PRIVACY POLICY

Last Updated: 22 October 2026

1. INTRODUCTION

1.1 Khatabook Technologies Private Limited (CIN: U72900KA2022FTC165927) is a private company incorporated under the Companies Act, 2013, having its registered office at 1539, 18th Cross Road, Sector 3, HSR Layout, Bengaluru, Karnataka – 560102 ("KhataBookPay", "KTPL", the "Company", "we" or "us"). KTPL is authorised by the Reserve Bank of India ("RBI") to operate as a Payment Aggregator – Online ("PA-O"), for payments made on merchants' websites, applications and other online interfaces, and as a Payment Aggregator – Physical ("PA-P"), for payments made at merchants' physical places of business through point-of-sale terminals, soundboxes, QR codes and other acceptance devices ("Acceptance Devices"). KTPL offers its services through the website at https://khatabookpay.com (the "Website"), its merchant dashboard, application programming interfaces ("APIs"), checkout pages, payment links, QR codes and Acceptance Devices (together, the "Platform").

1.2 This privacy policy (the "Privacy Policy") sets out how KTPL collects, uses, stores, shares, retains and protects personal data when you access the Platform or use KTPL's payment aggregation and related services (the "Services"), whether you are a merchant, a customer paying a merchant through the Services, or a visitor to the Website.

1.3 This Privacy Policy is published in accordance with the Information Technology Act, 2000 and the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011, the Digital Personal Data Protection Act, 2023 and the rules made under it (together, the "DPDP Act", to the extent in force), and the Reserve Bank of India (Regulation of Payment Aggregators) Directions, 2025 (the "PA Directions").

1.4 This Privacy Policy must be read together with KTPL's Terms and Conditions, Grievance Redressal Policy, KYC & AML Policy and Merchant Onboarding Policy, each published on the Website.

2. OUR PRINCIPLES

2.1 KTPL is guided by the following principles in handling personal data:

(a) user data must be handled with extreme care; we do not sell personal data, and we share it only as described in this Privacy Policy;

(b) we collect only the personal data that is necessary for providing the Services and meeting our legal and regulatory obligations; and

(c) we adhere to industry-standard data protection practices and have our systems audited periodically by trusted third parties.

3. DEFINITIONS

3.1 In this Privacy Policy, unless the context requires otherwise:

(a) "Personal Data" means any data about an individual who is identifiable by or in relation to such data. It does not include anonymised or aggregated data;

(b) "Merchant" means a legal entity or sole proprietor that has entered into, or seeks to enter into, an agreement with KTPL for availing the Services, and includes its proprietor, partners, directors, beneficial owners and authorised signatories, as applicable;

(c) “Customer” means an end user (payer) who purchases goods or avails services from a Merchant and pays for them using the Services;

(d) “User” or “you” means any Merchant, Customer or visitor whose Personal Data is processed by KTPL; and

(e) “Data Fiduciary”, “Data Processor”, “Data Principal” and “Consent Manager” have the meanings given to them in the DPDP Act.

4. APPLICABILITY, ROLE AND CONSENT

4.1 This Privacy Policy applies to Personal Data processed through the Platform and in connection with the Services. It does not apply to the websites or applications of Merchants, which are governed by their own privacy policies.

4.2 KTPL acts as a Data Fiduciary for the Personal Data it processes to onboard and manage Merchants, to meet its obligations under the PA Directions and anti-money laundering laws, and to operate the Website. Where KTPL processes Customer data on behalf of a Merchant only to complete a Transaction, it does so in accordance with the Merchant’s instructions and Applicable Law.

4.3 KTPL processes Personal Data on the basis of your consent, or for a legitimate use permitted under the DPDP Act, including compliance with any law, judgment or order, and the performance of functions under Applicable Law.

4.4 Where processing is based on your consent, you may withdraw it at any time by writing to the Grievance Officer. Withdrawal shall not affect processing carried out before it, or processing that KTPL is required to continue under Applicable Law. If consent necessary for the Services is withdrawn, KTPL may be unable to continue providing the Services.

