of the resolutions sought to be passed thereat, the business to be transacted thereat and any other details required by applicable Law, and no business shall be transacted at such meeting unless the same has been stated in the notice convening the meeting.
- 3.3. **Quorum for General Meetings:** The quorum for a general meeting shall be the presence of at least two (2) shareholders, representing at least fifty percent (50%) of the Outstanding Shares, either in person or through an authorized representative at the commencement and throughout the duration of the meeting. If the quorum is not present within half an hour of the scheduled time of the meeting, the meeting shall stand adjourned to the same day, location and time on the following week, provided, however, that if such day is not a Business Day, the meeting shall be held on the next Business Day. If agreed to by Shareholder(s) representing at least fifty percent (50%) of the Outstanding Shares, such meeting may be postponed to a date, location and time that is later than the date prescribed by the previous sentence, subject to applicable Law. The shareholders present at such adjourned meeting shall constitute the quorum for such reconvened meeting (it being understood, however, that the foregoing shall not diminish the rights of other Shareholders under Article 3.5).
- 3.4. **Chair for General Meeting:** The Chair shall be the chair for all general meetings. The chair of a general meeting shall not have any second or casting vote. In the absence of the Chair at any meeting, the Shareholders present may elect one amongst themselves to chair the meeting in question.
- 3.5. **Minority Reserved Matters:** Notwithstanding any other provision of this Part-B of these Articles, during the Minimum Minority Ownership Period, any decision relating to any "**Minority Reserved Matter**" as specified in **Schedule 4**, shall require the written consent of the holders of the Requisite Minority Securities as of the date of such decision. Accordingly, during the Minimum Minority Ownership Period, each of the Shareholders and the Company hereby undertake and agree to not vote in favor of or adopt any resolutions for, take any action to give effect to, or enter into any commitment that relates to any Minority Reserved Matter unless the written consent of the holders of the Requisite Minority Securities as of the date of such vote, resolution, action or commitment has been obtained.
- 3.6. **Passing of Resolutions and Voting:** Except as otherwise provided herein, all resolutions of the shareholders shall, subject to any additional requirements imposed by the Companies Act, be



adopted by Shareholders holding more than fifty percent (50%) of the Outstanding Shares.

- 3.7. **Voting Obligation:** Without limiting the rights set forth in Article 5.1 to Article 5.3 and Article 5.6(ii), in any general meeting of the Company, each Minority Shareholder shall exercise all voting and other rights and powers available to such Minority Shareholder, and to take all such actions as are necessary under the Constitutional Documents, the Companies Act or otherwise, including to vote in favor of any resolution (whether an ordinary resolution or special resolution), to give effect to any resolution required to consummate a Qualified Private Financing or a Funding Transaction.

4. INFORMATION RIGHTS

- 4.1. **Reporting:** Subject to applicable Laws, the Company shall provide the following information to the following persons within the following timeframes:

- (i) to each Shareholder that holds any Shares and requests the information in writing, within sixty (60) days after the end of each quarter, an unaudited quarterly income statement for such quarter and an unaudited quarterly balance sheet as at the end of such quarter in relation to the PhonePe Group;
- (ii) to Walmart, upon written request, as soon as practicable, but in any event within thirty (30) days: (a) all information relating to the Annual Operating Plan approved in accordance with this Part-B of these Articles, the PhonePe Business, the operations, condition (financial or otherwise), results of operations, earnings, profits, taxes, assets or liabilities of the PhonePe Group or any PhonePe Group Company; (b) all information for any financial reporting obligations; and (c) any and all other information relating to the PhonePe Group or any PhonePe Group Company; and
- (iii) subject to Article 2.3, to each Shareholder having the right to appoint a Director, such information as is provided to the Directors (in their capacity as directors), unless otherwise reasonably determined by the Board.

5. ECONOMIC AND OTHER SHAREHOLDERS' RIGHTS

- 5.1. **Board control over issuances and Transfer:**

- (i) Subject to applicable Law, all issuances and Transfers of Equity Securities, including as part of a Qualified Private Financing, but excluding any Exempted Transfers, in each case, are subject to and require the approval of the Board, and may be undertaken only in accordance with this Article 5.1. All issuances and Transfers of Equity Securities (other than any Exempted Transfers) and any actions that may be undertaken by the Company or any Shareholder under this Article 5.1, are subject to the requirements of all applicable Laws, including the Exchange Control Laws and any securities Laws and any formal approval requirements therein. Each issuance of Equity Securities under this Article 5.1 must be at a price not less than FMV.
- (ii) Any purported issuance or Transfer of Equity Securities (other than an Exempted Transfer) in violation of this Article 5.1 shall be null and void ab initio and unenforceable, no right, title or interest therein or thereto shall be Transferred to the purported transferee, and the Company shall not, and shall cause any applicable PhonePe Group Company not to, record such issuance or Transfer on its books or treat any purported subscriber or transferee of such Equity Securities as the owner of such Equity Securities for any purpose. No Shareholder shall make or attempt to effect any Transfer of all or any portion of any its Equity Securities, except in accordance with this Article 5.1 or unless the Transfer is an Exempted Transfer.



- (iii) Each Shareholder undertaking an Exempted Transfer must fulfil the following obligations and shall be subject to the following conditions (*as applicable*): (a) in case of Transfer of any Equity Securities to an Affiliate as a Permitted Transferee, such Shareholder shall cause such Permitted Transferee to remain as an Affiliate for so long as such Permitted Transferee holds Shares and shall remain, obligated for, and shall be deemed to have guaranteed, the performance by any of its Permitted Transferees of its obligations under this Part-B of these Articles; and (b) upon registration of a Permitted Transferee as a holder of Shares, without prejudice to the rights available to a Shareholder under applicable Law, such Permitted Transferee shall have the rights under this Part-B of these Articles of the relevant Shareholder transferor, including any reserved matter rights, consent rights and other rights expressly granted to such Shareholder under this Part-B of these Articles (the "**Specified Rights**"), provided, however, that: (A) if such Shareholder transferor continues to own any Shares following such Transfer, then all Specified Rights of such Shareholder transferor shall instead remain with such Shareholder transferor; and (B) if a Shareholder Transfers Shares to more than one Permitted Transferee, prior to making any Transfer to a Permitted Transferee that would result in such Shareholder no longer owning any Shares, such Shareholder shall identify the particular Permitted Transferee who would be granted the Specified Rights of such Shareholder transferor. Provided, however, that this Article 5.1(iii) shall not be applicable in case of an Exempted Transfer pursuant to a Qualified Public Offering.

5.2. Pre-emption rights:

- (i) If the Company proposes to issue any Equity Securities other than any Excluded Securities (the "**Proposed Securities**"), each Shareholder and each Founder will be entitled to subscribe up to their Respective Proportion of the Proposed Securities, and the Company shall Notify each Shareholder and each Founder, describing the Proposed Securities and the number of Proposed Securities to be issued, the price and the terms and conditions upon which the Company proposes to issue the same. Each Shareholder and each Founder shall have ten (10) Business Days from the receipt of such notice to agree to subscribe for up to their Respective Proportion of the Proposed Securities (rounded to the nearest whole Proposed Security) for the price and upon the terms and conditions specified in the notice by giving written notice to the Company and stating therein the quantity of Proposed Securities to be subscribed.
- (ii) If not all of the Shareholders and each Founder elects to subscribe to their Respective Proportion of the Proposed Securities (or if any Shareholder or any Founder elects to subscribe to less than their full Respective Proportion of the Proposed Securities), then the Company shall promptly Notify the Shareholders and the Founder who elected to subscribe to their full Respective Proportion of the Proposed Securities (the "**Participating Shareholders**") in writing and shall offer to the Participating Shareholders the right to subscribe to any unsubscribed Proposed Securities (the "**Excess Proposed Securities**"). Each Participating Shareholder shall have ten (10) Business Days after receipt of such notice to Notify the Company of its election to subscribe to all or a portion of the Excess Proposed Securities and stating the quantity of such Excess Proposed Securities to be subscribed. If Participating Shareholders deliver notices electing to collectively subscribe more than the number of Excess Proposed Securities, then such Excess Proposed Securities shall be allocated *pro rata* among such Participating Shareholders (with each such Participating Shareholder's *pro rata* allocation being determined by dividing: (a) the sum of: (A) the aggregate number of Outstanding Shares held by such Participating Shareholder (other than Restricted Performance Award Shares); plus (B) the aggregate number of Ordinary Shares underlying all Specified Options held by such Participating Shareholder, if any; by (b) the sum of: (A) the total number of Outstanding Shares (other than Restricted



Performance Award Shares) held by all Participating Shareholders that have elected to purchase Excess Proposed Securities; plus (B) the aggregate number of Ordinary Shares underlying all Specified Options held by all Participating Shareholders that have elected to purchase Excess Proposed Securities, if any) (in each case rounded to the nearest whole Proposed Security). The Company shall have sixty (60) Business Days (plus a sufficient number of days to allow the expiration or termination of all applicable waiting periods (if any) under applicable antitrust Law or the receipt of all regulatory approvals, including antitrust approvals, applicable to such issue) after the expiration of such ten (10) Business Day period to issue any Excess Proposed Securities in respect of which the Participating Shareholders' rights to subscribe such Excess Proposed Securities were not exercised, at a price not lower than (and upon general terms and conditions not materially more favorable to the purchasers thereof than) that specified in the Company's notice to the Shareholders pursuant to Article 5.2(i), to any Person other than the Shareholders as part of a Qualified Private Financing. If the Company has not issued such Excess Proposed Securities within the allotted time, then the Company shall not thereafter issue any Excess Proposed Securities, without first offering such Excess Proposed Securities to the Shareholders in the manner provided above.

5.3. Qualified Public Offering:

- (i) The Company shall use all reasonable efforts to conduct the Qualified Public Offering, and to list the Ordinary Shares on one or more of the Default Stock Exchanges, on or prior to the Qualified Public Offering Due Date.
- (ii) If a Qualified Public Offering is not completed by the Qualified Public Offering Due Date, the holders of the Requisite Minority Securities shall jointly have the right to Notify the Company requiring it to take necessary steps to use all reasonable efforts to undertake a Qualified Public Offering and the listing of the Ordinary Shares held by the Minority Shareholders, on any Relevant Stock Exchange (the "QPO Demand Notice") within a period of one hundred and twenty (120) days from the date of the QPO Demand Notice. In this regard, the choice of the Relevant Stock Exchange(s), following delivery of the QPO Demand Notice, shall be determined by the Board at its sole discretion and, in the case of Relevant Stock Exchanges other than the Default Stock Exchanges, be subject to the permissibility of overseas initial public offerings and dual-listings under then applicable Indian securities Laws.
- (iii) Upon the holders of the Requisite Minority Securities Notifying the Company to undertake a Qualified Public Offering in the manner set out in Article 5.3(ii), the Qualified Public Offering undertaken by the Company under this Article 5.3, shall be through an offer for sale, or a combination of a new issue and an offer for sale, of Ordinary Shares. In such a scenario: (a) the Minority Shareholders may offer their respective shareholdings in the Company on a pro rata basis calculated on a Fully Diluted Basis; and (b) the Equity Securities offered by the Minority Shareholders shall be offered for sale in the Qualified Public Offering together with any new Shares to be issued by the Company in the Qualified Public Offering.
- (iv) If the Ordinary Shares offered by the Minority Shareholders for sale through the Qualified Public Offering exceed such number of Ordinary Shares that in the opinion of the merchant bankers/investment bankers to the issue, are appropriate considering the then market appetite and conditions, then the Minority Shareholders agree to offer their Ordinary Shares for sale through the Qualified Public Offering in their Respective Proportions.
- (v) In the event the Qualified Public Offering is consummated, all costs and expenses



relating to the Qualified Public Offering, including statutory filing and registration fees, and fees for advisors and managers to the Qualified Public Offering, but other than any underwriting discounts or commissions and any Transfer-related stamp duties or taxes, shall be borne by the Company and any selling Shareholders participating in the Qualified Public Offering in accordance with the offer agreement to be entered into in relation to such Qualified Public Offering and subject to applicable Laws. However, it is clarified that, if the Qualified Public Offering is withdrawn, abandoned, postponed or not successful or consummated or completed for any reason whatsoever, the entire cost and expenses which may have accrued up to the date of such withdrawal, abandonment, postponement or failure of the Qualified Public Offering shall be borne by the Company, unless required by the written observations issued by any Governmental Authority in relation to the Qualified Public Offering.

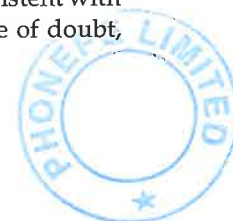
- (vi) Each Shareholder who intends to offer any of its Ordinary Shares in a Qualified Public Offering agrees to execute such agreements as may be reasonably requested by the underwriters or merchant bankers in such Qualified Public Offering.

5.4. **Restricted transfers:**

- (i) **Restriction on Transfers by the Founders:** The Founders may not directly or indirectly Transfer (or attempt to Transfer) any Founder Restricted Shares, except in a transaction that complies with this Part-B of these Articles and unless, upon completion of such transaction, the relevant Shares cease to qualify as Founder Restricted Shares.
- (ii) **Prohibited Transfers and Board Approval:** No Minority Shareholder may make or attempt to effect any Transfer of any of its Equity Securities without approval of the Board if such Transfer would or could result in the Company being treated as having more than one hundred (100) partners for purposes of US IRS Code Regulation Section 1.7704-1(h), as amended (or any successor thereto), or would otherwise result in the company being treated as a "publicly traded partnership" as defined in US IRS Code Sections 469(k)(2) or 7704(b).
- (iii) **Shareholder Anti-Liquidity Covenant:** No Shareholder shall achieve or cause to be achieved any liquidity with respect to any Equity Securities or other economic interest in any PhonePe Group Company, held directly or indirectly by it, including by creating any intermediate or Special Purpose Entity or restructuring any of its interests in any PhonePe Group Company, except through a direct Transfer of Equity Securities.
- (iv) **Regulated Indirect Transfers:** No Shareholder shall (and shall procure that none of its Affiliates shall) undertake a Regulated Indirect Transfer, without prior Notification to and the prior written consent of the Company.

