



# SHANKAR FININVEST PRIVATE LIMITED

CIN - U74899DL1995PTC067650  
RBI CoR - B-14.02178

**Registered Address:**  
160, First Floor, Gaffar Market,  
Karol Bagh, New Delhi, 110005

## SHANKAR FININVEST PRIVATE LIMITED

### TERMS & CONDITIONS

**PLEASE READ THESE TERMS AND CONDITIONS IN THEIR ENTIRETY BEFORE USING THE PENNYDROP PLATFORM. BY CLICKING "I ACCEPT" OR "I AGREE," OR BY DOWNLOADING, INSTALLING, REGISTERING, OR USING THE SERVICES IN ANY MANNER, YOU IRREVOCABLY AGREE TO BE BOUND BY THESE TERMS. IF YOU DO NOT AGREE, CEASE ALL USE IMMEDIATELY.**

These Terms and Conditions ("Terms") constitute a legally binding agreement between you ("Customer," "User," "you," or "your") and Shankar Fininvest Private Limited ("Company," "we," "us," or "our"), operating the PennyDrop digital lending platform ("Platform"). These Terms govern your access to and use of the PennyDrop website, mobile application, and all associated digital services (collectively, the "Services").

The Company is registered under the Companies Act, 2013, bearing CIN U74899DL1995PTC067650 and PAN AABCS7056E, with its registered office at 160 FF, Gaffar Market, Karol Bagh, New Delhi – 110005. The Company operates as a Lending Service Provider (LSP) / Digital Lending Application (DLA) in partnership with licensed Regulated Entities (REs) – including Non-Banking Financial Companies (NBFCs) and Banks – duly registered with and regulated by the Reserve Bank of India ("RBI").

These Terms must be read in conjunction with: (i) the Key Fact Statement (KFS) issued at the time of each loan offer; (ii) the Loan Agreement executed between you and the respective Lender; (iii) our Privacy Policy; and (iv) any other supplementary policies posted on the Platform. In any conflict between these Terms and the Loan Agreement, the Loan Agreement shall prevail with respect to specific loan terms.

**These Terms are governed by RBI Guidelines on Digital Lending (RBI/2022-23/111 dated September 2, 2022 and subsequent circulars), the RBI Fair Practices Code, the Information Technology Act 2000, the Digital Personal Data Protection Act 2023, the Prevention of Money Laundering Act 2002, and all other applicable laws of India.**

## 1. DEFINITIONS

Unless the context otherwise requires, the following terms shall have the meanings ascribed:

- "Annual Percentage Rate" or "APR" means the annualised all-in cost of credit expressed as a percentage per annum, inclusive of interest, processing fees, and all other charges, mandatorily disclosed in the KFS per RBI Digital Lending Guidelines.
- "Application" or "App" means the PennyDrop mobile software application developed and operated by the Company, available on Android and/or iOS, through which Users access the Services.
- "Central KYC Registry" or "CKYC" means the centralised repository of KYC records of customers in the financial sector, established by the Government of India.
- "Company" or "we" means Shankar Fininvest Private Limited, incorporated under the Companies Act 2013, operating PennyDrop as a Lending Service Provider.
- "Consent Artefact" means the structured electronic record evidencing the User's informed and specific consent for data sharing or processing, as required under applicable data protection laws and RBI guidelines.
- "Customer" or "User" or "you" means any individual who accesses, downloads, installs, registers on, or uses the Platform or Services in any manner.



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- "Default" means any failure by the Customer to repay any Outstanding Amount or instalment on or before the due date, or any material breach of the Loan Agreement or these Terms.
- "Digital Lending Application" or "DLA" means an application used in lending business by Regulated Entities or operated by Lending Service Providers engaged by such entities, as defined under RBI Digital Lending Guidelines.
- "Disbursement" means the actual transfer of the sanctioned Loan amount by the Lender directly to the Customer's designated bank account, net of applicable charges as disclosed in the KFS.
- "EMI" means Equated Monthly Instalment — the fixed periodic amount payable by the Customer to the Lender comprising principal repayment and interest until full repayment.
- "Key Fact Statement" or "KFS" means the standardised document mandatorily provided to the Customer prior to the Loan Agreement, containing: all-in APR; fee and charge details; grievance mechanism; cooling-off period; and all other disclosures prescribed by RBI in its standardised format.
- "KYC" means Know Your Customer — the process of verifying customer identity as required under PMLA 2002 and RBI KYC Master Directions 2016 (as updated).
- "Lender" or "Regulated Entity" or "RE" means any bank, NBFC, or other RBI-regulated financial institution that partners with the Company to sanction, process, and disburse Loans through the Platform.
- "Lending Service Provider" or "LSP" means an agent of a Regulated Entity carrying out lending-related activities on behalf of such entity, as defined under RBI Digital Lending Guidelines.
- "Loan" means the credit facility sanctioned by the Lender to the Customer through the Platform, subject to credit assessment and execution of the Loan Agreement.
- "Loan Agreement" means the legally binding agreement between the Customer and the Lender (not the Company) for the grant of the Loan, inclusive of the sanction letter, KFS, repayment schedule, and all annexures.
- "NACH" means National Automated Clearing House, operated by NPCI, for processing recurring electronic payments including EMI deductions.
- "Nodal Officer" means the officer designated by the Company for receiving and resolving digital lending complaints, as required under RBI guidelines.
- "Outstanding Amount" means the aggregate sum due at any given time including: principal outstanding; accrued interest; processing fees; late payment charges; penal interest; NACH bounce charges; and any other charges specified in the KFS and Loan Agreement.
- "Platform" means collectively the PennyDrop website ([www.pennydrop.in](http://www.pennydrop.in)) and the PennyDrop mobile Application.
- "Privacy Policy" means the privacy policy of the Company available on the Platform, forming an integral part of these Terms.
- "Processing Fee" means the one-time non-refundable fee charged by the Lender for processing the Loan application, as disclosed in the KFS prior to Disbursement.
- "Services" means the digital lending facilitation services provided by the Company as an LSP, including loan application facilitation, KYC verification support, credit assessment support, repayment facilitation, and customer support.
- "UIDAI" means the Unique Identification Authority of India, responsible for Aadhaar issuance.
- "User Data" means all personal, financial, demographic, and behavioural data, documents, records, and other information, whether provided directly by the Customer or collected by the Company, in connection with use of the Platform.
- "Website" means [www.pennydrop.in](http://www.pennydrop.in), the official web portal of the Company.

