

CHAPTER 2- CREDIT CARD POLICY

1. OBJECTIVES / INTRODUCTION

This Credit Card Policy Document aims to set policy guidelines for Credit Card Business comprising Credit Card Issue and Collection/ Recovery of Card Dues.

The detailed policy guidelines for each of the above parts are as follows:

Nature of Credit Card Business:

- 1.1. Credit Card is a payment instrument. The Plastic Card is used to settle the payment between payer and payee. Instead of settling mutual claims in cash, the plastic card is used to settle the claims. By using the card, at Point of Sale (POS) (at Merchant Location/ Internet) the payment will be completed.

Variants of Credit Cards:

- 1.2. Bank may issue different variants of Credit Cards depending upon the income criteria and segments of customers and collaterals offered. The Bank may issue Proprietary Cards, Cards in association with international associations like Visa, MasterCard and national entities like National Payment Corporation of India (NPCI), etc. The segments of customers may be Individuals, Corporate and other entities.
- 1.3. Bank may issue 'add-on' cards on request by the Principal Cardholder. The transactions done on the Add on Card are accounted to the Principal Cardholder and shall be included in the Principal Cardholder's Billing Statement. The Principal Cardholder may fix separate card limit to the add-on cardholder within the card limit permitted to the Principal Card.
- 1.4. The Bank may issue personalized Credit Cards with different flavors like Classic, Standard, Gold, Platinum, Signature, World, select etc. to suit to the different segments of the customers.
- 1.5. The Bank may issue virtual credit card which is a safer means of making payment for online services. Such facility will be provided, as and when suitable software applications is identified and procured by our Bank, and as and when domestic card industry evolves such solution with sufficient security features.

2. DEFINITIONS

- 2.1. **Principal Cardholder** means the customer who has been issued credit card by a bank and on whose name the card account has been opened.

- 2.2. **Add-on Credit Card** means a supplementary credit card to the principal or primary credit card, issued to person/s with predefined relationship with the primary cardholder, within the credit limits and liability of the latter, subject to such terms and conditions as stipulated by the Bank.
- 2.3. **Corporate Credit Card** is a credit card that is issued to specific employee/s of a corporate employer wherein the liability could rest with the corporate entity or the employee or jointly on both, as per the product design features.
- 2.4. **Co-branded Card** is a card that is issued jointly by a card-issuer and a co-branding entity bearing the names of both the partnering entities.
- 2.5. **Unsolicited Credit Card** is a credit card issued without a specific written/digital request or an application therefore.
Provided the issuance of a credit card for renewal or replacement shall not be treated as an unsolicited card. Renewal contemplates the issuance of a new card on account of expiry of an existing card and replacement includes issuance of a new card in place of an existing card in lieu of the change in the underlying account relationship, upgradation due to new technology or systems or re-issuance of cards that have been lost, blocked or suspended temporarily, but does not include the opening of a new account after a previous account was closed.
- 2.6. **Upgradation of Credit Card** means enhancement in the benefits and features of credit cards issued, for example, an increase in the credit or cash limit of the card.
- 2.7. **Credit Limit** is the maximum amount of revolving credit determined and notified to the cardholder to transact in the credit card account.
- 2.8. **Billing Cycle/Billing Period** is the regular length of time between closing dates of two consecutive bills raised by the Bank.
- 2.9. **Interest-Free Credit Period** is the time period from the date of transaction to the due date of payment, wherein interest free payment can be made, subject to the payment of entire outstanding on or before the payment due date by the cardholder.
- 2.10. **Charge Card** is a type of credit card where the user has to pay the billed amount in full on due date after the billing cycle, and no rolling over of credit to the next billing cycle is permitted.

- 2.11. **Minimum Amount Due** is the minimum amount of money, as a part of the total bill amount, that a cardholder has to pay to not be treated as an overdue bill
- 2.12. **Card Loyalty/Reward Programme/s** are those schemes linked to a credit card whereby the Bank or associated merchant establishments, upon use of the card/s, offer digital coupons, points, discounts, cash backs or other benefits having monetary value that can be used/redeemed for the same transactions or other future transactions after accumulation.
- 2.13. **Annual Percentage Rate** is the annual cost of credit to the cardholder which includes interest rate and all other charges associated with the credit card under different scenarios based on card features.
- 2.14. **Convenience Fee** is a fixed or pro-rata charge on use of credit cards as one of the alternative forms of payment which is not ordinarily accepted vis-à-vis other forms of payment.
- 2.15. **Most Important Terms and Conditions (MITC)** are the standard set of conditions for the issuance and usage of credit cards, thereby defining the responsibilities and liabilities of the Bank and the cardholder.

3. **ROLES & RESPONSIBILITIES**

Eligibility Conditions:

- 3.1. For issue of Credit Card to individuals, the Gross Income (Income/Salary/ITR/ITAO/ Form 16) is the main criterion. Credit Card Limit Sanctioning Authority can relax this for our Bank Depositors for Secured Credit Card and for other Credit Cards to those having only interest/ income certificates respectively for Depositors / Agriculturists. In case of Non-salaried /Business class: RAHs/Branch officials shall cross verify the Balance sheet and P & L account.
- 3.2. Branches shall keep internal records to enable operations to be traced and errors to be rectified (taking into account the law of limitation for the time barred cases) as prescribed under 'Master Direction on Know Your Customer', as amended from time to time.

Individuals:

- 3.3. Independent income with a minimum of Rs.2 lakh gross per annum for Classic / Standard Cards & Rs. 3 Lakh per annum for Gold/Platinum Card. The independent income criteria for Select/World/Signature Credit Card variant are Rs. 10.00 Lakhs Gross income per annum.

- 3.4. For persons not having Income Proof, another variant of Credit Card introduced i.e. Secured Credit Card against Security of Term Deposit (KD and FD) where the Credit Limit is 75% of the ledger balance for KDR and 75% of the Principal Amount for FDR. Branches to invariably mark lien on the deposits before sanctioning of Secured Credit Cards.
- 3.5. Satisfactory dealings and credit worthiness to be ensured.
- 3.6. Existing Customers of the Bank are termed as ETB customer and Customers who do not Bank with us but are considered for issuance of credit card are termed as New to Bank (NTB) customers. Co-branded cards under NTB category will be issued to the RRBs sponsored by our Bank only at present. Eligibility for NTB customers will in line with eligibility for ETB customers.
- 3.7. Satisfactory Credit Information Report from agencies like CIBIL and other Credit Information Agency approved by RBI.
- 3.8. PAN (Permanent Account Number) to be provided.
- 3.9. Mobile Number to be registered.
- 3.10. Customer should be literate and age limit is 18 to 75 years at the time of issuance.
- 3.11. The respective sanctioning authority at Branches/ RAHs/ ROs/ COs can sanction the Credit Card as per the latest delegation of powers only if the account has Six (6) months successful operation. (**System Level Check already implemented.**)
- 3.12. In case, credit card is required to be issued to accounts within Six (6) months of opening, the same can be sanctioned by the “Next Higher Authority” only. However, Premium payroll Accounts open at branches, specified schemes which warrants or featured with issuance of credit card and Education Loan/ Housing Loan/ Vehicle Loan/ Canara Mortgage Loans sanctioned by RAH are exempted from this condition.
- 3.13. Credit Limits of the Credit Cards will not be enhanced for Six (6) months after issuance of Credit Cards by Branches/ RAHs/ ROs/ Cos. (**System Level Check already implemented.**)

Individuals: Secured Credit Card

- 3.14. Secured credit Card is issued to individuals against Deposits standing in the name of the applicant. Joint Deposits with payment condition “Either or

- Survivor “in which the applicant is one of the depositors shall also be accepted. Add on Cards can be issued to other joint depositors.
- 3.15. The Card can also be issued to NRI Customers, only against deposits standing in the name of applicant. Card can be issued against NRE/NRO deposits standing in the name of the applicant. Card against NRE Deposits are subject to rules as applicable to VSL against NRE deposits.
 - 3.16. Minor deposits are not eligible.
 - 3.17. Only KD & FD shall be reckoned for accepting as security. RD & NNND shall not be accepted for security.
 - 3.18. Deposits of other Branches cannot be taken as security.
 - 3.19. The deposit shall be closed only after 7 days from the date of closure of Card to obviate any probable claim by acquirer Bank at a future date (Merchants are permitted to claim the transaction from issuer bank within seven days of the transaction) or usage of Card by the customer after receipt of his request for closure of security.
 - 3.20. The branch shall sanction issue of Canara Secured Credit Card as per the powers delegated to them for sanctioning VSLs on the security of Term Deposits and all secured credit cards are exempted from review.

Corporate:

- 3.21. Credit Cards to Corporates are issued to our customers only after duly complying with KYC Norms.
 - I. Corporate Credit Card limit will be sanctioned after assessment of the Financials of the Corporate. Minimum annual turnover of Rs.10 Crores is required.
 - II. For Corporate with annual turnover of less than Rs.10 Crores, Secured Corporate Credit Card against lien on Company’s Fixed Deposit can be sanctioned.
- 3.22. **Corporate Enjoying Credit Exposure from The Bank:** The account should be with asset classification “standard” status and should not be SMA1/2 during the preceding 12 months. Maximum corporate card limit shall not exceed 10% of sanctioned Fund Based Working Capital limit with a maximum limit of 25 Crores.
 - I. **Corporate having Deposit with the Bank:** Limit to be assessed based on the TERM DEPOSIT pledged with bank i.e. up to the 100% of principal amount of the deposits or Rs.25.00 Crores, whichever is lower. Such deposits will be held as security.
- 3.23. **Corporate not enjoying Credit Exposure from the Bank:** If the corporate is dealing with us satisfactorily for the past one year no Rating be insisted. However, the internal rating shall be carried out wherever applicable.

In other cases, rating not to be less than the investment grade. Credit worthiness to be ensured.

- I. **Where the corporate has facility with other Banks:** The Corporate credit card limit should not exceed 10% of assessed bank finance/MBPF subject to maximum of Rs.10 crores.
- II. **Where the corporate has no credit facility with any lender:** The Corporate credit card limit should not exceed 2% of the total Sales/Turnover as per last year audited balance sheet subject to maximum of Rs.5 crores

The entire limits as arrived at basis the above criterion will be unsecured in nature.

