

**Notice Inviting Binding Bid for Sale of Equity Shares of ASREC (India) Ltd (“ASREC”) under Swiss
Challenge Method**

ASREC (India) Limited, is a securitisation company based in Mumbai, India carrying out activities under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002 (SARFAESIA) with the approval of Reserve Bank of India (“RBI”). The Company is engaged in the business of acquiring stressed accounts of Banks and Financial Institutions at mutually agreed prices with the objective to maximise the returns through innovative resolution strategies.

Union Bank of India, Indian Bank and Bank of India (“Sellers”) jointly intend to sell upto 8,84,99,900 equity shares, constituting upto 90.31% of the total equity share capital of ASREC (“Proposed Transaction”) through Swiss Challenge Method. SBI Capital Markets Limited (“SBICAP”) has been appointed as an Advisor for the Proposed Transaction.

Anchor Bidder has been selected as part of Swiss Challenge Method. The Anchor Bidder has submitted its bid for purchasing 7,84,00,000 shares constituting 80% of total shareholding of ASREC at the price of INR 16.00 per share. SBICAP invites Binding Bids from interested investors for the Proposed Transaction to challenge the bid by the Anchor Bidder (“Challenger Bid”).

To be eligible to submit the Binding Bid, interested investors need to submit the following documents in addition to the documents mentioned in **Annexure I**:

- Certificate of net worth of the interested investor;
- Shareholding pattern of the interested investor;
- Details regarding the Ultimate beneficial owner of the interested investor.
- non-disclosure undertaking (“NDU”) as per Annexure III

Further, the interested investor should satisfy the eligibility criteria mentioned in **Annexure II**. Please note all the required documents must be submitted as early as possible by interested investors in order to get access to further information, including data room.

Additional information, including data room access, will be shared only with those potential investors that satisfy the qualification criteria, furnishes the requisite documents as aforesaid and execute the NDU. Please note data room is open only between November 07, 2022 to November 30, 2022. Therefore, in order to maximize the access to data room, interested investors are advised to expedite submitting the required eligibility documents. Please note no request for further extension of data room access, for any reason for whatsoever, will be entertained.

The Challenger Bid can only be submitted once along with a Bank Guarantee of 5% of the consideration amount, and shall be valid only if the bid valuation is higher than the valuation offered by the Anchor Bidder in the Anchor Bid. From the bids received, highest Challenger Bid shall be selected based on the methodology for shortlisting laid down in the letter of Binding Offer. The letter of Binding Offer and other relevant document formats will be shared later only with Bidders fulfilling the criteria mentioned in **Annexure II**.

The highest bid will be considered as the **Challenger bid**. The Anchor Bidder shall have the right of first refusal whereby anchor bidder can match the Challenger Bid In case the Anchor Bidder does not exercise the right of first refusal where Challenger Bid is higher, the challenger bid shall be treated as the successful bid for the Proposed Transaction. In case the Anchor Bidder exercises the right and

matches the Challenger Bid, the Anchor Bidder shall be treated as the successful bidder for the Proposed Transaction.

Potential investors shall submit their Binding Bid along with all supporting documents by email to asrec.stakesale@sbicaps.com and original documents to Union Bank of India at the address: Union Bank Bhavan, Finance and Account department, 6th floor, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai - 400 021, Maharashtra, India. The last date of submission of Binding Bid is on or before 1600 Hrs (IST) of November 30, 2022. Interested parties may visit <https://www.sbicaps.com/index.php/tenders/> from time to time for further update, if any.

Thereafter, further details of the Proposed Transaction, including the subsequent processes, shall be notified only to the qualifying potential investors, as shortlisted by the Sellers. For clarifications, if any, please contact email: asrec.stakesale@sbicaps.com, Contact No.: 022-2217 8944.