5.5. **Permitted transfers**

- (i) **Right of First Offer:** Other than with respect to any ROFO Exempted Transfers, if any Shareholder (a "Selling Shareholder") intends to dispose of any of its Shares or other Equity Securities, such Selling Shareholder shall give written notice thereof (a "Sales Notice") to the Company and to each ROFO Shareholder who is not also a Selling Shareholder (each, an "Offeree Shareholder"). The Sales Notice shall set forth: (a) the type and number of Shares or other Equity Securities to be sold or Transferred (the "ROFO Securities"); (b) an invitation for each Offeree Shareholder to offer to purchase the ROFO Securities from the Selling Shareholder; and (c) any customary terms and conditions of sale of securities (based on the quantity of the ROFO Securities) upon which the Selling Shareholder proposes to sell or Transfer such ROFO Securities, which do not relate to price or valuation and do not conflict or are otherwise inconsistent with the provisions of this Part-B of these Articles (including, for the avoidance of doubt,



the remainder of Articles 5.5(i) to (vi) and Article 5.6(iii) (the "**ROFO Terms**").

(ii) **Exercise of Right of First Offer:**

- (a) Each Offeree Shareholder shall have fifteen (15) Business Days following its receipt (or deemed receipt in accordance with clause 6.8 of the SHA) of the Sales Notice to Notify the Company and the Selling Shareholder (the "**ROFO Response**"), to: (A) decline to make any offer to purchase any ROFO Securities from the Selling Shareholder; or (B) make an offer to purchase all (and not some only) of the ROFO Securities from the Selling Shareholder.
- (b) If an Offeree Shareholder elects to offer to purchase all of the ROFO Securities from the Selling Shareholder (such Offeree Shareholder, an "**Offeror ROFO Shareholder**"), the ROFO Response from the Offeror ROFO Shareholder (the "**ROFO Notice**") shall specify: (A) the price per ROFO Security offered by the Offeror ROFO Shareholder (the "**ROFO Price**") which price must satisfy any valuation requirements under Exchange Control Laws for all potential Transfer circumstances contemplated under this Article 5.5(ii)(b); (B) an acknowledgment that if the Founders exercise their rights as set forth in Article 5.5(iii) to purchase all or some of Founder ROFR Securities, then for the purposes of the relevant ROFO Acceptance Notice issued by the Selling Shareholder, the Offeror ROFO Shareholder's offer to purchase all of the ROFO Securities shall be deemed to mean an offer to purchase all of the Remaining ROFO Securities; and (C) the Offeror ROFO Shareholder's acceptance of the ROFO Terms.
- (c) If any Offeree Shareholder does not deliver a ROFO Response within fifteen (15) Business Days following its receipt (or deemed receipt in accordance with clause 6.8 of the SHA) of a Sales Notice, such Offeree Shareholder shall, in relation to such Sales Notice, be deemed to have declined to make any offer to purchase any of the relevant ROFO Securities from the relevant Selling Shareholder and, in such circumstances, the Selling Shareholder shall become entitled to solicit offers from any third party (the "**Third Party Acquirer**") to purchase all (but not some only) of the ROFO Securities (or all (but not some only) of the Remaining Offer Securities, if a Founder subsequently exercises his rights set forth in Article 5.5(iii) to purchase all or some of Founder ROFR Securities), at a price per ROFO Security that satisfies any valuation requirements under Exchange Control Laws for all potential Transfer circumstances contemplated under this Article 5.5(ii)(c) and on any other terms and conditions that are no more favourable to the Third Party Acquirer than the ROFO Terms, and in each case, subject to the provisions of Articles 5.5(iii) to 5.5(v).
- (d) No Selling Shareholder shall be bound to accept any offer to purchase the ROFO Securities made by any Offeror ROFO Shareholder in any ROFO Notice, and following its receipt (or deemed receipt in accordance with clause 6.8 of the SHA) of a ROFO Notice from an Offeror ROFO Shareholder, the Selling Shareholder shall have fifteen (15) Business Days to Notify the Company and the Offeror ROFO Shareholder, to: (A) subject to Article 5.5(iii), fully, irrevocably and unconditionally accept the offer made by the Offeror ROFO Shareholder (a "**ROFO Acceptance Notice**"); or (B) reject the offer (a "**ROFO Rejection Notice**"), made by the Offeror ROFO Shareholder as set forth in its ROFO Notice, provided that if the Selling Shareholder receives more than one (1) ROFO Notice, such Selling Shareholder may only accept the offer from the Offeror ROFO Shareholder who has offered the highest relative ROFO Price in



its ROFO Notice. If the Selling Shareholder does not deliver a ROFO Acceptance Notice or ROFO Rejection Notice within fifteen (15) Business Days following its receipt (or deemed receipt in accordance with clause 6.8 of the SHA) of a ROFO Notice, the Selling Shareholder shall be deemed to have declined the offer made by the Offeror ROFO Shareholder as set forth in its issued ROFO Notice.

- (e) If the Selling Shareholder: (A) issues a ROFO Rejection Notice in respect of all the ROFO Notices received; or (B) is deemed to have, pursuant to Article 5.5(ii)(d), rejected all of the ROFO Notices received, the Selling Shareholder shall become entitled to solicit offers from any Third Party Acquirer to purchase all (but not some only) of the ROFO Securities (or all (but not some only) of the Remaining Offer Securities, if a Founder subsequently exercises his rights set forth in Article 5.5(iii) to purchase all or some of the Founder ROFR Securities), at a price per ROFO Security that is greater than the ROFO Price and on any other terms and conditions that are no more favourable to the Third Party Acquirer than the ROFO Terms, and in each case, subject to the provisions of Articles 5.5(iii) to (v).

(iii) **Founder's ROFR:**

- (a) Notwithstanding anything to the contrary in Article 5.5(ii), if: (A) a Selling Shareholder accepts an offer from an Offeror ROFO Shareholder, or (B) receives a bona fide written offer from a Third Party Acquirer to purchase any ROFO Securities (which offer shall only contain customary non-financial conditions), the Selling Shareholder must Notify to the Company, each Founder (the "**Founder ROFR Notice**"), setting forth: (A) the name and other material particulars of the relevant Offeror ROFO Shareholder or Third Party Acquirer (as applicable); (B) the aggregate number of the ROFO Securities proposed to be sold or Transferred to the Offeror ROFO Shareholder or Third Party Acquirer (as applicable); (C) the ROFO Price or the price per ROFO Security offered by the Third Party Acquirer (as applicable) (the "**Founder ROFR Price**"), which price must satisfy any valuation requirements under Exchange Control Laws for all potential Transfer circumstances contemplated under this Article 5.5(iii); and (D) complete particulars of: (I) the ROFO Terms; or (II) any material terms (including all indemnification and escrow/holdback terms) and conditions that are no more favourable to the Third Party Acquirer than ROFO Terms, upon which the Selling Shareholder proposes to sell or Transfer the ROFO Securities to the Third Party Acquirer (as applicable), including a copy of the ROFO Notice or the written offer made to the Selling Shareholder by the Third Party Acquirer (as applicable).
- (b) Each Founder shall respectively have five (5) Business Days following their receipt (or deemed receipt in accordance with clause 6.8 of the SHA) of a Founder ROFR Notice (the "**ROFR Deadline**") to elect to purchase some or all of the ROFO Securities for the price and upon the terms and conditions as specified in the Founder ROFR Notice by Notifying to the Selling Shareholder (a "**ROFR Acceptance Notice**") specifying the quantity of the ROFO Securities that he wishes to purchase, provided that such quantity cannot exceed the Founder ROFR Cap (the "**Founder ROFR Securities**"). In relation to the remaining quantity of ROFO Securities proposed to be sold or Transferred by the Selling Shareholder to the relevant Offeror ROFO Shareholder or Third Party Acquirer (as applicable) (such quantity determined as the difference between the aggregate number of ROFO Securities specified in the Founder ROFR Notice less the aggregate number of the Founder ROFR Securities) (the



"Remaining ROFO Securities"), the provisions of Article 5.5(iv) shall apply. Subject to Article 5.5(iii)(c) below, each Founder can elect to purchase any number of Founder ROFR Securities up to the Founder ROFR Cap.

- (c) If both Founders elect to exercise their respective right to purchase the ROFO Securities pursuant to Article 5.5(iii)(b) and the aggregate quantity of Shares or other Equity Securities elected to be purchased by the Founders exceeds the ROFO Cap, then the Founder ROFR Securities shall be allocated pro rata among the Founders (with each Founder's pro rata allocation being determined by dividing: (A) the sum of: (I) the aggregate number of Outstanding Shares held by such Founder (other than Restricted Performance Award Shares) as of the date of the Sales Notice; plus (II) the aggregate number of Ordinary Shares underlying all Specified Options held by such Founder as of the date of the Sales Notice, if any; by (B) the sum of: (I) the total number of Outstanding Shares held by the Founders collectively (other than Restricted Performance Award Shares) as of the date of the Sales Notice; plus (II) the aggregate number of Ordinary Shares underlying all Specified Options held by the Founders as of the date of the Sales Notice, if any), in each case rounded to the nearest whole ROFR Security. Settlement for each such purchase shall be made within thirty (30) Business Days (plus a sufficient number of days to allow the expiration or termination of all applicable waiting periods (if any) under applicable antitrust Law or the receipt of all regulatory approvals, including antitrust approvals, applicable to such Transfer) of the date of the ROFR Acceptance Notice at such place and time as may be agreed upon by the Selling Shareholder and the applicable Founder, or, failing agreement, at 3:00 pm, Indian standard time, on the last day of such period at the principal executive office of the Company. Subject to the Exchange Control Laws, if the nature of any portion of the proposed consideration to be received by the Selling Shareholder in the transaction is other than cash, the Founders shall have the option of substituting therefor cash equal to the fair equivalent value of such proposed consideration (which price must satisfy any valuation requirements under Exchange Control Laws for all potential Transfer circumstances contemplated under Article 5.5(iii)(b) and this Article 5.5(iii)(c)).
- (iv) **Procedure of Transfer of ROFO Securities:** If: (a) both Founders do not, within the allotted time, exercise their rights set forth in Article 5.5(iii) to purchase all or some of the Founder ROFR Securities; or (b) either or both Founders exercises their rights set forth in Article 5.5(iii) to purchase all or some of the Founder ROFR Securities, the Selling Shareholder shall, subject to Article 5.5(v) and the restrictions on Transfer set forth in Article 5.4(ii) and elsewhere in this Part-B of these Articles, have sixty (60) days (plus a sufficient number of days to allow the expiration or termination of all applicable waiting periods (if any) under applicable antitrust Law and/or the receipt of all regulatory approvals, including antitrust approvals but excluding any approvals under Press Note 3 for which the allotted time of sixty (60) days shall not be deemed to be extended, applicable to such Transfer, if any) following the ROFR Deadline to sell or otherwise Transfer all (but not some only) of the ROFO Securities or the Remaining ROFO Securities (as applicable) to the relevant Offeror ROFO Shareholder or Third Party Acquirer (as applicable). If: (a) the price or terms of such sale or Transfer become more favourable to such Offeror ROFO Shareholder or Third Party Acquirer (as applicable) than the ROFO Terms or otherwise change in any respect (other than an immaterial aspect); or (b) the Selling Shareholder fails, within the allotted time, to sell or Transfer the ROFO Securities or the Remaining ROFO Securities (as applicable) to such Offeror ROFO Shareholder or Third Party Acquirer (as applicable), then such Selling Shareholder shall not sell or Transfer any Shares or other Equity Securities (other than through a ROFO Exempted Transfer) without first complying again with



Articles 5.5(i) to 5.5(iv).

(v) **Co-sale Right:**

- (a) If the Selling Shareholder is Walmart and the ROFO Securities (when taken together with any relevant Equity Securities Transferred by Walmart, following the processes set forth in Articles 5.5(i) to 5.5(iv), during the six (6) months prior to the date of the Sales Notice) constitute at least one percent (1%) of the Outstanding Shares on the date of the Sales Notice, Walmart shall Notify each Minority Shareholder, each Founder (a **"Walmart Notice"**), with a copy to the Company, informing each Minority Shareholder, each Founder (subject to Article 5.4(i)), in each case (other than any Offeror ROFO Shareholder that has exercised its rights under Article 5.5(ii) and any Founder who has exercised its rights under Article 5.5(iii)) (each, a **"Non-Purchasing Shareholder"**) that it and its Permitted Transferees have the right, exercisable upon Notification to Walmart (a **"Co-Sale Notice"**), with a copy to the Company, within sixty (60) days after the date of the Walmart Notice, to participate in such sale or Transfer of ROFO Securities by Walmart, by selling or Transferring the same type of Equity Securities (the **"Equivalent Equity Securities"**) held by the Non-Purchasing Shareholder to the person (whether a Third Party Acquirer or Offeror ROFO Shareholder) acquiring the ROFO Securities from Walmart (the **"Walmart Acquirer"**) on either the ROFO Terms (if the Walmart Acquirer is an Offeror ROFO Shareholder) or such other terms and conditions that are no more favourable than the ROFO Terms (if the Walmart Acquirer is a Third Party Acquirer). Such Non-Purchasing Shareholder's Co-Sale Notice shall indicate the number of Equivalent Equity Securities (up to that number determined in Article 5.5(v)(b)) such Non-Purchasing Shareholder wishes to sell. To the extent one or more Non-Purchasing Shareholders exercise such right to sell Equivalent Equity Securities pursuant to a Co-Sale Notice, the number of ROFO Securities that Walmart may sell in the transaction shall be correspondingly reduced as set forth in Article 5.5(v)(b). For the avoidance of doubt, there shall be no obligation to comply with the procedures in Articles 5.5(i) to 5.5(iv) with respect to the Transfer of Equivalent Equity Securities by a Non-Purchasing Shareholder pursuant to this Article 5.5(v).
- (b) Subject to Article 5.4(i), each Non-Purchasing Shareholder may sell all or any part of that number of Equivalent Equity Securities or ROFO Securities, as the case may be, equal to the product (rounded to the nearest whole Equity Securities) obtained by multiplying: (A) the sum of the aggregate number of ROFO Securities and the aggregate number of the relevant Equity Securities that were Transferred by Walmart, following the processes set forth in Articles 5.5(i) to 5.5(iv), during the six (6) months prior to the date of the Sales Notice; by (B) a fraction: (I) the numerator of which is the sum of: (x) the total number of Outstanding Shares held by such Non-Purchasing Shareholder (other than Restricted Performance Award Shares), as the case may be, as of the date of the Sales Notice; plus (y) in the case of such Non-Purchasing Shareholder who is a Founder, the number of Ordinary Shares subject to the Specified Options held by such Founder as of the date of the Sales Notice (if any); and (II) the denominator of which is the sum of: (x) the total number of Outstanding Shares held collectively by all Non-Purchasing Shareholders and Walmart (other than Restricted Performance Award Shares) as of the date of the Sales Notice; plus (y) the aggregate number of Ordinary Shares underlying all Specified Options held by all Non-Purchasing Shareholders and Walmart as of the date of the Sales Notice (if any).