5. INFORMATION WE COLLECT

5.1 From Merchants: KTPL collects the following information during onboarding, due diligence and the continuing relationship:

(a) Identity and KYC data: name, Permanent Account Number (“PAN”), officially valid documents (such as passport, driving licence, proof of possession of Aadhaar number or voter identity card), date of birth, photograph and signature of the proprietor, partners, directors, beneficial owners and authorised signatories;

(b) Business data: legal name, constitution documents, registration certificates, GST details, business address, nature of business, merchant category, website or application details, and expected transaction volumes;

(c) Settlement account data: bank account number, IFSC and account holder name, verified through penny-drop verification;

(d) Verification data: records of Contact Point Verification and, where the Video-based Customer Identification Process (“V-CIP”) is used, the video recording, live photograph, images of documents, geo-coordinates, timestamp and liveness check results;

(e) Contact data: email address and phone number of authorised representatives;

(f) PA-P deployment data: address and geo-coordinates of each place of business where an Acceptance Device is deployed, photographs of the premises taken during Contact Point Verification, and the device serial number, terminal identifier and installation details of each Acceptance Device; and

(g) Assisted onboarding data: where an authorised agent of KTPL assists a Merchant with digital KYC or video-based identification, the details of the agent and the records of the assisted process.

5.2 From Customers: when a Customer pays a Merchant through the Services, KTPL collects the following information:

(a) name, email address and phone number, where provided by the Customer or the Merchant;

(b) payment instrument details, such as masked or tokenised card details, card network and issuer, UPI virtual payment address, or bank name;

(c) transaction data, such as amount, date, time, order reference, Merchant details, terminal identifier, transaction status and refund or chargeback details; and

(d) for payments at a physical point of sale, the card or UPI data read by the Acceptance Device to authorise the Transaction, which is encrypted at the device and processed as described in Clause 6.

5.3 From all Users: device and usage data, such as IP address, browser type and version, operating system, device identifiers, time zone, approximate location, pages visited and interactions with the Platform, collected automatically through log files and cookies.

5.4 From third parties: KTPL may receive information about Merchants from the Central KYC Records Registry, the Income Tax Department, banks, card networks, the National Payments Corporation of India ("NPCI"), identity verification service providers, and sanctions lists, watchlists and public sources used for screening and adverse media checks.

5.5 Communications: records of your correspondence with KTPL, including complaints, chats, emails and call recordings, where applicable.

6. CARD DATA AND AADHAAR

6.1 KTPL does not store the full card number, expiry date or CVV of any card, except as permitted by the RBI. Card payments are processed through tokenisation or directly by the card network and issuer, in accordance with RBI directions on card-on-file tokenisation. KTPL may retain the last four digits of the card number and the card issuer's name, as permitted, for transaction tracking and reconciliation.

6.2 Where Aadhaar is used for verification, KTPL shall collect, use and store Aadhaar information only in accordance with the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 and the regulations made under it, and shall store Aadhaar numbers only in masked or redacted form unless otherwise permitted by law.

6.3 At a physical point of sale, card data is encrypted at the Acceptance Device at the point of capture. KTPL does not store the card PIN, CVV or full magnetic stripe or chip data, and Merchants are prohibited from recording them.

6.4 KTPL shall not store biometric data except in accordance with Applicable Law.

7. PURPOSES FOR WHICH WE USE YOUR INFORMATION

7.1 KTPL uses Personal Data for the following purposes:

(a) to onboard Merchants, carry out customer due diligence and risk categorisation, and update KYC periodically, as set out in the KYC & AML Policy and Merchant Onboarding Policy;

(b) to process Transactions, route funds through the escrow account, and settle funds to Merchants' verified bank accounts;

(c) to deploy, configure, maintain and retrieve Acceptance Devices, map each device to the Merchant's verified place of business, and detect relocation, tampering or misuse of devices;

(d) to process refunds, reversals, chargebacks and disputes;

(e) to monitor Transactions for fraud, money laundering, terrorist financing and other suspicious activity, screen against sanctions lists, and report to the Financial Intelligence Unit – India and other authorities as required by law;

(f) to resolve complaints and grievances in accordance with the Grievance Redressal Policy;

(g) to comply with the PA Directions, the Prevention of Money Laundering Act, 2002 and other Applicable Law, and to respond to requests from regulators and law enforcement agencies;

(h) to secure the Platform, detect and prevent security incidents, and maintain logs as required by the Indian Computer Emergency Response Team ("CERT-In");

(i) to communicate service updates, transaction alerts and changes to our terms and policies;

(j) to analyse usage trends and improve the Services, using aggregated or anonymised data where possible; and

(k) to send marketing communications about KTPL's services, only with your consent. You may opt out of marketing communications at any time.

