

Expression of Interest for Sale of Loan Exposures by PayU Finance India Private Limited

Terms and Conditions

PayU Finance India Private Limited (“**PayU Finance**” or “**NBFC**”) a company incorporated under the Companies Act, 1956 and having its registered office at Shiv Building, Fourth Floor, Crossing of Sahar Road, Vile Parle East, Mumbai, Maharashtra, 400 057, India and a corporate office at 9th Floor, Bestech Business Tower, Sohna Road, Sector 48, Gurgaon, Haryana, India – 122002 and another office at Unit bearing no. 214, 1st Floor, DLF South Court Mall, Saket, New Delhi 110017.

PayU Finance is a non-banking financial company as defined under section 45I of the Reserve Bank of India Act, 1934 and is, inter alia, engaged in the business of providing financial products, enterprise lending and specific lending, apart from providing certain technology related services, financial services, and a combination of both. PayU Finance has been issued a registration certificate bearing number 13.00127 dated 21 February 2019 by the RBI to operate as a non-banking financial company.

PayU Finance proposes to sell non-performing assets / stressed loans forming part of unsecured loan portfolio of PayU Finance (“**NPA-Loan Accounts**”) for **Cash** consideration.

In terms of PayU Finance’s Stressed Loans Transfer policy read together with Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 as modified, updated, amended or replaced, from time to time (“**RBI TLE Guidelines**”), PayU Finance places the sale NPA-Loan Accounts comprising of a pool of 90,854 loan accounts with outstanding of INR 231.01 Crores to eligible entities as permitted under RBI TLE Guidelines on the below terms.

1. Brief details NPA- Loan Accounts, PayU Finance invites bids from eligible parties to acquire the NPA-Loan Accounts as detailed below.

A. Paysense Personal Loan portfolio

Number of loan accounts	Principal Outstanding as on 31st January, 2024	Bid Submission Date	Opening Bid Date & Details of initial bidder	Terms of Sale
8,286	97.49 Crores	22 nd March 2024	22 nd March 2024	Cash

B. Express Personal Loan portfolio

Number of loan accounts	Principal Outstanding as on 31st January, 2024	Bid Submission Date	Opening Bid Date & Details of initial bidder	Terms of Sale
7,384	21.18 Crores	22 nd March 2024	22 nd March 2024	Cash

C. Lazyplus portfolio

Number of loan accounts	Principal Outstanding as on 31st January, 2024	Bid Submission Date	Opening Bid Date & Details of initial bidder	Terms of Sale

75,184	112.34 Crores	22 nd March 2024	22 nd March 2024	Cash
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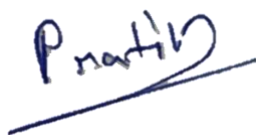
- The sale of the NPA-Loan Accounts by PayU Finance is on “as is, where is” and non-recourse basis.
- The sale / bid process shall be conducted through Swiss Challenge Method in accordance with RBI TLE Guidelines and PayU Finance’s Stressed Loans Transfer Policy.
- The interested eligible parties may conduct due diligence of the NPA-Loan Accounts with immediate effect, after submitting expression of interest (“EOI”) and executing a Non-Disclosure Agreement (**NDA**) with PayU Finance.
- Full details of the NPA-Loan Accounts will be shared on execution of NDA, on the email ID provided with the EOI. PayU Finance shall also facilitate detailed due diligence including inspection of loan documents, if asked for – after execution of NDA. Bidders are also expected to verify at the time of due diligence, the updated position of principal and total dues.
- Cut-off date denotes, the date of Assignment Agreement of NPA-Loan Accounts, that is. all realization / recoveries made up to the cut-off date shall be retained by PayU Finance.
- The time schedule for completion of the sale process is given below, which may be taken note of and adhered to:-

Sl. No	Particulars	Date
(i)	Notification of Sale of NPA-Loan Accounts – Website	19 March 2024, Tuesday
(ii)	Submission of Expression of Interest as per the format requested by 6 pm	20 March 2024, Wednesday
(iii)	Submission of Non-Disclosure Agreement (if not already executed)	21 March 2024, Thursday
(iv)	Sharing Information of the NPA-Loan Accounts to be sold	21 March 2024, Thursday
(v)	Completion of due diligence exercise	22 March 2024, Friday
(vi)	Bid submission date by 6pm	22 March 2024, Friday
(vii)	Bid opening date	22 March 2024, Friday

- Prospective bidders desirous of participating in the bidding process are required to: (a) submit EOI letter in the format specified in **Annexure-A** below, and (b) execute the NDA in the format specified in **Annexure-B** in either a sealed envelope to **PayU Finance India Private Limited** at the following address: Shiv Building, Fourth Floor, Crossing of Sahar Road, Vile Parle East, Mumbai - 400 057 or by e-mail to the following ID: **pratik.khandelwal@payufin.com**. These two annexures can be downloaded as available herein below.
- The offeror shall have a first right of refusal to match the highest challenger bid emerging from Swiss Challenge process.
- The submission of a bid by the bidder shall be deemed to constitute unconditional acceptance of all the terms in this document by the bidder.

