TERMS AND CONDITIONS

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", "us" or "our"). KTPL is authorised by the Reserve Bank of India ("RBI") to operate as a Payment Aggregator – Online ("PA-O") and a Payment Aggregator – Physical ("PA-P"). KTPL offers its services through the website at https://khatabookpay.com (the "Website"), its merchant dashboard, application programming interfaces ("APIs"), software development kits, plug-ins, checkout pages, payment links, QR codes and Acceptance Devices (together, the "Platform").

1.2 These terms and conditions (the "Terms") govern your access to and use of the Platform and the payment aggregation services and related services offered by KTPL through it (the "Services"), whether you are a Merchant, a Customer or a visitor to the Website.

1.3 By accessing the Platform or using the Services, you agree to be bound by these Terms, the Privacy Policy and the other policies referred to in these Terms. If you do not agree, you may not access the Platform or use the Services.

1.4 These Terms are an electronic record in terms of the Information Technology Act, 2000 and the rules made under it, and the provisions pertaining to electronic records in various statutes as amended by the Information Technology Act, 2000. This electronic record is generated by a computer system and does not require any physical or digital signature.

1.5 These Terms are framed in accordance with the Information Technology Act, 2000, the Payment and Settlement Systems Act, 2007, the Reserve Bank of India (Regulation of Payment Aggregators) Directions, 2025 (the "PA Directions") and other applicable directions issued by the RBI.

2. DEFINITIONS

2.1 In these Terms, unless the context requires otherwise:

(a) "Acceptance Device" means a point-of-sale terminal, soundbox, QR code displayed at a Merchant's premises or any other device deployed by or through KTPL at a Merchant's physical place of business to accept payments;

(b) "Applicable Law" means all laws, rules, regulations, directions, circulars and guidelines in force in India, including those issued by the RBI, the National Payments Corporation of India ("NPCI"), card networks and any other competent authority;

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

(d) "Merchant" means a legal entity or sole proprietor that has entered into, or seeks to enter into, a Merchant Service Agreement with KTPL for availing the Services;

(e) "Merchant Service Agreement" means the agreement executed between KTPL and a Merchant governing the provision of the Services to that Merchant, together with its schedules and annexures;

(f) "Escrow Account" means the account maintained by KTPL with a scheduled commercial bank in accordance with the PA Directions, through which funds collected from Customers are routed for settlement to Merchants;

(g) “MID” and “TID” mean the merchant identifier and terminal identifier allotted to a Merchant and to each of its Acceptance Devices, respectively;

(h) “PA-O” means the payment aggregation business in which the Acceptance Device or interface and the payment instrument are not present in close proximity while making the Transaction, such as payments on a Merchant’s website or application;

(i) “PA-P” means the payment aggregation business in which both the Acceptance Device and the payment instrument are physically present in close proximity while making the Transaction;

(j) “Transaction” means a payment instruction initiated by a Customer in favour of a Merchant and processed through the Services;

(k) “User” means any Merchant, Customer or visitor who accesses the Platform or uses the Services; and

(l) “KTPL Policies” means the Privacy Policy, Grievance Redressal Policy, KYC & AML Policy, Merchant Onboarding Policy and Responsible Disclosure Policy published on the Website, as amended from time to time.

3. ELIGIBILITY

3.1 You may use the Platform only if you are competent to contract under the Indian Contract Act, 1872. Persons under 18 years of age may not register as Merchants or use the merchant dashboard.

3.2 Any person accessing the Platform on behalf of a business represents that he or she is duly authorised to bind that business to these Terms.

3.3 The Services are available only to Merchants that are incorporated, registered or resident in India and that satisfy the requirements of the Merchant Onboarding Policy and the KYC & AML Policy.

4. NATURE OF THE SERVICES

4.1 KTPL facilitates the acceptance of payments by Merchants from Customers through payment instruments permitted under Applicable Law, including cards, net banking, Unified Payments Interface (“UPI”) and wallets, and the settlement of the collected funds to Merchants. KTPL provides these Services:

(a) as a PA-O, for payments made on a Merchant’s website, application, payment link or other online interface; and

(b) as a PA-P, for payments made at a Merchant’s physical place of business through an Acceptance Device.

