

## Sale of Loan Exposures by Whizdm Finance Private Limited under Swiss Challenge Method

### Document - Terms for Sale

Whizdm Finance Private Limited (“**Whizdm**” or “**NBFC**”) a company incorporated under the Companies Act, 1956 and having its registered office at No. 17/1 Kadubeesanahalli, Outer Ring Road, Bangalore – 560 087, Karnataka.

Whizdm is an RBI registered non-systemically important non-deposit taking NBFC. It was incorporated on March 27, 2017. The NBFC is engaged in business of providing unsecured personal & business loans.

Whizdm invites bids from institutions and eligible entities under the Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021, as modified, updated, amended or replaced, from time to time (“**RBI TLE Guidelines**”), issued by the Reserve Bank of India (**RBI**), for the sale of its **non-performing assets** / stressed loans forming part of unsecured loan portfolio of Whizdm (“**Stressed-Loan Accounts**”) for upfront **Cash** consideration, in accordance with the terms and conditions mentioned in this document. The bids are being called from interested investors under the Swiss challenge method.

In terms of Whizdm’s Policy on Securitization of Standard Assets and Transfer of Loan Exposures read with the RBI TLE Guidelines, Whizdm places the sale Stressed-Loan Accounts comprising of a pool of 1,40,053 loan accounts with outstanding of INR 243,74,59,283/- to eligible entities as permitted under RBI TLE Guidelines on the below terms under RBI TLE Guidelines on the below terms.

1. Brief details of Stressed-Loan Account, Whizdm invites bids from eligible entities to acquire the Stressed-Loan Accounts as detailed below.




#### A. Personal & Business Loan portfolio

Number of loan accounts	Principal Outstanding as on 5 <sup>th</sup> January, 2025	Counter Bid Submission Date	Finalization of successful bidder	Terms of Sale
1,40,053	INR 243,74,59,283/-	March 13 <sup>th</sup> 2025	March 13 <sup>th</sup> 2025	Cash

2. The sale of Stressed-Loan Accounts, under this document, is a sale under the Swiss challenge method. Whizdm has received an existing offer from an eligible entity for acquisition of the Stressed-Loan Accounts for an upfront cash consideration.
3. The sale of the Stressed-Loan Accounts by Whizdm is on “as is, where is” and non-recourse basis under “Swiss Challenge Method”, based on having an existing binding offer (hereinafter called “**Base/ Initial Bidder**”) with an initial consideration amount of **Rs. 20.72 Crores** (“**Initial Consideration**”) (**8.50%** of the pool) from an “**Offeror**”. The “**Challenger**” bid should have minimum mark-up of 5% to 15% over “**Base / Initial Bidder**” bid. The “**Base / Initial Bidder**” will have the right to match the highest challenger bid.
4. In the event (i) no counter bid is received pursuant to this counter bid process, or (ii) the counter bid(s) received do not offer a consideration which is higher than the Initial Consideration by at least 5% (Five percent) of the Initial Consideration quoted by the Initial Bidder, the Initial Bidder, shall be declared as the successful bidder.

Whizdm Finance Private Limited | CIN NO: U65929KA2017PTC101703

No 17/1, Kadubeesanahalli, Outer Ring Road, Bangalore, Karnataka, India, 560087

 <https://whizdmfinance.com>  [info@whizdmfinance.com](mailto:info@whizdmfinance.com)  080 69501313