Note:

- Sellers reserves the right to withdraw, cancel or modify the invitation / sale process and/or the Proposed Transaction or any part thereof and/or disqualify/reject any/all offer(s)/Binding Bid(s) and/or any potential investors at any stage of the process and/or modify any terms without assigning any reason and without any liability whatsoever and mere submission of Binding Bid does not imply acceptance of Binding Bid.
- Seller reserves the right to sell the equity shares to multiple investors. Selection methodology shall be informed to the selected investors at a later stage.
- No financial obligations will accrue to the Sellers or SBICAP in the event of such withdrawal, cancellation or modification. This is not an offer document and nothing contained herein shall be construed as representations or warranties of any kind whatsoever by the Seller regarding any facts, details or information set out herein.
- No oral conversations or agreements with SBICAP or an official agent or employee of SBICAP shall affect or modify any terms of the Binding Offer Letter.
- By submitting the Binding Bid, each potential investor shall be deemed to have acknowledged that it has carefully reviewed the entire Binding Offer Format and is completely informed of all the existing conditions, limitations and applicable laws

Annexure I

Name and address	Name of the investor(s): Address(es) of investor(s):
Brief Overview of investor(s) and its Business	
Contact Person	Name: Designation: Telephone No: Email:
Total Assets Under Management or equivalent * (INR Cr)	
Aggregate Investments in India in last 5 years (INR Cr)	
Investments in Financial Services sector in India	
List of Document to be attached by Investor	<ol style="list-style-type: none"> 1. Corporate Profile & Group Structure 2. Address Proof/Copy of PAN Card 3. Certificate of incorporation/ Registration 4. Power of Attorney/resolution in favour of authorized signatory having the authority to sign the documents 5. Regulatory approvals, if applicable. 6. Documents/certificate (Audited/ CA certified documents) in support of fulfilling the Qualification Criteria per <u>Annexure-II</u>

* including funds advised and/ or managed by the Investor or its affiliates

Annexure-II
Qualification Criteria

Potential Investors would need to satisfy below Qualification Criteria to be eligible for the Proposed Transaction (as of March 31,2022 or latest thereafter)

A. Should have Networkth of not less than INR 100 Crores (or in equivalent currency)

OR

Should have assets under management of not less than INR 500 Crores (or an equivalent amount in another currency)

AND

B. Should not have been debarred or restrained by RBI or any regulatory authority from making investments in India

For avoidance of doubt, in case of any bids by consortiums, the group members of the consortium jointly must fulfill the Qualification Criteria specified in (A) and (B) herein above provided that all the members of the consortiums should also independently satisfy the Qualification Criteria specified in (B) of this **Annexure II.**

SBICAP/ Sellers reserves the right to reject formation of any consortium without being under any obligation to provide reasons for the same. Any changes to the consortium post submission of the Binding Bid would need to be approved by the Sellers.

It is clarified that, in case potential investors wish to invest in ASREC through a special purpose entity they may indicate the same in Binding Bid, however in such a scenario, its parent entity must fulfill the Qualification Criteria specified in (A)and(B) herein above provided that the special purpose entity should also independently satisfy the Qualification Criteria specified in (B) of this **Annexure II** at the time such special purpose entity is set-up and at all point of time till the Proposed Transaction is completed.

Potential investors are requested to submit appropriate documentation to substantiate their qualification based on the Qualification Criteria prescribed above.

For the purpose of the Binding Bid, the exchange rate to be used for conversion into INR (Indian Rupees) shall be the RBI reference rate at close of the date of issuance of Binding Bid i.e. 30th November, 2022.

Annexure III

[Rs 500 stamp duty to be paid and affixed]

NON-DISCLOSURE UNDERTAKING

This Non-Disclosure Undertaking (“NDU”) has been entered into at [] on this [] day of [], 2022.

BETWEEN

ASREC (INDIA) LIMITED, a Company as per the Companies Act, 2013 duly registered with the Reserve Bank of India as an Asset reconstruction Company having its Registered office at Unit Nos. 201-200A, Ground Floor, Bldg. No.2, Solitaire Corporate Park, Chakala, Andheri(East), Mumbai-400093, Maharashtra India (hereinafter referred to as “**ASREC**” or “**Disclosing Party**” (which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include its’ successors and assigns) as a party to the FIRST PART

AND

[**Bidder name**], a Company as per the Companies Act, 2013 having registered office at [], hereinafter referred to as “**Receiving Party**” (which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include its successors, executors, assigns and administrators) as a party to the OTHER PART

Whereas:

- (a) The ASREC is in the business of securitization and assets reconstruction of financial assets under the provisions of The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2022;
- (b) Receiving Party intended to carry out due-diligence of ASREC before taking certain commercial decision (**the “Purpose”**);
- (c) ASREC will be disclosing its confidential, proprietary information related to its business the Receiving Party. In each such case where information is disclosed, the Disclosing Party agrees to disclose the information to the Receiving Party subject to the receiving Party agreeing to be bound by this NDU;
- (d) As used in this Agreement, the “Disclosing Party” is the Party which owns or legally possesses the confidential and/or proprietary information that is disclosed. The “Receiving Party” is the Party to whom such the confidential and/or proprietary information is disclosed.