4.2 KTPL allots a merchant category code (“MCC”), a MID and, for each Acceptance Device, a TID to every Merchant, and ensures that the Merchant’s name is captured correctly for every Transaction.

4.3 KTPL acts only as a payment aggregator. KTPL is not a party to, and does not guarantee, the underlying contract for the sale of goods or services between a Merchant and a Customer. The Merchant is solely responsible for the goods or services offered, their quality, delivery, after-sales service, refunds, returns and cancellations.

4.4 KTPL does not offer any credit, deposit-taking or banking service through the Platform.

4.5 The provision of the Services to a Merchant is subject to the execution of a Merchant Service Agreement. In the event of any conflict between these Terms and the Merchant Service Agreement in relation to a Merchant, the Merchant Service Agreement shall prevail.

5. MODIFICATION OF TERMS

5.1 KTPL may change, modify, add or remove portions of these Terms at any time to reflect changes in Applicable Law, the Services or its business practices.

5.2 Changes shall be posted on the Website with a revised "Last Updated" date. Where a change materially affects the rights of Merchants, KTPL shall notify Merchants by email or through the merchant dashboard.

5.3 Your continued use of the Platform or the Services after any change shall be deemed acceptance of the revised Terms.

6. MERCHANT ONBOARDING AND DUE DILIGENCE

6.1 Every Merchant shall complete customer due diligence before activation of the Services, in accordance with the Merchant Onboarding Policy and the KYC & AML Policy. KTPL may onboard Merchants through physical KYC, digital KYC, Aadhaar OTP-based e-KYC or the Video-based Customer Identification Process, as permitted under Applicable Law. Digital KYC and assisted video-based identification may be carried out through agents authorised by KTPL, in accordance with the PA Directions; responsibility for due diligence remains with KTPL.

6.2 For PA-P Merchants, KTPL shall carry out physical Contact Point Verification of each place of business at which an Acceptance Device is to be deployed, before deployment.

6.3 KTPL may verify the information and documents submitted by a Merchant with the Central KYC Records Registry, the Income Tax Department, banks and other independent sources, and may screen the Merchant, its directors, partners and beneficial owners against sanctions lists, watchlists and adverse media.

6.4 KTPL shall not onboard any Merchant engaged in a prohibited business category listed in the Merchant Onboarding Policy, and may decline any application at its discretion, including where the information provided is incomplete, inconsistent or unreliable.

6.5 Every Merchant shall keep its KYC information current, shall inform KTPL of any change in its constitution, ownership, management, business activity or settlement account, and shall complete periodic updation of KYC when requested.

7. MERCHANT OBLIGATIONS

7.1 Every Merchant shall, in addition to its obligations under the Merchant Service Agreement:

(a) use the Services only for lawful business activities disclosed to KTPL at onboarding, and not for any prohibited or restricted category;

(b) where it accepts payments online, display on its website or application, before activation and at all times thereafter, its legal name, contact details, terms and conditions, privacy policy, refund, return and cancellation policy, and grievance redressal mechanism, as required by the Merchant Onboarding Policy;

(c) honour its published refund, return and cancellation policies, and process refunds only to the original payment instrument unless otherwise permitted under Applicable Law;

(d) not store, retain or log card credentials of Customers, and comply with the Payment Card Industry Data Security Standard ("PCI-DSS"), the PCI Software Security Framework ("PCI-SSF") and RBI directions on tokenisation, as applicable;

(e) store all payment data only in India, as required by the RBI;

(f) not accept payments on behalf of any other person or seller not onboarded with KTPL, and, in the case of marketplaces, not accept payments for sellers that are not onboarded on the marketplace's platform;

(g) not split transactions, inflate transaction values, process fictitious transactions or use the Services for cash advances, money transfers or any purpose other than the sale of goods or services;

(h) maintain the confidentiality and security of its API keys, dashboard credentials and integration, and notify KTPL immediately of any compromise;

(i) cooperate with KTPL in the investigation of disputes, chargebacks, suspected fraud and regulatory requests, and provide records on request; and

(j) permit KTPL, its auditors and the RBI to audit its compliance with the Merchant Service Agreement and Applicable Law.