## 2. ELIGIBILITY CRITERIA

To be eligible to register, use the Platform, and apply for a Loan, you must satisfy all of the following conditions:



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- You are a citizen and resident of India;
- You are at least 21 (twenty-one) years of age and not more than 58 (fifty-eight) years, or such other age limits as may be specified by the Lender;
- You possess a valid mobile number registered in your name, linked to a bank account held in your name with a scheduled commercial bank in India;
- You possess a valid PAN (Permanent Account Number) issued by the Income Tax Department of India;
- You possess a valid Aadhaar number issued by UIDAI, or such other KYC documentation as accepted by the Lender;
- You maintain a valid bank account in your name supporting NACH/e-NACH mandates for automated EMI deductions;
- You are not a minor, a person of unsound mind, or otherwise legally incompetent to enter into contracts under the Indian Contract Act 1872;
- You are not a Politically Exposed Person (PEP) as defined under PMLA 2002, without appropriate disclosure and regulatory clearance;
- You have not been declared insolvent, bankrupt, or subject to any insolvency proceedings under applicable law;
- You meet the minimum income and creditworthiness criteria as determined by the Lender at its sole discretion;
- You have not previously defaulted on any loan by the Lender or its affiliates, or have fully resolved such default to the Lender's satisfaction;
- Your use of the Services does not violate any applicable law, regulation, or court order.

**⚠ Eligibility does not guarantee loan sanction or disbursement. The Company and the Lender reserve the right to accept or reject any loan application at their sole discretion without obligation to provide reasons.**

## 3. DESCRIPTION OF SERVICES

### 3.1 Nature of Services

The Company operates PennyDrop solely as a Lending Service Provider (LSP) and Digital Lending Application (DLA) on behalf of its Regulated Entity partners. The Company does NOT lend money in its own name. All Loans are sanctioned, approved, and disbursed exclusively by the Lender. The Company's role is limited to facilitating the loan application process, customer acquisition, KYC verification support, and loan servicing on behalf of the Lender.

**! PennyDrop acts as a technology and service intermediary. The contractual relationship for the Loan is EXCLUSIVELY between YOU and the LENDER. The Company is not a party to the Loan Agreement.**

### 3.2 Loan Application and Processing

The Platform enables eligible Customers to submit applications for short-term personal credit facilities through the following process:

1. Registration: The Customer creates an account by providing a valid mobile number for OTP-based verification and other required details.
2. KYC Verification: The Customer submits requisite KYC documents including PAN, Aadhaar (subject to UIDAI-compliant verification), photograph, and other documents required by the Lender.
3. Credit Assessment: The Company, on behalf of the Lender, may access credit bureau reports (CIBIL, Experian, Equifax, CRIF HighMark), bank statements, employment/income data, and other financial information to assess creditworthiness.
4. Loan Offer and KFS: If approved, the Lender provides a Key Fact Statement (KFS) to the Customer BEFORE execution of the Loan Agreement, setting out all material terms including APR, fees, charges, and repayment schedule.



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5. Acceptance: The Customer must affirmatively review and accept the KFS and execute the Loan Agreement before Disbursement. Acceptance is entirely voluntary.
6. Disbursement: The sanctioned Loan amount, net of the Processing Fee, is disbursed DIRECTLY to the Customer's verified bank account by the Lender. The Company does NOT handle loan funds at any stage.
7. Repayment: Repayments are collected by or on behalf of the Lender via NACH/e-NACH mandate or such other modes as specified in the Loan Agreement.