- (c) The Transfer of Equity Securities by Walmart and the Non-Purchasing Shareholder(s) shall be carried out simultaneously. To the extent that the Walmart Acquirer prohibits such assignment or otherwise refuses to purchase the Equivalent Equity Securities from any Non-Purchasing Shareholder in the exercise of its rights of co-sale hereunder, Walmart shall not sell to the Walmart Acquirer any ROFO Securities unless and until, simultaneously with such sale, Walmart shall purchase that number of Equivalent Equity Securities from such Non-Purchasing Shareholder that such Non-Purchasing Shareholder elects to sell pursuant to this Article 5.5(v) in accordance with the terms and conditions specified herein. For the avoidance of doubt, Walmart, in exercising rights under Article 5.5(iv), shall not refuse to purchase Equivalent Equity Securities from a Non-Purchasing Shareholder.
- (vi) **Change of Control Liquidity Right:** In the event of a proposed sale of Shares by Walmart to a prospective buyer or prospective buyers following which Walmart, together with its Affiliates, would no longer continue to: (a) hold more than fifty percent (50%) of the Outstanding Shares; or (b) have the right to elect a majority of the Board, in each case, other than in a Drag-Along Sale (a **"Change of Control Sale"**), each Minority Shareholder, each Founder and their Permitted Transferees may, subject to Article 5.4(i), sell all (but not less than all) of the Shares held by it to the prospective buyer or buyers in connection with such Change of Control Sale on the same terms and conditions as Walmart is proposing to sell its Shares in such Change of Control Sale. The rights of the Minority Shareholders and the Founders under this Article 5.5(vi) shall be in addition to, and not in lieu of, the rights of the Minority Shareholders and the Founders under Article 5.5(v). It is clarified that this Article shall not be applicable in case of a Qualified Public Offering.
- (vii) **Drag-along Sale:**
- (a) If a Deemed Sale Event is approved by Walmart (such approved Deemed Sale Event, a **"Drag-Along Sale"**), then Walmart shall have the right (the **"Drag-Right"**), but not the obligation, to cause each other Shareholder, each Founder that is not a Shareholder, and each other Shareholder, each Founder hereby agrees: (A) to sell all or the Drag-Along Percentage of all of the Shares and other Equity Securities in the Company beneficially held by such Shareholder or Founder to the Person(s) to whom Walmart proposes to sell their Shares in the Drag-Along Sale (the **"Drag-Along Purchaser"**); and (B) otherwise participate in such Deemed Sale Event as reasonably requested by Walmart, in each case on the same terms (including escrow, holdback and indemnification terms) and conditions as Walmart is prepared to accept from the Drag-Along Purchaser and in the manner and to the extent set forth in this Article 5.5(vii) and Article 5.6(iii) provided, however, that the Drag-Right may not be invoked in connection with any Deemed Sale Event where the proposed purchaser is an Affiliate of Walmart. A Dragged Shareholder will not be required to comply with this Article 5.5(vii)(a) or Article 5.6(iii) in connection with any proposed Drag-Along Sale (regardless of whether such Drag-Along Sale occurs during the Minimum Minority Ownership Period), unless the additional conditions set out in paragraph A of **Schedule 5** are satisfied.
- (b) Walmart may exercise its rights with respect to a Drag-Along Sale by Notifying (the **"Drag-Along Notice"**) each other Shareholder and each Founder that is not a Shareholder (each such Shareholder and Founder, a **"Dragged Shareholder"**) and the Company setting forth the terms of the proposed Drag-



Along Sale. The Drag-Along Notice shall specify: (A) the proposed valuation of the Company and the offer price for the applicable Equity Securities in the Drag-Along Sale (which price must satisfy: (I) any valuation requirements under Exchange Control Laws; and (II) the requirements as specified in paragraph A(i) of **Schedule 5**, for all potential Transfer circumstances contemplated under this Article 5.5(vii)(b)) (the “**Drag-Along Offer Price**”); (B) the percentage of the Outstanding Shares that are being acquired by the Drag-Along Purchaser in the Drag-Along Sale (the “**Drag-Along Percentage**”); (C) the identity and address of the Drag-Along Purchaser; and (D) the proposed date, time and venue for the conclusion of the Drag-Along Sale. Upon delivery of a Drag-Along Notice to the Company, the Company shall subject to the Exchange Control Laws, take such actions as are necessary to accomplish the Drag-Along Sale specified therein as soon as reasonably practicable. A Drag-Along Notice shall be revocable by Walmart by written notice to the Company and the Dragged Shareholders, at any time before the completion of the Drag-Along Sale, and any such revocation shall not prohibit Walmart from exercising Drag-Rights at any time in the future.

- (c) If the Drag-Along Sale includes a sale of Equity Securities of the Company and any Dragged Shareholder fails to comply with such Dragged Shareholder’s obligations under this Article 5.5(vii) or Article 5.6(iii), then, subject to receipt of all applicable consents, approvals or authorizations under Exchange Control Laws, there may be deposited into an escrow account established for such purpose the consideration payable to such Dragged Shareholder in connection with the Drag-Along Sale for Equity Securities of the Company held by such Dragged Shareholder, whereupon all such Equity Securities held by such Dragged Shareholder shall be deemed to have been sold or Transferred in the Drag-Along Sale without further action by any Person, and the rights of such Dragged Shareholder in respect of such Equity Securities after such deposit shall be limited to receiving such consideration (subject to reduction, from time to time, in accordance with the terms of the transaction, including, if applicable, reduction as a result of indemnification claims made by the Drag-Along Purchaser) upon presentation and surrender by such Dragged Shareholder of: (A) the certificates or other documents representing such Dragged Shareholder’s Equity Securities, duly endorsed for transfer; and (B) any other agreements, documents and instruments required to be executed and delivered by such Dragged Shareholder under this Article 5.5(vii) or Article 5.6(iii) in connection with the Drag-Along Sale. For the avoidance of doubt, if any Dragged Shareholder fails to comply with such Dragged Shareholder’s obligations under this Article 5.5(vii) or Article 5.6(iii), the Drag-Along Purchaser may elect, in its sole discretion, to effect the acquisition of the Equity Securities held by Dragged Shareholders who comply with this Article 5.5(vii) and Article 5.6(iii) in lieu of, prior to or concurrent with effecting the Transfer of the Shares held by such non-complying Dragged Shareholder in accordance with the immediately preceding sentence. In furtherance of the rights of Walmart and the obligations of each other Dragged Shareholder under this Article 5.5(vii) and Article 5.6(iii), each Dragged Shareholder (except, in the case of sub-articles (A) and (B) below, Headstand) hereby: (A) irrevocably appoints Walmart as its agent and attorney-in-fact (with full power of substitution) to execute all agreements, instruments and certificates and take all actions necessary or desirable to perform such Dragged Shareholder’s obligations under this Article 5.5(vii) and Article 5.6(iii); (B) grants Walmart an irrevocable, durable proxy which the Dragged Shareholder acknowledges is coupled with a sufficient interest)



to vote, or act by written resolution in respect of, the Shares held by such Dragged Shareholder in accordance with such Dragged Shareholder's voting obligations under this Article 5.5(vii) and Article 5.6(iii); and (C) agrees to take such further action or execute such other documents and instruments as may be necessary or desirable to effectuate the provisions of this Article 5.5(vii)(c). The exercise by any Person of any remedies pursuant to this Article 5.5(vii)(c) shall not be deemed to waive, limit or cure the applicable Dragged Shareholder's breach of the provisions of this Article 5.5(vii) or Article 5.6(iii), and all rights and remedies of any Person in respect of such breach shall be preserved.

5.6. GENERAL PROVISIONS

(i) Deed of Accession:

The Company shall not register a Person (who at the time of registration is not a Shareholder) as a holder of Shares pursuant to a Transfer of Shares or otherwise (including any Permitted Transfer and any Transfer effected pursuant to Articles 5.5(i) to (vi) or Article 5.5(vii)) unless that Person has become a Party to and is bound by all of the provisions of the SHA by execution and delivery of a Deed of Accession, and the execution and delivery of such Deed of Accession by such Person shall be a condition precedent to the effectiveness of any such issuance or Transfer. Provided, however, that this Article 5.6(i) shall not be applicable in case of a Transfer pursuant to a Qualified Public Offering.

(ii) Assignment:

Subject to the restrictions set forth in Article 5.1, Shareholders shall be entitled to assign in whole or in part the right to subscribe to Equity Securities of the Company to their respective Affiliate(s), provided that: (a) at the time of issuance of such Equity Securities, each such Affiliate shall have executed a Deed of Accession agreeing to be bound by the terms of the SHA; and (b) such Shareholder shall cause such Affiliate to remain as an Affiliate for so long as such Affiliate holds such Equity Securities. Each Shareholder that assigns rights to an Affiliate under this Article 5.6(ii) is, and shall remain, obligated for, and shall be deemed to have guaranteed, the performance by such Affiliate of such Affiliate's obligations under this Part-B of these Articles.

(iii) Transfer of Equity Securities:

In the event that any Shareholder Transfers Shares or other Equity Securities pursuant to Article 5.5, the following shall apply:

- (a) subject to any contrary agreement between the parties to the Transfer, such Shareholder shall be required to make, subject to approvals required and disclosures required by applicable Law, the representations and warranties set out in paragraph B of **Schedule 5**;
- (b) such Shareholder shall, and in connection with any Drag-Along Sale, such Dragged Shareholder shall undertake the actions or otherwise comply with the requirements set out in paragraph C of **Schedule 5**;
- (c) the closing consideration in connection with such Transfer of Equity Securities or other Drag-Along Sale will be determined in accordance with paragraph D of **Schedule 5**; and



- (d) the limitations of liability of the relevant Shareholders will be determined in accordance with paragraph E of **Schedule 5**.

(iv) **Dividend to Founders:**

Notwithstanding anything to the contrary in the Constitutional Documents or the SHA, neither of the Founders shall be entitled to receive any dividends or distributions (including a distribution in kind) declared by the Company in respect of, or otherwise payable on, any Shares held by the Founder that are Founder Restricted Shares. Each of the Founders hereby: (a) assigns his respective rights to receive such dividends or distributions to Walmart; (b) directs the Company to make any dividend payment (or other distribution) to which the Founders would otherwise be entitled, to Walmart; and (c) agrees to take all actions as may be necessary (in Walmart's reasonable opinion) to effect such assignment. The completion of any assignment, payment, or any other action in respect of a dividend payment under this Article 5.6(iv) will be subject to any applicable consent, approval or authorization of a Governmental Authority or other requirement of applicable Law, and the Founders undertakes to use its best endeavours to obtain all necessary consents, approvals and/or authorizations to effect an assignment or payment in accordance with this Article 5.6(iv), and, in this regard, Walmart shall provide all reasonable cooperation that the Founders may request (including providing any information and documentation reasonably necessary to effect such assignment or payment).

(v) **Other Covenants:**

- (a) **Tax and other matters:** The provisions of paragraphs A and B of Schedule 6 of Part B of these Articles will apply with regard to certain tax and other matters and that the Company and the Shareholders will be entitled to their respective rights, shall comply with their respective obligations and shall grant or issue the relevant consents and acknowledgements, as set out therein.
- (b) **Policies and procedures:** The Company shall ensure compliance with, and ensure each PhonePe Group Company complies with paragraph C of Schedule 6 of Part B of these Articles in the manner contemplated therein.
- (c) **ABAC Laws, Money Laundering Laws and Sanctions:** With regard to the Applicable ABAC Laws, Applicable Money Laundering Laws and Sanctions, the Company shall comply (and, where applicable, procure compliance) with the requirements set out in paragraph D of Schedule 6 of Part B of these Articles.

6. DISPUTE

Any dispute, controversy or claim arising out of, relating to, or in connection with, Part B of these Articles, or the breach, termination or validity hereof, shall, subject to applicable Law, be subject to and settled in accordance with clause 6.13 of the SHA.

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SCHEDULE 1

DEFINITIONS

"1.3X Average Acquisition Cost" has the meaning given in the SHA;

"Accredited Investor" has the meaning assigned to such term under Rule 501 of Regulation D of the Securities Act;

"Affiliate" means:

- (d) in relation to a natural person: the spouse, parent, sibling or child (including a step parent, step sibling and step child) of such person (all of the foregoing collectively referred to as "family members"), or any trustee of any family trust created for estate planning purposes and solely for the benefit of such natural person or any of his family members, or any Entity Controlled by such natural person;
- (e) in relation to any Entity: any Person that Controls, is Controlled by, or is under common Control with, such Entity; and
- (f) in relation to an investment fund or private fund, shall also include any other investment fund or private fund under common Control with such fund or managed by the manager of such investment fund or private fund (it being understood, however, that, for the avoidance of doubt, an Entity in which such investment fund or private fund has merely made an investment shall not be deemed to be an Affiliate of such investment fund or private fund, solely as a result of such investment);

provided, however, that no PhonePe Group Company shall be considered an Affiliate of a Shareholder for the purposes of this Part-B of these Articles. For the avoidance of doubt, any Person will only be considered an Affiliate for so long as such Person continues to meet the requirements of the definition of "Affiliate" as aforesaid;

"Annual Operating Plan" means the annual operating plan for the PhonePe Group prepared for each Financial Year;

"Applicable ABAC Laws" means any anti-bribery or anti-corruption Laws (including Laws that prohibit the corrupt payment, giving, offer, promise or authorization of the unlawful payment or transfer of anything of value (including gifts or entertainment), directly or indirectly, to any Government Official, commercial entity or any other Person to obtain a business advantage) applicable to the PhonePe Group and its operations, as well as the Shareholders, the Founders and their operations in connection with the PhonePe Group, from time to time, including, the (Indian) Prevention of Corruption Act 1988 and, to the extent applicable: (a) the US Foreign Corrupt Practices Act of 1977; and (b) the UK Bribery Act of 2010, in each case as amended from time to time;

"Applicable Money Laundering Laws" means the Laws applying to any PhonePe Group Company (which shall be deemed to include the Laws of India and, to the extent applicable to the relevant PhonePe Group Company, the Laws of the US) prohibiting money laundering and similar activities;

"Articles" means the articles of association of the Company, as amended from time to time;

"Asset Sale" means: (a) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by any PhonePe Group Company of all or substantially all of the assets or intellectual property rights of the PhonePe Group taken as a whole; or (b) the sale,



transfer or other disposition (whether by sale of shares, merger, consolidation, amalgamation, scheme of arrangement or otherwise) of one or more PhonePe Group Companies if substantially all of the assets or intellectual property rights of the PhonePe Group taken as a whole are held by such PhonePe Group Company or PhonePe Group Companies, except, in the case of each of paragraphs (a) and (b) above, where such sale, lease, transfer, exclusive license or other disposition is to one or more PhonePe Group Companies;

"Average Acquisition Cost" has the meaning given in the SHA;