3.24. In case of non-individuals, relevant documents as given below are to be obtained and reviewed wherever applicable:

Partnership	Partnership deed
Trust	Trust Deed
Association/ Society	Club/ Society
Limited Liability Partnership (LLP)	1. Rules and by-laws of Associations/ Club/ Society 2. Registration Certificate
Private limited/ Public limited companies	1. LLP Agreement 2. Certificate of Commencement of Business 3. Registration certificate
	1. Certificate of Commencement of Business / Certification of Incorporation. 2. Memorandum of Association 3. Articles of Association 4. Board Resolution with Authorized signatories

NRI Nationals:

- 3.25. Applicant should be an Indian Passport holder. The applicant should give an undertaking to the Bank that if he/ she ceases to be an Indian Passport holder, he/she will surrender the card to the Bank without fail.
- 3.26. The applicant should maintain an NRE/ NRO account with our Bank.
- 3.27. The Settlement of Credit Card dues and charges should be to the debit of NRE/ NRO account.
- 3.28. The Settlement of credit card dues to the debit of NRO rupee account /NRE accounts to the extent of card limit for use of credit cards issued by Banks

in India is subject to the conditions for use of the international credit cards by residents.

- 3.29. Besides giving their overseas address, local address in India should necessarily be provided.
- 3.30. In case of NRIs, the cash withdrawal limit is fixed at Rs. 50,000/- per month subject to 50 % of the Card limit. If withdrawal is in other than INR currency, the limit will be equivalent of Rs. 50,000/- value in that currency.
- 3.31. The card limit will be available to the main cardholder only. ATM cash withdrawal facility will also not be extended to add-on cardholders.

Foreign Nationals:

- 3.32. Though, there is no bar on issue of credit cards to Foreign Nationals residing in India provided the dues are cleared out of repatriable funds, it may not be advisable to issue credit cards to tourists or any other foreign nationals visiting India for a short period for obvious reasons. With introduction of FEMA, 1999 the accounts opened by foreign nationals who are resident in India are treated as resident accounts. Such accounts are at par with other resident rupee accounts. In view of the above, Branches may consider issuing Domestic Credit card on the basis of merits of each case, after assessing the credit risk.

Staff Members

- 3.33. **Staff Members should have a minimum annual gross income of Rs.400000/- and minimum net take home salary of not less than Rs.15000/- p.m.**
- 3.34. For arriving at the net take home salary, repayment towards housing loan may be added back to the salary.
- 3.35. All fresh/limit enhancement of credit card sanctions to staff are exempted from review.
- 3.36. **Staff members on rolls are eligible for a maximum Two primary cards only: one RuPay and one of any other variant, based on their eligibility.**

Students:

- 3.37. Credit cards can be issued to students studying in Premiere institutions subject to students with no prior financial history and have availed Education loan under Vidya Turant Scheme.

The sanctioning authority shall draw Credit Information Report from Credit Information Companies before permitting issue of credit cards and at the time of enhancement of credit card limit, in all case, except in case of our Bank staff/ Secured card.

3.38. Students can be given credit card based on any of the below listed options

Option 1: Parents with eligible credit score (CIBIL, Experian, Equifax, etc.) will be issued with Primary card and student will be given Add-on card with credit limit within the approved overall limit.

Option 2: Credit card to these students, above Eighteen (18) years of age, will be issued against lien on Term deposit (limit will be up to 75% of Ledger Balance of KDR i.e. Principal + accrued interest) and in case of FD the maximum limit can be 75% of Principal amount).

Drawing reports from CIC:

3.39. Credit card falls in the category of “All other loans” under “Unsecured Loans” consumer segment for drawing Credit Information Report [CIR]. Report from 2 Credit Information Companies [CICs] are to be obtained for limits above Rs. 5 Lakhs. (As per the Circular 165/2020 dated 24.03.2020).

3.40. Credit information Report [CIR] from the Credit Information Companies [CICs] are to be obtained as per the guidelines issued/ modified by RM wing, HO from time to time.

3.41. The Credit Card limit is to be sanctioned by respective individual sanctioning authority as defined in para 3.67 of this policy, subject to risk grades based on CIC score (Low, Normal, Medium, High) of the customer. For low and normal risk grade customers respective sanctioning authorities will permit credit card limit and for Medium and High risk grade customers, next higher authority (as per extant guidelines issued by Risk Management Wing) should permit.

“Any issuance of Credit Card by next higher authority to high risk/ low score applicant should be based on specific reason due to which the CIR score is low and its reasonableness which shall be incorporated in notes placed for approval. Customers rated High Risk/ low score, maximum limit to be sanctioned is Rs. 2 lakhs.”

The sanctioning authority for permitting Credit Card limit will be individual sanctioning authority i.e., Manager, Sr Manager, DM, AGM, DGM, GM and CGM as the case may be and Credit Approval Committee is not applicable for sanction of credit card limit for individuals.

Customer Consent and acknowledgement for Credit Card Application:

- 3.42. The issue of unsolicited cards/upgradation is strictly prohibited.
- 3.43. The written consent/Digital consent of the applicant should be taken before issuing a credit card. Branches shall indicate upfront to the credit cardholder, the methodology of calculation of finance charges with illustrative examples (included in MITC), particularly in situations where only a part of the amount outstanding is paid by the customer.
- 3.44. Branches should ensure that the credit limit as sanctioned and advised to the cardholder is not breached at any point in time without seeking explicit consent from the cardholder. Bank may introduce, at the option of the customers, an insurance cover to take care of the liabilities arising out of lost cards, card frauds, etc. In cases where the Bank is offering any insurance cover to their cardholders, in tie-up with insurance companies, the bank will obtain explicit consent in writing or in digital mode from the cardholders along with the details of nominee/s.
- 3.45. Branches to give acknowledgement on receipt of Credit Card application with required documents in all respects.
- 3.46. The MITC will be provided to the customer at the time of onboarding and each time, a condition is modified with notice to the customer. The MITC and copy of the agreement (Credit Card Application) signed between the Bank and cardholder will be sent to the registered email address of the cardholder or postal address as per the choice of the customer.

Under Writing Standards:

- 3.47. Branches shall ensure prudence while issuing credit cards and independently assess the credit risk while issuing cards to persons, taking into account independent financial means of applicants.
- 3.48. As holding several credit cards enhances the total credit available to any consumer, Branches shall assess the credit limit for a credit card customer taking into consideration all the limits enjoyed by the cardholder from other entities on the basis of self-declaration/credit information obtained from a Credit Information Company, as appropriate.
- 3.49. Underwriting will be supported, if required, by suitable scoring models developed based on historical data of the Bank and will aid in Risk assessment and Risk categorisation for decision making.

- 3.50. Underwriting for NTB customers will be through manual/digital mode and underwriting standards will be same as that of ETB Customers. However, KYC will be additionally obtained for NTB customers.

Credit Card Limit:

Individuals:

- 3.51. The lower limit of all Individual Credit card variants is Rs. 25,000/- and upper limit is Rs. 50,00,000/- depending on the card variant. The details are tabulated as below:

Card Type	Minimum Limit	Maximum Limit
Classic/Standard	Rs.25,000/=	Rs. 5,00,000/=
Gold Credit Card	Rs. 25,000/=	Rs. 25,00,000/=
Platinum Credit Card	Rs. 50,000/=	Rs. 50,00,000/=
Select Credit Card	Rs. 1,00,000/=	Rs. 50,00,000/=
World Credit Card	Rs. 1,00,000/=	Rs. 50,00,000/=
Signature Credit Card	Rs. 1,50,000/=	Rs. 50,00,000/=

- 3.52. Since the Credit Card is only a payment settlement instrument, the Credit Card limit shall normally be restricted to 30% of the gross income of the applicant. The validity of the Card period shall be 5 years. Bank may also provide facility of replenishing the card limit proportionately, for usage, on payment of the card liability within the billing cycle. This facility will be applicable to cardholders who have opted for revolving facility also. However total liability should always be within the credit card limit fixed.
- 3.53. More than one credit card can be issued to customer within the overall approved limit, so as to enable them to avail the maximum benefits. “The individual credit card limit together with other unsecured borrowings by an individual shall not exceed the permissible unsecured limit for an individual borrower.” Branches/Offices has to adhere the same.
- 3.54. In case of Individual Add-on card, Card limit will be same as that of the primary card (ie. Single limit will be shared by primary and add-on cards). Maximum of 4 add on cards can be issued under primary card for Individual.
- 3.55. Upgrade of the Credit Card variant or enhancement in the limit will be system driven which will be based on the various criteria such as income, usage, payment history, CIC score etc. The same will be processed automatically with the consent of customer. Bank will not unilaterally upgrade credit cards and enhance credit limits. Explicit consent of the cardholder will invariably be taken whenever there is/are any change/s in

terms and conditions. In case of reduction in the credit limit, the Bank will intimate the same to the cardholder through SMS.