**⚠ COOLING-OFF PERIOD: Per RBI Digital Lending Guidelines, the Customer has the right to cancel the Loan within the cooling-off/look-up period specified in the KFS (minimum 3 business days for loans with tenure above 7 days). The Customer is liable only for proportionate interest for the period of utilisation and applicable charges as disclosed in the KFS. No prepayment penalty applies during the cooling-off period.**

### 3.3 Direct Disbursement to Customer

In strict compliance with RBI Digital Lending Guidelines (Circular RBI/2022-23/111), ALL loan disbursements shall be made DIRECTLY to the Customer's bank account by the Lender. The Loan amount shall NEVER be disbursed to the Company or any third party. The Company shall NOT maintain any pass-through or pool accounts for loan disbursement or repayment collection.

### 3.4 Key Fact Statement (KFS)

In compliance with RBI Directions, the KFS provided to the Customer prior to the Loan Agreement shall compulsorily include:

- Loan amount (principal sanctioned);
- Annual Percentage Rate (APR) — the all-inclusive annualised cost of the loan;
- Loan tenure and repayment schedule including EMI amounts and due dates;
- Processing fee, stamp duty, insurance premiums (if any), and all other charges in absolute amount and as a percentage;
- Details of NACH/repayment mandate;
- Cooling-off/look-up period and procedure for cancellation;
- Grievance redressal mechanism and contact details of the Company and the Lender;
- Identity and contact details of both the Lender and the Lending Service Provider;
- Consequences of Default including applicable penal charges and credit bureau reporting.

**⚠ You are strongly advised to read the KFS carefully and raise all queries BEFORE signing the Loan Agreement. Execution of the Loan Agreement after receiving the KFS shall constitute your informed acceptance of all disclosed terms.**

### 3.5 Third-Party Service Providers

The Platform integrates with the following third-party service providers for operational purposes. The Company does not guarantee the accuracy, availability, or continuity of their services:

- KYC Verification Agencies (including Surepass, Ongrid, Novel Pattern): for Aadhaar e-KYC, PAN verification, face match, liveness detection, and identity verification;
- Credit Information Companies (TransUnion CIBIL, Experian, Equifax, CRIF HighMark): for credit report access with Customer consent;
- Account Aggregator Framework (RBI-licensed): for bank statement and financial data access with Customer consent via Consent Artefact;
- Payment Gateway and Collection Partners: for repayment collection, NACH mandate registration, and payment processing;



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- Recovery and Collections Partners (including Credgenics, GoCredit): engaged by the Lender for loan recovery strictly in compliance with RBI recovery norms — see Section 10;
- Cloud and Technology Infrastructure: for data storage, security, and hosting in compliance with RBI data localisation requirements.

All data shared with third-party service providers is governed by data sharing agreements complying with applicable data protection laws and RBI guidelines. Data shall NOT be shared with any third party for commercial purposes without the Customer's explicit consent.

## 4. KYC, DATA COLLECTION, AND CONSENT

### 4.1 KYC Requirements

The Company and the Lender are required by law to undertake customer due diligence (CDD) and KYC verification as mandated under the Prevention of Money Laundering Act 2002, the RBI KYC Master Directions 2016 (as updated), and applicable UIDAI regulations. By using the Platform, you agree to:

- Submit accurate, complete, and current KYC documentation as required;
- Consent to Aadhaar-linked verification through UIDAI's e-KYC service subject to explicit, informed, and revocable consent under the Aadhaar Act 2016 and UIDAI regulations; demographic and/or biometric data accessed only with your specific, prior, written consent;
- Consent to the Company accessing the Central KYC Registry (CKYCRR) for verification;
- Consent to the Company submitting your KYC records to CKYCRR if you are a new customer without an existing CKYC record;
- Provide periodic KYC updates as required by law or notified by the Company.

### 4.2 Categories of Data Collected

The Company collects and processes the following categories of User Data for the purposes set out in Section 4.3:

- Identity Data: Full name, date of birth, gender, photograph, PAN, Aadhaar number (last 4 digits stored; full number NOT stored per UIDAI norms), Voter ID, Passport, or Driving Licence;
- Contact Data: Mobile number, email address, residential address;
- Financial Data: Bank account details, bank statements (3–6 months), salary slips, Form 16, ITR, employment details, income information;
- Credit Data: Credit bureau reports and scores accessed with explicit consent;
- Device and Technical Data: Device type, OS version, device identifiers (only as legally permitted), IP address, browser type;
- Behavioural Data: App usage patterns and navigation data within the Platform;
- Location Data: As described in Section 4.5;
- Communication Data: Records of communications between you and the Company/Lender.

**⚠ The Company will NOT access contact lists, call logs, gallery/photos, social media accounts, or any device data not necessary or proportionate for lending purposes, in strict compliance with RBI Digital Lending Guidelines. Any data collection beyond what is disclosed herein requires your separate, explicit, specific consent.**

### 4.3 Purposes of Data Use

User Data is collected and processed solely for the following purposes:

- Verifying your identity and eligibility (KYC/AML compliance);
- Assessing your creditworthiness on behalf of the Lender;



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- Processing and managing your Loan application and account;
- Disbursing the Loan and facilitating repayment collection;
- Complying with legal, regulatory, and tax obligations;
- Fraud detection and prevention;
- Improving the Platform using anonymised/aggregated data only;
- Sending transactional communications relating to your Loan;
- Addressing grievances and disputes;
- Any other purpose for which your separate, explicit, prior consent is obtained.