NOW, THEREFORE, in consideration of mutual promises and covenants hereinafter set forth in this Agreement, the Parties agree as follows:

1. Confidential Information

“Confidential Information” means any information disclosed by ASREC to Receiving Party and or by virtue fiduciary position the Receiving Party and or by virtue fiduciary position the Receiving Party during period of assignment has come across with such information, which shall include but is not limited to any copy, abstract, extracts, papers, documents, writings, communications whether in electronic form or not etc. disclosed by ASREC directly or indirectly, oral or otherwise. Further, Confidential Information as contemplated in this NDU includes but is not limited to all information or material that has or could have commercial value or other utility in the business in which Disclosing Party is engaged.

The Receiving Party may use the information solely for and in connection with the Purpose as contained in the agreement.

Such Confidential Information shall not include any information which:

- (a) is now or subsequently becomes legally and publicly available without breach of this Agreement by the receiving Party
- (b) was rightfully in the possession of the receiving Party without any obligation of confidentiality prior to receiving it from the Disclosing Party
- (c) was rightfully obtained by the receiving Party from a source other than the Disclosing Party without the obligation of confidentiality
- (d) is disclosed pursuant to an order of a Court or Government Agency as so required by such order, provided that the receiving Party shall unless prohibited by law or regulation, promptly notify the Disclosing Party of such order and afford the Disclosing Party the opportunity to seek appropriate protective order relating to such disclosure.

2. Non-disclosure of Confidential Information

2.1 The receiving Party agrees to use the Confidential Information solely for the purpose. The receiving Party shall not commercially or for personal gain or otherwise, use or disclose any such information or any materials derived there from, in whole or in part, to any other person or entity, other than persons in the direct employment of the Receiving Party who have a need to have access to and knowledge of the information solely for the Purpose.

2.2 In consideration of the mutual benefits accruing to the Parties from their association under this Agreement, the Receiving Party hereto agrees:

- a) That it shall not, without the prior written permission of the Disclosing Party, directly to indirectly disclose or cause to be disclosed any Confidential Information to any third party;
- b) That it shall take all steps as may be reasonably necessary to protect the integrity of the Confidential Information and to ensure against any unauthorized disclosure thereof;
- c) That it shall promptly inform the Disclosing Party of any potential or accidental disclosure of Confidential Information and shall take all steps, together with the other, to retrieve and protect the said Confidential Information; Provided that such intimation to Disclosing Party shall not relieve Receiving Party from its obligation and it shall remain responsible for any unauthorized disclosure or use of such confidential information.
- d) That it shall ensure that all its employees and/or representatives who are given access to the Confidential Information shall at all times be bound by legally valid and written non-disclosure obligations; and
- e) That it shall use the Confidential Information only for the purpose for which it was provided and shall not profit from the same in an unauthorized manner to the exclusion of the Disclosing Party.

2.3 Notwithstanding anything contrary contained in this agreement, the obligations of receiving Party in this Clause shall survive the termination of this Agreement.

3. Publications

Neither Party shall make news releases, public announcements, give interviews, issue or publish advertisements or publicize in any other manner whatsoever in connection with Agreement, the contents/provisions thereof, other information relating to Agreement, the Purpose, the Information or other matter of Agreement, without the prior written approval of the other Party.

4. Effectiveness and terms of this agreement

This agreement shall be effective and binding on the Parties from the date first mentioned hereof or deemed to be effective from date of disclosure of confidential information by ASREC to the Receiving Party, whichever is earlier, ("**Effective Date**") and shall remain effective for the period of **One year** from effective date.

5. Title and Proprietary Rights

Notwithstanding the disclosure of any Information by the Disclosing Party to the Receiving Party, the Disclosing Party shall retain title and all intellectual property and proprietary rights in the information. The Receiving Party shall not conceal after obliterate, mutilate, deface or otherwise claim proprietary right of the Disclosing Party on any copy of the information.