- 3.56. **Credit and prepaid cards Wing head** will be authorized to change any criteria to be considered for such upgrade or enhancement as and when required. An information note to be periodically placed to Overseeing Executive Director.
- 3.57. **Renewal of Credit Cards:**
 - 3.57.1 Credit Cards which are not NPA/deemed NPA and in active status (unblocked) with **no overdue liability as on the last day of previous month of card expiry will be** automatically renewed.
 - 3.57.2 In the case of cards having overdue as on last day of the previous month of card expiry & not renewed automatically such cards will be renewed on clearance of entire overdues after receiving branch recommendation.
 - 3.57.3 In case the branch does not want to renew the card of any undesirable customer, such card shall be hotlisted by the branch.
 - 3.57.4 On account of slippage to NPA, such cards will not be renewed and will be hotlisted. If cardholder requests for the credit card after clearing entire card liability, such request shall be considered as fresh request for card issuance after compliance of procedure as per Credit Card Policy
 - 3.57.5 Bank should provide an option to their eligible customers to choose from multiple card networks at the time of issue. For existing cardholders, this option may be provided at the time of the next renewal.
- 3.58. Explicit consent of the cardholder prior to the renewal of an existing card will be obtained. Bank may provide facility to obtain consent through branches/Mobile Banking/ Internet Banking/Online/SMS/ IVR etc.
- 3.59. The Bank may also provide facility of conversion of other Bank Credit Card Liability in to our Credit Card by suitable integrating with Credit Card Database Software.
- 3.60. The Bank may also provide facility of enabling payment as standing instructions using Credit Card wherein first of such transactions will be through OTP and subsequent transactions as SI transactions till the specified period.
- 3.61. The Bank may provide facility of applying for Credit Card online through dedicated portal / API by:

- 3.61.1 Online verification of KYC through Aadhaar with the consent of applicant / customer,
- 3.61.2 Income details through Form 26-AS of Income Tax Department.
- 3.61.3 Credit Information Report and Risk Grade from Credit Information Companies.
- 3.61.4 Arrangement for obtaining Credit Card Application/ Copies of documents from such applicants through Direct Selling Agents appointed for the purpose/ Marketing Officers/ Branch as the case may be.
- 3.61.5 Credit Card Limit may be sanctioned based on pre-defined parameters up to maximum permissible limit and Process such online applications centrally at Credit and prepaid cards Wing.
- 3.61.6 Credit Card dispatched directly to the communication/ residential address, as the case may be, opted by the Card Applicant/ Customer.
- 3.61.7 Green PIN may be generated by the Card Applicant/ Customer through Net Banking / Mobile Banking / ATM / IVR as the case may be
- 3.61.8 Credit Card will become active only after generation of Green PIN through OTP sent to Customer's registered mobile for such cards sent directly to customers preferred address.
- 3.61.9 In case of rejection of a credit card application, bank/branch shall convey in writing the specific reason/s which led to the rejection of the application.
- 3.61.10 In the case of co-branded cards, the cards will be processed digitally/manually and will be centrally dispatched. All compliances and regulations to be strictly complied while issuing co-branded cards. Risk assessment of the co-branding partner need to be carried out and Risk will be fully borne by the Bank.

Corporates:

- 3.62. For issue of Corporate Credit Card, the Gross annual Income of the firm is the main criterion.
- 3.63. Need-based Limits (Corporate level), offered in multiples of Rs. 5,000/- and Minimum Limit: Rs. 50,000/- Maximum Limit: Rs.25 Crores.

For Add on Cards: Offered in multiples of Rs. 5,000/-,
Minimum Limit: Rs. 10,000/-,
Maximum Limit: Rs.5 Lakh.

For specific requests made by the corporate to provide limit to add on card for specific needs of making GST, Excise, TDS and other Statutory payments and Government dues of the company, the same can be permitted

with maximum cap of Rs.50 Lakhs per add-on card which can be permitted selectively by the respective sanctioning authority.

- 3.64. Corporate credit cards to be issued together with add-on cards wherever required. At least one add on card should be mandatory issued under Primary card.
- a) Up to 1000 add-on cards can be issued as per the request of the corporate within the overall limit sanctioned to the corporate.
 - b) Under exceptional cases beyond 1000 cards, CGM/GM CPCWing CAC can permit but within the overall limit sanctioned to the corporate.
 - c) The Corporate Credit Card enables corporates to manage its expenses efficiently through its employees. Some of the use cases being:
 - I. **Travel and Entertainment:** Official travel related expenses for booking of transport, accommodation, entertainment and dining.
 - II. **Purchases:** To expend on small value purchases like stationary for use of the company on behalf of company.
 - III. **Payments:** To make statutory payments like GST, taxes, excise duty on behalf of the company.
 - IV. **Business needs:** Issued to business entities for the purpose of business expenses with specified terms and conditions and not for personal use.

Cash advance limit:

- 3.65. Cash Advance limit is a sub limit under Credit Card limit. For individual Card holders, the Cash Advance limit is up to 50% of the Credit Card Limit with a maximum of Rs. 50,000/-.
- 3.66. For Corporate Credit Cards Cash withdrawal limit is up to 50% of Credit Card Limit with a maximum overall limit of Rs.25.00 Lakhs whichever is lower. For add on Card, per Card Maximum Cash withdrawal limit is Rs. 25,000/- . CGM/GM CPCWing CAC can permit beyond this limit based on specific request of the corporate and on case to case basis.
- 3.67. Delegation of Power for issue of Canara Credit Cards at Branches, Retail Asset Hubs (RAH), PCBs etc.,

Sr.No	Individuals	Sanctioning Authority	Reviewing Authority
1.	Up to 30% of Gross Annual Income with maximum of Rs.50.00 Lakhs	General Manager/ Chief General Manager at Circle Offices	Wherever circle is headed by CGM- GM sanction at Circle Office to be reviewed by respective CGM, Circle Office. In all other cases, review shall be done by Credit & Prepaid card Wing Head.
2.	Up to 30% of Gross Annual Income with maximum of Rs.25.00 Lakhs	Deputy General Manager at Regional Offices / Circle Offices/ Branches	General Manager/ CGM at respective Circle Office
3.	Up to 30% of Gross Annual Income with maximum of Rs.15.00 Lakhs	Assistant General Manager at Regional Offices / Circle Offices	Deputy General Manager at Regional Offices / Circle Offices / Branches
4.	Up to 30% of Gross Annual Income with maximum of Rs.10.00 Lakhs	1)Assistant General Manager at RAH/ Branches 2)Chief Manager/ Divisional Manager at Regional Offices	1) Deputy General Manager at Regional Offices / Circle Offices / Branches 2) Assistant General Manager at Regional Offices/Circle Offices
5.	Up to 30% of Gross Annual Income with maximum of Rs.5.00 Lakhs	Chief Manager/Divisional Manager at Retail Assets Hubs / Branches	Assistant General Manager, Regional Offices / Circle Offices/ Branches / Retail Assets Hubs
6.	Up to 30% of Gross Annual Income with maximum of Rs.1.00 lakh	Branch Head of Small Medium, Large Branches or Manager/ Senior Manager in other categories of branches like RAH,VLB,ELB,MCB, LCB etc	Chief Manager / Divisional Manager / AGM/ at respective Regional Offices/ Circle Offices / Branches / Retail Asset Hubs, as the case may be.

The Revised delegation of power as mentioned below for branches under Embargo:

Sr.No	Individuals	Sanctioning Authority	Reviewing Authority
1	Up to 30% of Gross Annual Income with maximum of Rs.5.00 Lakhs	Next Higher authority	1) Deputy General Manager at Regional Offices / Circle Offices / Branches 2) Assistant General Manager at Regional Offices/Circle Offices

2	Up to 30% of Gross Annual Income with maximum of Rs.1.00 lakh	Next Higher authority	1) Deputy General Manager at Regional Offices / Circle Offices / Branches 2) Assistant General Manager at Regional Offices/Circle Offices
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- i. If the Non-Performing Asset(NPA) liability of the credit card portfolio of an RAH or Branch surpasses 5% of its total credit cards\ outstanding, the authority to approve new credit card issuance will be suspended. In such instance, the delegated powers for sanctioning credit cards will shift to the **Next Higher Authority** until the NPA liability at the respective Branch or RAH is reduced below the 5% bench mark.
- ii. This delimitation will not affect the predefined special product/scheme like Canara Crest, Canara Angel, Canara Payroll etc.. presently in vogue and those that will be introduced in future. This embargo is not applicable to Pre-Approved and Secured Credit Card Channel.
- iii. Credit & Prepaid Card Wing, will assume responsibility for the proactive monitoring, tracking, and evaluation of the embargo process. For this purpose, recovery section will share updated list of embargo branches on 10th of every month to LAPS group, DBS Wing.

For Corporate cards:

Sr.No	Corporate	Sanctioning Authority	Reviewing Authority
1	More than 1500.00 Lakhs upto Rs.2500.00 Lakhs	CGM/GM - CPCWING - CAC	ED-Review Committee at HO consisting of ED overseeing CA&M Wing and CGM/GM-CA&M Wing.
2	More than 1000.00 Lakhs upto Rs.1500.00 Lakhs	DGM - CPCWING - CAC	CGM/GM - CPCWING - CRC
3	More than 200.00 Lakhs upto Rs.1000.00 Lakhs	AGM - CPCWING - CAC	
4	More than 50.00 Lakhs upto Rs.200.00 Lakhs	CGM/GM- CO - CAC (Circle Head)	
5	Upto Rs.50.00 Lakhs	DGM/AGM - RO - CAC (RO Head)	CGM/GM-CO-CRC(Circle Head)

Entire limit will be unsecured in nature except under following circumstances.:

1. Limit is against the security of Fixed Deposit.
2. When Corporate specifically requests Corporate Card by linking a credit facility such as overdraft/cash credit provided for business purpose as per the terms and conditions stipulated for the facility concerned.

The liability will form part of the total assessed credits of the corporate. However for the purpose of determining the delegated authority to sanction the Corporate Credit Card the aggregated group exposure liability shall be excluded.

Conditions:

1. Centralized auto debit is mandatory for all the sanctions up to AGM. However, it can be relaxed at the discretion of the sanctioning authority of DGM and above.
2. Restriction in Credit Card Limit sanctioning powers to authorities up to Scale III: Sanctioning powers of Credit Card Limit (fresh/enhancement) to Individuals up to Rs. 1,00,000/- of Branch-in charge of Small Medium, Large Branches or Manager/ Senior Manager in other categories of branches like RAH,VLB,ELB,MCB,LCB etc are restricted to the following customer segments only:
 - a) To salaried class where salary is being credited in their account with our Bank for the last SIX months.
 - b) All Government & PSU employees (both State & Central Government) & Quasi Government Employees who are confirmed in the service.
 - c) To all pre-approved customers published by Head Office, time to time.
 - d) Secured Credit Cards against the security of FD/KD (up to the Delegated powers as per the table 3.51)
 - e) To all Mortgage based loan borrowers where repayment is prompt and not reflected in SMA1/SMA2 during the last six months.
 - f) Customers where average monthly balance in SB/Current Account for the last 12 months is Rs 50,000/- & above

Recommending & Sanctioning authority for card limits beyond delegated powers:

- 3.68. Any exceptions from the above delegations shall be permitted by the overseeing ED of the Credit & Prepaid cards Wing. Such proposals to be submitted to Credit & Prepaid cards Wing along with Circle Head recommendation.
- 3.69. In case of applicants NOT enjoying any credit limits the recommending authority is Branch-in charge of Small, Medium & Large Branches/ Senior Manager/ CM/ AGM in case of RAH/VLB/ELB/MCB/LCB for sanctions beyond their delegation of powers for sanctioning Canara credit card as per table 3.67.
- 3.70. In case of applicants ENJOYING any credit limits:
 - 3.65.1 The recommending authority is Branch-in charge of Small, Medium & Large Branches/ Senior Manager in case of RAH/VLB/ELB/MCB/LCB for card limits

beyond their respective sanctioning powers for Canara credit card as per table 3.67;

- 3.65.2 The sanctioning authority will be the HIGHER of the sanctioning authority for the credit limits enjoyed by the party or as per the Delegation powers of sanctioning Canara credit card limits as per table 3.67 and as per terms laid down in 3.41.

