PRIVACY POLICY

Last Updated: 14 October 2026

1. INTRODUCTION

1.1 KBFP Private Limited (CIN: U62099TN2025PTC184908) is a private company registered under the Companies Act, 2013, having its registered office at Suite 509, 5th Floor, Executive Zone, Shakti Tower 1/766, Anna Salai, Chennai - 600002, Tamil Nadu and its corporate office at 1539, 18th Cross Rd, Sector 3, HSR Layout, Bengaluru, Karnataka 560102 ("KBFP", the "Company", "we" or "us"). KBFP offers its services through the mobile application named "Khatabook" (the "App") and the website at www.khatabooklending.com (the "Website"). The App and the Website are together referred to as the "Platform".

1.2 As a user of the Platform ("User" or "you"), you understand that KBFP is a financial technology platform that provides access between you and various financial institutions, data partners, other partners and service providers, in order to facilitate transactions between you and its partners.

1.3 This privacy policy (the "Privacy Policy") sets out how your information is collected, stored, used, retained and disclosed.

1.4 By accessing or using any version of the Platform on any compatible device, you agree to be bound by KBFP's lending terms and conditions (the "Terms"), this Privacy Policy (together, the "T&Cs & Privacy Policy") and any other applicable law, whether or not you are a registered member of the Platform. The T&Cs & Privacy Policy govern your use of the Platform. If you do not agree to the T&Cs & Privacy Policy, YOU MAY NOT ACCESS THE PLATFORM OR USE ANY SERVICES PROVIDED BY KBFP.

1.5 KBFP may amend or vary the T&Cs & Privacy Policy from time to time. Users should check the Platform periodically for changes. Your continued use of or access to the Platform or the services after any change to the T&Cs & Privacy Policy constitutes your agreement to be bound by the amended or varied terms.

1.6 The T&Cs & Privacy Policy form a legal and binding agreement between the User and KBFP. They are made under the Information Technology Act, 2000 and the guidelines issued by applicable regulatory authorities, including the Reserve Bank of India ("RBI") and, in particular, the Reserve Bank of India (Digital Lending) Directions, 2025.

2. INFORMATION WE COLLECT AND COMPLIANCE WITH PLAY STORE LENDING APP GUIDELINES

2.1 KBFP's lending activities, which involve the facilitation of loans through non-banking financial companies ("NBFCs"), comply with the guidelines set by the Play Store and with the Reserve Bank of India (Digital Lending) Directions, 2025. KBFP is committed to maintaining the privacy and security of your personal information while ensuring a seamless lending experience.

3. ACCESS TO LOCATION AND MICROPHONE FOR ONBOARDING AND KYC IN THE LENDING PROCESS

3.1 KBFP collects approximate location data (within a 1 km radius) to determine whether it can offer services in your area.

3.2 KBFP also uses the microphone for video verification, to confirm the legitimacy of business premises during the onboarding process for a loan application. This requires your one-time consent. The microphone is activated only while the App is in use for verification and will not be accessed again during the loan process. No audio data is stored.

4. PROHIBITION OF ACCESS TO SENSITIVE DATA

4.1 As a responsible financial service provider, KBFP strictly prohibits access to sensitive data of its users, such as photos, media, call logs and contacts, during lending activities, because it recognises the importance of safeguarding your personal information and prioritising your privacy.

4.2 Restricted permissions: In line with KBFP's commitment to protecting your privacy, the following permissions are explicitly prohibited while you use KBFP's lending services:

(a) Read_external_storage: KBFP does not request or require access to your external storage, so your personal files and data remain private and inaccessible to KBFP;

(b) Read_media_images: KBFP does not request or require permission to access your media images, so your photos and multimedia content are not accessible to KBFP during lending activities;

(c) Read_contacts: KBFP adheres to the principle of data minimisation and does not access your contact information, so your contacts remain confidential and are not used for any lending-related activity;

(d) Read_call_logs: KBFP does not request or require access to your call logs, so your call activity remains inaccessible to KBFP;

(e) Access_fine_location: KBFP does not seek access to your precise location; it respects your location privacy and collects location information only where explicitly required for legitimate purposes, such as determining serviceability in your area, and such access is one-time access with your explicit permission;

(f) Read_phone_numbers: KBFP does not request or access your phone numbers, so your phone number remains confidential and is not used in KBFP's lending activities;

(g) Read_media_videos: KBFP does not require permission to access your media videos, so your videos and multimedia content are not accessed or used by KBFP during lending activities; and

(h) Read_SMS_Messages: KBFP does not collect, read or store your personal SMS. With one-time access and your explicit consent for the purposes disclosed when that consent is sought, KBFP collects only financial SMS sent by 6-digit alphanumeric senders, which helps KBFP facilitate services during lending activities.

4.3 Lending partners: KBFP acts as a facilitator or lead generator for loans through NBFCs, which are its trusted lending partners. Although KBFP works closely with these partners to provide you with loan opportunities, it does not have access to your sensitive data, as described above. Any data shared with KBFP's lending partners for the purpose of providing a loan to you is subject to their respective privacy policies and is handled in accordance with applicable laws and regulations.