#### 4.4 Account Aggregator Framework

Where available, and with your explicit consent, the Company may access your financial data through the RBI-regulated Account Aggregator (AA) framework. Such access shall be:

- Governed by a Consent Artefact specifying the purpose, data type, date range, and frequency;
- Revocable by you at any time through the relevant Account Aggregator;
- Limited strictly to the data types, duration, and frequency specified in the Consent Artefact.

#### 4.5 Location Data

The Platform may request access to your device location for the following limited purposes only:

- Verifying your residential address against KYC records;
- Fraud prevention and security;
- Compliance with geolocation-based regulatory requirements.

**⚠ IMPORTANT: Per RBI Digital Lending Guidelines, location tracking shall NOT be used for loan recovery purposes. Location data shall NOT be shared with recovery agents. Post-Default tracking of the Customer's location for recovery purposes is STRICTLY PROHIBITED.**

#### 4.6 Data Retention and Security

The Company shall retain User Data for the period required by applicable law — including PMLA 2002 (which mandates KYC record retention for 5 years after the end of the customer relationship and 10 years for transaction records) — and thereafter shall securely delete or anonymise such data. All data is stored on servers located within India, complying with RBI data localisation requirements. The Company employs industry-standard security measures including encryption, access controls, and regular security audits.

#### 4.7 Withdrawal of Consent

You may withdraw your consent for data collection and processing at any time by contacting [care@pennydrop.in](mailto:care@pennydrop.in). Note that:

- Withdrawal of consent may result in the Company being unable to provide the Services;
- Withdrawal does not affect the lawfulness of processing before the withdrawal;
- Certain processing activities mandated by law (KYC/AML obligations) cannot be stopped on the basis of consent withdrawal.

## 5. USER CONSENTS AND AUTHORISATIONS

By accepting these Terms and using the Platform, you expressly provide the following consents and authorisations:



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8. KYC Consent: You authorise the Company and the Lender to collect, store, use, process, and share your KYC data with CKYCRR, UIDAI, and regulatory authorities as required by law.
9. Credit Bureau Consent: You provide explicit, informed, and unconditional consent to the Company and the Lender accessing your credit information from one or more Credit Information Companies (TransUnion CIBIL, Experian, Equifax, CRIF HighMark) for credit assessment purposes.
10. NACH/Mandate Consent: You authorise the registration of a NACH/e-NACH mandate in favour of the Lender for automated deduction of EMIs from your designated bank account on specified due dates. You are responsible for maintaining sufficient funds on due dates.
11. Communication Consent: You expressly consent to receiving communications from the Company, the Lender, and their authorised representatives via SMS, WhatsApp, email, phone, and in-App notifications for: (a) loan application status; (b) repayment reminders; (c) account statements; (d) regulatory disclosures; and (e) service-related updates. Marketing communications require your separate opt-in consent, and you may opt out at any time.
12. Data Sharing Consent: You authorise the Company to share your User Data with: (a) the Lender and its partners for loan processing; (b) credit bureaus; (c) KYC verification agencies; (d) RBI and other regulatory authorities; and (e) courts, tribunals, and law enforcement under lawful process.
13. E-Sign Consent: You authorise the use of electronic signatures (as defined under IT Act 2000) for execution of the Loan Agreement and related documents.

**⊖ You are NOT required to consent to data sharing for any commercial or marketing purpose as a condition for availing the Loan. Commercial data sharing will be sought through a separate, optional consent mechanism.**

## 6. INTEREST RATES, FEES, AND CHARGES

### 6.1 Disclosure Obligation

In compliance with RBI Digital Lending Guidelines and the Fair Practices Code, all applicable interest rates, fees, and charges shall be disclosed in the KFS BEFORE disbursement. No charge not disclosed in the KFS shall be levied on the Customer.

### 6.2 Interest Rate

The interest rate applicable to the Loan shall be:

- Determined by the Lender at its discretion, subject to applicable law and RBI guidelines;
- Disclosed in the KFS expressed both as a monthly rate and as an Annual Percentage Rate (APR);
- Non-discriminatory — not differentiated based on gender, caste, religion, or any prohibited ground;
- Variable between customers based on credit risk assessment, as per the Lender's credit policy.

**⚠ The Company does not determine the interest rate. The rate is set solely by the Lender (Regulated Entity). Refer to the KFS for the specific rate applicable to your Loan.**

### 6.3 Schedule of Fees and Charges

Charge Type	Description	Disclosure
Processing Fee	One-time fee for processing the loan application; deducted from loan amount at disbursement	Disclosed in KFS; non-refundable
Interest	Interest on outstanding principal as per rate specified in KFS	Disclosed as monthly rate and APR in KFS



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Late Payment Charges	Charge on delayed repayment beyond due date; applied prospectively on overdue instalment only	Rate and cap disclosed in KFS
NACH Bounce Charges	Charge when EMI auto-debit is returned by bank due to insufficient funds or other reasons	Amount disclosed in KFS; max one charge per bounce event
Prepayment / Foreclosure	Charges (if any) for early repayment; regulated borrowers may have right to prepay without penalty per RBI norms	Disclosed in KFS
Stamp Duty	Applicable government levy on the Loan Agreement	Actuals, disclosed in KFS
GST	Applicable on fees and charges at prevailing statutory rate	At applicable rate per prevailing law

**⊖ No fee or charge shall be levied on the Customer beyond what is disclosed in the KFS. The Company shall NOT collect any fee from the Customer directly. All charges are collected by or on behalf of the Lender.**

## 6.4 No Hidden Charges

There shall be no hidden charges. Any change in fees or charges shall be communicated to the Customer with adequate prior notice as required by law, and shall not apply retroactively to existing Loans.