"Board" means the board of directors of the Company;

"Business Day" means any day on which banks in: (a) the State of New York, US; (b) Singapore; and (c) Bengaluru, India, are open for general banking operations;

"Chair" means the Director appointed as the chair of the Board;

"Change of Control Sale" has the meaning given in Article 5.5(vi);

"Co-Sale Notice" has the meaning given in Article 5.5(v)(a);

"Companies Act" means the (Indian) Companies Act, 2013 and all rules, regulations, notifications, circulars and other subordinate legislation issued thereunder from time to time or any other statutory modification or re-enactment thereof;

"Completion Date" means 19 January, 2023;

"Constitutional Documents" means, collectively, the Memorandum and the Articles, and

"Constitutional Document" means any of them;

"Contract" means any written, oral or other agreement, contract, license, sublicense, subcontract, settlement agreement, deed, lease, indenture, understanding, arrangement, instrument, note, loan, purchase order, warranty, insurance policy, benefit plan or legally binding commitment or undertaking of any nature;

"Control" (including, with its correlative meanings, the terms **"Controlling"**, **"Controlled by"** and **"under common Control with"**) means:

- (a) a holding of a direct or indirect interest in the majority of the equity, voting, beneficial or financial interests of the relevant Entity;
- (b) a holding of the direct or indirect right to appoint or remove a majority of the board of directors or members of an equivalent management body of the relevant Entity;
- (c) the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of the relevant Entity; or
- (d) being a shareholder or member of the relevant Entity and controlling jointly, pursuant to a Contract with other shareholders or members or otherwise, a majority of the voting rights in the Entity;

"Control Threshold" has the meaning given in Article 2.2;

"Deed of Accession" means a deed of accession in substantially the form set out in **Exhibit A** of the



SHA, or such other form as approved by the Board;

“Deemed Sale Event” means:

- (a) the acquisition of greater than fifty percent (50%) of the Company’s issued and outstanding voting securities by means of any transaction or series of related transactions (including any share purchase, business combination, reorganization, merger, consolidation, amalgamation or scheme of arrangement) but excluding any such transaction or series of related transactions where holders of the Company’s issued and outstanding voting securities immediately prior to the consummation of such transaction or series of related transactions hold, directly or indirectly, immediately following the consummation of such transaction or series of related transactions, greater than fifty percent (50%) of the issued and outstanding voting securities of the surviving corporation or resulting entity; or
- (b) an Asset Sale;

“Default Stock Exchanges” means (collectively) the following stock exchanges: (a) BSE Ltd; and (b) the National Stock Exchange of India Limited;

“Directors” means the directors of the Company from time to time, and **“Director”** means any of them;

“Drag-Along Notice” has the meaning given in Article 5.5(vii)(b);

“Drag-Along Offer Price” has the meaning given in Article 5.5(vii)(b);

“Drag-Along Percentage” has the meaning given in Article 5.5(vii)(b);

“Drag-Along Purchaser” has the meaning given in Article 5.5(vii)(a);

“Drag-Along Sale” has the meaning given in Article 5.5(vii)(a);

“Drag-Right” has the meaning given in Article 5.5(vii)(a);

“Dragged Shareholder” has the meaning given in Article 5.5(vii)(b);

“Dragged Shareholder Securities” has the meaning given in paragraph A(i) of Schedule 5;

“email” has the meaning given in paragraph 13 of Schedule 2;

“Employment Condition” has the meaning given in Article 2.3(A);

“Entity” means any corporation (including any non-profit corporation or other body corporate), general partnership, limited partnership, limited liability partnership, joint venture, estate, trust, business trust, company (including any limited liability company or joint stock company), firm or other enterprise, association, organization or entity;

“Equity Securities” means: (a) any Shares or other equity securities of any PhonePe Group Company; or (b) any security, right, option, warrant, appreciation right or instrument (including debt instrument) that is exercisable for, convertible into, exchangeable for, or entitles the holder to acquire or receive, with or without consideration, any Shares or other equity securities (including any option to purchase or rights to subscribe for such a convertible or exchangeable security) of any PhonePe Group Company;

“Equivalent Equity Securities” has the meaning given in Article 5.5(v)(a);



“EU” means the European Union;

“Exempted Transfers” means any of the following:

- (a) Transfers of Shares that constitute Permitted Transfers;
- (b) for the purposes of Article 5.1(i), means any Transfers of Shares by Shareholders in a Qualified Public Offering; or
- (c) any other repurchase by the Company of Equity Securities granted, issued or awarded to employees (including officers) or directors of, or consultants, advisors or service providers to, any PhonePe Group Company under any equity incentive plan or other benefit plan or agreement in each case as bona fide compensatory arrangements approved by the Board or any committee thereof to which such authority has been properly delegated (including Equity Securities issued pursuant to the exercise of such Equity Securities);

“Excess Proposed Securities” has the meaning given in Article 5.2(ii);

“Exchange Control Laws” means the (Indian) Foreign Exchange Management Act, 1999, including all regulations, rules, notifications, circulars, guidelines and other subordinate legislation issued thereunder, in each case, from time to time;

“Excluded Securities” means any of the following:

- (a) any Equity Security granted, issued or awarded to employees under any equity incentive plan previously approved by the Board;
- (b) any Equity Security issued in a Qualified Public Offering;
- (c) any Equity Security issued in connection with a Drag-Along Sale;
- (d) any Ordinary Shares issued upon the exercise of: (i) any stock options outstanding as of the date of the SHA (or the date of the Scheme); or (ii) any stock options into which any options to purchase shares of Walmart held by service providers of a PhonePe Group Company are converted following the date of the SHA;
- (e) any Equity Securities issued as consideration in connection with: (i) any acquisition by any PhonePe Group Company of any equity securities, business or assets of; (ii) any business combination, joint venture, license agreement or similar commercial transaction with; or (iii) the receipt of services from, any other Person, in any transaction approved in accordance with Article 2.5 and Article 3.5, as applicable;
- (f) any Equity Securities issued or granted as an inducement to a lender in connection with any bona fide debt financing, equipment leasing or real property leasing transactions approved in accordance with Article 2.5 and Article 3.5, as applicable;
- (g) any Equity Securities issued in connection with any consolidation or sub-division of Shares (share-splits and reverse share-splits), share dividend, reorganization or recapitalization by the Company approved in accordance with Article 2.5 and Article 3.5, as applicable;
- (h) any Equity Securities with respect to the issuance of which the application of Articles 5.1 to 5.3 and Article 5.6(ii) have been waived in writing by Walmart and holders of the Requisite Minority Securities, notwithstanding the fact that certain Shareholders and the Founders may nonetheless, by agreement with the Company, subscribe to such Equity Securities; and



- (i) any Equity Securities with respect to the issuance of which the application of Articles 5.1 to 5.3 and Article 5.6(ii) have been waived in writing by Walmart and holders of the Requisite Minority Securities (or, in the case of any Funding Transaction or other issuance of Equity Securities that is not a Qualified Private Financing and in which Walmart is participating, holders of sixty percent (60%) of the aggregate number of Outstanding Shares held by the Minority Shareholders as of the date of such waiver), notwithstanding the fact that, subject to clause 6.9(i)(d) of the SHA, certain Shareholders may nonetheless, by agreement with the Company, purchase such Equity Securities;

"Financial Year" means the financial year of the Company as determined under the Companies Act;

"FMV" means the fair market value of the Equity Securities that shall be determined in accordance with the following principles, in each case, in accordance with any applicable pricing requirements under the Exchange Control Laws and all such determination of fair market value of the Equity Securities shall be:

- (a) undertaken by the Board;
- (b) take into account, discounted cash flow and industry comparables valuation methods; and
- (c) be based on the following assumptions:
 - (i) the sale is at arm's length between a willing seller and willing purchaser, in each case, that are not under any compulsion to buy or sell, with both parties having reasonable knowledge of the relevant facts;
 - (ii) the fair market value of the Company would be determined without taking any control premium into account;
 - (iii) the PhonePe Group is then carrying on business as a going concern, and that it will continue to do so;
 - (iv) the Equity Securities are capable of being transferred without restriction; and
 - (v) the value of each Equity Securities is a ratable proportion of the total value of all of the Equity Security determined on a Fully Diluted Basis, discounted by the existence of a control block;

"Founder Conditions" has the meaning given in Article 2.3;

"Founder Director" has the meaning given in Article 2.3;

"Founder Ownership Condition" has the meaning given in Article 2.3(B);

"Founder Restricted Shares" means, as of any date in respect of a Founder, such Founder's Restricted Performance Award Shares and Restricted Time Award Shares as of such date;

"Founder ROFR Cap" has the meaning given in the SHA;

"Founder ROFR Notice" has the meaning given in Article 5.5(iii)(a);

"Founder ROFR Price" has the meaning given in Article 5.5(iii)(a);



"Founder ROFR Securities" has the meaning given in Article 5.5(iii)(b);

"Founders" means: (i) Sameer Nigam, a citizen of India; and (ii) Rahul Chari, a citizen of India, and **"Founder"** means any of them;

"Fully Diluted Basis" means determined assuming all Equity Securities of the Company (including the stock options and other equity awards of the Company issued and reserved for issuance under any equity compensation plan or scheme, by whatever name called, and all warrants of the Company) existing at the time of determination have been exercised or converted into Ordinary Shares;

"Funding Transaction" means the issuance solely to Walmart (and any existing Shareholders exercising rights pursuant to Articles 5.1 to 5.3 and Article 5.6(ii)) by the Company of newly-issued Ordinary Shares at no less than FMV and without any rights or preferences other than those conferred on Ordinary Shares in order to fund the capital requirements of the PhonePe Group contemplated in the Annual Operating Plan approved in accordance with the SHA and with respect to which preemptive rights are available pursuant to Articles 5.1 to 5.3 and Article 5.6(ii);

"Government Official" means: (a) an officer or employee of any national, regional, local or other component of a Governmental Authority; (b) a director, officer or employee of any entity in which a Governmental Authority or component of a Governmental Authority possesses a majority or controlling interest; (c) a candidate for public office; (d) a political party and political party official; (e) an officer or employee of a public international organization; and (f) an individual who is acting in an official capacity for any Governmental Authority, component of a Governmental Authority, political party or public international organization, even if such individual is acting in that capacity temporarily and without compensation;

"Governmental Authority" means any: (a) multinational or supranational body exercising legislative, judicial or regulatory powers; (b) nation, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (c) federal, state, local, municipal, foreign or other government; or (d) governmental or quasi-governmental, statutory or quasi-statutory or regulatory authority of any nature (including any division, department, corporation, authority, agency, commission, instrumentality, official, organization, unit, body or entity, any court or other tribunal, taxing authority, stock exchange, public international organization, or other body entitled to exercise executive power or power of any nature);

"Headstand" means Headstand Pte. Ltd. (formerly known as PhonePe Private Limited (Singapore)), a company incorporated under the laws of Singapore with company registration number 201222649R;

"Indemnification Agreement" means an agreement be executed in each case amongst the Company on the one hand, and each Director and their respective alternate directors (if any), on the other hand;

"Independent Director" means an individual who satisfies the eligibility requirements of an 'independent director' under the Companies Act and applicable securities Laws of India, and is appointed as a Director in accordance with Article 2.3;

"Key Directors" means at least one Director from each of the following categories: one (1) Walmart Director, one (1) Independent Director, and one (1) Founder Director;

"Law" means any federal, national, central, state, local, municipal, foreign, supranational or other law (including common law), statute, constitution, treaty, convention, principle of common law, directive, resolution, ordinance, code, edict, writ, decree, rule, regulation, judgment, ruling, injunction or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Authority;



"Legacy Board Matter" means a matter that: (a) directly relates to the Company (including its business and assets); and (b) could have been voted upon or discussed by a director that either Legacy Minority Shareholder was entitled to nominate to the board of any former holding company of the Company, in each case, subject to and limited by the terms of any shareholders' agreements, and other arrangements agreed between the shareholders of such holding company(ies);

"Legacy Minimum Ownership Threshold" means with respect to Headstand, ownership by such Shareholder (with its Permitted Transferee(s)) of at least three percent (3%) of the Outstanding Shares;

"Legacy Minority Shareholder" means Headstand, for so long as it satisfies the Legacy Minimum Ownership Threshold;

"Lien" means a claim, mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third party right or interest, other encumbrance or security interest of any kind or other type of preferential arrangement having similar effect;

"Listing Date" means the date on which the equity shares of the Company commence trading on the relevant stock exchanges in India pursuant to a Qualified Public Offering; **"Listing Regulations"** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

"Memorandum" means the memorandum of association of the Company, as amended from time to time;

"Minimum Minority Ownership Period" has the meaning given in the SHA;

"Minority Reserved Matters" means those matters set forth on **Schedule 4**, and each, a **"Minority Reserved Matter"**;

"Minority Shareholder" means, as of any given time: (a) each Shareholder (other than Walmart and any Affiliate of Walmart) and each Founder that is a Shareholder at such time; and (b) each Person to which Shares were issued by the Company or otherwise Transferred following the date of the SHA, that has executed a Deed of Accession and that is a Shareholder at such time;

"Nomination and Remuneration Committee" means the committee of the Board set up in accordance with Article 2.8(ii);

"Nomination Notice" means a Notification by Walmart to the Company pursuant to Article 2.3, identifying and nominating any one or more individuals for appointment to the Board as Walmart Director(s);

"Non-Purchasing Shareholder" has the meaning given in Article 5.5(v)(a);

"Notify" or **"Notification"** means the providing of a notice in writing, including by electronic means in accordance with clause 6.8 of the SHA;

"Offer Letters" means the letters issued by Headstand to the Shareholders (or, where applicable, their Affiliates), offering the Shareholders an opportunity to retain or acquire certain Shares on the terms of the offer letters and the Share Purchase Agreements;

"Offeror ROFO Shareholder" has the meaning given in Article 5.5(ii)(b);



"Offeree Shareholder" has the meaning given in Article 5.5(i);

"Ordinary Shares" means equity shares in the issued share capital of the Company, with one (1) vote per equity share and having face value of INR one (₹ 1) per equity share;

"Original Acquisition Cost" has the meaning given in the SHA;

"Other Shareholders" has the meaning given in the SHA;

"Outstanding Shares" means, as of the date of determination, the Shares that are then issued and paid up;

"Participating Shareholders" has the meaning given in Article 5.2(ii);

"Party" means a party to the SHA (including any Person that becomes a Party by way of execution of a Deed of Accession);

"Payment-Related Agreement" has the meaning given in the SHA;

"Permitted Transfer" means a Transfer of Shares to a Permitted Transferee;

"Permitted Transferee" means:

- (a) with respect to a Shareholder that is an Entity, any Entity that is an Affiliate of such Shareholder, provided that such transferee is not a Special Purpose Entity; and
- (b) with respect to a Shareholder who is a natural person (including a Founder), any Affiliate of such Shareholder;

"Person" means any natural person, firm, Entity, unincorporated organization, Governmental Authority, works council or employee representative body or other entity or organization of any nature whatsoever;

"PhonePe Award(s)" means the PhonePe Performance Award(s) and PhonePe Time Award(s) of a Founder, subsisting in accordance with the Scheme;

"PhonePe Business" means: (a) the business of: (i) facilitating payments through the internet or mobile phones, whether through credit card and/or debit card, pre-paid payment instruments (including mobile wallets), 'Bharat Bill Payment Operating Units' (BBPOU) for utility- and subscription-related payments, and/or any other payment method; or (ii) offering financial products or services; and (b) any other business carried on by any PhonePe Group Company at any time. Further, all references to the PhonePe Business shall include the assets of such business;

"PhonePe Group" means the Company and each of its Subsidiaries from time to time. For the avoidance of doubt, the PhonePe Group does not include Walmart, Headstand or Entities under the Control of Walmart, other than the Company and the Company's Subsidiaries;

"PhonePe Group Company" means any member of the PhonePe Group;

"PhonePe Performance Award" in respect of each Founder, has the meaning given in the Scheme;

"PhonePe Representative" means, as to any PhonePe Group Company, any director, officer, employee, agent or other representative acting for or on behalf of such PhonePe Group Company and whose



conduct could subject such PhonePe Group Company to liability under Applicable ABAC Laws, Applicable Money Laundering Laws, or Sanctions;

"PhonePe Time Award" in respect of each Founder, has the meaning given in the Scheme;

"Press Note 3" means Press Note 3 issued by the Department for Promotion of Industry and Internal Trade of the (Indian) Ministry of Commerce and Industry dated 17 April 2020 read with the (Indian) Foreign Exchange Management (Non-debt Instruments) Rules, 2019;

"Proposed Securities" has the meaning given in Article 5.2(i);

"QPO Demand Notice" has the meaning given in Article 5.3(ii);

"Qualified Private Financing" means any bona fide private equity or equity-linked capital raising activity of the Company, so long as: (a) any such activity is conducted in accordance with Articles 5.1 to 5.3 and Article 5.6(ii) (it being understood that the application of Article 5.1 to 5.3 and Article 5.6(ii) may be waived in respect of the securities issued in such capital raising activity in accordance with the scenario provided in sub-paragraph (h) of the definition of **"Excluded Securities"** and still qualify as a Qualified Private Financing); (b) the securities issued in any such capital raising activity are Ordinary Shares and do not: (i) result in any material and adverse amendment to the named rights of the Minority Shareholders expressly set forth in the SHA (or the Constitutional Documents); (ii) result in any material voting rights that are senior to those provided to the Minority Shareholders hereunder (it being understood that any new investor may be joined to the SHA to the extent provided for in clause 6.9(ii) of the SHA); or (iii) have any liquidation preference or other senior economic rights to other holders of Ordinary Shares (it being understood that investor being named a ROFR Shareholder shall not constitute a voting right or economic right that is senior to any rights granted to Minority Shareholders or other holders of Ordinary Shares); and (c) such securities are issued at a price per share that is no less than the Original Acquisition Cost;

"Qualified Public Offering" means the Company's first firm commitment underwritten public offering of its Ordinary Shares or other permissible securities/instruments, provided that such public offering is in compliance with applicable laws and results in: (a) at least ten percent (10%) of the Outstanding Shares of the Company as of immediately following the consummation of such public offering being listed on one or more Relevant Stock Exchange(s); (b) cash proceeds to the Company from the offering of at least twenty-five percent (25%) of the gross cash proceeds of such offering; and (c) the Ordinary Shares being traded on one or more of the Relevant Stock Exchange(s)) or any offering of Ordinary Shares by the Company or any of the Shareholders that may be classified as Qualified Public Offering by the Board;

"Qualified Public Offering Due Date" has the meaning given in the SHA;

"Regulated Indirect Transfer" means any Transfer that: (a) would, upon completion, result in a change of Control of a Shareholder; and (b) is subject to and requires the prior consent, approval or authorization of any Governmental Authority in India;

"Related Party" means:

- (a) in relation to a natural person, the spouse or children (including a step child) of such person or any trust in which such person or the spouse or children (including a step child) of such person is a trustee or beneficiary;
- (b) in relation to an Entity, a Subsidiary or parent company of such Entity or another Subsidiary of a parent company of such Entity; or



- (c) in relation to a Person not covered by (a) or (b) of this definition, any other Person directly or indirectly Controlling, Controlled by or under common Control with, such Person;

"Relevant Stock Exchange" has the meaning given in the SHA;

"Remaining ROFO Securities" has the meaning given in Article 5.5(iii)(b);

"Requisite Minority Securities" has the meaning given in the SHA;

"Respective Proportion" means, in relation to each Shareholder and the Founders, as of the date of determination, the proportion which:

- (a) the sum of: (i) the number of Outstanding Shares held by such Shareholder as of such date (other than any Restricted Performance Award Shares); plus (ii) solely in respect of the Founders, the number of Ordinary Shares subject to the Specified Options held by such Founder (if any); bears to
- (b) the sum of: (i) the total number of Outstanding Shares held by all Shareholders as of such date (other than any Restricted Performance Award Shares); plus (ii) the aggregate number of Ordinary Shares subject to Specified Options held by the Founders (if any);

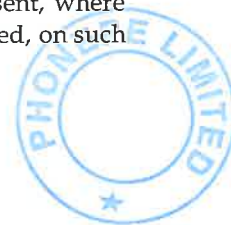
"Restricted Performance Award Share" means, in respect of a particular Founder, any Ordinary Share that was issued to such Founder upon any exercise of their respective PhonePe Performance Award and is subject to such conditions applicable to Restricted Performance Award Shares under clause 6 of the Scheme;

"Restricted Time Award Shares" means, in respect of a particular Founder, any Ordinary Share that was issued to such Founder upon any exercise of their respective PhonePe Time Award and is subject to such conditions applicable to Restricted Time Award Shares under clause 6 the Scheme;

"ROFO Acceptance Notice" has the meaning given in Article 5.5(ii)(d);

"ROFO Exempted Transfers" means:

- (a) Permitted Transfers;
- (b) Transfers of Equity Securities to a Drag-Along Purchaser pursuant to Article 5.5(vii);
- (c) Transfers of Shares by Shareholders in a Qualified Public Offering;
- (d) any repurchase by the Company of Equity Securities granted, issued or awarded to employees (including officers) or directors of, or consultants, advisors or service providers to, any PhonePe Group Company under any equity incentive plan or other benefit plan or agreement in each case as bona fide compensatory arrangements approved by the Board or any committee thereof to which such authority has been properly delegated (including Equity Securities issued pursuant to the exercise of such Equity Securities);
- (e) any Transfer by Walmart or any of its Affiliates that does not constitute a Change of Control Sale; and
- (f) any Lien created on or made in respect of Unrestricted Performance Award Shares or Unrestricted Time Award Shares to which Walmart has given prior written consent, where such consent may be granted or withheld in Walmart's sole discretion, and if granted, on such



terms as Walmart determines in its sole discretion;

"ROFO Notice" has the meaning given in Article 5.5(ii)(b);

"ROFO Price" has the meaning given in Article 5.5(ii)(b);

"ROFO Rejection Notice" has the meaning given in Article 5.5(ii)(d);

"ROFO Response" has the meaning given in Article 5.5(ii)(a);

"ROFO Securities" has the meaning given in Article 5.5(i);

"ROFO Shareholders" has the meaning given in the SHA;

"ROFO Terms" has the meaning given in Article 5.5(i);

"ROFR Acceptance Notice" has the meaning given in Article 5.5(iii)(b);

"ROFR Deadline" has the meaning given in Article 5.5(iii)(b);

"Sales Notice" has the meaning given in Article 5.5(i);

"Sanctioned Person" means any individual who or Entity that is: (a) specifically listed in any Sanctions List; or (b) Controlled or owned by any individual who or Entity that is included in paragraph (a) immediately above;

"Sanctions" means: (a) sanctions imposed pursuant to a UN Security Council resolution; (b) US sanctions administered by the US Department of the Treasury, US Department of State or US Department of Commerce; (c) EU restrictive measures implemented pursuant to an EU Council or Commission Regulation or Decision adopted pursuant to a Common Position in furtherance of the EU's Common Foreign and Security Policy; (d) UK sanctions adopted by or pursuant to the UK Terrorist Asset Freezing, etc., Act 2010 or other UK legislation or statutory instruments enacted pursuant to the United Nations Act 1946 or the European Communities Act 1972; and (e) any other trade, economic or financial sanctions laws, regulations, embargoes or similar restrictive measures administered, enacted or enforced by any Governmental Authority as being applicable to any PhonePe Group Company;

"Sanctions List" means the: (a) "Specially Designated Nationals and Blocked Persons List" and "Sectoral Sanctions Identifications List" maintained by the Office of Foreign Assets Control of the US Department of the Treasury; (b) "Consolidated List of Persons, Groups and Entities Subject to EU Financial Sanctions" as well as the list of persons set out under Annexes III, V and VI to Council Regulation 833/2014, as amended, maintained by the EU; (c) "Consolidated List of Financial Sanctions Targets" maintained by Her Majesty's Treasury; and (d) any similar list maintained by the EU, UK, UN or US, each as amended, supplemented or substituted from time to time;

"Scheme" means the PhonePe Founder Award Stock Option Schemes approved by the Board and shareholders' and as may be amended from time to time;

"Secretary" means the company secretary of the Company;

"Securities Act" means the US Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder;

"Selling Shareholder" has the meaning given in Article 5.5(i);



"SHA" means the shareholders' agreement dated 15 May 2025, entered into between the Company, Walmart, the Founders, and the Other Shareholders, together with the schedules attached thereto, as amended, restated or supplemented, from time to time;

"Share Purchase Agreements" has the meaning given in the SHA;

"Shareholder" means any holder of at least one (1) Share and for the avoidance of doubt, (i) any Person who becomes a holder of Shares pursuant to a Transfer shall be a Shareholder, subject to compliance with Article 5.6(i); (ii) excludes any employee (or any heir of any employee) that becomes a holder of a Share pursuant to exercise of stock options under the terms of the Company's stock option plans (including by transmission); and (iii) includes each Founder till the time that such Founder holds at least one (1) Share;

"Shareholder Representative" has the meaning given in paragraph C(i)(e) of Schedule 5;

"Shares" means Ordinary Shares and any other classes or series of shares in the capital of the Company issued from time to time, together with all rights, differential rights, obligations, title, interest and claim in such shares and shall be deemed to include all bonus shares issued in respect of such Shares and shares issued pursuant to a stock split in respect of such Shares;

"Share Capital" means the total paid up share capital of the Company;

"Special Purpose Entity" means an entity that holds or would hold only Shares or has or would have a class or series of security holders with beneficial interests primarily in Shares (including for such purpose an entity that holds cash and/or cash equivalents intended to purchase Shares); provided, however, that no entity directly holding Shares as of the date of the SHA shall be deemed a Special Purpose Entity;

"Specific Board Matters" has the meaning given in Article 2.5;

"Specified Options" means, in respect of a particular Founder at any given time: (a) all options to purchase Ordinary Shares held by such Founder that constitute PhonePe Time Awards and that, which are outstanding and unexercised at such time (if any); and (b) all options to purchase Unrestricted Performance Award Shares held by such Founder;

"Specified Rights" has the meaning given in Article 5.1(iii);

"Super Majority Directors' Consent" shall mean consent and votes by such number of Directors who constitute at least 3/4th of the Board;

"Subsidiary" of any Person means any Entity of which such Person owns (directly or indirectly) securities or other ownership interests having voting power in circumstances other than a breach or default to elect or remove at least a majority of the board of directors, managers or trustees or other Persons performing similar functions, or in which such Person holds or Controls a majority of the equity, voting, beneficial or financial interests, or in relation to which such Person has the right (whether under Contract or the Entity's organizational documents) or power, directly or indirectly, to direct the management of the Entity; provided, however, that no PhonePe Group Company shall be considered a Subsidiary of a Shareholder for the purposes of this Part-B of these Articles;

"Third Party Acquirer" has the meaning given in Article 5.5(ii)(c);

"Transaction" has the meaning given in the SHA;



"Transaction Documents" means the SHA, the Share Purchase Agreements, the Scheme, the Offer Letters, and any other Contracts and/or documents ancillary (or entered into pursuant) to any such Contracts;

"Transaction Expenses" has the meaning given in paragraph C(ii) of Schedule 5;

"Transition Services Agreement" means one or more services agreements entered into between the Company and other Affiliates of Walmart in relation to certain back-office, information technology and other transition services required by the Company for its business, each such agreement taking effect from the Completion Date (or any other date agreed between the Company and Walmart's Affiliates);

"Transfer" means to, directly or indirectly, transfer, sell, assign, encumber in any manner, place in trust (voting or otherwise), bequeath, distribute, hypothecate, convey, pledge, exchange, gift or transfer by operation of law or in any other way subject to any Lien or dispose of, whether or not voluntarily, and **"Transferred"** or **"Transferring"** shall be construed accordingly. For avoidance of doubt, it is clarified that: (a) a change in Control of any Party by Transfer of the Controlling interest in such Party by any Person shall also constitute a 'Transfer', unless the ultimate holding Person after such transfer remains the same; and (b) any transfer, sale or other contract wherein a legal or beneficial interest in, or economic rights in respect of, any Equity Securities are conferred shall be deemed to be a Transfer;

"Transfer Document" has the meaning given in paragraph B(iii) of Schedule 5;

"UK" means the United Kingdom;

"UN" means the United Nations;

"Unrestricted Performance Award Shares" in respect of a particular Founder, shall mean all Performance Award Shares that are not Restricted Performance Award Shares;

"Unrestricted Time Award Shares" in respect of a particular Founder, shall mean all Time Award Shares that are not Restricted Time Award Shares;

"US" means the United States of America;

"US IRS Code" means the US Internal Revenue Code of 1986, as amended (or any successor thereto);

"US Treasury Regulation" means the regulations promulgated by the US Department of Treasury and Internal Revenue Service under the US IRS Code;

"Walmart" means WM Digital Commerce Holdings Pte. Ltd., a company existing under the laws of Singapore with company UEN 202513855H;

"Walmart Acquirer" has the meaning given in Article 5.5(v)(a);

"Walmart Director" has the meaning given in Article 2.3; and

"Walmart Notice" has the meaning given in Article 5.5(v)(a).