11. All costs, expenses, stamp duties incurred by each bidder in connection with the sale transaction, or submission of the bid, shall be borne and paid by such bidder, whether its bid is accepted or rejected for any reason and PayU Finance does not assume any liability whatsoever in this connection.
12. PayU Finance reserves the right to cancel / modify / alter any terms of the offer document, as it may deem appropriate. Each addendum so issued shall form a part of the process document.
13. The bids are to be submitted in password protect emails / physical form in sealed envelope (marked to the contact person as detailed in the **Annexure – A** below) by the bid cut-off date as mentioned. The bidder shall not be entitled to withdraw or cancel bid once submitted. All bids so submitted should have validity of a minimum period of 30 days from the date of final offer of acceptance. PayU Finance may seek extension of the validity for such period as may be necessary to complete the approvals and/or as determined by the management of PayU Finance.
14. PayU Finance reserves the right not to go ahead with or cancel and/or postpone the proposed sale of NPA-Loan Accounts at any stage, without assigning any reason. The decision of PayU Finance in this regard shall be final and binding.
15. The successful bidder will be intimated in- principally by PayU Finance in due course. The final bid then shall be subject to approval of competent authorities of PayU Finance and further the Swiss Challenge process shall be conducted as per the regulatory guidelines.
16. The details about the execution of the assignment deed and completion of other legal formalities may be covered in the bid so submitted. The Bidder shall arrange to collect the loan documents from PayU Finance office at a mutually convenient date and time, within 30 days from the date of execution of assignment deed.
17. PayU Finance reserves the right to amend / alter any terms of this document, as it may deem appropriate.
18. The portfolios showcased hereinabove is subject to change due to ongoing recovery/collection/closure of the NPA-Loan Accounts.
19. In case of any doubt regarding the terms and conditions and process of the sale, the decision of PayU Finance will be final.
20. This Document is governed by, and construed in accordance with, the laws of India and shall be subject to the exclusive jurisdiction of the courts of New Delhi, India.

For PayU Finance India Private Limited,



Pratik Khandelwal
Authorized Signatory

Dated:19/03/2024

Annexure – A

Expression of Interest

On the Eligible Investor Letter Head

Dated:

PayU Finance India Private Limited

Having its registered office at:

Shiv Building, Fourth Floor,
Crossing of Sahar Road,
Vile Parle East, Mumbai-400 057, India

And

Having its corporate office at:

9th Floor, Bestech Business Tower,
Sohna Road, Sector 48, Gurgaon – 122002

And

Having a branch office at:

Unit bearing no. 214, 1st Floor,
DLF South Court Mall, Saket,
New Delhi 110017,

Sub: Bid offer for the sale of NPA-Loan Accounts.

We refer to the PayU Finance India Private Limited notification on website/e-mail dated _____ for sale of NPA-Loan Accounts. We, hereby confirm our intention to proceed with the due-diligence. This is to confirm that:

1. We are eligible and have the capacity to conclude the purchase of NPA-Loan Account in accordance with the applicable laws and regulations of India.
2. Subject to our findings and pursuant to the due diligence review, we intend to submit a bid for the NPA-Loan Accounts being auctioned/transferred by PayU Finance India Private Limited.
3. We have the financial capacity to undertake the purchase of the account, should our bid be accepted.
4. In undertaking this transaction, we have no conflict of interest with and are not related, directly or indirectly, to PayU Finance India Limited.
5. We shall execute NDA with PayU Finance India Limited, as per the format shared by PayU Finance India Limited.

Details of our representative

Name:

Contact details:

Email ID:

With regards,

Annexure – B

NON – DISCLOSURE AGREEMENT

This confidentiality and non-disclosure agreement (“**Agreement**”) is entered into on _____ 2024 between

PayU Finance India Private Limited, a company incorporated under Companies Act, 2013 and having registered office at Shiv Building, Fourth Floor, Crossing of Sahar Road, Vile Parle East, Mumbai, Maharashtra, 400 057, India and a corporate office at 9th Floor, Bestech Business Tower, Sohna Road, Sector 48, Gurgaon, Haryana, India – 122002 and another office at Unit bearing no. 214, 1st Floor, DLF South Court Mall, Saket, New Delhi 110017 (hereinafter referred to as “**PayU Finance**”) which expression shall unless the context requires it otherwise mean and include its successors in business and assigns.