## 7. REPAYMENT OBLIGATIONS

### 7.1 Repayment Schedule

The Customer is obligated to repay the Outstanding Amount to the Lender in accordance with the repayment schedule set out in the Loan Agreement and KFS, specifying: the number and amount of each EMI; the due date for each instalment; the method of repayment; and the total amount payable over the Loan tenure.

### 7.2 NACH/Auto-Debit Mandate

By executing the Loan Agreement, the Customer authorises the registration of a NACH/e-NACH mandate with their bank for automatic deduction of EMI amounts on specified due dates. The Customer is solely responsible for:

- Maintaining sufficient funds in the designated bank account on or before each due date;
- Notifying the Company/Lender in writing at least 10 business days in advance if the mandate needs to be updated or cancelled;
- Ensuring that any mandate cancellation does not result in non-payment of EMIs, which would constitute a Default.

### 7.3 Prepayment

The Customer may repay the Loan in full or in part before the scheduled due date, subject to the terms of the Loan Agreement and applicable RBI guidelines. Prepayment charges, if any, shall be disclosed in the KFS.



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## 7.4 Consequences of Default

In the event of Default, the following consequences shall apply:

- Penal charges at the rate disclosed in the KFS shall be levied on the overdue amount for each day of delay; no interest-on-interest shall be charged on penal amounts;
- The Default shall be reported to one or more Credit Information Companies, which may adversely affect the Customer's credit score and future borrowing ability;
- The Lender may initiate legal proceedings for recovery of Outstanding Amounts;
- The Lender may engage authorised recovery agents, subject to the conduct norms prescribed in Section 10;
- In case of repeated NACH bounce or persistent Default, the Lender may recall the entire Outstanding Amount as immediately due and payable.

**⚠️ DEFAULT ON YOUR LOAN WILL ADVERSELY AFFECT YOUR CREDIT HISTORY AND CIBIL SCORE. PLEASE CONTACT CUSTOMER SUPPORT AT [care@pennydrop.in](mailto:care@pennydrop.in) IMMEDIATELY IF YOU FACE REPAYMENT DIFFICULTIES.**

## 8. CUSTOMER OBLIGATIONS AND PROHIBITED CONDUCT

### 8.1 General Obligations

The Customer agrees and undertakes to:

14. Provide true, accurate, complete, and current information at all times and promptly update any information that changes;
15. Not impersonate any person or entity or falsely represent affiliation with any person or entity;
16. Maintain the confidentiality and security of account credentials (username, password, OTP) and immediately notify [care@pennydrop.in](mailto:care@pennydrop.in) if unauthorised access is suspected;
17. Use the Loan exclusively for the purpose stated in the Loan Application and as permitted under applicable law;
18. Not use Loan proceeds for speculative, illegal, or prohibited purposes including gambling, capital market speculation (unless specifically permitted), or purchase of assets prohibited under the Lender's credit policy;
19. Cooperate fully with the Company and Lender in any verification, audit, or enquiry;
20. Comply with all applicable laws, regulations, and government orders.

### 8.2 Prohibited Activities

The Customer shall NOT:

- Submit fraudulent, forged, fabricated, or misrepresented documents or information at any stage;
- Engage in or facilitate money laundering, terrorist financing, fraud, embezzlement, or any unlawful activity;
- Attempt to access, interfere with, hack, reverse engineer, decompile, or tamper with the Platform or its source code, algorithms, or databases;
- Introduce malware, viruses, worms, Trojan horses, or any harmful code into the Platform;
- Use automated bots, scrapers, crawlers, or similar tools to access or harvest data without prior written consent;
- Upload, post, or transmit unlawful, defamatory, obscene, harassing, or objectionable content;
- Infringe or misappropriate any intellectual property right of the Company, the Lender, or any third party;
- Share, transfer, or sell your account or credentials to any third party;
- Circumvent any security, authentication, or fraud prevention measure;
- Violate any applicable local, state, national, or international law, regulation, or court order.

## 9. DATA PROTECTION AND PRIVACY



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The Company is committed to protecting the privacy and security of your personal data under the Digital Personal Data Protection Act 2023 (DPDPA), the IT (SPDI) Rules 2011, and all other applicable privacy laws.

## 9.1 Your Rights as a Data Principal

Under the DPDPA 2023, you have the following rights:

- Right of Access: To obtain confirmation of whether your personal data is being processed and to access a summary of such data and processing activities.
- Right to Correction and Erasure: To correct inaccurate or misleading data, and to request erasure of data no longer necessary or where consent has been withdrawn, subject to legal retention obligations.
- Right to Grievance Redressal: To have data-related grievances addressed within a reasonable timeframe as specified in Section 13.
- Right to Nominate: To nominate an individual to exercise your data rights in the event of your death or incapacity.
- Right to Withdraw Consent: As detailed in Section 4.7.