7.2 In addition, every PA-P Merchant shall:

(a) keep each Acceptance Device in its safe custody at the verified place of business mapped to its TID, and not relocate, lend, transfer or permit any other person to use it without KTPL's prior written approval;

(b) process only genuine sales made at its own place of business, in the presence of the Customer and the payment instrument, and not process Transactions for any other merchant;

(c) not ask for, record or observe a Customer's PIN, and not retain card details, charge slips or images of cards beyond what is permitted under Applicable Law;

(d) provide the Customer with a charge slip or digital receipt for every Transaction, and make its refund, return and cancellation policy available at the point of sale;

(e) inspect each Acceptance Device for signs of tampering and report any loss, theft, damage, tampering or malfunction to KTPL immediately;

(f) allow KTPL or its authorised representatives access to its premises for verification, maintenance, inspection and retrieval of Acceptance Devices; and

(g) return all Acceptance Devices in working condition on termination of the Services, failing which KTPL may recover the applicable charges set out in the Merchant Service Agreement.

8. CUSTOMER TERMS

8.1 By initiating a Transaction, a Customer authorises KTPL and the relevant bank, card network or payment system to process the payment in favour of the Merchant.

8.2 A Customer shall use only payment instruments that he or she is lawfully entitled to use, and shall keep his or her card details, PIN, OTP and UPI PIN confidential. KTPL will never ask for a PIN, OTP or password over phone, email or SMS. At a physical point of sale, a Customer should enter the PIN personally, check the amount before authorising the Transaction, and retain the charge slip or receipt.

8.3 Where a Transaction fails but the Customer's account is debited, the amount shall be reversed within the turnaround times prescribed by the RBI, as set out in the Grievance Redressal Policy.

8.4 Any claim relating to the goods or services purchased, including non-delivery, quality or refunds, shall first be raised with the Merchant. KTPL shall facilitate the resolution of such claims through its grievance redressal and online dispute resolution mechanism.

9. SETTLEMENT AND ESCROW

9.1 All funds collected from Customers under both PA-O and PA-P shall be routed through the same Escrow Account and shall be kept separate from KTPL's own funds, in accordance with the PA Directions. The Escrow Account shall not be used for cash-on-delivery transactions.

9.2 Funds due to a Merchant shall be settled only to the Merchant's verified bank account, within the timelines and subject to the deductions set out in the Merchant Service Agreement.

9.3 KTPL may withhold, delay or reverse a settlement where required under Applicable Law, on a direction from a competent authority, or where a Transaction is under investigation for fraud, a chargeback or a dispute.

10. FEES AND TAXES

10.1 The fees payable by a Merchant for the Services, including the merchant discount rate and any set-up, rental or maintenance charges for Acceptance Devices, are set out in the Merchant Service Agreement and may be deducted from the settlement amount.

10.2 All fees are exclusive of goods and services tax and other applicable taxes, which shall be borne by the Merchant.

10.3 KTPL does not charge Customers for the use of the Services unless disclosed to the Customer before the Transaction is authorised.

11. CHARGEBACKS, REFUNDS AND DISPUTES

11.1 A Customer may raise a dispute or chargeback with the issuing bank or through KTPL's online dispute resolution mechanism, in accordance with the rules of the relevant card network or payment system.

11.2 The Merchant shall respond to a chargeback within the time specified by KTPL and shall provide proof of delivery or other supporting evidence. A Merchant that fails to do so shall bear the chargeback amount.

11.3 KTPL may recover chargeback amounts, refunds, penalties and fees from the Merchant by deduction from future settlements, by adjustment against any reserve maintained under the Merchant Service Agreement or by raising a demand on the Merchant.

