# DIGITAL LENDING POLICY

# OF

# KOMAC INVESTMENTS & FINANCE PRIVATE LIMITED (KOMAC)

# SUMMARY OF THE POLICY

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| **Document Name** | Digital Lending Policy |
| **Issue and Effective Date** | 05/09/2026 |
| **Review and adopted** | Adopted by the Board on 05/09/2026 |
| **Next Review** | September 2027 |
| **Periodicity of Review** | Annual, or earlier if required by changes in RBI Directions |
| **Owner/Contact** | Compliance Department |
| **Approver** | Board of Directors |
| **Annexures** | - |

# DIGITAL LENDING POLICY

## 1. PREAMBLE

The Board of Directors ("Board") of KOMAC INVESTMENTS & FINANCE PRIVATE LIMITED ("Company" or "KOMAC") has adopted this Policy at its meeting held on September 5, 2026. It sets out the framework for lending through digital channels and through Lending Service Providers (LSPs) and Digital Lending Apps (DLAs), in accordance with the digital lending provisions of the Reserve Bank of India (Non-Banking Financial Companies – Credit Facilities) Directions, 2025.

## 2. SCOPE

This Policy applies to all loans sourced, sanctioned, disbursed, serviced or collected through digital channels, whether through the Company's own platforms or through LSPs and their DLAs. The Company's current LSPs are MWYN Tech Private Limited (Freo), Shuhari Tech Ventures Private Limited (NIRA) and Daksfirst India Finance House Private Limited (IFHL). The arrangement with RapiPay Fintech Private Limited was discontinued in September 2025.

This Policy is to be read with the Credit Policy, Fair Practices Code, Interest Rate Policy, Outsourcing Policy, Privacy Policy, Grievance Redressal Policy and Loan Recovery and Collection Policy.

## 3. DEFINITIONS

"Board" means the Board of Directors of the Company.

"RBI" means the Reserve Bank of India.

"Directions" means the Reserve Bank of India (Non-Banking Financial Companies) Directions, 2025 issued on November 28, 2025, as amended from time to time.

"Digital Lending" means a remote and automated lending process, largely through seamless digital technologies for customer acquisition, credit assessment, loan approval, disbursement, recovery and associated customer service.

"DLA" means a mobile or web-based application with a user interface that facilitates digital lending services, whether operated by the Company or by an LSP engaged by it.

"LSP" means an agent of the Company that carries out one or more of the Company's functions in customer acquisition, underwriting support, pricing support, servicing, monitoring or recovery of loans.

"APR" (Annual Percentage Rate) means the effective annualised rate charged to the borrower, including the interest rate and all fees and charges.

"DLG" (Default Loss Guarantee) means a contractual arrangement under which an LSP or another regulated entity guarantees to compensate the Company for loss due to default, up to a certain percentage of the loan portfolio.

## 4. ENGAGEMENT OF LSPS

Before engaging an LSP, the Company shall carry out due diligence on its technical abilities, data privacy and security practices, compliance with applicable law, conduct towards customers and regulatory history. The engagement shall be approved by the Board.

Every LSP engagement shall be governed by a written agreement that sets out the LSP's duties and includes the requirements of this Policy on fund flow, data, KFS, recovery, grievance redressal, DLG and audit rights for the Company and the RBI.

The Company shall publish on its website the list of its LSPs, their DLAs and the activities for which they are engaged. If an LSP agreement is terminated, the termination shall be publicised on the website and at the Company's office, and borrowers shall be informed individually.

The Company shall review the performance and the financial and operational condition of each LSP at least half-yearly, and place the review before the Board.

## 5. PRODUCT APPROVAL AND UNDERWRITING

The product programme for each LSP (product features, target segment, ticket size, tenor, pricing, charges, and scorecard and business rules) shall be approved by the Board before launch. Any change requires prior Board approval.

Every application shall be assessed by the Company through its Loan Origination System and business rule engine. The credit decision rests with the Company, which may reject applications approved by an LSP. The Company shall assess the borrower's creditworthiness, including age, occupation and income, and shall maintain an auditable record of the assessment.

No credit limit shall be increased automatically without the explicit consent of the borrower.

## 6. KEY FACT STATEMENT AND DISCLOSURES

Before execution of the loan agreement, the borrower shall be given a Key Fact Statement (KFS) in the standard format. The KFS shall show the APR, all fees and charges, penal charges, the repayment schedule, the cooling-off period, the details of the LSP acting as recovery agent and the grievance redressal officers of the Company and the LSP.