5. If counter bid(s) cross the minimum mark-up specified in this document, the highest counter bidder becomes the challenger bid. In that case, Base / Initial Bidder, who provided the base-bid is then invited to match the challenger bid. If the Base / Initial Bidder, who provided the base-bid either matches the challenger bid or bids higher than the challenger bid, such bid shall become the successful bidder; else, the challenger bid shall be the successful bidder.
6. The Initial Bidder or the selected bidder will be declared as the Successful bidder upon completion of the Swiss Challenge Method in accordance with this document.
7. The bid submitted by the counter bidders shall be binding in nature and shall not contain any conditions unless expressly agreed in writing by Whizdm. The counter bidders shall not be permitted to withdraw their bid submitted pursuant to the counter bid process. No change to the bid shall be accepted after the submission of the bid.
8. The interested eligible entities may conduct due diligence of these assets with immediate effect, after submitting expression of interest and executing a Non- Disclosure Agreement (NDA) with the Whizdm.
9. Full details of the accounts will be shared on execution of NDA, on the email ID provided with the Expression of Interest (EOI). Whizdm shall also facilitate detailed due diligence including inspection of Stressed-Loan Accounts and the related 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.
10. The portfolio which would remain outstanding as on last date prior to date of assignment shall be considered for transfer and calculation of price.
11. The timelines of the proposed process are as follows: -

Sl. No	Particulars	Date
(i)	Publication of Notification under Swiss Challenge Method	10 <sup>th</sup> March 2025, Monday
(ii)	Last Date of Submission of Expression of Interest (EOI), Non- Disclosure Agreement by 5pm	11 <sup>th</sup> March 2025, Tuesday
(iii)	Sharing of the of the Stressed-Loan Accounts to be sold	11 <sup>th</sup> March 2025, Tuesday
(iv)	Closure of due diligence	13 <sup>th</sup> March 2025, Thursday
(v)	Submission of (Counter Bid/Challenger Bid) by 2pm	13 <sup>th</sup> March 2025, Thursday
(vi)	Issuance of Right to Match Notice to Initial Bidder by 7pm	13 <sup>th</sup> March 2025, Thursday
(vii)	Declaration of successful bidder	13 <sup>th</sup> March 2025, Thursday
(viii)	Execution of Assignment Agreement	On or Before 21 <sup>st</sup> March 2025, Friday

12. Prospective bidders desirous of further participating in the “Swiss Challenge Method” process are required to: (a) submit EOI Letter in the format specified in **Annexure-A** below, (b) execute NDA in the format specified in **Annexure-B** below. These annexures can be downloaded as available herein below.
13. 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.

Whizdm Finance Private Limited | CIN NO: U65929KA2017PTC101703




No 17/1, Kadubeesanahalli, Outer Ring Road, Bangalore, Karnataka, India, 560087

 <https://whizdmfinance.com>  [info@whizdmfinance.com](mailto:info@whizdmfinance.com)  080 69501313

14. In case of failure to adhere to the timelines as indicated by Whizdm in this document by the successful bidder. Whizdm shall be entitled to seek damages, as case maybe, under applicable law.
15. Any applicable stamp duties, fees, etc and statutory dues, taxes, assessment charges, etc, that may be arising out of the counter bid process shall be payable by the successful bidder.
16. All costs, expenses, stamp duties incurred by each bidder in connection with the Transaction, or submission of the bid, shall be borne and paid by such bidder, whether its bid is accepted or rejected for or any reason and Whizdm does not assume any liability whatsoever in this connection.
17. Whizdm reserves the right to amend / alter any terms of this document, as it may deem appropriate. Each addendum so issued shall form a part of the process document.
18. Bidders are expected to submit their bid with independent study and assessment and value thereof before submitting their bids. By virtue of submission of the bid, it shall be deemed that the bidders have conducted their own independent due diligence at their own costs including verifying various legal proceedings, as well as ascertaining the known and unknown liabilities, encumbrances and any other dues from concerned authorities or stakeholders to their satisfaction before submitting the bid.
19. 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 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 acceptance of a final offer. Whizdm 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 Whizdm.
20. Whizdm shall reserve the right not to respond to any query or provide any clarification to the counter bidder, at its sole discretion and no extension of time and date referred in this process document shall be granted on the basis of not having received response to clarifications sought from Whizdm.
21. While this document has been prepared in good faith, neither Whizdm nor its respective directors, consultants, advisors, officers, or employees make any representations or warranty or shall have any responsibility or liability whatsoever, whether in contract, tort or otherwise, for any direct, indirect or consequential loss or damage, loss of use, loss of production or loss of profit or interest costs or in respect of any statements or omissions under this document or any subsequent information provided by Whizdm during the counter bid process or arising out of or related to this counter bid process. The counter bidders hereby acknowledge and releases Whizdm and their respective directors, advisors, consultants, officers, agents and employees, irrevocably, unconditionally, fully and finally, from any and all liability arising out of claims, losses, damages, costs, expenses or liabilities, in any way related to or arising from the exercise of any rights or performance of any obligations set out under this document, or in connection with the counter bid process, and waives any and all rights or claims.
22. The details about the execution of the assignment deed and completion of other legal formalities may be covered in the bid so submitted. Bidder shall arrange to collect the loan