5. PURPOSE AND USE OF YOUR INFORMATION

5.1 Any information you provide will be used to create and update your account, to process your transactions, and for any other purpose for which you have given KBFP access to that information, based on your interaction with the Platform.

6. SECURITY PRACTICES AND DATA RETENTION

6.1 KBFP ensures that data collected through any means is stored only on servers located in India, and that it complies with its statutory obligations and regulatory instructions.

6.2 KBFP shall not store any biometric data except in accordance with statutory guidelines.

6.3 KBFP intends to protect your personal information and sensitive personal information and to maintain its accuracy as confirmed by you. KBFP implements reasonable physical, administrative and technical safeguards to help protect your personal information from unauthorised access, use and disclosure.

6.4 Selected data may be shared securely with the third-party service providers listed in the Third-Party Services Disclosure section below, strictly for the purpose of providing loan-related services and in accordance with applicable data protection regulations.

6.5 KBFP ensures that the personal information and sensitive personal information it collects is encrypted in transit and stored securely. KBFP may share some of this data in compliance with its legal obligations (such as under anti-money laundering regulations). KBFP's data retention policies are governed by the requirements of regulatory bodies.

6.6 KBFP continuously strives to implement reasonable physical, administrative and technical safeguards to protect your personal information from unauthorised access, use and disclosure. However, the User acknowledges that no method of transmission, whether physical or over the internet, and no method of electronic storage, is 100% secure, and that data may be exposed to unintentional risks for reasons beyond KBFP's control.

6.7 If you wish to delete your account, or ask KBFP to stop using your personal information or sensitive personal information, please write to feedback@khatabook.com, provided that you have fulfilled all your contractual obligations. However, KBFP will retain and use your personal information and sensitive personal information as necessary to comply with applicable law, resolve disputes and enforce its contractual obligations.

7. DATA STORAGE, RETENTION, DESTRUCTION AND SECURITY BREACH HANDLING

7.1 In compliance with the Reserve Bank of India (Digital Lending) Directions, 2025 (including requirements carried forward from earlier guidelines on clear policy disclosure for customer data):

(a) Type of data stored: KBFP stores only need-based personal information, such as name, address, contact details, KYC documents, transactional and credit records, and other minimal data required for loan facilitation, risk assessment and regulatory compliance. Lending service providers ("LSPs") engaged by KBFP do not store personal information of borrowers, except basic minimal data (such as name, address and contact details) required for their operations under the RE-LSP agreement. KBFP remains responsible for the privacy and security of the data it holds.

(b) Length of time for storage: Personal data is retained only for as long as necessary for the purposes for which it was collected, to comply with applicable laws (for example, 7 years for transactional data under tax and financial regulations, and 5 years for KYC data after the end of the relationship), or as mandated by the RBI or other regulators. Credit information shared with

or received from credit bureaus (such as Experian) is destroyed, purged, erased or returned promptly on your express request, on revocation of your consent, or on a regulatory direction.

(c) Restrictions on use: Data is used solely for the purposes disclosed (such as loan processing, credit assessment and compliance). Explicit consent is obtained for the collection and sharing of data (except where required by statute), and you may deny or revoke consent for specific uses, restrict disclosure to third parties or request deletion.

(d) Data destruction protocol: On expiry of the retention period, on revocation of consent, or on a User's request (where applicable and not restricted by law), data is securely deleted or anonymised using industry-standard methods such as overwriting, degaussing or certified physical destruction, so that it cannot be recovered.

(e) Standards for handling a security breach: In the event of a confirmed data breach, KBFP follows a structured protocol aligned with its internal Breach Notification Policy, which includes:

(i) immediate containment (such as isolating affected systems, restricting access and preserving logs);

(ii) risk assessment (evaluating the sensitivity of the data and the scope and impact of the breach);

(iii) notification to affected borrowers within 72 hours (or as required by law, for example to CERT-In or the regulators), by email or SMS or by a prominent notice on the Platform or website;

(iv) remediation (root cause analysis, vulnerability patching, forensic investigation where needed, lessons learned, and preventive measures across people, process and technology); and

(v) transparent communication to maintain trust and compliance.

7.2 All data is stored on servers located in India. Any data processed outside India (where applicable) is deleted there and brought back to India within 24 hours, as required by regulation.

8. THIRD-PARTY SERVICES DISCLOSURE

Third-party vendors and sub-contractors integrated into the loan application and processing journey

8.1 To deliver a seamless, secure and efficient loan application and processing experience, KBFP integrates with trusted third-party vendors and application programming interfaces ("APIs").

8.2 This section details all external services and APIs used at the various stages of the loan journey, including borrower identity verification, financial data retrieval, payment processing and merchant onboarding, and describes the specific role of each third-party service as implemented on the Platform.

Karza Technologies Private Limited (Karza)

8.3 Karza provides identity verification solutions to ensure the accuracy and authenticity of borrower information. The following services are used:

(a) PAN Name Validation through Karza: validates the borrower's name against the borrower's Permanent Account Number (PAN) for identity confirmation; and

(b) Name Similarity Check (Bank vs PAN) API: compares the borrower's name in bank records with the PAN details to ensure consistency.