## 9.2 Data Localisation

All personal and financial data of Indian customers shall be stored and processed on servers located within India, in compliance with RBI data localisation requirements.

## 9.3 Security Incident Notification

In the event of a personal data breach likely to result in harm to the Customer, the Company shall notify the Customer and the Data Protection Board of India (upon establishment) within prescribed timelines under DPDPA 2023.

For detailed information about our data practices, refer to the Privacy Policy on the Platform.

## 10. LOAN RECOVERY AND COLLECTION PRACTICES

### 10.1 Fair Recovery Practices

The Company, the Lender, and all authorised recovery agents shall adhere strictly to the RBI Fair Practices Code, RBI Digital Lending Guidelines, and all applicable circulars on recovery practices. The following norms shall be followed at all times:

- Recovery agents shall conduct themselves in a civil, courteous, and non-coercive manner;
- Recovery contact shall be limited to 9:00 AM to 6:00 PM, or such timings as agreed between the Lender and the Customer;
- Recovery agents shall carry and display valid authorisation letters from the Lender before interacting with the Customer;
- Recovery agents shall NOT use violence, physical intimidation, threats of harm, abusive or offensive language;
- Recovery agents shall NOT harass the Customer's family members, friends, or colleagues;
- Recovery agents shall NOT contact third parties without the Customer's prior consent, except for the limited purpose of locating an unreachable Customer;
- All calls made for recovery purposes shall be from numbers registered with the RBI's complaint management system;
- Recovery agents shall NOT misrepresent account status, outstanding amounts, or legal consequences.

**⚠ The Company and the Lender are PROHIBITED under RBI Digital Lending Guidelines from accessing the Customer's phone contacts, gallery, or social media for recovery purposes. Any such attempt is a violation of law. Report it to the Nodal Officer and the RBI Ombudsman immediately.**



#### Branch Address:

1st Floor, 276, Gagan Vihar, Krishna  
Nagar, Delhi, 110051



#### Email Us

care@pennydrop.in



#### Call Us

+91 98184 72940



# SHANKAR FININVEST PRIVATE LIMITED

CIN - U74899DL1995PTC067650  
RBI CoR - B-14.02178

**Registered Address:**  
160, First Floor, Gaffar Market,  
Karol Bagh, New Delhi, 110005

## 10.2 Penal Charges

Penal charges on overdue amounts shall be applied strictly as disclosed in the KFS. No interest-on-interest (compound interest on penal charges) shall be levied. Penal charges shall apply only on the overdue portion of the principal instalment, not on the entire outstanding principal.

## 10.3 Credit Bureau Reporting

Any Default, restructuring, write-off, or settlement shall be reported to relevant Credit Information Companies under the Credit Information Companies (Regulation) Act 2005 and applicable RBI guidelines. Customers are advised that adverse credit events can significantly impact their credit scores and future borrowing ability.

## 11. INTELLECTUAL PROPERTY RIGHTS

The Company is the sole owner of all right, title, and interest in and to the Platform, including: the PennyDrop brand name and logo; the Platform's user interface and design; all software, algorithms, and technology underlying the Platform; all content created by the Company; and all related documentation.

No right, title, or interest in the Platform or any intellectual property is transferred to the Customer. The Customer receives a limited, non-exclusive, non-transferable, revocable licence to access and use the Platform solely for availing the Services, subject to compliance with these Terms.

The Customer shall not: (a) reproduce, distribute, modify, or commercially exploit any portion of the Platform without prior written authorisation; (b) remove any copyright, trademark, or proprietary notice; or (c) use the PennyDrop name or logo without prior written consent.

## 12. LIMITATION OF LIABILITY AND DISCLAIMERS

### 12.1 No Guarantee of Loan Approval

The Company does not guarantee that a Loan application will be approved or that the Customer will receive the requested Loan amount. Loan sanction is at the sole discretion of the Lender.

### 12.2 Platform Availability

The Platform is provided on an "as is" and "as available" basis. The Company shall use commercially reasonable efforts to ensure availability but does not guarantee uninterrupted access or error-free operation.

### 12.3 Exclusion of Liability

To the maximum extent permitted by applicable law, the Company shall NOT be liable for:

- Any indirect, incidental, special, consequential, exemplary, or punitive damages, including loss of profits, data, goodwill, or business interruption;
- Any failure or delay in providing the Services due to circumstances beyond the Company's reasonable control;
- Loss or damage arising from the Customer's unauthorised use or breach of these Terms;
- The accuracy, completeness, or reliability of any content on the Platform;
- Failure, malfunction, or unavailability of any third-party service, API, or network;
- Any decision made by the Lender in respect of the Customer's Loan application.

In all cases, the Company's maximum aggregate liability shall not exceed the total fees paid by the Customer to the Company in the 3 months immediately preceding the event giving rise to the claim.

