

**SUBJECT: PIM & GLOBAL INVITATION OF EXPRESSION OF INTEREST FOR PROPOSED STRATEGIC SALE OF 100% EQUITY SHAREHOLDING IN NESL ASSET DATA LIMITED (NADL), A WHOLLY OWNED SUBSIDIARY OF NATIONAL E-GOVERNANCE SERVICES LIMITED (NESL) (WITH TRANSFER OF MANAGEMENT CONTROL)**

**PRE-BID QUERIES RESPONSES**

	<b>Pre-Bid Queries</b>	<b>Our Responses</b>
1.	What is the status of the transaction with respect to regulatory approval? Has the RBI been consulted on the matter - if not, is there a contingency plan in place in case the RBI decides not to approve the transaction?	<b><i>The transaction is subject to RBI approval. The RBI approval process shall be initiated post selection of the Successful Bidders, as the application requires the details of the proposed buyers. RBI not approving the transaction is a risk that both the buyer and the seller will be bearing, however eligibility criteria is available in the RBI regulations.</i></b>
2.	Is the evaluation criteria for the bidders purely financial? Could you please clarify the criteria and weightage to components?	<b><i>It is as per EOI document, the criteria for final evaluation of interested bidders is financial only, subject to the fulfillment by such interested bidders of eligibility criteria provided in the EOI document.</i></b>
3.	Is it going to be an all-cash transaction/ is there a provision to go into alternate structures such as a share-swap?	<b><i>It will be all-cash transaction.</i></b>
4.	Could you please provide some data on operational performance of NADL, specifically the points below: <ul style="list-style-type: none"> <li>• Volume of data fetches over the last 36 months, with the lowest time cut (daily/ weekly/ monthly, whichever available).</li> <li>• Transaction volume split by FIP. Also add a view on success rate by FIP.</li> <li>• Please provide a list of all FIPs that are onboarded/ live/ in process.</li> <li>• - Details of any integrations/ privileges with NeSL. Any vendor relationships with parent entities – and the nature of these agreements (we want to assess our rights under these agreements).</li> </ul>	<b><i>All additional details required/considered necessary, for due diligence purpose would be shared during the Stage II of the process through Virtual Data Room.</i></b>
5.	Please clarify whether the existing CEO, Key Managerial Personnel (KMPs) and employees are required to be retained post-acquisition for any minimum period, or whether management restructuring will be permitted post transaction closing.	<b><i>NADL will be governed by the existing employee contracts. These contracts will be shared during Due Diligence at stage II through Virtual Data Room. Retention of existing employees is subject to discretion of the Purchaser, subject to terms under the existing employee contracts already in place and in compliance with the applicable laws.</i></b>

6.	Please confirm whether NeSL (as parent entity), any existing shareholder or employee, will be subject to non-compete restrictions post exit following the acquisition.	<b><i>NeSL is not in a competing business with NADL, due to regulatory restrictions by the Insolvency and Bankruptcy Board of India. NeSL will accordingly not sign up to any non-compete restrictions. The provision for employees will be governed by their terms of engagement and employee contracts.</i></b>
7.	It is stated that NADL operates a robust and scalable technology platform. Please clarify whether the source code and all intellectual property (IP) relating to the Account Aggregator (AA) platform are owned entirely by NADL, or whether any part of the technology stack is licensed from NeSL, or any third party vendor.	<b><i>All IPs pertaining to the AA platform is owned by NADL, further details are to be provided in Stage II through Virtual Data Room for due diligence.</i></b>
8.	Stage II of the process involves access to the Virtual Data Room (VDR) for due diligence. Please clarify whether the VDR will include complete details of the revenue-sharing models with Technology Service Providers (TSPs) and the specific pricing offered to the 200+ Financial Information Users (FIUs). Additionally, please specify the measures that will be adopted to ensure confidentiality, considering the sensitive nature of commercial terms pertaining to various TSPs associated with NADL.	<b><i>All the information required/considered necessary shall be shared with the Interested Bidders through Virtual Data Room (VDR) for due diligence, at stage II and subject to the approval of the Board of NADL.</i></b>  <b><i>All the confidential agreements entered by NADL will be honoured and to that extent confidential information will be redacted.</i></b>
9.	Please clarify whether the Company proposes to transfer, sell, carve-out, or otherwise modify any assets or liabilities, including contingent or off-balance sheet items, prior to completion of the transaction, which could materially impact the bidder post-acquisition.	<b><i>NADL shall continue to operate as a going concern and there is no intention to carve-out any assets.</i></b>  <b><i>The terms of the transaction shall be captured in Share Purchase Agreement.</i></b>
10.	Any expected timeline to get approval from RBI for the share transfer.	<b><i>The timeline shall be regulated by the process and timelines laid down by RBI. NADL will make necessary efforts towards filing suitable applications with RBI within reasonable time of executing the Share Purchase Agreement.</i></b>