AND

_____ Limited, a company incorporated under the Companies Act, 1956, CIN No. _____, a Non-Banking financial company under the provisions of the _____, having its registered office _____ at _____

_____ (hereinafter referred to as “_____”, which expression shall, unless repugnant to the context thereof, include its successors-in-interest and assigns).

PayU Finance and _____ shall hereinafter also be referred to individually as “Party” and collectively as “Parties” as the case may be.

WHEREAS

- A. PayU Finance inter-alia is in the business of lending etc.
- B. [**Name of Service Provider**] is engaged in [**to be filled by counter party**]
- C. The Parties wish to exchange information for the purpose of exploring the possibilities of a potential business relationship that could be to the mutual benefit of the Parties (the “Purpose”) and the Parties hereby intend to exchange certain Confidential Information (defined hereinafter) under the terms of this Agreement.
- D. It is the intention of both the Parties that Confidential Information exchanged should not be disclosed to third parties.
- E. For the mutual protection of Confidential Information, the Parties have decided to enter into this Agreement on the terms and conditions mentioned hereinafter.

NOW THEREFORE, in consideration of the mutual promises, covenants and representations recorded herein by the Parties hereto and such additional promises and understandings as are hereinafter set forth, the Parties agree as follows:

1) Definitions

- (a) For the Purpose contemplated in this Agreement, the term '**Confidential Information**' shall include any information or data of a scientific, technical, commercial, regulatory or financial nature disclosed between the Parties, or which is obtained by a Party from the other whether oral, in writing, pictorially, in machine readable form, on disc, mail, or by any other means/modes of disclosure and including without limitation any information, data, drawings, patterns, designs, concepts, ideas, contained in any written or printed document, hardware, firmware and software, and shall include any information related to technology and business activities (including, but not limited to, business records, customer lists, project records, reports, employee lists, business manuals, policies and procedures, communication systems, business outlooks, revenue, pricing, trade secrets), computer programs, software (including, without limitation, code, software output, screen displays, file hierarchies and user interfaces), formulas, data, inventions, techniques, technology, research and technical data, readings, analysis, charts, know-how, processes, ideas, (whether patentable or not), schematics, specifications, drawings, product designs, product plans, pricing, services, strategies, intellectual property (whether registered or not), third party confidential information, and corporate and personnel statistics, customer lists (potential or actual) and other customer-related information, supplier information, sales statistics, market intelligence, marketing, business working, operations of parent, subsidiaries or affiliates and other business strategies and other commercial information of a confidential nature disclosed between the Parties. Any Confidential Information disclosed orally or verbally should be intimated, in writing, within thirty (30) days of such oral disclosure.
- (b) The Party disclosing the Confidential Information that is PayU Finance is referred to herein that as "**Disclosing Party**" and the Party to which such Confidential Information is disclosed that is [] is referred to herein as "**Receiving Party**".
- (c) "**Affiliate**" of the Party shall mean the respective Party or other person who or which is either controlled by the respective Party or who controls the respective Party or who or which is controlled by the same person/entity who controls the respective Party, either by way of significant share holding, voting rights or technical collaboration.

2) Non-Disclosure and Confidentiality Obligations

- a) The Receiving Party agrees to not (i) directly or indirectly, in any way, reveal, report, publish, disclose, cite, disseminate, transfer or otherwise use any Confidential Information except in accordance with this Agreement and (ii) in any manner copy, reproduce, extract, translate, decode the Confidential Information.
- b) The Receiving Party agree to regard and preserve as confidential all Confidential Information provided by the Disclosing Party to the Receiving Party or which may be disclosed, received or granted access to by the Disclosing Party or come to the knowledge of the Receiving Party in any manner in connection with the negotiations for the possible business relationship.
- c) In maintaining the confidentiality of Confidential Information hereunder, the Receiving Party agree that they shall not, without first obtaining the written consent of the other, disclose or make available to any person, firm or enterprise, reproduce or transmit, or use (directly or indirectly) for its own benefit or the benefit of others, any Confidential Information save and except that either Party may disclose any Confidential Information to its Directors, officers, employees or professional advisors ("**Representatives**") on a 'need to know' basis to enable them to evaluate such "Confidential Information" in connection with the negotiation for the possible business relationship between the Parties hereto.
- d) The Receiving Party shall ensure that the its representatives shall maintain confidentiality with regard to the disclosed Confidential Information, if any, and shall issue suitable instructions and/or get suitable written undertakings or agreements executed to bind its Representatives to the same obligations of confidence and safeguarding as agreed by the Parties hereto and to adhere to the confidentiality/non disclosure terms contained in this Agreement. However,

nothing in this Agreement shall relieve the Receiving Party of its obligations under this Agreement.