### 12.4 Indemnification



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The Customer agrees to indemnify, defend, and hold harmless the Company, its subsidiaries, affiliates, officers, directors, agents, employees, and successors from all claims, losses, liabilities, and expenses (including reasonable legal fees) arising from:

- The Customer's breach of any provision of these Terms;
- The Customer's violation of any applicable law or regulation;
- The Customer's fraudulent, negligent, or unlawful conduct;
- The Customer's violation of any third-party rights, including intellectual property rights.

### 13. GRIEVANCE REDRESSAL MECHANISM

The Company is committed to fair and efficient resolution of customer grievances in compliance with the Consumer Protection Act 2019, the RBI Integrated Ombudsman Scheme 2021, and the RBI Digital Lending Guidelines.

#### 13.1 Internal Grievance Resolution (Step 1)

For any query or complaint relating to the Services, contact our Customer Support team first:

Channel	Details
Email	care@pennydrop.in
In-App Support	Via the Help & Support section of the PennyDrop App
Support Hours	09:00 AM to 06:00 PM, Monday to Saturday (excluding public holidays)

The Company shall acknowledge your complaint within 2 business days and aim to resolve it within 10 business days from receipt.

#### 13.2 Nodal / Grievance Officer (Step 2 – Escalation)

If not resolved within 10 business days or to your satisfaction, escalate to the Nodal Officer:

Details	Information
Designation	Nodal / Grievance Officer – PennyDrop, Shankar Fininvest Private Limited
Email	nodal.officer@shankarfininvest.com
Postal Address	Nodal Officer, Shankar Fininvest Private Limited, 160 FF, Gaffar Market, Karol Bagh, New Delhi – 110005
Response Time	Within 7 business days of receipt of escalation

#### 13.3 Lender's Grievance Officer

Complaints relating specifically to loan terms, interest, repayment, or recovery should be escalated to the Lender's Grievance Officer, whose contact details are provided in the KFS and on the Platform.

#### 13.4 RBI Ombudsman (Step 3 – Regulatory Escalation)

If unresolved after the above steps, approach the RBI Integrated Ombudsman under the RBI Integrated Ombudsman Scheme 2021:



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- Online: <https://cms.rbi.org.in>
- Email: [crpc@rbi.org.in](mailto:crpc@rbi.org.in)
- Toll-Free: 14440

**Customers may also approach the Consumer Disputes Redressal Commission at District, State, or National level under the Consumer Protection Act 2019.**

## 14. FORCE MAJEURE

The Company shall not be liable for any failure, delay, interruption, or inability to perform its obligations if caused by events beyond its reasonable control, including:

- Acts of God including natural disasters, floods, earthquakes, epidemics, or pandemics;
- War, terrorism, civil unrest, riots, or insurrection;
- Internet outages, telecommunications failures, power outages, or failure of third-party service providers;
- Government actions, sanctions, embargoes, or changes in applicable laws including those issued by the RBI;
- Cyberattacks or other malicious acts by third parties not attributable to the Company's negligence.

Upon a Force Majeure Event, the Company shall promptly notify the Customer and use commercially reasonable efforts to resume performance as soon as practicable. Force Majeure does not relieve the Customer of repayment obligations under the Loan Agreement.

## 15. TERMINATION AND SUSPENSION

### 15.1 Termination by the Company

The Company may suspend or terminate a Customer's access to the Platform and Services, with or without prior notice, in the event of:

- Material breach of these Terms or the Loan Agreement;
- Submission of false, fraudulent, or misleading information;
- Failure to repay Outstanding Amounts (Default);
- Requirement under applicable law, court order, or regulatory directive;
- Discontinuation of the Services or Platform;
- Reasonable grounds to suspect fraud, money laundering, or other unlawful activity.

### 15.2 Effect of Termination

Upon termination of access:

- All licences and rights under these Terms shall immediately cease;
- All Outstanding Amounts under the Loan Agreement remain due and payable to the Lender;
- Provisions that by nature survive termination (indemnification, liability, intellectual property, governing law) shall survive.

### 15.3 Termination by the Customer

The Customer may terminate their registration by written notice to [care@pennydrop.in](mailto:care@pennydrop.in), provided all Outstanding Amounts under active Loan Agreements are fully paid. Termination does not relieve the Customer of repayment obligations under an active Loan Agreement.



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**UNINSTALLING THE PENNYDROP APP DOES NOT CANCEL YOUR LOAN OR RELIEVE YOU OF REPAYMENT OBLIGATIONS. YOUR LOAN AGREEMENT REMAINS BINDING. CONTACT [care@pennydrop.in](mailto:care@pennydrop.in) TO RESOLVE YOUR LOAN BEFORE DISCONTINUING USE.**

## 16. AMENDMENTS TO THESE TERMS

The Company reserves the right to modify these Terms at any time. Changes shall be:

- Published on the Platform with a clear indication of the effective date;
- Notified to registered Customers via SMS, email, or in-App notification at least 30 days before the effective date for material changes;
- Effective immediately upon posting for minor or non-material changes.