No fee or charge that is not disclosed in the KFS shall be levied at any stage of the loan.

The sanction letter shall be issued on the Company's letterhead. The executed loan agreement, KFS, sanction letter and terms and conditions shall be sent to the borrower by e-mail or SMS on execution.

The DLA shall display, at the onboarding stage, the product features, loan limits, costs and the name of the Company as lender, and shall make clear that the LSP is acting on behalf of the Company.

## 7. DISBURSEMENT AND REPAYMENT

Loans shall be disbursed directly into the bank account of the borrower, except where disbursement to a third party is required by law or permitted by the RBI.

Repayments shall be made directly into the Company's bank account, through e-NACH, UPI AutoPay, payment gateway or bank transfer. No pass-through account or pool account of an LSP or any third party shall be used, and no LSP shall have control over the flow of funds between the Company and the borrower.

Fees payable to LSPs shall be paid by the Company and shall not be charged to the borrower.

## 8. COOLING-OFF PERIOD

The borrower shall have an explicit option to exit the loan during the cooling-off period by repaying the principal and the proportionate APR, without any penalty.

The cooling-off period shall not be less than three days for loans with a tenor of seven days or more, and not less than one day for loans with a tenor of less than seven days. It is currently 3 days for Freo products and 7 days for NIRA products, as disclosed in the KFS.

A reasonable one-time processing fee may be retained on exit during the cooling-off period, only if this is disclosed in the KFS. Prepayment after the cooling-off period shall be as per the Schedule of Charges.

## 9. DATA PRIVACY AND SECURITY

Data shall be collected through DLAs only on a need basis, with the prior and explicit consent of the borrower and with an audit trail. Borrowers may decline or withdraw consent, and may ask for their data to be deleted, subject to legal retention requirements.

DLAs shall not access the borrower's files, media, contact list, call logs or telephony functions. One-time access to the camera, microphone or location may be taken for KYC, with explicit consent.

No biometric data shall be stored by the Company, its LSPs or DLAs. All customer data shall be stored only on servers in India, in accordance with the Privacy Policy.

## 10. DEFAULT LOSS GUARANTEE

A DLG may be accepted only from an LSP or another regulated entity with which the Company has an outsourcing arrangement, under a written agreement.

The total DLG cover on a portfolio shall not exceed 5% of the amount disbursed in that portfolio.

The DLG shall be accepted only as: (a) a cash deposit with the Company; (b) a fixed deposit with a scheduled commercial bank with lien marked in favour of the Company; or (c) a bank guarantee in favour of the Company. A right of set-off against the LSP's invoices is not a permitted form of DLG.

The DLG shall be invoked within 120 days of an account becoming overdue, unless the borrower makes good the overdue amount earlier. Recognition of NPAs and provisioning shall not be affected by the DLG.

The Company shall obtain from each DLG provider an auditor's certificate on the total DLG it has offered, and shall disclose its DLG arrangements as required by the RBI.

## 11. RECOVERY AND COLLECTION

Recovery shall be carried out in accordance with the Loan Recovery and Collection Policy and the Code of

Conduct for Collection and Recovery. The LSP authorised to act as recovery agent shall be named in the KFS. If the recovery agent is changed, the borrower shall be informed before the new agent contacts the borrower.

**12. GRIEVANCE REDRESSAL**

The Company and each LSP shall have a nodal grievance redressal officer. Their details shall be displayed on the website, in the DLA and in the KFS. Complaints lodged with an LSP that are not resolved within 7 days shall be forwarded to the Company. The Company remains responsible for resolving every complaint within 30 calendar days of receipt; if it is not resolved, the borrower may approach the RBI through the Complaint Management System.

**13. REPORTING**

All digital loans, including short-tenor loans, shall be reported by the Company to all four Credit Information Companies.

The Company shall report the details of the DLAs of its LSPs on the RBI CIMS portal and keep them updated. An officer designated by the Board shall certify that the data reported is correct and that the DLAs comply with the RBI instructions, as required by para 18(3) and 18(4) of the Credit Facilities Directions.

**14. MONITORING**

LSP portfolios shall be monitored as set out in the Credit Policy, through monthly portfolio reports reviewed by the Directors and quarterly reviews by the Risk Management Committee and the Board.

**15. REVIEW**

This Policy shall be reviewed by the Board at least once a year, and earlier whenever required by a change in the RBI Directions or the Company's business. Any change in the RBI Directions shall apply from its effective date, even before this Policy is amended.

This Policy has been approved by the Board of Directors of the Company at its meeting held on September 5, 2026.