Review of Credit Card Sanctions

- 3.71. Review process at various levels shall be completed within 30 days from the date of sanction of credit card as applicable and observations are to be communicated to Concerned Circle/RO/RAH/Branches. Closure of pending review remarks, if any, shall be completed within next 30 days by the RAH/branch. If the remarks of the reviewing authority are not closed within stipulated time frame as mentioned above the card shall be blocked and informed to Concerned Circle/RO/RAH/Branches. Liability in the card if any, shall be recovered from the customer by the concerned Circle/RO/RAH/Branches.
- 3.72. Processing and Embossing of credit card will be done only after the completion of review.
- 3.73. However, considering that the customer would not receive card till the review is over, the review has to happen immediately to avoid customer complaints.

Issue of Add on Cards:

- 3.74. Add-on card is a supplementary Credit Card linked to the account of the Principal Cardholder. The transactions on the Add-on Card are accounted to Principal Cardholder and the Principal Cardholder is liable to pay the card dues on account of usage of add-on cards without any demur.
- 3.75. Add on Cards are issued at the request of the Principal cardholder. The add-on cards will be issued only to the persons specifically identified by the principal cardholder under both personal and business credit card categories.
- 3.76. Add-on Cards will have the facility to registered different mobile numbers than that registered with main card, to receive OTP for online transactions.
- 3.77. In case of Individual Add-on card, Card limit will be same as that of the primary card (ie. Single limit will be shared by primary and add-on cards). For Corporate Add-on Cards, Individual limit has to be assigned within the overall limit sanctioned for Corporate.

- 3.78. All Add-on cards applied under existing primary card are exempted from review and shall be sanctioned by Branch Head of Small Medium, Large Branches or Manager/ Senior Manager in other categories of branches like RAH,VLB,ELB,MCB,LCBetc irrespective of Add-on card credit limit but should fall within the approved credit limit of primary card.

Revolving / EMI Facility:

- 3.79. The sanctioning authority may permit revolving payment facility to the cardholders at its sole discretion and at the request of the card holder. The cardholder shall pay 5% of the outstanding amount plus any services charges/fee/tax/ EMIs applied during billing which will be mentioned as Minimum Amount Due (MAD) in the credit card statement, and the balance amount carries service charge of **2.5% p.m. (Annualized percentage Rate of 30%)** plus, applicable GST. In case of Secured Credit Card, the service charge shall be **2% per month (Annualized Percentage Rate of 24%)** + applicable GST (Illustrations are present in MITC). The rationale for the revolving Interest shall be auditable. The Bank shall publicise through their website and other means, the interest rates charged to various categories of customers. The unpaid charges/levies/taxes will not be capitalized for charging/compounding of interest.
- 3.80. The Bank may provide EMI facility for converting the purchases of Rs. 5000/- (excluding Cash withdrawal and jewelry purchases) and above, which is repayable in installments of 3,6,9,12,18 and 24 months with Interest rate as may be decided from time to time, based on industry practice/ business need.
- 3.81. Prior to the conversion of credit card transactions to Equated Monthly Instalments (EMIs) Bank will clearly indicate the principal, interest and upfront discount provided by the merchant/Bank (to make it no cost). The same will also be separately indicated in the credit card bill/statement. GST will be applicable on the interest component of the instalment for the EMI opted transaction.
- 3.82. Penal charges for pre-closure of EMI's will be applicable at **2% of outstanding principle + applicable taxes.**
- 3.82.1. **EMI Pre-Closure:** If a customer pays the full amount of the transaction, the EMI will not be closed automatically. The system should close the EMI only upon receiving the customer's explicit consent. This is because the system cannot determine whether the payment was intended for EMI closure or for regular outstanding dues. Additionally, if EMI is closed without customer

consent, it may lead to complaints due to the 2% pre-closure penalty applicable on EMI foreclosure.

Activation and Closure of Credit Card

- 3.83. Bank shall seek One Time Password (OTP) based consent from the cardholder for activating a credit card, if the same has not been activated by the customer for more than 30 days from the date of issuance. If no consent is received for activating the card, Bank shall close the credit card account without any cost to the customer within seven working days from date of seeking confirmation from the customer. In case of a renewed or replaced card, the closure of an inactivated card shall be subject to payment of all dues by the cardholder.
- 3.84. Any request for closure of a credit card will be honored within seven working days, subject to payment of all dues by the cardholder. Any request received at the branch should be immediately requested in Non- CBS Tech Support. Bank may also provide various other digital channels / Call Centre facility for submitting request for closure of credit card. Subsequent to the closure of credit card, the cardholder will be immediately notified about the closure through email, SMS, etc.
- 3.85. The Branches should not insist on sending a closure request through post or any other means which may result in the delay of receipt of the request. Failure on the part of the Bank to complete the process of closure within seven working days shall result in a penalty of ₹500 per calendar day of delay payable to the customer, till the closure of the account provided there is no outstanding in the account.
- 3.86. If a credit card has not been used for a period of more than one year, the process to close the card will be initiated after intimating the cardholder. If no reply is received from the cardholder within a period of 30 days, the card account will be closed subject to payment of all dues by the cardholder. The information regarding the closure of card account will also accordingly be updated with the Credit Information Company/ies within a period of 30 days.
- 3.87. Subsequent to closure of credit card account, any credit balance available in credit card accounts will be transferred to the cardholder's bank account on receipt of bank account details from the cardholder.

Delivery of Cards to Customer:

- 3.88. All new and renewed cards are sent to the registered address of the customer directly and if the consignment is not delivered at customer address, the same shall return to the Card Linked account base branch.

Customer receives a system generated SMS before the card is dispatched to his address.

- 3.89. However, non-receipt of SMS by a customer cannot be treated as a sufficient cause for claim against the Bank.
- 3.90. Bank may also send the new Credit Card to Card Applicant/ Customer directly at their specific request, to his/her preferred address through special “Customer Specific Delivery” and such PIN for the card to be generated through Green PIN option at ATM, Net Banking or Mobile Banking facility as the case may be. Necessary declarations to be obtained/ disclaimer to be included for risk involved in delivering credit card at the preferred address in the request / application.

Destruction of Undelivered Credit Cards

- 3.91. Personalized Credit cards remaining undelivered for more than 3 months are to be destroyed following the guidelines of destruction of security items.

Sanction of Credit Cards Limit at Circle Offices/ Regional Offices/ Retail Asset Hubs:

- 3.92. The targets for achieving Credit Card Base for Circles are conveyed to DSS/TM Sections of Circle Offices/Regional Office as the case may be.
- 3.93. The role of in-warding, processing, placing note for permission of Sanction of Credit Card Limit / Enhancement coming under powers of sanctioning authority at Circle Office, shall be handled by DSS/TM Section of respective Circle Office / Regional Office as the case may be.
- 3.94. Our Staff Members shall be treated on PAR with Customers for the purpose of sanction/ enhancement of Credit Card Limit, (except in respect of minimum annual gross income and minimum net take home salary as specified in item 3.29 of this Policy) and respective sanctioning authorities can permit Credit Card Limit within their delegated powers.
- 3.95. The respective sanctioning authority may reduce the sanctioned limit if the cardholder defaults in payment of card dues.
- 3.96. The various authorities at Retail Asset Hubs are also delegated with powers to sanction credit card limit as detailed in para 3.58 above.

Billing:

3.97. Cards used for payment settlement are billed to the cardholder once in a month as mentioned below. **Credit & Prepaid cards Wing** may stagger bill generation during the month depending upon the load.

3.98. **Billing date & due dates for payment of Bills**

Type of Credit Card	Billing Cycle	Billing Date	Due Date
VISA Credit Card - all variants	21 st of previous month to 20 th current month	20 th of every month	10 th of succeeding month
MasterCard / Rupay Credit Card - all variants	19 th of previous month to 18 th current month	18 th of every month	8 th of succeeding month

To enhance customer convenience, customers are provided with an option to modify the billing cycle as outlined below:

S. No	Network type	Existing Billing Date	Payment Due Date	Optional Billing date	Payment Due Date
1.	MasterCard/ Rupay	18 th	8 th	14 th	4 th
2.	Visa	20 th	10 th	16 th	6 th

Such requests for billing cycle through branch channels to be done by branches through Credit Card CMS package available in SAS.

Conditions for Existing Customers:

S.	Conditions
1	No existing billing cycle change request should be pending
2	At least one billing cycle should be completed before billing
3	Card should not be in overdue status
4	Billing cycle change allowed only once per card.
5	There should be no outstanding balance on the card.
6	There should not be any ongoing EMI on the card
7	There should not be any accrued interest
8	Card status should be Open/Temporarily Blocked
9	Card should not have any open request for Reissue, Replacement

3.99. SMS Alerts will be sent to the Cardholders regarding billing of their transactions informing them the amount billed and the payment due date.