Whizdm Finance Private Limited | CIN NO: U65929KA2017PTC101703


No 17/1, Kadubeesanahalli, Outer Ring Road, Bangalore, Karnataka, India, 560087

 <https://whizdmfinance.com>  [info@whizdmfinance.com](mailto:info@whizdmfinance.com)  080 69501313

documents from Whizdm office at a mutually convenient date and time, within 30 days from the date of execution of assignment deed.

23. The successful bidder will be intimated in-principally by Whizdm in due course. The final bid then shall be subject to approval of competent authorities of Whizdm.
24. Except for the NDA, no agreement will be deemed to be reached on any matter regarding the proposed transaction or any other matter until the definitive documents are executed between Whizdm and the successful bidder.
25. Stressed-Loan Accounts showcased hereinabove is subject to change due to ongoing recovery/collection/closure of the Stressed-Loan Accounts.
26. In case of any doubt regarding the terms and process of the sale, the decision of Whizdm will be final.
27. 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 Bengaluru, Karnataka, India.

**For Whizdm Finance Private Limited**

  
**Authorised Signatory**

Dated March 10, 2025



**Annexure – A**

**Expression of Interest**

On the Eligible Investor Letter Head

**Dated:**

**Whizdm Finance Private Limited**

Having its registered office at:

No. 17/1 Kadubeesanahalli,  
Outer Ring Road,  
Bangalore – 560 087,  
Karnataka.

Sub: Bid offer for the sale of Stressed -Loan Accounts under the Swiss Challenge Method.

We refer to the Whizdm Finance Private Limited notification on website/newspaper dated 10<sup>th</sup> March, 2025 for sale of Stressed-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 Stressed-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 Stressed-Loan Accounts being auctioned/transferred by Whizdm Finance 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 Whizdm Finance Private Limited.
5. We shall execute NDA with Whizdm Finance Private Limited, as per the format shared by Whizdm Finance Private Limited.

**Details of our representative**

Name:

Contact details:

Email ID:

**With regards,**

**Annexure – B**

**NON-DISCLOSURE AGREEMENT**

**This mutual non-disclosure agreement** (the "**Agreement**") is made and entered into on [●] day of [●] 2025 (the "**Effective Date**") at Bengaluru, by and between:

**Whizdm Finance Private Limited**, a company incorporated under the laws of India and having its registered office at Registered address - No 17/1, Kadubeesanahalli, Outer Ring Road, Bangalore - 560087, Karnataka (hereinafter referred to as "**WFPL**" or "**First Party**" which expression shall unless repugnant to the context or meaning thereof shall be deemed to include its affiliates, subsidiaries, successors and permitted assigns) of the **ONE PART**;

**AND**

\_\_\_\_\_, a company incorporated under the laws of India and having its registered office at \_\_\_\_\_ (hereinafter referred to as the "\_\_\_\_\_" or "**Second Party**" which expression shall unless repugnant to the context or meaning thereof shall be deemed to include its successors and permitted assigns) of the **OTHER PART**.

WFPL/First Party and \_\_\_\_\_/Second Party shall hereinafter be referred to individually as the "**Party**" and collectively as the "**Parties**".