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SCHEDULE 2

RULES OF INTERPRETATION

In this Part-B of these Articles, unless the context otherwise requires, the following rules of interpretation shall apply:

1. references to Articles, and Schedules shall be to articles, and schedules of this Part-B of these Articles unless otherwise specified;
2. all Schedules annexed hereto and defined herein are hereby incorporated in and made a part of the Articles as if set forth in full herein;
3. "may" shall be construed as permissive;
4. a "month" or a "quarter" means a calendar month or quarter (as the case may be);
5. a "notice" means written notice, regardless of whether such term is accompanied by the words "written," "in writing" or words of similar import;
6. "shall" shall be construed as imperative;
7. the use of the word "or" shall not be exclusive;
8. references to "US\$" "\$" or "dollars" shall be deemed to refer to lawful currency of the United States of America;
9. references to "INR" or "₹" shall be deemed to refer to lawful currency of the Republic of India;
10. where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
11. a reference to liability under, pursuant to or arising out of (or any analogous expression) any Contract includes a reference to contingent liability under, pursuant to or arising out of (or any analogous expression) that Contract;
12. a reference to any other document referred to in this Part-B of these Articles: (i) is a reference to that other document as amended, varied, novated or supplemented (other than in contravention or non-compliance of the provisions of this Part-B of these Articles or that other document) at any time; and (ii) includes a reference to any other document that is expressly incorporated by reference in that first document;
13. "consent" or "approval" of any Party shall always mean prior written consent, which may be in the form of electronic mail ("**email**");
14. writing includes email, typewriting, printing, lithography, photography and other modes of representing or reproducing words in a legible and non-transitory form;
15. article headings herein have been inserted for convenience of reference only, are not a part of this Part-B of these Articles and shall not be used in construing this Part-B of these Articles;
16. the terms "include" and "including", and words of similar import are to be construed as non-exclusive (so that, by way of example, "including" shall be deemed to mean "including without limitation");
17. (i) words using a singular or plural number also include the plural or singular number,



respectively; (ii) the terms "hereof," "herein," "hereby," and "hereunder" and any derivative thereof or similar words refer to this entire Part B of these Articles; (iii) the masculine gender shall include the feminine and neuter genders; (iv) any reference to a Law shall be deemed to also refer to any amendment or supplement thereto, any modification or re-enactment thereof, any legislative provision substituted therefor and all regulations and statutory instruments issued or promulgated thereunder; (v) any reference to a Contract or document shall be deemed to also refer to that Contract or document as amended, novated, supplemented, varied or replaced from time to time; and (vi) whenever this Part-B of these Articles refer to a number of days, such number shall refer to calendar days unless such reference specifies Business Days;

18. unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day if the last day of such period is not a Business Day, and whenever any payment is to be made or action to be taken under this Part-B of these Articles is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next Business Day; and
19. the ejusdem generis principle of construction shall not apply to this Part-B of these Articles. Accordingly, general words shall not be given a restrictive meaning by reason of their being preceded or followed by words indicating a particular class of acts, matters or things or by examples falling within the general words. Any phrase introduced by the terms "other", "including", "include" and "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

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SCHEDULE 3

SPECIFIC BOARD MATTERS

1. Other than (a) any merger, acquisition, consolidation, scheme of arrangement, amalgamation or any other type of business combination solely among or between PhonePe Group Companies, including any internal restructuring or other internal reorganization where the applicable PhonePe Group Company's (or any successor parent entity's) direct or indirect ownership remains the same in all material respects as the ownership of such PhonePe Group Company prior to such restructuring or reorganization; (b) any disposal, sale, lease, transfer, exclusive license or other disposition solely between PhonePe Group Companies or from one PhonePe Group Company to another; or (c) any Transfer of Shares or Drag-Along Sale effected pursuant to Articles 5.1 to 5.3, Article 5.6(ii), Article 5.5(i) to 5.5(vi) and Article 5.5(vii), any: (i) Asset Sale; (ii) Deemed Sale Event; (iii) business combination, restructuring or reorganization not covered under the Companies Act; or (iv) sale of any shares of any subsidiary of the Company, or the sale, lease, transfer, exclusive license or other disposition by the Company of any assets, in each case, outside the ordinary course of business.
2. Creation, adoption or amendment of any equity incentive plan or other benefit plan not covered under the Companies Act or the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
3. Any application for a regulatory or other material business license, closure of any material or licensed or regulated business or commencement of any material, licensed or regulated business by the Company beyond the purview of the Annual Operating Plan approved by the Board.
4. Any direct or indirect change in the Company's shareholding or voting, economic or other ownership rights in any other PhonePe Group Company.
5. The Company entering into any material transaction which is: (a) either outside the ordinary course of business or on terms other than arm's length terms with: (i) any Founder, Minority Shareholder, or any officer or director of any PhonePe Group Company; (ii) any Affiliate (which also includes a "Relative" as defined under the Companies Act) of any of the Persons identified in sub-paragraph (i) above; (iii) any Related Party of any of the Persons identified in sub-paragraph (i) or sub-paragraph (ii) above, other than: (A) Indemnification Agreements entered into by the Founder Director; or (B) customary agreements entered into between Shareholders in their capacities as such and the Company in connection with a Qualified Public Offering; or (b) both outside the ordinary course of business and not on an arm's length basis between the Company, on the one hand, and any Shareholder or any Affiliate, director or officer of any Shareholder, on the other hand (other than: (A) the Transaction Documents and transactions, agreements or arrangements contemplated by or entered into pursuant to, or in the exercise of any rights under, the terms of the Transaction Documents; (B) transactions, agreements or arrangements entered into by Shareholders in connection with the exercise of their respective rights under the SHA, including under Articles 5.1 to 5.3, Article 5.6(ii), Article 5.5(i) to 5.5(vi), Article 5.5(vii) and Article 5.6(iii); (C) Indemnification Agreements entered into between the Company and a Director; (D) the purchase of shares by a Shareholder or any of its Affiliates in a Qualified Private Financing and entering into any customary agreements ancillary thereto; (E) the Transition Services Agreement; or (F) customary agreements entered into between the Company and Shareholders in their capacities as such in connection with a Qualified Public Offering).
6. Any material change that is outside the ordinary course of business or not on arm's length terms in any material agreement between Company and its material customers and/or business partners or any termination of such agreement.



7. The approval of any Annual Operating Plan, or any amendment to the Annual Operating Plan approved by the Board or any equivalent business plans or budget of the Company.
8. Any: (a) sale or transfer or termination of ownership, exit or disposition of existing investments; (b) joint ventures under partnership agreements; (c) new or additional investment by the Company including projects or financial investments; or (d) purchase of any intellectual property rights from any Person.
9. Any change in the trading style of the Company, the nature or scope of the businesses of the Company, expansion of the businesses of the Company to any new country / territory, or any transfer of brand names used in such businesses, service marks and trademarks or other proprietary rights used in such businesses.
10. The approval of any Deed of Accession to the SHA in a form substantially different from **Exhibit A** attached to the SHA.
11. Any declaration or payment of any dividend or distribution of profits or commissions to shareholders, employees or directors, by the Company.
12. The Company entering into or materially amending any Payment-Related Agreement that would breach or violate, or cause Walmart or any Affiliate of Walmart to breach or violate, the terms or conditions of under any global credit or debit card agreement, any global re-loadable card agreement, or any global agreement relating to the payment for, processing of payments (other than any agreements with National Payments Corporation of India for Unified Payments Interface (UPI) or for Rupay Network) or financial settlement of any obligation arising from the purchase of goods or services, in each case of Walmart or any Affiliate of Walmart and provided that Walmart or any Affiliate of Walmart has provided clear guidance in advance as to what would cause such a breach or violation.
13. Any termination or variation of any shareholders' agreement between the Company and any PhonePe Group Company or any variation of the articles of association of any PhonePe Group Company to the extent that such articles of association relate to matters contained in the shareholders' agreement between the Company and such PhonePe Group Company.
14. Any decision to consider and/ or approve any matter that is a "Parent Reserved Matter" under the shareholders' agreement between the Company and any PhonePe Group Company.

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SCHEDULE 4

MINORITY RESERVED MATTERS

1. Other than: (a) the Transaction Documents and transactions, agreements or arrangements contemplated by or entered into pursuant to, or in the exercise of any rights under, the terms of the Transaction Documents (provided, in the case of any settlement agreement or other transaction, agreement or arrangement entered into between Walmart and the Company in connection with an indemnification claim brought by Walmart against the Company under the terms of any Transaction Document, that such transaction, agreement or arrangement has been approved by the audit committee); (b) transactions, agreements or arrangements entered into by Walmart and its Affiliates in connection with the exercise of their respective rights under this Part-B of these Articles, including under Articles 5.1 to 5.3, Article 5.6(ii), Articles 5.5(i) to 5.5(vi), Article 5.5(vii) and Article 5.6(iii); (c) Indemnification Agreements entered into between any PhonePe Group Company and each of the Walmart Directors; (d) the purchase of shares by Walmart or any of its Affiliates in a Qualified Private Financing and entering into any customary agreements ancillary thereto; (e) customary agreements entered into between any PhonePe Group Company and Shareholders in their capacities as such in connection with a Qualified Public Offering; (f) any Funding Transaction and agreements or arrangements entered into in connection therewith; (g) the Transition Services Agreement; or (h) any intercompany agreement entered into in connection with the appointment by Walmart or the Nomination and Remuneration Committee of any individual to a position with the Company that are required to under the terms of Walmart's policies and programs applicable to expatriot employees, as applicable, any material transaction which is either outside the ordinary course of business or on terms other than arm's length terms between any PhonePe Group Company, on the one hand, and Walmart or any Affiliate, director or officer of Walmart, on the other hand, including: (i) any issuance of Equity Securities by any PhonePe Group Company to Walmart or any of its Affiliates; (ii) any financing of any PhonePe Group Company by Walmart or any of its Affiliates; or (iii) entering into any business cooperation agreements between Walmart and any PhonePe Group Company.
2. Other than: (a) any merger, acquisition, consolidation, scheme of arrangement, amalgamation or any other type of business combination solely among or between PhonePe Group Companies, including any internal restructuring or other internal reorganization where the applicable PhonePe Group Company's (or any successor parent entity's) direct or indirect ownership remains the same in all material respects as the ownership of such PhonePe Group Company prior to such restructuring or reorganization; (b) any disposal, sale, lease, transfer, exclusive license or other disposition solely between PhonePe Group Companies or from one PhonePe Group Company to another; or (c) any Transfer of Shares or Drag-Along Sale effected pursuant to Articles 5.1 to 5.3, Article 5.6(ii), Articles 5.5(i) to 5.5(vi) or Article 5.5(vii), any: (i) merger, acquisition, consolidation, scheme of arrangement, amalgamation, restructuring, reorganization, joint venture, partnership, consolidation or divestiture or any other type of business combination (of assets or Entities) or similar transaction by or of any PhonePe Group Company with any other Person or Persons having a value, or involving consideration payable by such PhonePe Group Company or involving such PhonePe Group Company, in excess of one hundred million dollars (\$100,000,000); (ii) any restructuring or reorganization of any PhonePe Group Company's holding of any of its assets or business, including by way of share purchase, business transfer, slump sale, asset purchase or acquisitions (other than in the ordinary course of business) or any other mode of restructuring or reorganizing, in excess of one hundred million dollars (\$100,000,000); or (iii) sale of any shares in the capital of any subsidiary of the Company, or the sale, lease, transfer, exclusive license or other disposition by any PhonePe Group Company of any assets, in each case, outside the ordinary course of business and having a value in excess of one hundred million dollars (\$100,000,000). The monetary thresholds set forth herein are indicated on an aggregate basis, and such limits shall



apply to both a single transaction and a series of transactions carried out by a PhonePe Group Company in a particular Financial Year.

3. Any increase in the aggregate number of stock options or other equity awards issued, granted or reserved for issuance or grant by the Company to employees (including officers) or directors of, or consultants, advisors or service providers to, any PhonePe Group Company under any equity incentive plan or other benefit plan or agreement in each case as bona fide compensatory arrangements approved by the Board or any committee thereof to which such authority has been properly delegated (including all Equity Securities of the Company issued or issuable upon the vesting or exercise thereof) to more than ten percent (10%) of the then Outstanding Shares.
4. Voluntary commencement of winding up proceeding for insolvency or bankruptcy of any PhonePe Group Company under applicable Law, or any admission by any PhonePe Group Company of any action constituting a cause for the involuntary declaration of insolvency or bankruptcy under applicable Law.
5. Any PhonePe Group Company entering into any joint venture or partnership, in each case involving an aggregate commitment by the Company in excess of one hundred million dollars (\$100,000,000).
6. Any increase or decrease in the size of the Board.
7. Except in connection with a Qualified Public Offering, any amendments to any Constitutional Document that materially and adversely affect the express rights of the Minority Shareholders.
8. Any grant, creation, issuance or sale of any Equity Securities by the Company at a price per share that is less than the Original Acquisition Cost, other than: (a) the grant of stock options to employees in the ordinary course of business consistent with past practice under the terms of the Company's stock option plan (and the issuance of Shares issued upon the exercise thereof) as bona fide compensatory arrangements approved by the Board or any committee thereof to which such authority has been properly delegated, which in any event shall be subject to paragraph 4 above; (b) any grant, creation, issuance or sale of any Equity Securities by the Company in a Funding Transaction or a Qualified Private Financing (as applicable); or (c) sub-paragraphs (a), (b), (c), (d) and (g) of the definition of Excluded Securities.
9. Any grant, creation, issuance or sale of any Equity Securities by the Company that: (a) result in any material voting rights that are senior to those provided to the Minority Shareholders hereunder; or (b) have any liquidation preference or other senior economic rights to other holders of Ordinary Shares (it being understood that investor being named a ROFR Shareholder shall not constitute a voting right or economic right that is senior to any rights granted to Minority Shareholders or other holders of Ordinary Shares).
10. Any transaction effected for the primary purpose of changing the domicile of the Company.
11. Any repurchase or redemption of any shares of capital of any PhonePe Group Company other than: (a) redemptions or repurchases of Equity Securities from former employees, officers, directors, consultants or other persons who performed services for any PhonePe Group Company in connection with the cessation of such employment or service; or (b) any repurchase or redemption by any subsidiary of the Company of any of its Equity Securities that does not affect the ownership (whether voting or economic) of such subsidiary.
12. Other than a Drag-Along Sale and any transactions ancillary thereto, any transaction constituting an Asset Sale by the Company or any sale of one hundred percent (100%) of the Equity Securities of the Company by means of a merger, consolidation, amalgamation, scheme



of arrangement or similar transaction, in each case that constitutes a Deemed Sale Event.