- e) The Receiving Party further agree that the Confidential Information which may pertain to or touch upon any regulatory aspects and/or dealings of Disclosing Party with any statutory/government/ related agencies/ bodies, whether the said information is received verbally or in writing, will not be disclosed in any manner, either directly or indirectly, to any other persons except to its Representatives on a strictly 'need to know' basis.
- f) The Receiving Party further agree to exercise the same degree of care that it exercises to protect its own Confidential Information of a like nature from unauthorized disclosure, but in no event shall a less than reasonable degree of care be exercised by either Party.
- g) It is mutually acknowledged and agreed that information shall not be considered "Confidential Information" to the extent, that such information: (a) at the time of disclosure was in the public domain or (b) is already known to the Receiving Party free of any confidentiality obligation at the time it is obtained from the other Party; or (c) after disclosure is or becomes publicly known or available through no wrongful act of the Receiving Party; or (d) is rightfully received from a third party without restriction or (e) is approved for release, disclosure, dissemination or use by written authorisation from the Disclosing Party; or (f) is disclosed after expiry of 1 (one) years from the date of expiry or early termination of this Agreement.
- h) Furthermore, nothing contained in this Agreement nor any provision or disclosure of information (including but not limited to Confidential Information) as contemplated hereunder, shall be construed as creating, conveying, transferring, granting or conferring by one Party on the other any rights, license or authority in or to the information provided. The Parties hereto shall use the Confidential Information only for the limited purpose of exploring/finalising the possible business relationship between the Parties hereto and for no other reason whatsoever.
- i) The Receiving Party acknowledge that the Confidential Information coming to the knowledge of the other may relate to and/or have implications regarding the future strategies, plans, business activities, methods, processes and or information of the Disclosing Party which afford them certain competitive and strategic advantage. Accordingly neither Party will use the Confidential Information or do anything that may jeopardize or adversely affect in any manner such future strategies, plans, business activities, methods, processes, information, and/or competitive and strategic advantage to the other.
- j) The Parties recognize that each of them may be part of an organization of multiple legal entities in several jurisdictions and that it may be necessary or appropriate for Receiving Party to disclose Confidential Information to its Affiliates. For this purpose, each Party agrees (both as Disclosing Party & Receiving Party) that:
 - (i) the Receiving Party may disclose Confidential Information to an Affiliate but only to the extent that such Affiliate has a need to know such Confidential Information in order to carry out the business relationship being negotiated between the Parties as referred herein elsewhere.
 - (ii) Each Party guarantees the observance and proper performance by its Affiliates to whom Confidential Information is disclosed as above, of the terms and conditions of this Agreement.

3) Reverse Engineering

The Receiving Party shall not reverse-engineer, decompile, or disassemble any equipment, hardware or software provided or disclosed to it and shall not remove, overprint or deface any notice of copyright, trademark, logo, legend or other notice of ownership from any originals or copies of Confidential Information it obtains from the Disclosing party.

4) Disclaimer

Each Party, as a Receiving Party acknowledges that the Disclosing Party has not made any representation or warranty, express or implied, as to the accuracy or completeness of the Confidential Information and the Confidential Information is received on an “as is” basis and agrees that it must make its own assessment and satisfy itself as to the accuracy and completeness of such Confidential Information. All Parties hereby represent and warrant that all personal data it or its Affiliates has or will transfer to the other Party or its Affiliates has been collected, processed, transferred and otherwise used by it or its Affiliates in accordance with relevant data privacy laws.

5) Return of Confidential Information

All Parties further agree that upon termination/expiry of this Agreement or at any time during its currency, at the request of the Disclosing Party the Receiving Party shall promptly (and in any case, within 15 days of request unless the Receiving Party's information is, at the time of such request, not in India, in which case within 15 days of request):

- (i) deliver to the Disclosing Party all copies, extracts, reproductions, translations, etc. of the Confidential Information in its possession or under its direct or indirect control, including all memoranda, notes and other writings prepared by the Receiving Party or its Representatives to the extent the same are based on the Confidential Information.
- (ii) delete, erase, purge or otherwise destroy any Confidential Information contained in computer memory, magnetic, optical, laser, electronic or other media in the possession or control of the Receiving Party, which is not capable of delivery to the Disclosing Party.