- 3.100. The Billing Statement shall be dispatched by e-mail for all cards where e-mail is registered. For other Card Holders, where e-mail id is not registered, same is sent by courier or post immediately so as to reach the customer 15 days before the payment due date. Bank may also provide bills and statements of accounts through Canara internet/mobile banking with the explicit consent of the cardholder. Bank shall put in place a mechanism to ensure that the cardholder is in receipt of the billing statement.
- 3.101. Transactions made by add-on cardholders are billed to the primary card and debited/recovered from the Primary Card Holder's Linked CASA account.
- 3.102. For Corporate Cards, individual statements covering transactions for each Add-on Card will be sent to the respective cardholders' registered email. If requested, a consolidated statement for all Add-on Cards can also be sent to the firm/company's registered email.
- 3.103. When the Card Holder repays the Card dues before bill due date, the credit card limit, Bank may replenish card limit for further usage up to the extent of amount so repaid towards credit card dues. The card limit gets restored as and when the payment is made for the card dues, upto an extent of amount credited to the card.
- 3.104. Any credit amount arising out of refund/failed/reversed transactions or similar transactions before the due date of payment for which payment has not been made by the cardholder, shall be immediately adjusted against the 'payment due' and notified to the cardholder.
- 3.105. Bank shall seek explicit consent of the cardholder to adjust credit amount beyond a cut-off, one percent of the credit limit or ₹5000, whichever is lower, arising out of refund/failed/reversed transactions or similar transactions against the credit limit for which payment has already been made by the cardholder. The consent shall be obtained through e-mail or SMS within seven days of the credit transaction. The Bank shall reverse the credit transaction to the cardholder's bank account, if no consent/response is received from the cardholder. Notwithstanding the cut-off, if a cardholder makes a request to the Bank for reversal of the credit amount outstanding in the card account into his/her bank account, the Bank shall do it within three working days from the receipt of such request.
- 3.106. Bank will quote Annualized Percentage Rates (APR) on credit cards for different situations such as retail purchases, balance transfer, cash

advances, non-payment of minimum amount due, late payment etc., if different.

- 3.107. SMS Alerts will be sent to the Cardholders on receipt of any payment made by them to the credit of their Canara Credit Card Account.
- 3.108. No charges will be levied on transactions disputed as 'fraud' by the cardholder until the dispute is resolved.

Grievance Redressal:

- 3.109. Credit & Prepaid card Wing Help Desk shall handle all grievances related matters in Credit & Prepaid card wing
- 3.110. Credit & Prepaid cards Wing deals with several external agencies for the purpose of card personalization, authorization, RTH services, etc. Quickness in attending to grievances/complaints depends upon the responses from such external agencies. However, the Digital Services Grievances Redressal Section shall make expedient efforts to liaise with such external agencies/departments/sections and resolve the grievances/complaints. All complaints received from the cardholders shall be attended within a maximum period of 15 working days unless intervention of external agencies and other Departments/ Wings of the Bank are required.
- 3.111. Bank shall be liable to compensate the complainant for the loss of his/her time, expenses, financial loss as well as for the harassment and mental anguish suffered by him/her for the fault of the card-issuer and where the grievance has not been redressed in time. If a complainant does not get satisfactory response from the card-issuer within a maximum period of 30 days from the date of lodging the complaint, he/she will have the option to approach the Office of the RBI Ombudsman under Integrated Ombudsman Scheme for redressal of his/her grievance/s.
- 3.112. Where the grievances are not redressed within seven working days' time at the Section level, the same shall be escalated to the Overseeing Executive (Divisional Manager/ Assistant General Manager) of respective sections of Credit & Prepaid cards Wing.
- 3.113. If the grievance is not redressed within three working days from the date of escalation to the Overseeing Executive (Divisional Manager / Assistant General Manager) of respective sections, the same shall get escalated to the Deputy General Manager, Credit & Prepaid cards Wing.
- 3.114. The grievance not resolved at the level of Deputy General Manager, within two working days shall be escalated to the Wing Head, Credit & Prepaid cards Wing, HO.

3.115. Complaints/ grievances received by the Chairman & Managing Director/Executive Director, Head Office, shall be attended expeditiously and shall be resolved within 24 **working** hours.

3.116. For NTB customers, the existing help desk setup of the Bank will be leveraged to handle the grievances of the NTB customers.

Hot listing of Credit Cards:

3.117. Customer can request for Hot-listing of Credit Card by letter to Branch. Bank may also provide various other digital channels / Call Centre facility for submitting request for hot listing of credit card.

3.118. On receipt of information from Cardholders about loss/ fraudulent transactions in Credit Card, the Bank shall hotlist the cards with least delay to protect the interest of the cardholder/ Bank.

3.119. Bank shall immediately send a confirmation to the cardholder subsequent to the hotlisting of a card through SMS.

3.119.1. Hotlisting of Primary and Add-On Credit Cards:

Hotlisting of Cards:

- Both the primary credit card and add-on cards can be hotlisted individually at the request of the respective cardholder.
- The hotlisting of an add-on card does not impact the functionality of the primary card or other add-on cards, unless explicitly requested by the primary cardholder.

Reissuance of Add-On Cards:

- For the reissuance of an add-on card, the consent and request must come from the primary cardholder, as the primary cardholder is responsible for the overall account.

Closure of Credit Cards:

3.120. Customer can request for Closure of Credit Card by letter to Branch. Bank may also provide various other digital channels / Call Centre facility for submitting request for Closure of credit card.

3.121. Closure of Credit Card shall be subject to payment of all dues by the cardholder.

3.122. Bank shall immediately send a confirmation to the cardholder subsequent to the closure of a card through SMS.

3.122.1 Closure of Primary Card:

- In the event of the permanent closure of the primary credit card, all associated add-on cards will also be closed automatically by the system.
- This automatic closure is implemented as a default system functionality and does not require the consent of add-on cardholders.

General:

3.123. Branches to keep the Canara Credit card application along with enclosure including enhancement request, sanction Memorandum in safe custody as in the case of other loan documents.

3.124. Branches to take explicit consent of the cardholder whenever there is any change in terms and conditions. In case of reduction in the credit limit, the same shall be intimated to the cardholder.

3.125. Unsolicited card will not be dispatched to the customer, in case of renewal of existing card, the cardholder shall be provided an option to decline the same if he/she wants to do so before dispatching the renewed card. Further, in case a card is blocked at the request of the customer, replacement card in lieu of the blocked card will be issued with the explicit consent of the customer. The available modes for customers to provide their consent are as follows:

- a. Registered Email - Customers can send their consent to the helpdesk at cpwhelpdesk@canarabank.com.
- b. Branch Request - Customers can visit any Canara Bank branch and submit a request for reissuance.
- c. Mobile Banking - While hotlisting the card through the mobile banking app, customers have the option to select either “With Reissue” or “Without Reissue.”

3.126. Any loss arising out of misuse of such unsolicited cards shall be the responsibility of the Branches only and the person in whose name the card has been issued shall not be held responsible for the same.

3.127. Branches should ensure that their employees do not indulge in mis-selling of credit cards by providing incomplete or incorrect information to the customers, prior to the issuance of a credit card. Branches shall also be

liable for the acts of their employees. Repetitive complaints received in this regard against any employee shall be taken on record by the Bank and appropriate action shall be initiated against them. A dedicated helpline and email-id shall be available for the cardholders to raise complaints against any act of mis-selling or harassment by the representative of the Bank.

- 3.128. Unsolicited loans or other credit facilities shall not be offered to the credit cardholders without seeking explicit consent. In case an unsolicited credit facility is extended without the written/explicit consent of the cardholder and the latter objects to the same, the Bank shall not only withdraw the facility, but also be liable to pay such penalty as may be considered appropriate by the RBI Ombudsman, if approached.
- 3.129. Canara Credit Cards are presently issued free of cost viz. without any joining fee & Annual fee (except for corporate).
- 3.130. Bank may modify / revise the above fee structure keeping in view the industry trend / business strategy need to make the product more attractive based on a cost-benefit study. Any such revision is to be approved / permitted by Executive Director.

Reward / Loyalty Points:

- 3.131. All Canara Credit Cards will be eligible for reward/ loyalty points. Two reward points will be earned on every Rs. 100 spent on credit cards (not applicable on fuel transactions and cash withdrawals). Value of each reward point is Rs. 0.25. For corporate cards, reward points are claimed at the corporate level, not at the individual add-on card level.
- 3.132. Validity of reward points is 3 years from the date of accrual.
- 3.133. Customer can register / login to Canara Rewardz portal (<https://www.canararewardz.com/>) to view/ redeem their reward points. They can also opt for cashback with minimum of 1000 points in multiples of 100, which will be credited to Credit card in the subsequent month statement.
- 3.134. Customer can reach out to Canara Rewardz customer care at 1800 419 3018 through their registered mobile number linked to credit card account for any queries / opt for cashback. Above toll free number will be available from Monday to Saturday between 9AM - 6 PM. Customer can also reach out to membersupport@canararewardz.com through e-mail.

Modes of Collection / Recovery:

- 3.135. Collection / Recovery of dues is the life line for any credit institution. Recovery replenishes the capital, helps recycling of funds and with each cycle of recovery the real income increases. Hence, utmost priority should be given to recovery of card dues by all branches/offices.
- 3.136. Cardholders are offered multi-channels for payment of their card dues as:
- 3.128.1 Debit to the designated CASA of the account holder.
 - 3.128.2 Cardholder may make payment to the credit of his card account at any of the branches.
 - 3.128.3. Money Transfer through IMPS / BBPS/Internet / Mobile Banking (Ai1 app).
 - 3.128.4. By payment of Credit Card Dues by our Bank Debit holders through our Bank ATM.
 - 3.128.5. Through branch via CBS Fast Path 14400.
 - 3.128.6. Payment of Credit Card dues through NEFT to 16-digit Credit Card Number with IFSC Code: CNRB0001912 by mentioning the Beneficiary Name as Cardholder's Name. Customer can also remit through Branch or Canara Mobile Banking App.
- 3.137. Credit & Prepaid cards Wing shall also provide all such technological or other modes of remittance that evolve during the course of time, subject to technical feasibility and economy.
- 3.138. Collection and Recovery will happen centrally for NTB customers. Collections/Recovery will be through digital channels, ECS/NACH, collection from central pool of co-branding partner.
- 3.139. Corporate cards: Corporate is liable towards the entire Outstanding on the card. However, if the Corporate fails to meet its obligation, Bank can approach the add-on card holder for recovery of its dues in all cases except Private Limited Companies and Public Limited companies.
- 3.140. **Recovery of card dues in SMA category:**
- 3.140.1. In case of sufficient balance available in the linked CASA account, amount due is recovered by debiting linked CASA account on payment due date.
 - 3.140.2. In case of inadequate balance in the linked CASA account, available balance will be recovered without resorting to forced debit & creation of TODs in CASA.
 - 3.140.3. Hold balance will be made in the linked CASA account for the unrecovered amount (short fall amount) for facilitating recovery as & when credit comes in the account. This Hold will be removed automatically once the arrear in card account is cleared

3.140.4. Credit Card dues are to be cleared before the account moves from SMA0 to SMA1. Credit card moving to SMA 1 (31 days DPD) will be permanently blocked and will not be revived. There is however no bar on such of those customers applying for Credit Card again through the branch subject to fulfilling the eligibility and income criterion. Due diligence has to be thoroughly done on these applications and branches/RO should satisfy the need to issue card to such customers once again and the genuinity on the delay in payments made in the previous card.