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SCHEDULE 5

ADDITIONAL CONDITIONS REGARDING CERTAIN TRANSACTIONS

A. ADDITIONAL CONDITIONS TO DRAG-ALONG SALE

- (i) If such Dragged Shareholder is a Minority Shareholder or, a Founder or its respective Permitted Transferees: (a) such Shareholder shall, subject to Article 5.4(i) have the opportunity to sell one hundred percent (100%) of the Shares and all other Equity Securities held by such Dragged Shareholder in connection with the Drag-Along Sale (the "**Dragged Shareholder Securities**"); and (b) either: (I) the Drag-Along Offer Price shall be equal to or more than the 1.3X Average Acquisition Cost of such Shareholder; or (II) if the Drag-Along Offer Price is less than the 1.3X Average Acquisition Cost of such Shareholder, Walmart shall commit in writing to pay the amount derived by multiplying the number of the Dragged Shareholder Securities with the difference between the Drag-Along Offer Price and the 1.3X Average Acquisition Cost of such Shareholder, in cash, to the Dragged Shareholder as a condition to, and not later than, the completion of the Drag-Along Sale (it being expressly acknowledged and understood by each Shareholder that the Company has not assumed any obligation or liability whatsoever under the SHA in relation to the satisfaction of the condition set out in paragraph A(i)(b) of this **Schedule 5**);
- (ii) any representations and warranties to be made by such Dragged Shareholder in connection with the Drag-Along Sale shall be limited to the representations and warranties set forth in paragraph B of this **Schedule 5**;
- (iii) such Dragged Shareholder shall not be liable for the inaccuracy of any representation or warranty made by Walmart or any other Dragged Shareholder in connection with the Drag-Along Sale (other than representations and warranties relating to the PhonePe Group, including its business, operations, results of operations, assets and liabilities) and, in the event such Dragged Shareholder is held liable for indemnification in the Drag-Along Sale for the inaccuracy of any representations and warranties relating to the PhonePe Group, such Dragged Shareholder's liability: (a) is several and not joint with Walmart and any other Dragged Shareholder (except to the extent that funds may be paid out of an escrow or holdback established to partially or wholly secure any indemnification obligations of Walmart and the Dragged Shareholders in connection with such Drag-Along Sale), and is *pro rata* in proportion to the amount of consideration to be paid to such Dragged Shareholder in connection with the Drag-Along Sale (as compared to the amount of consideration to be paid to Walmart and all Dragged Shareholders in connection therewith); and (b) does not exceed the amount of consideration to be paid to such Dragged Shareholder in connection with such Drag-Along Sale (except in the case of fraud by such Dragged Shareholder);
- (iv) upon the consummation of the Drag-Along Sale, such Dragged Shareholder will receive the same form and amount of consideration per Share as is received by Walmart and the other Dragged Shareholders in respect of their Shares; provided, however, that, notwithstanding the foregoing: (a) the form of consideration per Share must be in cash only, if so required under Exchange Control Laws; and (b) if the consideration to be paid in exchange for such Dragged Shareholder's Equity Securities in a Drag-Along Sale includes any securities and due receipt thereof by such Dragged Shareholder would require under applicable Law, either: (I) the registration or qualification of such securities or of any person as a broker or dealer or agent with respect to such securities; or (II) the provision to any Dragged Shareholder of any information other than such information as a prudent issuer would generally furnish in an offering made solely to Accredited Investors, then the consideration to be



received by such Dragged Shareholder in the Drag-Along Sale may include, in lieu of such securities, an amount in cash equal to the fair value of the securities that such Dragged Shareholder would otherwise receive in the Drag-Along Sale (as determined in good faith by the Board) in exchange for such Dragged Shareholder's Equity Securities;

- (v) if Walmart or any Dragged Shareholders are given an option, subject to Exchange Control Laws, as to the form and amount of consideration to be received as a result of the Drag-Along Sale with respect to a particular class or series of Shares (other than an offer to members of management of the PhonePe Group Companies to roll-over their Equity Securities), such Dragged Shareholder will be given the same option with respect to the same class or series of Shares held by such Dragged Shareholder; provided, however, that nothing in this paragraph A(v) of this **Schedule 5** shall entitle any holder to receive any form of consideration that such holder would be ineligible to receive as a result of such holder's failure to satisfy any condition, requirement or limitation that is generally applicable to Walmart and the other Dragged Shareholders;
- (vi) no non-competition obligations are imposed on the Dragged Shareholder or its Affiliates, except if such Dragged Shareholder is a Founder or an officer or employee of any PhonePe Group Company;
- (vii) no non-solicitation obligations are imposed on the Dragged Shareholder or its Affiliates, except: (a) if such Dragged Shareholder is a Founder or an officer or employee of any PhonePe Group Company; or (b) for obligations restricting the solicitation of employees or service providers of any PhonePe Group Company for a period of one (1) year following the consummation of the Drag-Along Sale; and
- (viii) in the case of a Founder, non-competition, non-solicitation and related restrictive covenants may be imposed, but such obligations shall be no more restrictive than the non-competition, non-solicitation and related restrictive covenants that such Founder is subject to in connection with their employment by a PhonePe Group Company immediately prior to the consummation of the Drag-Along Sale.

B. REPRESENTATIONS AND WARRANTIES RELATING TO TRANSFER

- (i) The Shareholder has the sole and exclusive ownership of, and good and marketable title to, the Shares or other Equity Securities being Transferred.
- (ii) The Shares and other Equity Securities to be Transferred by such Shareholder are free and clear of all Liens (except as set forth in the SHA and the Constitutional Documents).
- (iii) The Shareholder has the requisite corporate, limited liability company or other power and authority, to enter into the documents required to be executed and delivered by such Shareholder in connection with such Transfer (any such document, a "**Transfer Document**") and to perform such Shareholder's obligations thereunder. Such Shareholder's execution, delivery and performance of the Transfer Documents has been duly and validly authorized and approved by all necessary corporate or other action. Such Shareholder has duly executed and delivered the Transfer Documents, and the Transfer Documents constitute such Shareholder's legal, valid and binding obligations, enforceable against such Shareholder in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and similar Laws of general application relating to or affecting the rights and remedies of creditors and by general principles of equity.
- (iv) The execution and delivery of the Transfer Documents to which the Shareholder is a



party and the consummation of the transactions contemplated thereby do not and will not conflict with or result in the breach of any term or provision of, or constitute a default under: (a) any Contract to which the Shareholder is a party or by which the Shareholder is bound (other than those Contracts the consequence of a violation of which would not reasonably be expected to adversely affect such Shareholder's ability to consummate the transactions contemplated by the Transfer Documents or the performance of the Shareholder's obligations under any Transfer Document); or (b) any Law, rule or regulation or order, judgment or decree of any court or Governmental Authority applicable to the Shareholder, or the organizational documents of the Shareholder, if applicable.

- (v) No consent, approval or authorization of, or registration, declaration or filing with, any Governmental Authority or any other Person is required to be obtained or made by such Shareholder in connection with the execution, delivery or performance of the Transfer Documents.
- (vi) There is no action, cause of action, claim, cease and desist letter, demand, suit, arbitration proceeding, citation, summons, subpoena or investigation of any nature, civil, criminal, regulatory or otherwise, in law or in equity, pending or, to the knowledge of such Shareholder, threatened against or affecting such Shareholder, nor are there any settlement agreements or similar written agreements with any Governmental Authority or outstanding orders, judgments, stipulations, decrees, injunctions, determinations or awards issued by any Governmental Authority against or affecting such Shareholder, in each case that adversely affects such Shareholder's ability to consummate the transactions contemplated by the Transfer Documents or the performance of such Shareholder's obligations under any Transfer Document.
- (vii) Such representations and warranties relating to the PhonePe Group Companies, including their respective businesses, operations, results of operations, assets and liabilities, as are being made by all transferring Shareholders; provided, however, that liability with respect to such representations and warranties shall be limited as set forth in paragraph A(ii) of **Schedule 5** in the case of a Drag-Along Sale.

C. OTHER ACTIONS

- (i) Take or cause to be taken all actions as may be reasonably requested by the Company, the proposed transferee, the other transferring Shareholders, Walmart or the Drag-Along Purchaser, or as may otherwise be reasonably necessary or desirable, in order to carry out the terms of Articles 5.5(i) to 5.5(vii), as applicable, and expeditiously consummate the Transfer or other Drag-Along Sale pursuant thereto and any related transactions, including:
 - (a) executing, acknowledging and delivering consents, assignments, waivers, agreements and other documents and instruments;
 - (b) voting all Shares that such Shareholder owns or over which such Shareholder otherwise exercises voting power (in person, by proxy or by action by written consent, as applicable): (I) in favor of the Transfer or other Drag-Along Sale (together with any related amendment to the Constitutional Documents required in order to implement the Transfer or other Drag-Along Sale) and (II) in opposition to any and all other proposals that could delay, or impair the ability of the Shareholder, the Company, the proposed transferee, Walmart or the Drag-Along Purchaser to consummate, the Transfer or other Drag-Along Sale;
 - (c) except as provided in the SHA, not depositing (and causing its Affiliates not to



deposit) any Shares or Equity Securities owned by such Shareholder or Affiliate in a voting trust, and not subjecting (and causing its Affiliates not to subject) any such Shares or Equity Securities to any arrangement or agreement with respect to the voting of such Shares or Equity Securities, unless specifically requested to do so by the proposed transferee in connection with the Transfer or the Drag-Along Purchaser;

- (d) refraining from exercising and, upon request (whether before or after the closing of the Transfer or other Drag-Along Sale, and regardless of whether such Shareholder received advanced notice of the Transfer or other Drag-Along Sale), to affirmatively waive, any dissenters' rights, rights of appraisal or similar rights under applicable Law at any time with respect to the Transfer or other Drag-Along Sale;
 - (e) in the event that the other transferring Shareholder(s), in connection with such Transfer or other Drag-Along Sale, appoint a Shareholder representative (the "Shareholder Representative") with respect to matters affecting the Shareholders under the applicable definitive transaction agreements following consummation of such Transfer: (I) consenting to: (x) the appointment of such Shareholder Representative; (y) the establishment of any applicable escrow, expense or similar fund in connection with any indemnification or similar obligations, and (z) the payment of such Shareholder's pro rata portion (from the applicable escrow or expense fund or otherwise) of any and all reasonable fees and expenses to such Shareholder Representative in connection with such Shareholder Representative's services and duties in connection with such Transfer and its related service as the representative of the Shareholders; and (II) not asserting any claim or commencing any suit against the Shareholder Representative or any other Shareholder with respect to any action or inaction taken or failed to be taken by the Shareholder Representative in connection with its service as the Shareholder Representative, absent fraud or wilful misconduct;
 - (f) furnishing information and copies of documents reasonably necessary to effectuate the Transfer or other Drag-Along Sale;
 - (g) filing applications, reports, returns, filings and other documents and instruments with Governmental Authorities reasonably necessary to effectuate the Transfer or other Drag-Along Sale; and
 - (h) otherwise reasonably cooperating with the PhonePe Group Companies, the other transferring Shareholders, the proposed transferee, Walmart and the Drag-Along Purchaser, as applicable;
- (ii) if the Transfer or other Drag-Along Sale is consummated, subject to receipt of any consents, approvals or authorizations that may be required under Exchange Control Laws, pay such Shareholder's pro rata share (in proportion to the amount of consideration to be paid to such Shareholder in connection with the Transfer or other Drag-Along Sale as compared to the aggregate consideration received by all transferring Shareholders) of the reasonable costs incurred by the transferring Shareholders and the PhonePe Group Companies relating to the Transfer or other Drag-Along Sale (including legal fees and expenses, accounting fees and expenses and all finders, brokerage or investment banking fees and expenses) (the "Transaction Expenses") to the extent not paid or reimbursed by a PhonePe Group Company or the proposed transferee or Drag-Along Purchaser or deducted from the consideration payable to such Shareholder in the manner described in paragraph D of Schedule 5 below; and



- (iii) at the closing of any Transfer of Shares pursuant to Articles 5.5(i) to 5.5(vii), provide, for delivery to the transferee of one or more certificates or other applicable document(s) that represent the number of Shares to be Transferred by such Transferring Shareholder, together with a signed share transfer form (or other applicable transfer or delivery form or document) duly completed in favor of the prospective transferee in accordance with the Constitutional Documents in respect of such Shares, free and clear of any Liens, with any applicable transfer tax stamps affixed, against delivery of the applicable consideration in consummation of the Transfer of such Shares.

D. CLOSING CONSIDERATION

Any consideration for such Equity Securities or in the Drag-Along Sale after deduction of their pro rata share (in proportion to the amount of consideration to be paid to such Shareholder in connection with such Transfer as compared to the aggregate consideration received by all transferring Shareholders) of: (i) amounts paid into escrow or held back for indemnification or post-closing expenses; (ii) any Transaction Expenses; and (iii) amounts subject to post-closing purchase price adjustments, if and as applicable, in each case, subject to and in accordance with Exchange Control Laws (including receipt of any approvals, consents or authorizations required under Exchange Control Laws).

E. LIMITATION OF LIABILITY

No Shareholder shall have any obligation or liability to any other holder of Equity Securities arising from, relating to or in connection with any Transfer or proposed Transfer of Equity Securities pursuant to Articles 5.5(i) to 5.5(vii), whether or not such Transfer is consummated (except to the extent, if any, such Shareholder may agree in the definitive documents reflecting such Transfer). Without limiting the generality of the foregoing, no Shareholder shall have any obligation or liability to any other holder of Equity Securities as a result of any decision by such Shareholder to approve, accept and consummate (or to not approve, accept or consummate) any Transfer of Equity Securities pursuant to Articles 5.5(i) to 5.5(vii) (it being understood that any and all such decisions shall be made by such Shareholder in its sole discretion), except to the extent, if any, such Shareholder may agree in the definitive documents reflecting such Transfer.