12. SUSPENSION AND TERMINATION

12.1 KTPL may suspend or terminate the Services to a Merchant, in whole or in part, in any of the circumstances set out in the Merchant Onboarding Policy, including:

(a) a breach of these Terms or the Merchant Service Agreement;

(b) failure to complete periodic updation of KYC or to provide requested documents;

(c) detection of fraudulent, illegal or suspicious Transactions;

(d) discovery that the Merchant is engaged in a prohibited business category;

(e) adverse media reports indicating involvement in illegal activities; or

(f) a direction from the RBI or any other competent authority; or

(g) in the case of a PA-P Merchant, relocation, misuse or tampering of an Acceptance Device, or Transactions processed at a location other than the verified place of business.

12.2 KTPL shall give the Merchant written notice of suspension or termination and the reasons for it, except where doing so would alert the Merchant to a suspicion of fraud, money laundering or terrorist financing, or is prohibited by Applicable Law.

12.3 Pending settlements shall be processed in accordance with the Merchant Service Agreement, subject to any hold required for chargebacks, disputes or regulatory directions. KTPL shall retain the Merchant's records after termination for the periods required under Applicable Law.

12.4 On suspension or termination of a PA-P Merchant, KTPL may deactivate the relevant MID and TIDs immediately and retrieve all Acceptance Devices.

13. PROHIBITED CONDUCT

13.1 You agree not to host, display, upload, modify, publish, transmit, store, update or share any information that:

(a) belongs to another person and to which you do not have any right;

(b) is defamatory, obscene, pornographic, paedophilic, invasive of another's privacy (including bodily privacy), insulting or harassing on the basis of gender, libellous, racially or ethnically objectionable, related to or encouraging money laundering or gambling, or otherwise contrary to the laws in force;

(c) is harmful to a child;

(d) infringes any patent, trademark, copyright or other proprietary right;

(e) violates any law for the time being in force;

(f) deceives or misleads the recipient about the origin of a message, or knowingly and intentionally communicates information that is false or misleading in nature but may reasonably be perceived as a fact;

(g) impersonates another person or entity;

(h) threatens the unity, integrity, defence, security or sovereignty of India, friendly relations with foreign States or public order; causes incitement to the commission of any cognizable offence; prevents the investigation of any offence; or insults another nation;

(i) contains software viruses or any other computer code, file or program designed to interrupt, destroy or limit the functionality of any computer resource; or

(j) is patently false and untrue, and is written or published with the intent to mislead or harass a person, entity or agency for financial gain or to cause injury to any person.

13.2 You shall not attempt to gain unauthorised access to the Platform, probe or test its vulnerabilities except in accordance with the Responsible Disclosure Policy, interfere with its operation, or reverse engineer any part of it.

14. INTELLECTUAL PROPERTY

14.1 KTPL owns all rights, title and interest in and to the Platform, including its software, APIs, documentation, content, trademarks and logos, and all intellectual property rights in them. The Platform is protected by the copyright and other intellectual property laws of India.

14.2 No portion of the Platform may be copied, reproduced, modified, republished, uploaded, posted, transmitted or distributed in any form or by any means without KTPL's prior written permission, except as necessary to integrate and use the Services in accordance with the Merchant Service Agreement and KTPL's technical documentation.

14.3 A Merchant grants KTPL a non-exclusive right to use its name and logo to identify it as a user of the Services on checkout pages and payment communications.

15. THIRD-PARTY PRODUCTS, SERVICES AND LINKS

15.1 KTPL shall not be responsible for any products or services offered by Merchants or other third parties, including their delivery, after-sales support, maintenance or any other obligation related to or arising from them.

15.2 The Platform may contain links to third-party websites. KTPL does not control and is not responsible for their content or privacy practices.

16. PRIVACY AND DATA PROTECTION

16.1 KTPL collects, uses, stores and discloses personal data in accordance with the Privacy Policy, the Digital Personal Data Protection Act, 2023 (to the extent in force) and other Applicable Law.

16.2 Each Merchant shall comply with Applicable Law on data protection in respect of Customer data that it collects or receives, and shall use such data only for completing the relevant Transaction and related customer service.