The rationale behind this approach is as follows: A customer entering SMA1 status indicates that they have missed the payment due date by 30 days, which means they have already been given nearly 50 days post-billing (including the interest-free period and the grace period after billing). This extended duration suggests that the customer has either faced a genuine financial constraint or has intentionally missed the payment. As these customers enter into such vicious cycle they tend to create stress on the recovery system, as such this step is introduced to keep such customers away and there is no intention of reviving such cards. However, branches can recommend for issuance of such cards based on the genuinity of the delay, whose numbers will be very insignificant.

Considering this, instead of reviving the blocked card, issuance of a fresh card is assessed on a case-by-case basis, ensuring better control over credit risk and account management.

3.140.5. SOP for Credit Card Recovery has to be followed by branches/ROs/COs as released by Head Office, time to time. Separate SOP for Card recovery for NTB customers to be drawn.

3.141. Where Cardholder is permitted direct payment / billing facility and if the card dues are not paid within the payment due date / dues are not cleared within 90 days, respective branch/RO/CO which had recommended Credit Card shall take steps for further recovery, till logical conclusion as per HO CIR NO. 702/2021 (SOP for Credit Card Recovery) and as per extant loan recovery policy.

3.142. The respective branch will initiate recovery action and where it is deemed that there is no scope for recovery of card dues, the legal action may be waived, duly approved by appropriate authority.

3.143. The respective branch shall not resort to intimidation or harassment of any kind, either verbal or physical, against any person in their debt collection efforts, including acts intended to humiliate publicly or intrude upon the

privacy of the credit cardholders' family members, referees and friends, making threatening and anonymous calls or making false and misleading representations.

- 3.144. The Branch representatives shall contact the customers only between 10:00 hrs and 19:00 hrs.
- 3.145. A Credit card account will be treated as non-performing asset if the minimum amount due as mentioned in the statement, is not paid fully within 90 days from the payment due date mentioned in the statement.
- 3.146. For NTB, Collection and Recovery will be through tele channel and field agencies run by Bank's own staff or empaneled recovery agencies. NTB customers will be treated at par with Bank's ETB Customers in all matters such as legal action for non-payment, OTS, writeoff, etc.

Reporting to Credit Information Companies

- 3.147. Bank shall report a credit card account as 'past due' to credit information companies (CICs) or levy penal charges, viz. late payment charges, etc., if any, only when a credit card account remains 'past due' for more than three days. The number of 'days past due' and late payment charges shall, however, be computed from the payment due date mentioned in the credit card statement.
- 3.148. Late payment charges and other related charges shall be levied only on the outstanding amount after the due date and not on the total amount.
- 3.149. Bank shall not report any credit information relating to a new credit card account to Credit Information Companies prior to activation of the card. Any credit information relating to such inactivated credit cards already reported to Credit Information Companies shall be withdrawn immediately.
- 3.150. For providing information relating to credit history/repayment record of the cardholder to a Credit Information Company (that has obtained Certificate of Registration from RBI), Branches shall explicitly bring to the notice of the customer that such information is being provided in terms of the Credit Information Companies (Regulation) Act, 2005.
- 3.151. Before reporting default status of a credit cardholder to a Credit Information Company, Bank shall ensure that they adhere to a procedure, approved by the Board, and intimate the cardholder prior to reporting of the status. In the event the customer settles his/her dues after having been reported as defaulter, the Bank shall update the status within 30 days from the date of

settlement. Bank shall be particularly careful in the case of cards where there are pending disputes. The disclosure/release of information, particularly about the default, shall be made only after the dispute is settled. In all cases, a well laid down procedure shall be transparently followed and be made a part of MITC.

Write back of service charges:

- 3.152. There will be innumerable instances where service charges are debited on account of system constraints, commissions and omissions on the part of the staff, etc., Credit & Prepaid card wing is empowered to write back the amount.
- 3.153. To address customer grievances and as a business strategy Card Business Management Section, Credit & Prepaid card Wing is empowered to write back the service charges taking into account the business interest of the Bank. The write back should be authorized by overseeing executive (Scale IV / V) of the relative section.

Blacklisting:

- 3.154. Credit & Prepaid card Wing will identify the persistently defaulting cardholders based on default in payment of card dues and blacklist the card.
- 3.155. If the card dues are not cleared despite follow up / notices, by the date mentioned in the final notice, the name of the cardholder will be referred for blacklisting, duly taking the concurrence of the Executive heading the Credit & Prepaid card Wing.
- 3.156. After blacklisting the cardholder, Credit & Prepaid card Wing shall send a notice to the cardholder informing that his/her name is put in the negative list. While requesting the Card Holder to clear his/her card dues to avoid unpleasant consequences, The Credit & Prepaid card Wing shall inform the cardholder that the bank reserves its right to initiate legal action also against him/her for recovery of the card dues.
- 3.157. The Credit & Prepaid card Wing shall review the blacklisted accounts every month to ensure whether payment is received in these accounts. If full dues are recovered in any card account and if the cardholder is not an undesirable party as per the available records, Card Business Management Section, Credit & Prepaid card Wing, HO will take steps for de-listing the name from

The power to write off the credit card dues is as follows:

the Negative list, on a case-to-case basis, duly taking permission from the Executive heading the Credit & Prepaid card Wing.

- 3.158. If the cardholder clears his liability with the Bank and requests for removing his name from the negative list, Credit & Prepaid card Wing at its discretion may remove his/ her name duly considering his/her payment history, with the permission of the Executive heading the Credit & Prepaid card Wing.
- 3.159. Employees of our bank who are having credit card liability should clear his/her dues from his own resources or out of his/her terminal benefits.

Write Offs:

- 3.160. Where all legal measures for recovery of card dues have failed or where it is not expedient to initiate legal recourse for recovery of card dues taking into account the out-standings and cost and time involved in realizing the card dues by resorting to legal action, the Bank may write off the card dues.
- 3.161. A detailed note to be placed by the Credit Card Recovery Section, Credit & Prepaid Cards Wing to the respective sanctioning authority, duly furnishing the recovery efforts made, chances of recovery through legal measures and the need for writing off and records of recovery efforts made to recover the credit card dues.
- 3.162. The sanctioning authority based on the facts/ merits of each case, shall permit write off after ensuring that all recovery efforts have failed and there is no further chances of recovery of credit card dues.
- 3.163. Section to ensure that necessary report of Credit Information Company / RBI as “Willful Defaulter” is to be reported wherever Credit Card Holder has willfully defaulted payment of Credit Card Dues.
- 3.164. The write off amount so arrived to include both principal, interest and other costs debited and unapplied interest / cost.

<i>Sanctioning Authority in Charge of Recovery of Credit Card Dues of Credit & Prepaid card Wing</i>	<i>Extend up to which credit card dues can be written off</i>
Committee of Section Head, Officer of Section and DM or AGM	Up to Rs.10000/-
Committee of Section Head, DM or AGM and DGM	From Rs.10001 to 50,000/-

Committee of DM or AGM, DGM and GM	Rs.50001/- onwards
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Annual Inactivity Fee:

3.165. Levy of inactivity fee in issuance of Card depending on the card variant as follows: (Staff members are not exempted)

Credit Card Variant wise - Inactivity Fee:

S. No	Card Variants	Inactivity Fee
1.	Classic and Standard Credit Card	Rs. 100/- + Applicable GST
2.	Gold Credit Card	Rs. 150/- + Applicable GST
3.	Platinum Credit Card	Rs. 200/- + Applicable GST
4.	Select and World Credit Card	Rs. 300/- + Applicable GST
5.	Signature Credit Card	Rs. 1000/- + Applicable GST

3.166. If the Card holder reaches minimum threshold usage (inclusive of add-on card) as per the card variant, inactivity fee will not be charged:

Credit Card Variant wise - Threshold Limit for Turnover in the Card:

S. No	Card Variants	Limit for charging Inactivity Fee
1.	Classic and Standard Credit Card	Rs. 12,000/- or the sanctioned Credit Card limit, whichever is lower
2.	Gold Credit Card	Rs. 25,000/- or the sanctioned Credit Card limit, whichever is lower
3.	Platinum Credit Card	Rs. 50,000/- or the sanctioned Credit Card limit, whichever is lower
4.	Select and World Credit Card	Rs. 1,00,000/- or the sanctioned Credit Card limit, whichever is lower
5.	Signature Credit Card	Rs. 2,00,000/- or the sanctioned Credit Card limit, whichever is lower

There will not be any hidden charges while issuing credit cards free of charge.

Other Fees:

<i>Particulars</i>	<i>Fee charged</i>
Enrollment fees for Corporate Card(Main Card)	Rs. 250/-
Annual Fee for Visa Corporate Credit card	Rs. 400/- per Addon Card
Replacement Fee (Primary and Addon card)	Rs. 300/- per card
Mark up in case of transaction in foreign currency	Upto 3% of transaction amount
Transaction fee for cash withdrawal against your Credit account at our ATMs and branches.	Rs. 30/- per thousand or part thereof, with a minimum of Rs. 150/- per withdrawal. 3% with a Min. of 5 US\$ The Finance Charges from date of withdrawal till date of payment Unsecured Cards: 2.5% per month & Secured Cards: 2.0% per month
At abroad	
Charges in respect of notices/reminders sent to cardholders having overdues	Rs. 50/- per notice

All other out of pocket expenses incurred for any services rendered will be collected in addition to the fees / charges mentioned above. All Tariffs detailed above attract Goods and Service Tax at the rates notified by Govt. of India.