HyperVerge Technologies Private Limited (HyperVerge)

8.4 HyperVerge uses AI-powered facial recognition and liveness detection to strengthen the security of borrower identity verification. The following services are used:

(a) HyperVerge Verify Selfie Liveness: confirms the borrower's presence through real-time selfie liveness checks; and

(b) HyperVerge Selfie and Aadhaar Image Match API (Face Similarity): matches the borrower's selfie with the borrower's Aadhaar image to verify identity through facial recognition.

Digiotech Solutions Private Limited (Digio)

8.5 Digio enables the secure creation and processing of electronic mandates for automated payment authorisations. The following services are used:

(a) NACH API Mandate Creation: creates electronic mandates for National Automated Clearing House (NACH) payments; and

(b) NACH API Digio Mandate Presentation API: presents NACH mandates to financial institutions for payment processing.

Razorpay Software Private Limited (Razorpay)

8.6 Razorpay facilitates merchant onboarding, QR-based payments and transaction reconciliation to streamline payment collection and processing. The following services are used:

(a) QR Onboarding: Merchant Onboarding at Razorpay for QR Deduction (Merchant Account Creation): sets up merchant accounts for QR-based payment deductions;

(b) QR Onboarding: Merchant Onboarding at Razorpay (Create Stakeholders API): registers stakeholders for merchant accounts to enable QR payment functionality;

(c) QR Onboarding: Merchant KYC Document Upload API: uploads Know Your Customer (KYC) documents for merchant verification;

(d) QR Onboarding: QR/VPA API for Merchant: generates QR codes or Virtual Payment Addresses (VPAs) for merchants to collect payments;

(e) Create Split Order for EDI Deduction on QR Collection: creates split orders to allocate Equated Daily Instalment (EDI) deductions from QR collections;

(f) Manual In-App Payment Order Creation (1.a): initiates payment orders for manual in-app transactions;

(g) Manual In-App Payment Razorpay UPI Order Creation (1.b): creates UPI-based payment orders for manual in-app transactions; and

(h) Recon Settlement API: reconciles and settles transactions to ensure accurate payment processing.

Ignosi Systems Private Limited (Account Aggregator)

8.7 The Account Aggregator provides a secure framework for accessing borrower financial data with explicit consent, to support loan assessments. The following services are used:

(a) Account Aggregator for Bank Statements (Consent): obtains the borrower's consent to access bank statement data; and

(b) Account Aggregator for Bank Statements (Bank Statement Fetch): retrieves bank statements for financial analysis.

NACH (National Automated Clearing House)

8.8 NACH supports automated payment mandates to facilitate recurring loan repayments. The following services are used:

(a) NACH API Mandate Creation: generates mandates for automated recurring payments; and

(b) NACH API Digio Mandate Presentation API: submits mandates to banks for payment execution (in collaboration with Digio).

Experian Credit Information Company of India Private Limited (Credit Bureau Services)

8.9 Credit bureau APIs provide access to the borrower's credit history to assess creditworthiness. The following services are used:

(a) Fetch Bureau Report for Borrower (Fresh Pull): retrieves fresh credit bureau reports for borrowers; and

(b) Bureau Fetch Type (On Demand): enables on-demand retrieval of credit bureau reports for real-time assessments.

8.9A Credit information is obtained from Experian only on the basis of your consent given in the form set out in Annexure A to the Terms.

Other API Services

8.10 Additional APIs support critical functions such as bank account verification, KYC, document processing and payment mandates. The following services are used:

(a) Borrower Bank Account Verify API: verifies the borrower's bank account details for secure transactions;

(b) Borrower KYC (Aadhaar) OTP Send API: sends a one-time password (OTP) for Aadhaar-based KYC verification;

(c) Borrower KYC (Aadhaar) OTP Verify API: validates the OTP to complete Aadhaar KYC authentication;

(d) Borrower OCR API Call: extracts data from borrower documents using optical character recognition (OCR);

(e) UPI Mandate Setup: configures Unified Payments Interface (UPI) mandates for recurring payments; and

(f) UPI Mandate Presentation: presents UPI mandates to financial institutions for payment processing.

Commitment to security and privacy

(a) All third-party integrations adhere to stringent data protection and privacy regulations.

(b) KBFP carefully selects each vendor to ensure the highest standards of security, safeguarding borrower information with the utmost care and confidentiality.

(c) KBFP's compliance with applicable laws and industry standards reflects its commitment to protecting user data throughout the loan journey.

9. GRIEVANCE REDRESSAL

Grievance Redressal Officer: Yogesh Pawde

Contact number: +91 9606500500

Email: yogesh@khatabook.com

Address: 1539, 18th Cross Rd, Sector 3, HSR Layout, Bengaluru, Karnataka 560102

10. NODAL OFFICER

Principal Nodal Officer: Jayanth Sugavasi

Contact number: 9606500500

Email: Jayanth@khatabook.com

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