- A.** WHEREAS, the First Party and the Second Party contemplate discussions and the exchange of certain confidential and/or proprietary information concerning a possible collaboration between them in relation to provision of certain services ("**Purpose**").
- B.** WHEREAS, for the Purpose either Party may disclose to the other Party confidential or proprietary information, whether in writing or orally, including, without limitation, information pertaining to personally identified information, trade secrets, patents, patent applications, copyrights, know-how, processes, ideas, inventions (whether patentable or not), formulas, computer programs, databases, employee details, any development plans, supplier information, forecasts, strategies, business plans, analyses, forecasts, predictions, projections, intellectual property, contracts, proposals, documents, mechanical and electronic design drawings, specifications, software, technical or engineering data, test procedures, schematics, writings, materials, methods, operations, procedures, know-how, financial information, financial statements and other business data, (hereinafter collectively referred to as the "**Confidential Information**"), the Confidential Information may be disclosed by a party (the Party disclosing information shall be hereinafter be referred to as the "**Disclosing Party**") to the other party (the Party receiving information shall be hereinafter be referred to as the "**Receiving Party**"). It is hereby clarified that the term "Confidential Information shall include any information pertaining to the Disclosing Party and / or its Affiliates (*defined below*).
- C.** WHEREAS, each Party now wishes to review such Confidential Information in accordance with the terms of this Agreement for determining their mutual interest in engaging in the Purpose.

**NOW, THEREFORE**, in consideration of the terms and conditions hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto mutually agree as follows:

**1. Non-Use and Non-disclosure obligations.**

**1.1** The Receiving Party agrees (a) to hold the Disclosing Party's Confidential Information, which may include information of the Disclosing Party and / or its Affiliates, in confidence and to take all reasonable precautions to protect such Confidential Information; (b) not to disclose any Confidential Information or any information derived therefrom to any third person without the prior written consent of the Disclosing Party, other than to the Receiving Party's employees, directors, associates, agents, consultants, advisors and Affiliates who need to know Confidential Information for the Purpose (collectively, the "**Representatives**"), provided the Representatives are informed of its confidential nature and the related confidentiality obligations and are bound by confidentiality obligations similar to those contained herein. "**Affiliate**" shall mean, as to a person, any other person that, directly or indirectly, is controlled by, is under common control with or controls such person, but only as long as such control exists (control as defined in the Companies Act, 2013). Furthermore, neither Party shall disclose any information to the other Party in violation of any confidentiality obligations to, or proprietary rights of, any third party.

**1.2 Receiver's Obligations:**

**1.2.1** The Parties agree that the Confidential Information is of substantial value to the respective Parties and that unauthorized use / disclosure thereof would have a material adverse effect on the Disclosing Party and hence they acknowledge that each of them must, as a Receiving Party under this Agreement:

- (a) take all necessary and reasonable actions to maintain the confidentiality of the Confidential Information disclosed to it which shall at all times be at least to the same extent the Receiver protects its own Confidential Information, to prevent any unauthorized use, disclosure, publication, or dissemination of Confidential Information.
- (b) not use, or allow the use of any such Confidential Information of the Disclosing Party for any purposes other than the approved Purposes.
- (c) promptly inform the Disclosing Party as soon as it becomes aware of any violation of the obligations herein specified.
- (d) not to disclose or allow disclosure to persons other than Representatives that (i) such Confidential Information has been made available to the Receiving Party, (ii) such Party or its Representatives have inspected any Confidential Information, (iii) the Parties may be considering entering into an arrangement for the Purpose, or any of the terms, conditions, or other facts with respect to any such Purpose, including the status thereof, or (iv) the Parties have had, are having, or propose to have any discussions or negotiations with respect thereto; provided that the Receiving Party may make such disclosure if it has received the opinion of its counsel that such disclosure must be made by it in order that the Receiver not commit a violation of law.