17. SECURITY

17.1 KTPL implements technical and organisational security measures, including encryption, access controls and continuous monitoring, to protect the Platform and the data processed through it.

17.2 You are responsible for maintaining the confidentiality of your login credentials and API keys, and for all activities carried out using them.

17.3 Security vulnerabilities may be reported in accordance with the Responsible Disclosure Policy.

18. DISCLAIMERS

18.1 The informational content on the Website is provided for general information only. While every effort is made to keep it accurate and up to date, KTPL makes no warranty as to its completeness, correctness or accuracy at all times.

18.2 The Platform and the Services are provided on an “as is” and “as available” basis. KTPL does not warrant that they will be uninterrupted or error-free, particularly where interruption is caused by banks, card networks, payment systems, telecommunication providers or other third parties.

18.3 Any transaction or other dealing with KTPL beyond the use of the Website shall be subject to a separate written and duly executed agreement with KTPL.

19. LIMITATION OF LIABILITY

19.1 To the maximum extent permitted by Applicable Law, KTPL shall not be liable for any indirect, incidental, special, consequential or punitive damages, or for loss of profits, revenue, business or goodwill, arising out of or in connection with the Platform or the Services.

19.2 The liability of KTPL to a Merchant shall be subject to the limits set out in the Merchant Service Agreement.

19.3 Nothing in these Terms limits any compensation payable to a Customer under the RBI’s directions on turnaround time and customer compensation for failed transactions, or any liability that cannot be limited under Applicable Law.

20. INDEMNITY

20.1 You shall indemnify and hold harmless KTPL, its directors, officers, employees and agents against any claim, loss, liability, penalty or expense (including reasonable legal fees) arising from your breach of these Terms or Applicable Law, your fraudulent or negligent acts, or, in the case of a Merchant, any claim by a Customer relating to the Merchant's goods or services.

21. FORCE MAJEURE

21.1 KTPL shall not be liable for any delay or failure in performing its obligations caused by events beyond its reasonable control, including natural disasters, epidemics, war, civil unrest, acts of government, failure of banks, card networks or payment systems, power or telecommunication failures, and cyber attacks that could not have been prevented by reasonable security measures.

22. GRIEVANCE REDRESSAL

22.1 Complaints relating to the Platform or the Services shall be handled in accordance with the Grievance Redressal Policy, which sets out the channels for lodging complaints, the escalation matrix, the turnaround times and the online dispute resolution mechanism.

22.2 In accordance with the Information Technology Act, 2000 and the rules made under it, the contact details of the Grievance Officer are set out below:

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

22.3 If a complaint is not resolved within 30 days, is rejected, or the reply is not satisfactory, a Customer or Merchant may lodge a complaint under the Reserve Bank – Integrated Ombudsman Scheme, 2021 at https://cms.rbi.org.in.

23. GOVERNING LAW AND DISPUTE RESOLUTION

23.1 These Terms shall be governed by and construed in accordance with the laws of India.

23.2 Subject to the dispute resolution provisions of the Merchant Service Agreement and the remedies available under the Grievance Redressal Policy and the Reserve Bank – Integrated Ombudsman Scheme, 2021, any dispute arising from or in connection with these Terms shall be subject to the exclusive jurisdiction of the courts at Bengaluru, Karnataka, India.

24. MISCELLANEOUS

24.1 Severability: If any provision of these Terms is held to be invalid or unenforceable, the remaining provisions shall continue in full force and effect.

24.2 Waiver: No failure or delay by KTPL in exercising any right under these Terms shall operate as a waiver of that right.

24.3 Assignment: A Merchant may not assign its rights or obligations without KTPL's prior written consent. KTPL may assign its rights and obligations to an affiliate or successor, subject to Applicable Law.

24.4 Notices: Notices to KTPL shall be sent to the Grievance Officer at the address in Clause 22. Notices to Merchants may be sent to the email address registered with KTPL or through the merchant dashboard.

24.5 Entire agreement: These Terms, the KTPL Policies and, in the case of a Merchant, the Merchant Service Agreement together constitute the entire agreement between you and KTPL in relation to their

subject matter.