SCHEDULE 6

CONTROLLED FOREIGN COMPANY; TAX MATTERS; INTERNAL POLICIES; APPLICABLE MONEY LAUNDERING LAWS

A. CONTROLLED FOREIGN COMPANY

- (i) No later than sixty (60) days following the end of each taxable year of the Company, the Company shall provide the capitalization table of each PhonePe Group Company as of the end of the last day of such taxable year to each of Walmart and each other Shareholder that is a US person and that owns not less than ten percent (10%) of the Outstanding Shares (each, a "Specified Investor" and collectively, the "Specified Investors"). In addition, the Company shall provide each Specified Investor with access to such other PhonePe Group Company information as may be necessary for such Specified Investor to determine the status of any PhonePe Group Company as a "controlled foreign corporation" ("CFC") as defined in the US Internal Revenue Code of 1986, as amended (or any successor thereto) (the "US IRS Code") and to determine whether each Specified Investor or its Affiliates is required to report its pro rata portion of the Company's income under Section 951 and/or Section 951A of the US IRS Code on its US federal income tax return, or to allow each Specified Investor or its Affiliates to otherwise comply with applicable US federal income tax Laws. Subject to applicable Law, the Company and the Shareholders shall not, without the written consent of Walmart, issue or transfer stock in the Company to any investor if prior to such issuance or transfer, the Company was not a CFC and following such issuance or transfer the Company, in the determination of counsel or accountants for Walmart, would be a CFC.
- (ii) The Company shall use commercially reasonable efforts to avoid having any PhonePe Group Company become a "passive foreign investment company" within the meaning of Section 1297 of the US IRS Code ("PFIC"). In connection with a "Qualified Electing Fund" election made by any investor who is a "United States person" (as defined in Section 7701(a)(30) of the US IRS Code) (the "PFIC Investors") pursuant to Section 1295 of the US IRS Code or a "Protective Statement" filed by any of the PFIC Investors pursuant to US Treasury Regulation, Section 1.1295-3, as amended (or any successor thereto), the Company shall provide annual financial information to each of the PFIC Investors in the form attached as Exhibit B. (which shall be signed by an officer of the Company) as soon as reasonably practicable following the end of each taxable year of any of the PFIC Investors (but in no event later than ninety (90) days following the end of each such taxable year), and shall provide each of the PFIC Investors with such other Company information as may be required for purposes of filing US federal income tax returns in connection with such "Qualified Electing Fund" election or "Protective Statement", provided that the reasonable expenses incurred by the Company in connection with the foregoing information obligations shall be borne by each of the PFIC Investors pro rata based on the relative ownership of such PFIC Investors. Each of the PFIC Investors, or their respective direct or indirect beneficial owners, as applicable, who has made a "Qualified Electing Fund" election must include in its gross income for a particular taxable year its pro rata share of the Company's earnings and profits pursuant to Section 1293 of the US IRS Code, as amended (or any successor thereto). Subject to applicable Laws, the Company agrees to make a dividend distribution to such of the PFIC Investors (no later than sixty (60) days following the end of such PFIC Investor's taxable year or, if later, sixty (60) days after the Company is informed by such Party, that such Party or its Affiliate has been required to recognize such an income inclusion) in an amount equal to fifty percent (50%) of the amount that would be so included by such PFIC Investor, if such PFIC Investor were a "United States person" as such term is defined in Section 7701(a)(30) of the US IRS Code and had such PFIC Investor made a valid and timely "Qualified Electing Fund" election that was applicable



to such taxable year. Subject to Article 5.6(iv), in the event any dividend is paid pursuant to this paragraph A(ii) of this **Schedule 6**, a like dividend shall, subject to applicable Laws, be paid to all other shareholders. The amount distributable to a PFIC Investor shall be reduced by the PFIC Investor's pro rata share of the reasonable expenses of the Company in connection with this paragraph A(ii) of **Schedule 6** not previously reimbursed or funded by such PFIC Investor pursuant to this paragraph A(ii) of **Schedule 6**.

- (iii) The Company shall make or cause to be made the election to close the tax year of the Company or any PhonePe Group Company, as applicable, for all purposes of the US IRS Code pursuant to US Treasury Regulation Section 1.245A-5(e)(3)(i) (or any successor guidance). Walmart or any other applicable US Shareholder shall timely file (taking into account extensions) the statement described in US Treasury Regulation Section 1.245A-5(e)(3)(i)(D) with its original US federal income tax return for the taxable year. For purposes of US IRS Code Section 245A, relevant Shareholders shall allocate all items of income, loss, profit and deduction for US tax purposes for the taxable year that includes the Completion Date with respect to each of the Company and each Subsidiary of the Company to periods ending on or prior to the Completion Date based on a "closing of the books" method. The Shareholders shall cooperate as necessary to effect any closing of the year elections pursuant to US Treasury Regulation Section 1.245A-5(e)(3)(i) with respect to any applicable company. Such cooperation shall include cooperation with respect to: (i) identifying companies for which the closing of the year elections pursuant to US Treasury Regulation Section 1.245A-5(e)(3)(i) can be made; and (ii) determining amounts that must be set forth on the statements described in US Treasury Regulation Section 1.245A-5(e)(3)(i)(D).
- (iv) The Shareholders shall be Notified of any amendment to paragraph A(i) or paragraph A(ii).
- (v) In the event that any Subsidiary of the Company is determined by counsel or accountants for Walmart to be subject to the reporting requirements of either or both of Sections 6038 and 6038B of the US IRS Code, the Company shall, upon a request from Walmart, to provide such information to such Party as may be necessary to fulfill Walmart's obligations thereunder.

B. TAX MATTERS

- (i) Each Shareholder acknowledges and agrees that Walmart, as a member of a US-based multinational, is subject to various detailed reporting requirements (as amended from time to time) and to comply with these reporting requirements Walmart will require, and the Company shall provide (and will procure that each PhonePe Group Company provides): (a) detailed information regarding the computation of earnings and profits of each PhonePe Group Company; (b) receipts evidencing foreign taxes paid by each PhonePe Group Company; and (c) any other information Walmart requires with respect to each PhonePe Group Company in order to comply with its reporting obligations to a Governmental Authority responsible for the imposition or administration of taxes.
- (ii) Any action taken by the Company in connection with audits of the Company under applicable tax Law will be binding upon Shareholders. Each Shareholder further agrees that: (a) except when the specific consent of the Company is granted, such Shareholder will not treat any Company item inconsistently on such Shareholder's individual income tax return with the treatment of the item on the Company's tax return; and (b) such Shareholder will not independently act with respect to tax audits or tax litigation affecting the Company, unless previously authorized to do so in



writing by the Company, which authorization may be withheld in the discretion of the Company.

- (iii) Walmart may cause the Company to make or refrain from making all elections required or permitted to be made by the Company under applicable tax Law provided that there is no negative impact (other than in an immaterial respect) to the Company.
- (iv) The Company is hereby authorized and empowered to prepare or have prepared, to execute or have executed and to file or to have filed, on behalf and in the name of any PhonePe Group Company, any returns, applications, elections, agreements, and other instruments or documents, under applicable tax Law, which it deems desirable or advisable. Pursuant to the foregoing, the Company shall cause any tax returns of the Company to be prepared by the Company. The Company shall timely and properly prepare US federal, state and local tax returns, and any other required tax returns, of the Company. If Walmart (or any of its Affiliates) consolidate the operations of the PhonePe Group Companies for tax, accounting or compliance purposes, Walmart (or any of its relevant Affiliates) will have control of any such returns, applications, elections, agreements, and other instruments or documents, under applicable tax Law which they deem desirable or advisable, and the PhonePe Group Companies shall provide all reasonable assistance requested by Walmart in connection with such returns, applications, elections, agreements, and other instruments or documents.
- (v) The Company is hereby authorized and empowered to handle tax audits or assessments relating to any taxable period; provided, however, that if Walmart (or any of its Affiliates) consolidate the operations of the PhonePe Group Companies for tax, accounting or compliance purposes, Walmart (or any of its relevant Affiliates) will have control of any tax audits or assessments of Walmart (or any of its relevant Affiliates) that relate to any taxable period after the date of adoption of these Articles, and the PhonePe Group Companies shall provide all reasonable assistance requested by Walmart in connection with such tax audits or assessments.
- (vi) Each Shareholder further agrees that such Shareholder will, upon reasonable request of the Company, provide any information or documentation, execute any forms or documents (including a power of attorney (except with respect to Headstand) or settlement or closing agreement) and take any further reasonable action requested by the Company in connection with any tax matter (including in connection with a tax audit or proceeding) affecting the Company, including as reasonably necessary to effectuate any of the foregoing provisions of this paragraph B of Schedule 6.
- (vii) The Company shall not file an election under US IRS Code Section 7701 (or any similar provision of any US state tax law) to be taxed as a corporation. No election shall be made by the Company to be excluded from the provisions of Subchapter K, Chapter 1 of Subtitle A of the US IRS Code or from any similar provision of any US state tax law. The Company shall not convert under local law from an "eligible entity" (within the meaning of US Treasury Regulation Section 301.7701-3(a), an "Eligible Entity") to an entity that is not an eligible entity.
- (viii) Solely for US federal income tax purposes, Walmart shall establish and maintain a separate capital account for each Shareholder in respect of the Company in accordance with US Treasury Regulation Section 1.704-1(b)(2)(iv), as the same may be amended or revised. Profits and losses (or, to the extent necessary, items thereof) of the Company shall be allocated among the capital accounts of the Shareholders in a manner that as closely as possible gives economic effect to the provisions of Part B of these Articles. For US federal, state and local income tax purposes, all items of income, gain, loss and deduction of the Company shall be allocated among the Shareholders in the same



manner that the corresponding book items have been allocated among the Shareholders' respective capital accounts, provided that, notwithstanding the foregoing, Walmart may make such allocations for US tax purposes as it deems reasonably necessary to ensure that allocations are in accordance with the interests of the Shareholders within the meaning of the US Treasury Regulations, and/or in accordance with US IRS Code Section 704(c) and the US Treasury Regulations promulgated thereunder (to the extent applicable). Notwithstanding the foregoing, if the Shareholders do not agree on an alternative method, any allocations to be made in accordance with US IRS Code Section 704(c) will be made using the "remedial method" as defined in US Treasury Regulations Section 1.704-3(b). This paragraph B(viii) of this **Schedule 6** shall be deemed to contain a "minimum gain chargeback" within the meaning of US Treasury Regulations Section 1.704-2(b)(2), a "partner nonrecourse debt minimum gain chargeback" within the meaning of US Treasury Regulations Section 1.704-2(i)(4) and a "qualified income offset" within the meaning of US Treasury Regulations Section 1.704-1(b)(2)(ii)(d), and shall be interpreted consistently therewith.

C. INTERNAL POLICIES

The Company shall, and ensure each PhonePe Group Company shall at all times, adopt, maintain and comply with all procedures, policies, guidelines, resolutions and charters (including all amendments thereto) that are notified to the Company by Walmart, in writing, from time to time.

D. APPLICABLE ABAC LAWS/ APPLICABLE MONEY LAUNDERING LAWS AND SANCTIONS

- (i) Applicable ABAC Laws / Applicable Money Laundering Laws or Sanctions. None of the PhonePe Group Companies or any of their respective PhonePe Representatives shall pay, offer, promise or authorize the payment of, directly or indirectly, any monies or transfer anything of value to any Government Official or employee of a private sector entity with which such PhonePe Group Company is doing or seeking to do business in a manner that violates any Applicable ABAC Laws or engage in any conduct that would violate any Applicable Money Laundering Laws or Sanctions.
- (ii) Sanctioned Persons. None of the PhonePe Group Companies or any of their respective PhonePe Representatives, when acting for or on behalf of such PhonePe Group Company, shall use, directly or indirectly, the proceeds of the Transaction or lend, contribute or otherwise make available such proceeds to any Sanctioned Person or individual or entity otherwise subject to Sanctions.
- (iii) ABAC Policies and Procedures. The policies and procedures of the PhonePe Group Companies designed to prevent the PhonePe Group Companies as well as their respective PhonePe Representatives from engaging in any activity, practice or conduct that would violate any Applicable ABAC Laws shall be consistent with: (a) the corresponding policies and procedures of Walmart; and (b) the guidance that has been provided by Governmental Authorities in India and the US having authority to investigate or prosecute violations of Applicable ABAC Laws.
- (iv) Money Laundering Policies and Procedures. The policies and procedures of the PhonePe Group Companies designed to prevent the PhonePe Group Companies, as well as their respective PhonePe Representatives, from engaging in any activity, practice or conduct that would violate any Applicable Money Laundering Laws or Sanctions shall be consistent with:
 - (a) the corresponding policies and procedures of Walmart; and




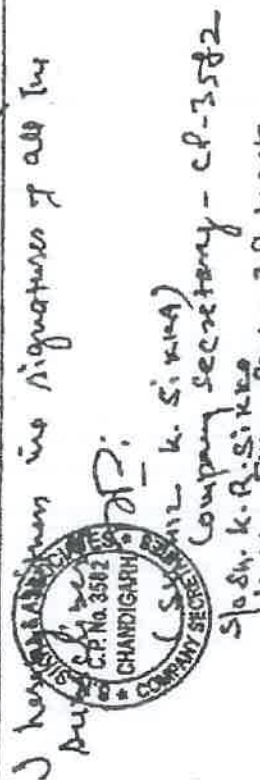


- (b) the guidance that has been provided by Governmental Authorities in India and the US having authority to investigate or prosecute violations of Applicable Money Laundering Laws and Sanctions.
- (v) Books and Records. The PhonePe Group Companies shall keep and maintain books and records reflecting accurately and in reasonable detail all transactions involving the PhonePe Group Companies as well as controls designed to ensure that payments by the PhonePe Group Companies will be made only in accordance with management instructions.
- (vi) Written Confirmation. The Company shall confirm in writing, upon request from a Shareholder, no more than once each year from the date hereof, that the PhonePe Group Companies have complied with the undertakings set forth in this paragraph D of **Schedule 6**.
- (vii) Duty to Notify. If the Company suspects or comes to believe that either it or any other PhonePe Group Company has violated any Applicable ABAC Laws, Applicable Money Laundering Laws or Sanctions, it shall Notify each of the Shareholders promptly in writing of its suspicion or belief.
- (viii) Shareholders' Right to Audit. The PhonePe Group Companies and their respective PhonePe Representatives shall cooperate in good faith with Walmart if Walmart decides to seek to determine whether the PhonePe Group Companies or their respective PhonePe Representatives have complied with the undertakings set forth in this paragraph D of **Schedule 6**. The cooperation required by the foregoing shall include permitting Walmart or their authorized representative(s) to audit the books and records of the PhonePe Group Companies as well as review and make copies of correspondence and other documents, however sent or received, possessed by the PhonePe Group Companies pertaining to compliance with the undertakings set forth in paragraph D of **Schedule 6**.

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We, the several persons whose names and addresses are subscribed below are desirous of being formed into a company in pursuance of these Articles:

S. No.	Name/ address/ description/occupation of subscribers	Signature of subscriber	Signature/name/ address/occupation/description of witness
1.	<p>Amit Narang S/o Sh. Jagdish Chander Narang 261-L, Model Town Jalandhar City-144003 Punjab India (Business)</p>		<p>I hereby certify the signatures of all the</p> 
2.	<p>Jyoti Narang D/o Sh. Balbir Singh Bhatti 261-L, Model Town Jalandhar City-144003 Punjab India (Service)</p>		<p>I hereby certify the signatures of all the</p> 

Date: 9 December 2012
Place: Chandigarh