Notwithstanding the above, the Receiving Party shall have no obligation with respect to any Confidential Information, which is (i) known to the Receiving Party on a non-confidential basis prior to disclosure by the Disclosing Party or its agents, advisors, or Representatives; or (ii) at the time of that disclosure, or comes thereafter, in the public domain other than pursuant to a breach of this Agreement by the Receiving Party or its Representatives; or (iii) rightfully received on a non-confidential basis from a third party without restriction on further disclosure and without breach of the provisions of this Agreement to the best of the Receiving Party's

knowledge; or (iv) independently developed by the Receiving Party; or (v) required to be disclosed by law or at the request of any governmental body or court of law; provided that the Disclosing Party is given a prompt notice to the extent practicable, so that the Disclosing Party may seek an appropriate protective order or waive compliance by the Receiving Party with the provisions of this Agreement or both. If, absent the entry of a protective order or the receipt of a waiver under this Agreement, the Receiving Party, or its Representatives are legally compelled to disclose such Confidential Information, the Receiving Party may disclose such information to the persons and to the extent required without liability under this Agreement.

- 1.2.2 Receiving Party's obligations under this Agreement with respect to any Confidential Information shall remain in effect (a) in the case of Confidential Information which constitutes a trade secret within the meaning of applicable law, for as long as such Confidential Information remains a trade secret, or (b) in any other case, for a period of 3 (three) years from the expiry or earlier termination of this Agreement. Nothing in this Agreement shall impose any legal obligations on either of the Parties to enter into any agreements for proceeding with the business purpose with any person. Unless approved by WFPL in writing, the Second Party shall not use such Confidential Information for any other purpose, including but not limited to contacting the customers, directly or indirectly, to offer/sell the products and services of the Second Party or any third party to such customers.
- 1.2.3 **Compelled Disclosure.** If the Receiving is compelled by applicable law to disclose Confidential Information of the Disclosing Party, it shall provide the Disclosing Party with prior written notice of such compelled disclosure (to the extent legally permitted) and reasonable assistance, at the Disclosing Party's cost, if the Disclosing Party wishes to contest the disclosure. The Receiving Party shall use reasonable efforts to limit any such disclosure, to the extent required and to obtain confidentiality protections to the extent reasonably practicable.

2. **Ownership of Confidential Information and other materials.** As between the Disclosing Party and the Receiving Party, the Disclosing Party shall be the sole and exclusive owner of all of its Confidential Information and any Derivatives (as defined below) thereof, whether created by the Disclosing Party, the Receiving Party or any third party, and no license or other rights to the Confidential Information or Derivatives are granted or implied hereby. "**Derivatives**" mean: (i) for copyrightable or copyrighted material, any translation, abridgment, revision or other form in which an existing work may be recast, transformed or adapted; (ii) for patentable or patented material, any improvement thereon or modification thereof; or (iii) for trade secret material, any new material derived from such trade secret material, including new material that may be protected by copyright, patent and/or trade secret. All tangible materials furnished to one Party by the other Party shall remain the property of the Party furnishing such materials.

It is further agreed between the Parties that all works created for the Purpose pursuant to this Agreement are considered work for hire and as such all data, sketches, charts, calculations, plans, specifications, analysis, reports and other documents created or collected under the terms of this Agreement shall be owned by WFPL.

3. **No Warranty.** All Confidential Information is provided on an "as is" basis and without any warranty, express, implied or otherwise, regarding its accuracy, completeness or performance. The Disclosing Party makes no representation or warranty as to the accuracy or completeness of the Confidential Information and the Receiving Party agrees that the Disclosing Party and its employees and agents shall have no liability to the Receiving Party resulting from any use of the Confidential Information.