8. COOKIES

8.1 The Website uses cookies and similar technologies that are necessary for its operation and security, and to understand how Users interact with it.

8.2 You may disable non-essential cookies through your browser settings. Disabling cookies may affect the functionality of the Platform.

9. DISCLOSURE OF INFORMATION

9.1 KTPL does not sell Personal Data. KTPL may disclose Personal Data only to the following, and only to the extent necessary for the purposes set out in this Privacy Policy:

(a) the escrow bank, acquiring banks, issuing banks, card networks and NPCI, to process and settle Transactions, refunds and chargebacks;

(b) Merchants, to the extent of the transaction details necessary to complete and service a Customer's Transaction;

(c) the Central KYC Records Registry, to upload and retrieve KYC records;

(d) service providers engaged by KTPL, as described in Clause 10;

(e) the RBI, the Financial Intelligence Unit – India, CERT-In, tax authorities, law enforcement agencies, courts and other competent authorities, where required by law or a lawful order;

(f) auditors, legal advisors and consultants, under duties of confidentiality; and

(g) a successor entity in the event of a merger, acquisition, restructuring or sale of all or part of KTPL's business, subject to Applicable Law and the requirements of the RBI. KTPL shall ensure that the successor entity continues to process Personal Data in accordance with this Privacy Policy.

9.2 Each recipient is bound to use the Personal Data only for the purpose for which it is shared and to protect it in accordance with Applicable Law.

10. THIRD-PARTY SERVICE PROVIDERS

10.1 To deliver the Services securely and efficiently, KTPL engages third-party service providers in the following categories:

(a) Identity and KYC verification: PAN and bank account verification, document OCR, Aadhaar-based authentication, video KYC, face match and liveness detection;

(b) Screening: sanctions, watchlist, politically exposed person and adverse media screening;

(c) Payment infrastructure: banks, card networks, UPI and other payment system participants, and tokenisation service providers;

(d) Fraud and risk monitoring: transaction monitoring and fraud detection tools;

(e) Technology infrastructure: cloud hosting and data storage located in India, security monitoring and log management;

(f) Communications and support: email, SMS, chat and ticketing service providers;

(g) Acceptance Device services: device manufacturers, terminal management system providers, and field service, installation and logistics partners; and

(h) Assisted onboarding: agents authorised by KTPL to assist Merchants with digital KYC and video-based identification, in accordance with the PA Directions.

10.2 KTPL selects its service providers through a risk-based due diligence process and engages them under written agreements that require confidentiality, security safeguards, storage of payment data in India, and use of Personal Data only on KTPL's instructions.

11. AUTOMATED PROCESSING AND HUMAN SUPERVISION

11.1 KTPL uses automated systems for verification, risk categorisation, fraud monitoring and transaction processing.

11.2 Decisions with a significant effect on a Merchant, such as rejection of an application or suspension of the Services, are subject to review by authorised personnel.

11.3 Direct human access to or review of Personal Data occurs only where:

(a) explicit consent has been obtained;

(b) it is required for system maintenance, troubleshooting or testing;

(c) it is mandated by law or regulation; or

(d) it is essential for internal operations, including grievance handling, due diligence and fraud investigation.

12. DATA STORAGE AND LOCALISATION

12.1 All payment system data processed by KTPL is stored only on servers located in India, as required by the RBI.

12.2 Where any such data is processed outside India, it is deleted from systems abroad and brought back to India within the time prescribed by the RBI.

13. SECURITY PRACTICES

13.1 KTPL implements reasonable physical, administrative and technical safeguards to protect Personal Data from unauthorised access, use, alteration and disclosure, including:

(a) encryption of Personal Data in transit and at rest;

(b) role-based access controls, multi-factor authentication and the principle of least privilege;

(c) network security controls, continuous monitoring and logging;

(d) periodic vulnerability assessments, penetration testing and security audits; and

(e) controls aligned with PCI-DSS and the information security requirements of the PA Directions.

