

VRIDHI FISERV HOME FINANCE LIMITED (VFHFL) (Formerly Vridhi Finserv Limited)

PRIVACY POLICY

Version 3.0

Approving Authority	Board of Directors
Reviewing Authority	Compliance Department
Original Issue Date	5 th January 2023
Last Review Date	29 th March 2024
Policy Making Body	IT Department
Effective Date	29 th March 2024

Purpose

The privacy policy is meant to ensure that the personal information shared by the customer with Vridhi Home Finance is not used against their interests by Vridhi Home Finance or shared with a third party without their consent.

Definitions used in the Policy

- **Customer** refers to all members who have taken a loan from Vridhi Home Finance. This includes those members who have current loan outstanding and those who have taken a loan earlier, but since have dropped out of the program.
- **Information/Data** includes any financial and personal data collected from the members at the time of loan application.
 - o Financial information includes any data collected from the customer regarding his/her businesses, income, expenses, loans outstanding, repayment history, guarantors, or collateral.
 - o Personal information includes any data collected from the customer that is about his/her family, health, consumption behaviour, personal preferences, attitudes, beliefs or living conditions.
- **Records** can be either a tangible object or digital information.
- **Records Management** is the practice of maintaining the records of an organisation from data collection stage till the data disposal stage. This includes: classification, storage, securing and destruction or archival preservation of records.
- **Credit Bureau** is an independent organisation that compiles information from credit grantors and other sources regarding individuals' credit applications and payment behavior.

Principles of Policy Design

The privacy policy is meant to ensure that the personal information shared by the customer with Vridhi Home Finance is not used against their interests by Vridhi Home Finance. The following are the set of principles to be followed in each of these circumstances.

Implementation Details

Information collected at origination

Discretion and adherence to regulations in the collection of documentation from customers:

- Only those documents as required and as per KYC norms for identity proof and address proof will be collected from customers.
- Photos will be collected from the customer when applying for a loan. These are for Vridhi Home Finance's records only, and will be used by staff to identify customers. If a photo or picture of a customer is to be used as part of marketing or other material, written permission will be obtained from the customer. Additionally, Vridhi Home Finance will not permit the re-use of customer photos by any other institution without written consent from the customer.

Sharing customer information externally

A. Disclosure/Sharing of customer’s personal information only under the following circumstances:

- As per the legal requirements or to comply with any legal process.
- As part reciprocal information exchange with other financial institutions (such as a credit bureau)
- Disclosure / Sharing of customer’s personal information by Vridhi Home Finance in compliance with legal processes/regulatory authorities, self-regulatory organizations and other government agencies.
- Ensuring MoUs with service providers/research agencies/external consultants etc. and non-disclosure agreements cover client confidentiality

Environment	Action	Principle
Internal	Collecting information	Discretion and adherence to RBI regulations in the collection of documentation from customers
	Using customer information	Protection of customer interest from misuse internally
External	Sharing information with Third parties (except employees, service providers)	Any sharing of information will be with customer’s knowledge and consent

B. In any other circumstance, customer information will be shared only if:

- The customer has directed Vridhi Home Finance to share it with a third party
- There is written permission from the customer authorizing the disclosure

Training to customer on Privacy policy

In the customer training module:

- Customers are made aware of their privacy rights and responsibilities before they receive their loans.
- Their responsibilities include: understanding Vridhi Home Finance’s privacy of customer data clause and their rights; keeping their information updated; informing Vridhi Home Finance if their information has been misused; and keeping their financial data confidential
- Emphasizes the importance of keeping confidential information safe.

Channel for complaints

- Customers can contact the customer complaint number (which will be available on website) to record any complaint.
- If any staff is proven to have breached the privacy policy, he or she will be served with penalties (ranging up to dismissal) as stated in the HR policy.

Promoting Awareness among the staff

- Staff will be trained on the privacy policy and its implications during induction and other staff refresher trainings.
- At the time of appointment, each staff will be made to sign a non-disclosure/confidentiality clause, thereby agreeing to protect Vridhi Home Finance's and clients' data.

Monitoring

In order to ensure the effective implementation of privacy policy, regular monitoring of the extent of its adherence by employees is important. Internal Audit team will monitor any deviations to the policy during the branch audits and reports the same for corrective measures.

Information Security Mechanisms and Records Management:

Vridhi Home Finance maintains physical and electronic safeguards to protect customers' personal and financial information including their photos. Vridhi Home Finance has placed the following mechanisms in place to ensure information — both physical and electronic data storage, access, retrieval, sharing of data:

Records Management and Physical data security

- Vridhi Home Finance keeps customers physical files at the branch that received the initial loan application other Vridhi home finance offices in a safe manner and only authorized branch staff are permitted to access the data. Vridhi Home Finance may engage the services of reputed third-party service providers for record/ data storage/ management purposes under SLAs agreed by Vridhi Home Finance with such third parties in writing. Such SLAs would cover aspects of client data confidentiality and related compliance requirements.
- Records may be transferred from branches to other offices of Vridhi Home Finance/ third party service providers for record Keeping Purpose .
- The database of customers who do not have any current loan outstanding with Vridhi Home Finance are properly archived and kept and stored in the same manner as we store data/ documents of our customers.
- All customer data/ records/ documents/ information shall be maintained by Vridhi home finance for such time period as may be required as per applicable laws, including the Prevention of Money Laundering Act and rules there under.

Information/IT Security Mechanisms

- Branches enter and modify the customer data but cannot modify other branch data or files preventing unauthorised modification of data. Staff at Headquarters can see data from all the branches, but rights to edit or modify the data is given to select staff with specific login access.
- Vridhi Home Finance has a policy that requires customer data base changes require the branch manager/ Assistant Branch Manager to authorise/ approve the changes.
- Each person who accesses the application uses an individual username and password. Users must change their passwords from time to time. Whenever an employee logs into the application, their id, the information they change, and the time when the change is made, are all recorded.
- Vridhi Home Finance has a strong back-up system in which it uses a combination of hardcopy and digital backups of customer information. Vridhi Home Finance's system backs-up all information on our cloud servers periodically. Only the IT team of Vridhi Home Finance can access such data.

➤ Change Control Record

Version No.	Change Request by	Memorandum of Change	Approval date
1.0	IT Department	-	5 th January 2023
2.0	IT Department	-	21 st October 2023
3.0	IT Department	-	29 th March 2024