**4. Term and Termination.** The term of this Agreement shall commence on the Effective Date and continue until 1 (one) year from the Effective Date or until a specific agreement has been executed between the Parties for the Purpose. Either Party may terminate this Agreement upon 30 (Thirty) days' written notice of such termination to the other Party without assigning any reason. The Receiving Party's obligation with respect to confidentiality shall survive for a period of 3 (three) years from the expiry or earlier termination of this Agreement, subject to Clause 1 above. Notwithstanding the foregoing, all rights of a Receiving Party to use the Confidential Information of the Disclosing Party shall automatically terminate upon any merger, acquisition, or corporate reorganization of the Receiving Party, or sale of all or substantially all of the Receiving Party's assets, where the surviving or controlling entity after the transaction is a direct competitor of the Disclosing Party.

**5. General Provisions.**

**5.1 Waiver and Cumulative Remedies.** No failure or delay by either Party in exercising any right under this Agreement shall constitute a waiver of that right. Other than as expressly stated herein, the remedies herein are in addition to, and not exclusive of, any other remedies of a Party at law or in equity.

**5.2 Severability.** Should any provision of this Agreement be held by a court to be unenforceable, such provision shall be modified by the court and interpreted so as to best accomplish the objectives of the original provision, to the fullest extent permitted by law, and the remaining provisions of this Agreement shall remain in full force and effect.

**5.3 Assignment.** The Parties shall not directly or indirectly assign or transfer by operation of law or otherwise any rights or obligations under this Agreement, without the prior written consent of the other Party.

**5.4 Governing Law and Jurisdiction.** This Agreement shall be governed exclusively by the laws of the Republic of India, without regard to its conflict of laws provisions. Subject to Clause 5.5 below, the courts located in Bangalore, India shall have exclusive jurisdiction in relation to this Agreement.

**5.5 Dispute Resolution.** In the event of any differences arising between the Parties with respect to this Agreement, the same shall be referred to arbitration as per the Arbitration and Conciliation Act, 1996 or any statutory modification or re-enactment thereof, for the time being in force. The Parties shall appoint an arbitrator by mutual consent. The arbitration shall be held in Bangalore, India and shall be conducted in the English language.

**5.6 Injunctive relief.** Notwithstanding Clause 5.5 above, the Receiving Party herein agrees and acknowledges that any breach of Confidential Information may cause irreparable damage to the Disclosing Party and monetary damages may not be adequate remedy, and hence the Disclosing Party may approach court of competent jurisdiction for injunctive relief.

**5.7 Data Purging, audit right and Security Incident Notification.** If either Party decides that it does not wish to proceed with the Purpose or upon any termination/ expiry of this Agreement, such original and all copies of all or any part thereof of all tangible materials embodying Confidential Information of the Disclosing Party disclosed to the Receiving Party, pursuant to this Agreement shall be returned promptly by the Receiving Party to the Disclosing Party or destroyed permanently upon request by the Disclosing Party in accordance with the written instructions of the Disclosing

Party, but the Receiving Party may retain a single complete copy of the Confidential Information in the exclusive possession, solely for use in connection with any regulatory audits and prosecution or defense of any dispute arising from this Agreement. Upon a request being made by the Disclosing Party, the Receiving Party may also submit a certificate of such deletion or destruction in relation hereto. First Party, if mandated by a regulatory authority, hereby reserves its right to audit at its own costs the Second Party's computer system, electronic/ IT infrastructure for the purposes of this Agreement and Second Party hereby agrees to fully cooperate in such audit and Second Party agrees to implement the suggestions and observations as requested by the First Party.

No such termination or return or destruction of such Confidential Information will affect either Party's obligations under this Agreement or those of its Representatives and affiliates, all of which obligations shall continue in effect

**5.8 Entire Agreement and Construction.** This Agreement constitutes the entire agreement between the Parties as to its subject including all prior and contemporaneous agreements, proposals, or representations, written or oral, concerning its subject matter. No modification, amendment, or waiver of any provision of this Agreement shall be effective unless in writing and signed by both the Parties.

**5.9 Counterparts.** This Agreement may be executed in counterparts which, taken together, shall form one legal instrument.

**Acknowledged and Agreed:**

**Whizdm Finance Private Limited**

[●]

**Name:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Designation:** \_\_\_\_\_

**Designation:** \_\_\_\_\_