For corporate cards: For waiver of charges or reduction in charges, GM CPCWing CAC will be empowered to consider based on case to case basis and cost-benefit analysis.

Levying of Charges on default:

- 3.167. In case of default, interest charges at the rate of 2.50% per month + applicable GST will be levied on carried over liability, till clearance.
- 3.168. In case of unsuccessful payment on the due date, a late payment fees of Rs.250/- + applicable GST will be levied per billing cycle, as per prevailing fee structure.
- 3.169. Late payment charges and other related charges will be levied only on the outstanding amount after the due date and not on the total amount.

4. REPORTING STRUCTURE / REQUIREMENTS:

- 4.1. Monthly Credit Card Usage Data, to be furnished to RBI under “Automated Data Flow”.

- 4.2. A comprehensive Review Report on credit card business on half-yearly basis as at the end of September and March of each accounting year is to be placed before Boards/Management Committee, which should cover essential data on credit card business.

5. **RISK ASSESSMENT:**

- 5.1. Though there is an element of credit in Credit Card, Credit Card is not equated with lending as is understood in banking circles. It is only a payment on account and a receivable. The credit is only for a short period of 20-50 days. In the event of non-payment of card dues, the account receivable is considered as a debt.
- 5.2. All the transactions on a Credit Card are accounted in an account called Credit Card Account. The Credit Card Account is internally linked to the plastic Card issued. The Credit Card is akin to a cheque book issued to an overdraft account. Invalidation of a credit card does not close the account. Even though the operation on the plastic card is suspended / stopped, the liability of the cardholder continues till it is closed by payment/compromise/write-off etc.

6. **RISK MEASUREMENT AND RISK MITIGATION:**

- 6.1. Bank may cancel or reduce the card limit to the cardholder without any notice at its discretion.
- 6.2. When minimum card dues are not paid by the payment due date, further operations on the card account will be stopped, if the overdue is more than 7 days.
- 6.3. When the card dues are more than 90 days old the card will not be renewed.
- 6.4. In case of existing Magstripe Card holders, who intend to carry out international transactions, are to be notified by SMS or Email or Notice to obtain EMV Chip & PIN Cards for enabling them to use their cards at international locations. All international transactions using existing Magstripe cards will be blocked.

7. **STRATEGIES FOR MEETING OBJECTIVES:**

CARD ISSUE:

- 7.1. To promote marketing of Credit Cards, Credit & Prepaid card Wing will incentivize by way of complimentary insurance to cover the risk of death due to accident, baggage insurance, purchase protection, etc.

- 7.2. Credit & Prepaid card Wing may provide cash back offers, reward points, facility for redemption of rewards points as credit to their Card Account etc. as an effort to increase the card base.
- 7.3. Target to be arrived for the Bank based on potential Customers / market potential. Circles will be fixed with Monthly Targets for Credit Card Base by HO and followed up for achieving the Targets. Monthly Targets will be allocated by Circles to Regional Offices (ROs) and ROs to Branches, who will follow-up for achieving the target so fixed respectively by Circles / Regional Offices.
- 7.4. Marketing Officers / Technology Overseeing Executive of Circles / ROs will be responsible for follow up / ensure reaching the targets by each of the branches.
- 7.5. Branches / Marketing Officers to identify eligible customers among existing as well as new customers and market our Credit Card Products.
- 7.6. Powers delegated to various levels at Branch / RO / CO/ Head Office for permitting credit card limits.
- 7.7. Bank may use our various publicity media, print / electronic, for providing publicity of our Credit Card Product to improve our Card Base.
- 7.8. Bank may run various special campaigns with special focus for enrolling all eligible customers, both existing and new.
- 7.9. When Bank outsource various credit card related operations, Bank should be extremely careful that the appointment of such service providers do not compromise the quality of the customer service and the Bank's ability to manage credit, liquidity and operational risks. In the choice of the service provider, the Bank should be guided by the need to ensure confidentiality of the customer's records, respect customer privacy and adhere to fair practices in debt collection.
- 7.10. Bank should have a system of random checks and mystery shopping to ensure that their agents have been properly briefed and trained as to how to handle customers and are also aware of their responsibilities, particularly with regard to soliciting customers, hours for calling, privacy of customer information, conveying the correct terms and conditions of the product on offer.

- 7.11. Bank may issue co-branded credit cards, the information relating to revenue sharing between the Bank and the co-branding partner entity shall be indicated to the cardholder and also displayed on the website of the Bank.
- 7.12. Bank will ensure that cash backs, discounts and other offers advertised by a co-branding partner are delivered to the cardholder on time, Bank will be liable for any delay or non-delivery of the same to the cardholders.
- 7.13. The co-branding partner will not have access to information relating to transactions undertaken through the co-branded card. Post issuance of the card, the co-branding partner will not be involved in any of the processes or the controls relating to the co-branded card except for being the initial point of contact in case of grievances.

RECOVERY / COLLECTION:

- 7.14. Card Holders will be notified about the amount due on Credit Card and due date for payment for every billing cycle by SMS / Email requesting for making payment on due date / providing sufficient balance in the account, as the case may be. A Credit Card Statement is also to be sent by E-MAIL / POST.
- 7.15. On due date Card Dues will be collected by debit to the operative account wherever 'Account Debit' is opted by Credit Card Holder.
- 7.16. ***Card will be blocked on non-recovery of card dues (if in arrears) and also if the account status is deemed NPA. Card will be unblocked once the arrears in card account are cleared / NPA status is upgraded.***
- 7.17. Card Holder will be followed up for payment of dues and if the payment is not forthcoming, card will be blacklisted and further recovery steps will be initiated till recovery as detailed in 3.127 to 3.130, as defined above in this document.
- 7.18. ***Once the card account slips to NPA, the liability will be transferred to the respective card issuing branch earmarked under a separate product code: 170.***
- 7.19. However in case of cards issued by RAH, the NPA liability on such cards will be created in the branch where the credit card linked account/Loan accounts are present.
- 7.20. **Staff Credit Cards**

- 7.20.1. Clearance from Credit & Prepaid card Wing to be obtained by concerned HRM Section of Circle office/ HOSA before settlement of

terminal benefits in case of superannuation/ any other cessation of service akin to any other employee loan liability.

7.20.2. Request for continuation of Credit Card facility shall be submitted to the respective Circle Office (MIPD Section) where the Card linked operative account is maintained by the retiring employees duly providing the Pension drawing account (Pension-optees) & any other account (Non-Pension optees) to be linked to Credit card.

7.20.3. On cessation of service due to death/termination etc, the Credit card shall be immediately hotlisted by the Branch & the Credit Card dues shall be recovered from terminal benefits by the concerned HRM Section of Circle Office /HOSA.

8. LIMIT STRUCTURE / TRIGGER MECHANISM, IF ANY: Not Applicable

9. PROVISIONS FOR EXCEPTION / PROCEDURE AND ITS DELEGATION:

9.1. Certain Individuals viz., retirees not drawing pension, even though being eligible from point of view of income Criteria on account of Agriculture Income / Interest Income out of the Term Deposits held by them but unable to produce any tangible proof of income such as ITAO/ IT Returns can be considered for sanctioning appropriate Credit Card limit at the absolute discretion of the sanctioning authority based on the Interest/ Income certificate produced by them.

9.2. The Executive Director shall be the competent authority for permitting modifications /changes to credit card scheme/ features of the card which may be required keeping in view the Industry trend / change in Net Work Association rules / regulatory guidelines / Bank's business need.

10. COMPLIANCE/ MONITORING OF IMPLEMENTATION OF THE POLICIES:

10.1. Credit Card business is subject to regulations by Reserve Bank of India. Where Credit Cards are issued in association with Visa, MasterCard, NPCI, etc. Credit & Prepaid card Wing shall also comply with the guidelines not inconsistent with industry norms and regulatory guidelines including sharing of Terms and Conditions, interest rates and other charges, Protection of customer rights, Customer Confidentiality, Fair Practice in debt collection, Redressal of Grievances, Fraud Control, Internal Control & Monitoring systems. Digital Banking Services Vertical, IT Wing shall comply with all regulatory guidelines issued by the competent authority from time to time.

- 10.2. All guidelines issued by the Bank regarding recovery of Bank dues, follow up, waiver, write off, etc. and delegation of powers shall mutatis mutandis apply to Credit Card dues also.

11. REGULATORY PRESCRIPTION:

Domestic Credit Cards / International Credit Cards:

- 11.1. Bank may issue new / renewed Credit Cards - domestic & international - as EMV CHIP & PIN based cards only as mandated by Reserve Bank of India. All Existing Magstripe cards had been re-carded with EMV Chip Cards free of cost, in a phased manner.
- 11.2. International Credit Cards are issued only on specific request of applicant. This will be EMV compliant Chip and PIN Card. These cards are valid for global usage.
- 11.3. Bank may issue contactless cards (Dual interface cards with RFID antennae) using Near Field Communication technology (NFC) for facilitating our customers the benefit of the relaxation permitted by Reserve Bank of India in the requirement of Additional Factor Authentication (like PIN) for small value card present transactions which has been revised from Rs. 2,000/- to Rs. 5,000/- only, per transaction from 01.01.2021.
- 11.4. Bank is complied with the guidelines given in Annexure as published by RBI based on Master Directions on Digital Payment Security Controls with regard to Card Payment Security vide Notification RBI/2020-21/74 DoS.CO.CSITE.SEC. No.1852/31.01.015/2020-21, dated 18.02.2021.

SMS Alerts:

- 11.5. Reserve Bank of India has mandated sending SMS Alerts to the cardholder for card transactions. Hence, the cardholder should have mobile number and the same shall be furnished in the Card application form.
- 11.6. As per RBI directives, Bank may block all electronic banking transactions if mobile number is not registered with credit card for SMS alerts. However, withdrawals through ATM will be permitted.

APPENDIX- 3

CO-BRANDED CREDIT CARDS

1. **Co-branded Card** is a card that is issued jointly by a card-issuer and a co-branding entity bearing the names of both the partnering entities.