6. Indemnity

6.1 Notwithstanding anything contrary agreed between the parties, the Receiving Party hereby indemnifies and keep disclosing party and its officer(s)/ employee(s), representative(s) associate(s) etc. indemnified and harmless from and against any actions, suits, claims proceedings, damages, liabilities, losses, expenses, cost etc. actually suffered by the disclosing party on account of any breach of confidentiality, warranty, representations, unauthorized act, fraud, deed or thing done or omitted to be done or undertaking made by the Receiving Party, its employees, officers, agents etc. Receiving Party hereby undertake to make good all such said damages, losses to Disclosing Party.

6.2 The Receiving Party acknowledges that if the Receiving Party fails to comply with any of its obligations hereunder, the Disclosing Party may suffer immediate irreparable harm for which monetary damages may not be adequate. The receiving Party agrees that, in addition to all other remedies provided at law or in equity, the Disclosing Party shall be entitled to injunctive and such other reliefs as it deem fit.

7. The Return of Confidential Information

7.1 Upon expiration or termination as contemplated herein or upon the written request from Disclosing Party at any time, the Receiving Party shall immediately cease uses of all confidential information and shall promptly return all such information and all copies, abstracts, extracts thereof etc. in whatever form received from Disclosing Party within a period of Seven (7) days or destroy the said information, documents with prior approval from Disclosing Party in writing and provide the certificate of such destruction to the Disclosing Party within a period of Seven (7) days.

7.2 All Confidential Information disclosed in tangible form (including, without limitation, in computer software or held in electronic storage media) shall remain property of the Disclosing Party.

8. Entire Agreement Amendment/ Assignment

This Agreement constitutes the entire agreement between the parties relating to the matters discussed herein and supersedes any and all prior oral discussions and for written correspondence or agreements between the parties. This Agreement may be amended or modified only with the mutual written consent of the parties. Neither this Agreement nor any right granted hereunder shall be assignable or otherwise transferable.

9. Governing Law

The provisions of this Agreement shall be governed by the laws of India.

10. No Warranties or Representations

10.1 None of the information disclosed by the Disclosing Party constitutes any representation warranty, assurance, guarantees, offer or inducement by Disclosing Party to the Receiving Party with respect to fitness of such information for any particular purpose or for any purpose under the agreement.

10.2 The Receiving Party acknowledges that Confidential Information a provided on an 'as is' basis. The Disclosing Party makes no warranties, express or implied, including the implied warranties of accuracy, completeness, performance, merchantability and fitness for any particular purpose with respect to the Confidential Information.

11. No Liability

In no event that the Disclosing Party be liable for any directed of consequential damages in connection with or arising out of the Confidential information or the Receiving Party's use thereof.

12. Merger Clause

This NDU terminates and supersedes all prior understandings or agreements, and all contemporaneous oral understandings and agreements, on the subject matter hereof. This NDU is the entire agreement between the Parties with respect to its subject. The Recitals at the beginning of this NDU are an integral part of the NDU.

13. No Waiver

Failure by either Party to insist upon strict performance of any of the terms and conditions of this NDU, or delay in exercising any of its remedies, shall not constitute a waiver of such terms and conditions or a waiver of any default, or a waiver of the right to any remedy.

14. Severability

If any term condition, or provision in this Agreement is found to be invalid, unlawful or unenforceable to any extent, the Parties shall endeavour in good faith to agree to such amendments that will preserve, as far as possible, the intentions expressed in this Agreement. If the Parties fail to agree on such an amendment, such invalid term, condition or provision will be severed from the remaining terms, conditions and provisions, which will then continue to be valid and enforceable to the fullest extent permitted by law.

15. Arbitration

The parties agree that any dispute or difference in relation to or arising out of this Agreement or the

interpretation thereof which cannot be resolved through other means within a thirty (30) days period, shall be resolved through arbitration by mutually appointing "Sole Arbitrator", failing which the invoking party may avail other remedies for appointment of Arbitrator under the provisions of The Arbitration and Conciliation Act, 1996. The language of the arbitration shall be in English. The place/ venue/ sitting of arbitral tribunal and proceedings shall be "Mumbai" only.