6) No License

The Confidential Information shall be considered as a valuable trade secret owned by the Disclosing Party and the Disclosing Party shall continue to retain all right, title, and interest in the Confidential Information. Except as specifically provided herein, disclosure of Confidential Information by either Party pursuant hereto shall not be deemed to grant to the Receiving Party, any rights, interest or property in such Confidential Information and accordingly All Parties agree that they will not directly or indirectly claim or submit any application for grant of any patent, copyright, design right or other Intellectual Property Rights in, to or on the basis of the Confidential Information.

7) Equitable Relief

All Parties hereto acknowledge and agree that in the event of a breach or threatened breach by the Receiving Party of the provisions of this Agreement, the Disclosing Party will have no adequate remedy in money or damages and accordingly notwithstanding anything contained in this Agreement, the Disclosing Party shall be entitled to seek injunctive relief against such breach or threatened breach by the Receiving Party; provided, however, no specification in this Confidentiality Agreement of a specific legal or equitable remedy shall be construed as a waiver or prohibition of any other legal or equitable remedies in the event of a breach or threatened breach of this Agreement and the remedies specified herein shall be in addition to all other reliefs and remedies available to the Parties under prevailing laws.

8) Compelled Disclosure

If the Receiving Party receives a notice from a governmental authority or faces legal action to disclose Confidential Information received under this Agreement, then the Receiving Party shall promptly endeavor to, if not unlawful and prohibited, notify the Disclosing Party of the same such that the Disclosing Party may have the opportunity to intercede, obtain protective order and contest such disclosure and, upon request, shall cooperate with the Disclosing Party in contesting such a disclosure. Further, the Parties agree that in event the Receiving Party is required to disclose the Confidential Information pursuant to the legal action, notice, order, it shall not disclose any Confidential Information in excess of the legal requirement and to any

other person.

9) General Provisions

- a) The Parties understand and agree that each Party is an independent contractor and shall operate on a principal to principal basis. Nothing in this Agreement shall be interpreted to create any relationship between the Parties other than that intended in this Agreement.
- b) No failure or delay by either Party in exercising or enforcing any right, remedy or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise or enforcement of any right, remedy or power preclude any further exercise or enforcement thereof or the exercise or enforcement of any other right, remedy or power.
- c) This Agreement will be governed by the laws of India and jurisdiction shall be exclusively vested in the courts at Delhi only.
- d) PayU Finance may assign, in whole or in part, the benefits or obligations of this Agreement by providing a thirty (30) days prior intimation of such assignment to the other Party, which shall be binding on the Parties to this Agreement. However, this Agreement shall not be assignable or transferable by the _____ without the written consent of PayU Finance.
- e) The Parties agree to indemnify each other against any and all losses, damages, claims, or expenses incurred or suffered by the Disclosing Party as a result of the Receiving Party's breach of this Agreement.
- f) This Agreement shall remain valid for a period of 1 (one) year from the date of execution of this Agreement which term may be extended by mutual consent in writing of all the Parties. This Agreement may be terminated by either Party by giving 30 (thirty) days' notice in writing to the other Party without assigning any reason whatsoever. However, the confidentiality obligations of each Party hereunder shall survive the termination or earlier determination or expiry of this Agreement and shall continue and be binding upon the Parties for a further period of 1 (one) years after termination/ expiry of the Agreement. Further, it is agreed between the Parties that if the Parties enter into a definitive agreement for the possible business relationship, all the confidentiality and non-disclosure obligations under this Agreement should, unless otherwise agreed in writing, survive and continue to be binding upon the Parties. All such notices, requests, demands, waivers and other communications shall be in writing and shall be deemed to be sent, if by personal delivery, certified or registered mail, courier, at the address aforementioned in the Agreement.
- g) This Agreement supersedes all prior discussions and writings with respect to the Confidential Information and constitutes the entire Agreement between the Parties with respect to the subject matter hereof.
- h) No modifications of this Agreement or waiver of the terms and conditions hereof shall be binding upon either of the Parties hereto, unless approved in writing by an authorised representative of each Party.
- i) In the event that any of the provisions of this Agreement shall be held by a Court or other Tribunal of competent jurisdiction to be unenforceable, the remaining portions hereof shall remain in full force and effect and this Agreement shall be interpreted and construed accordingly.
- j) This Agreement is executed in duplicate, each of which shall be deemed to be the original and both when sent together shall be deemed to form one and single document.

IN WITNESS WHEREOF, the Parties hereto have duly executed this Agreement as of the date and year written in the signature block as mentioned below.

For PayU Finance India Private Limited

Sign: _____

Name: _____

Designation: _____

For _____

Sign: _____

Name: _____

Designation: _____