13.2 KTPL's security practices comply with the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011.

13.3 You are responsible for keeping your login credentials, API keys, PINs and OTPs confidential. KTPL will never ask for your PIN, OTP or password.

13.4 No method of transmission over the internet or of electronic storage is completely secure. While KTPL strives to protect your Personal Data, it cannot guarantee absolute security.

14. DATA RETENTION AND DESTRUCTION

14.1 KTPL retains Personal Data only for as long as necessary for the purposes for which it was collected, or as required under Applicable Law. Retention periods for KYC records, transaction records, complaint records and reports to the Financial Intelligence Unit – India are set out in the Merchant Onboarding Policy, the KYC & AML Policy and the Grievance Redressal Policy.

14.2 KTPL maintains system logs for the period required by CERT-In.

14.3 KTPL shall continue to retain records after termination of a Merchant relationship for the periods required under Applicable Law.

14.4 On expiry of the applicable retention period, Personal Data is securely deleted or anonymised using industry-standard methods so that it cannot be recovered.

15. PERSONAL DATA BREACH

15.1 In the event of a personal data breach, KTPL follows a structured incident response process, which includes:

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

(b) assessment of the nature, scope and likely impact of the breach;

(c) reporting to CERT-In within the time prescribed under its directions, and to the RBI, the Data Protection Board of India and other authorities, as required by Applicable Law;

(d) intimation to affected Users, in the manner and within the time prescribed under the DPDP Act, by email, SMS or a prominent notice on the Platform; and

(e) remediation, including root cause analysis, corrective and preventive measures, and lessons learned.

16. YOUR RIGHTS

16.1 Subject to Applicable Law, you have the right to:

(a) obtain a summary of the Personal Data KTPL processes about you and the processing activities undertaken;

(b) request correction, completion or updating of inaccurate or incomplete Personal Data;

(c) request erasure of Personal Data that is no longer necessary, unless retention is required under Applicable Law;

(d) withdraw consent, as described in Clause 4.4;

(e) nominate another individual to exercise your rights in the event of your death or incapacity; and

(f) have your grievances redressed, as described in Clause 18.

16.2 You may exercise these rights by writing to the Grievance Officer. KTPL may verify your identity before acting on a request.

16.3 Requests for erasure may be declined where KTPL is required to retain the Personal Data under the PA Directions, the Prevention of Money Laundering Act, 2002 or any other law, or to resolve pending disputes and chargebacks.

17. CHILDREN'S DATA

17.1 The Services are not directed at persons under 18 years of age. KTPL does not knowingly onboard minors as Merchants or collect Personal Data of children, except as permitted under Applicable Law.

17.2 If you believe that KTPL holds Personal Data of a child in breach of this Clause, please contact the Grievance Officer.

18. GRIEVANCE REDRESSAL

18.1 In accordance with the Information Technology Act, 2000, the DPDP Act and the rules made under them, you may contact the Grievance Officer to exercise your rights or raise any concern about the processing of your Personal Data:

Grievance Officer: Legal Department, Khatabook Technologies Private Limited
Email: support@khatabookpay.com
Address: 1539, 18th Cross Road, Sector 3, HSR Layout, Bengaluru, Karnataka – 560102

18.2 Complaints are handled within the timelines and through the escalation matrix set out in the Grievance Redressal Policy.

18.3 If your complaint is not resolved satisfactorily, you may approach the Data Protection Board of India in accordance with the DPDP Act, or lodge a complaint under the Reserve Bank – Integrated Ombudsman Scheme, 2021 at https://cms.rbi.org.in, as applicable.

19. CHANGES TO THIS PRIVACY POLICY

19.1 KTPL reviews this Privacy Policy periodically and may update it to reflect changes in Applicable Law, the Services or its practices.

19.2 Changes will be posted on this page with a revised "Last Updated" date and, where the change is material, notified to you by email or through the Platform.

19.3 Your continued use of the Platform or the Services after any change constitutes acceptance of the updated Privacy Policy, except where fresh consent is required under Applicable Law, in which case KTPL shall seek it.