Continued use of the Platform after the effective date of revised Terms constitutes binding acceptance. If you do not accept the revised Terms, you must discontinue use and contact [care@pennydrop.in](mailto:care@pennydrop.in) to close your account, subject to settlement of outstanding obligations.

## 17. GOVERNING LAW AND DISPUTE RESOLUTION

### 17.1 Governing Law

These Terms are governed by and construed in accordance with the laws of India, including the Indian Contract Act 1872, the Information Technology Act 2000, the Consumer Protection Act 2019, the Prevention of Money Laundering Act 2002, and all other applicable laws and regulations.

### 17.2 Jurisdiction

Subject to the grievance redressal mechanism in Section 13, and without prejudice to the Customer's right to approach the RBI Ombudsman or Consumer Disputes Redressal Commissions, any dispute shall be subject to the exclusive jurisdiction of the courts in New Delhi, India.

### 17.3 Arbitration

Any dispute not resolved through the grievance redressal mechanism may, at the option of either party, be referred to arbitration under the Arbitration and Conciliation Act 1996, by:

- A sole arbitrator mutually agreed upon by the parties;
- Proceedings conducted in English at New Delhi;
- An expeditious process producing a final and binding award.

**Nothing in this Section limits the Customer's right to file a complaint with the RBI Ombudsman or approach Consumer Disputes Redressal Commissions under the Consumer Protection Act 2019.**

## 18. REGULATORY COMPLIANCE FRAMEWORK

The Company and its Lender partners are committed to full compliance with all applicable laws, regulations, and RBI guidelines, including:

Regulation / Guideline	Applicability
RBI Guidelines on Digital Lending (Sep 2022 & subsequent circulars)	All digital lending operations, disclosures, data practices, disbursement, and recovery



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RBI Fair Practices Code for NBFCs	Fair treatment, transparent pricing, ethical recovery practices
RBI KYC Master Directions 2016	Customer identification, verification, and due diligence
Prevention of Money Laundering Act 2002	AML/CFT obligations, record keeping
Digital Personal Data Protection Act 2023	Data collection, processing, storage, and user rights
IT Act 2000 & SPDI Rules 2011	Cybersecurity, data protection, e-contracts
Consumer Protection Act 2019	Grievance redressal, unfair trade practices
Credit Information Companies (Regulation) Act 2005	Credit bureau reporting and customer data rights
RBI Integrated Ombudsman Scheme 2021	External dispute resolution mechanism
Aadhaar Act 2016 and UIDAI Regulations	Aadhaar-based e-KYC verification norms

## 19. MISCELLANEOUS PROVISIONS

### 19.1 Entire Agreement

These Terms, together with the Privacy Policy, KFS, and Loan Agreement, constitute the entire agreement between the Customer and the Company with respect to the subject matter hereof, superseding all prior agreements, representations, and understandings.

### 19.2 Severability

If any provision is found invalid, illegal, or unenforceable, such provision shall be modified to the minimum extent necessary or deleted, and the remaining provisions shall continue in full force.

### 19.3 Waiver

No failure or delay by the Company in exercising any right under these Terms shall operate as a waiver. No single or partial exercise of any right precludes further exercise thereof.

### 19.4 Assignment

The Customer shall not assign or transfer any rights or obligations under these Terms without the Company's prior written consent. The Company may assign these Terms to any affiliate, successor, or acquirer without prior consent, provided such assignment does not materially adversely affect the Customer's rights.

### 19.5 Notices

All notices to the Customer shall be via contact information provided at registration. Notices to the Company shall be sent to [care@pennydrop.in](mailto:care@pennydrop.in) or the registered office address. Email notices are deemed received on the next business day.

### 19.6 Language

These Terms are available in English. Where translations are provided, the English version prevails in the event of any inconsistency.



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## 20. CONTACT INFORMATION

Purpose	Contact Details
General Queries	care@pennydrop.in
Loan / Repayment Support	care@pennydrop.in   via In-App Help
Nodal / Grievance Officer	nodal.officer@shankarfininvest.com
Registered Office	Shankar Fininvest Private Limited, 160 FF, Gaffar Market, Karol Bagh, New Delhi – 110005
Support Hours	09:00 AM to 06:00 PM, Monday to Saturday (excluding public holidays)
RBI Ombudsman	<a href="https://cms.rbi.org.in">https://cms.rbi.org.in</a>   Toll-Free: 14440   crpc@rbi.org.in

### ACKNOWLEDGEMENT OF ACCEPTANCE

By clicking "I ACCEPT" / "I AGREE" or by continuing to use the PennyDrop Platform, you confirm that:

21. You are at least 21 years of age and legally competent to enter into binding contracts under Indian law;
22. You have read, understood, and voluntarily agree to be bound by these Terms in their entirety;
23. You have read and understood the Key Fact Statement (KFS) applicable to your Loan;
24. The information you have provided is true, accurate, and complete to the best of your knowledge;
25. You consent to the collection, use, storage, and processing of your personal and financial data as described in these Terms and the Privacy Policy;
26. You understand that these Terms constitute a legally binding agreement and that any violation may result in civil and/or criminal liability under applicable Indian law.

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These Terms are subject to change. Visit [www.pennydrop.in](http://www.pennydrop.in) for the latest version.



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