16. Jurisdiction

The cause of action of any for this agreement shall deemed to be risen in day of "Mumbai" for all purposes and the Courts of "Mumbai" only shall potion to try the suit in case of any dispute.

IN WITNESS WHEREOF, the parties have hereto set their hands upon the date first above written,

SIGNED SEALED AND DELIVERED)

by the within named "ASREC (INDIA) LIMITED")

through.....)

SIGNED SEALED AND DELIVERED)

by the within named "[Company name]")

through.....)

In Presence of

1.

2.

Disclaimer Notice

This Invitation for Binding Bid has been prepared for limited purpose of giving only preliminary information to the potential investors about the Proposed Transaction, without any regard to specific objectives, suitability, financial situations and needs of any particular person and does not constitute any recommendation, is not intended to be the basis for participating in the Proposed Transaction and should not be construed as an offer or invitation for sale or the solicitation of an offer to buy, purchase or subscribe to any securities, if any, mentioned therein and neither this document nor anything contained herein shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. This document does not solicit any action based on and is made available upon the express understanding that such parties will use it only for the purpose set forth above.

This Invitation to Binding Bid does not, and does not purport to, contain all the information that recipients and their advisors would desire or require in reaching decisions as to the Proposed Transaction. Recipients should form their own views as to what information is relevant to such decisions and make their own independent investigation in relation to the information contained herein and/ or any additional information.

The recipient accepts the terms of this Disclaimer Notice, which forms an integral part of this document, and agrees to keep its contents, and any other information regarding the Proposed Transaction, which is disclosed to such recipient, confidential and shall not reproduce, distribute, transmit, sell or publish in whole or part or make any announcement in public or to a third party regarding the contents without the prior written consent of the Company/Sellers/SBICAP. This Invitation to send Binding Bid is meant to provide information only and upon the express understanding that recipients will use it only for the purposes set out above. It does not purport to be all inclusive or contain all the information about the Company/ Proposed Transaction that the recipient may consider material or the basis of any contract.

No representation or warranty, expressed or implied, is or will be made as to the reliability, accuracy or the completeness of any of the information contained herein. It shall not be assumed that there shall be no deviation or change in any of the herein mentioned information. While this Invitation to send Binding Bid has been prepared in good faith, neither the Company/Advisor nor the Sellers nor their consultants nor any of their respective officers or employees make any representation or warranty or shall have any responsibility or liability whatsoever in respect of any statements or omissions here from.

Any liability is accordingly expressly disclaimed by the Company, Sellers, SBICAP, their consultants and all of their respective officers, agents and employees even if any loss or damage whether direct or indirect, incidental, special or consequential including lost revenue or lost profits is caused by any act or omission on the part of Company, Sellers, SBICAP, their consultants or any of their respective officers, agents or employees, whether negligent or otherwise.

Neither the information in this Invitation to Binding Bid nor any other written or oral information in relation to the Proposed Transaction or otherwise is intended to form the basis of or the inducement for any investment activity or any decision to enter into any contract or arrangement in relation to the Proposed Transaction and should not be relied on as such. Neither the Company nor the Sellers nor SBICAP nor their employees, agents or consultants shall be liable to any recipients or any other entity under Law including the law of contract, tort, the principles of restitution or unjust enrichment or otherwise for any loss, expense or damage which may arise, or be incurred, or suffered, in connection with this Invitation to send Binding Bid, or any matter that may be deemed to form part of this Binding Bid Invitation, or any matter

that may be deemed to form part of this Binding Bid Invitation, or any other information supplied by or on behalf of the Company or Sellers or SBICAP or their employees, agents or consultants.

The information contained in this Binding Bid Invitation or any other written or oral information provided to recipients is subject to change without notice. No representation or warranty, express or implied is given as to the achievement or reasonableness of any future projections, estimates, prospects or returns contained in this Binding Bid Invitation or in such other written or oral information provided in relation to the Proposed Transaction or otherwise. Accordingly, recipient(s) should carry out an independent assessment and analysis of the business of the Company and the Proposed Transaction and the information, facts and observations contained herein.

In no circumstances must recipients or their officers, employees, agents and professional advisors make contact with the management, employees, customers, agents or suppliers of the Company or the Sellers. All communications, inquiries and requests for information relating to these materials should be addressed to SBICAP at asrec.stakesale@sbicaps.com.