2. ROLES & RESPONSIBILITIES

Eligibility Conditions:

- 2.1 Existing Customers of the Bank are termed as ETB customer and Customers who do not Bank with us but are considered for issuance of credit card are termed as New to Bank (NTB) customers. Co-branded cards under NTB category will be issued to the RRBs sponsored by our bank only at present. Eligibility for NTB customers will in line with eligibility for ETB customers. Here Bank will be the card issuer and RRB will be the cobranding partner.
- 2.2 Based on the eligibility criteria fixed by Bank for issue of Co-Branded Credit card, cobranding partner will centrally scrub their customer data and prepare the list of their customers eligible as per Bank defined eligibility criteria. Eligibility criteria will be initially fixed at par with the existing eligibility criteria as per Bank's policy. Executive director will be the competent authority to permit deviations from the policy. As such, any modifications in this case from the policy to suit the co-branding arrangement will be permitted by the Executive Director.
- 2.3 The decision-making power for issue of credit card to a customer shall remain only with the card-issuer and the role of the Direct Sales Agent (DSA)/Direct Marketing Agent (DMA)/other agents shall remain limited to soliciting/servicing the customer/ account.
- 2.4 The co-branded card shall explicitly indicate that the card has been issued under a cobranding arrangement. The co-branding partner shall not advertise/market the cobranded card as its own product. In all marketing/advertising material, the name of the card-issuer shall be clearly shown.
- 2.5 The co-branded card shall prominently bear the branding of the card-issuer.
- 2.6 The information relating to revenue sharing between the card issuer and the cobranding partner shall be indicated to the cardholder and also displayed on the website of the card issuer.
- 2.7 Card issuer shall carry out due diligence in respect of the cobranding partner entity with which they intend to enter into tie-up for issue of such cards to protect against reputation risk under the arrangement.
- 2.8 Compliance with KYC norms/AML standards/CFT/PMLA obligation 2002 issued by RBI from time to time shall be strictly adhered to in respect of all cards including co-branding cards.

Outsourcing of activities:

- 2.9 Card-issuer shall also be liable for the acts of the co-branding partner. The card-issuer shall ensure adherence to the guidelines on 'Managing

Risks and Code of Conduct in Outsourcing of Financial Services by banks', as amended from time to time. Card-issuer shall ensure that cash backs, discounts and other offers advertised by a co-branding partner are delivered to the cardholder on time. Card-issuer shall be liable for any delay or non-delivery of the same to the cardholders.

Role of co-branding partner entity:

2.10 The role of the co-branding partner entity under the tie-up arrangement shall be limited to marketing/distribution of the cards and providing access to the cardholder for the goods/services that are offered.

2.11 The co-branding partner (CBP) shall not have access to information relating to transactions undertaken through the co-branded card. Post issuance of the card, the CBP shall not be involved in any of the processes or the controls relating to the co-branded card except for being the initial point of contact in case of grievances. However, for the purpose of cardholder's convenience, card transaction related data may be drawn directly from the card-issuer's system in an encrypted form and displayed in the CBP's platform with robust security. The information displayed through the CBP's platform shall be visible only to the cardholder and shall neither be accessed nor be stored by the CBP.

Confidentiality of customer information:

2.12 Card-issuer shall not reveal any information relating to customers obtained at the time of opening the account or issuing the card to any other person or organization without obtaining their explicit consent, with regard to the purpose/s for which the information will be used and the organizations with whom the information will be shared. Card-issuer shall ensure strict compliance to the extant legal framework on data protection. Further, in case where the customers give explicit consent for sharing the information provided by them with other agencies, card-issuer shall clearly state and explain to the customer the full meaning/implications of the disclosure clause. The information sought from customers shall not be of such nature which will violate the provisions of law relating to maintenance of secrecy in the transactions. The card-issuer shall be solely responsible for the correctness or otherwise of the data provided for the purpose.

2.13 Under a co-branding arrangement, the co-branding partner shall not be permitted to access any details of customer's card accounts that may violate the card-issuer's secrecy obligations.

3. Under writing standard:

- 3.1 Underwriting for NTB customers will be through manual/digital mode and underwriting standards will be same as that of ETB Customers. However KYC will be additionally obtained for NTB customers.
- 3.2 In the case of co-branded cards, the cards will be processed digitally/manually and will be centrally dispatched. All compliances and regulations to be strictly complied while issuing co-branded cards. Risk assessment of the co-branding partner (like Reputation Risk, Operational Risk and Credit Risk) need to be carried out and Risk will be fully borne by the Bank.

4. Grievance Redressal:

- 4.1 For NTB & co-branded customers, the existing help desk setup of the Bank will be leveraged to handle the grievances of the NTB customers.

5. Modes of Collection / Recovery:

- 5.1 Collection and Recovery will happen centrally for NTB customers. Collections/Recovery will be through digital channels, ECS/NACH, collection from central pool of co-branding partner.
- 5.2 For NTB, Collection and Recovery will be through tele channel and field agencies run by Bank's own staff or empaneled recovery agencies. NTB customers will be treated at par with Bank's ETB Customers in all matters such as legal action for non-payment, OTS, writeoff, etc.

6. Risks associated specific to RRB and RISK MITIGATION:

6.1 Reputational Risk:

- 6.1.1 The tie-up arrangement for Co-branded Credit Card will be with our Bank sponsored RRBs only.
- 6.1.2 RRBs provide financial services to their customers and also they comply with all the applicable regulatory guidelines and are also regulated entity.
- 6.1.3 Hence the reputational risk arising from a Co-Branding Partner in this arrangement is addressed.

6.2 Operational Risk:

- 6.2.1 The Co-branded Credit Card in tie-up with Bank sponsored RRBs will be issued to only the Customers who are KYC/AML compliance and

having a CASA account with the respective RRBs and also meeting the eligibility Criteria fixed by the Bank.

- 6.2.2 In the Cobranded card the decision-making power for issue of credit card to a customer will remain with Bank, and all the four RRBs will be performing the role of agents limiting to marketing and collection of applications with KYC documents and sharing of CKYC data complying the applicable guidelines.
 - 6.2.3 In the Co-branded Credit Card, Bank will ensure complying with all the KYC/AML and other regulatory guidelines before on-boarding the RRB customers.
- 6.3 **Credit Risk:** The Complete Liability of the Co-branded Credit Card will be with Bank only without any risk sharing with RRBs in case of default.
- 6.3.1 The Underwriting Standards for issuing this co-branded credit card will be with Bank only.
 - 6.3.2 Bank will have the facility in tie-up with RRBs to recover the card dues from respective RRBs CASA accounts duly taking customers consent.
 - 6.3.3 All other recovery aspects will be addressed by Bank only as Bank will not utilise the services of RRBs in this co-branded credit card as per the prevailing regulatory guidelines.

APPENDIX- 4

KEY FACT STATEMENT FOR CANARA CREDIT CARD

1. FEES AND CHARGES:

a. ENROLMENT FEE & ANNUAL FEE:

Enrolment fee will be collected in advance at the beginning of card year as a one-time measure. Annual fee will be collected in advance at the beginning of the card year. These fees may vary depending on the offer which our Canara credit card /s has been issued to the cardholders. This fee is charged to the principal cardholder's credit card account and the same would be reflected in the monthly credit card statement of the month in which it is charged. No refund of fees will be available if the card is terminated. Current charges are mentioned in the tariff sheet.

b. CASH WITHDRAWAL FEE:

Canara Credit Card holder/s are permitted to draw cash at any ATM up to stipulated limit. A Cash withdrawal fee at the rate of 3% with a minimum of Rs. 150/-, for every Rs. 1000/, or part thereof would be charged on all such transactions and billed to the Principal Cardholder in the monthly statement. The Finance Charges from date of withdrawal till date of payment **Unsecured Cards:** 2.5% per month & **Secured Cards:** 2.0% per month. Service Tax as applicable will also be charged. Use of other Bank's ATMs attract extra charges levied by them. All cash advances also carry a service charge equal to charges on revolving credit (please refer Tariff Sheet).

c. CARD INACTIVITY FEE:

This fee is applicable only when the card turnover is below a minimum stipulated amount during a card year as mentioned in the tariff sheet. This fee is applicable for both Primary and adds on card/s. These fees, including fees for any add on Cardholder/s as applicable, are charged to the Principal cardholder's credit card account on completion of each card year and will be reflected in the monthly credit card statement of the month in which it is charged.

d. SERVICE CHARGES:

Fees and Charges, as may be applicable from time to time, are payable by cardholder/s for specific services provided to the Cardholder or for defaults by the cardholder with reference to his/her card account. Tariff structure is subject to change from time to time at the sole discretion of Canara Bank, with due intimation to the cardholder. Such charges, will be made with prospective effect giving notice of at least 30 days. As per standing rules of concerned tax authorities, Service tax (presently 18% GST) will be levied on all fees, and other charges.

TARIFF SHEET APPLICABLE AS ON 01.04.2022 (GST as applicable extra)

Enrolment fee

Canara Card Visa corporate (Main card)	Rs 250
Canara Card Visa Classic/MasterCard Standard/ Gold/ RuPay Select/ RuPay Platinum	NIL

Annual Fee

Canara Card Visa corporate (Only for Add on cards):	Rs 400
Canara Card Visa Classic/MasterCard Standard (Main & Add on):	NIL
Canara Card Gold (Main & Add on) :	NIL

Card Inactivity Fee

Canara Card Visa corporate (Main & Add on):	NIL
Canara Card Classic / Standard- (Main & Add on card) Applicable only if the card turnover during the card year is less than Rs. 12000/-	100*
Canara Card Gold (Main & Add on) -: Applicable only if the card turnover during the card year is less than Rs. 25000/-	150*
Canara Card Platinum (Main & Add on) -: Applicable only if the card turnover during the card year is less than Rs. 50,000/-	200*
Canara Card Select/ World (Main & Add on) -: Applicable only if the card turnover during the card year is less than Rs. 1,00,000/-	300*
Signature card (Main & Add on): Applicable only if the card turnover during the card year is less than Rs. 2,00,000/-	1000*

Free Credit Period:	Up to 50 days
Charges on Revolved Amount, Where the cardholder has been permitted Revolving Credit facility, the cardholder needs to pay only the minimum due amount indicated in the bill.	2.00% p.m.(Annualized Percentage Rate - 24%.) From the billing date for secured Credit Card and 2.50%p.m.(Annualized Percentage Rate 30%) for all other credit cards.
Minimum repayment on Revolving Credit (Minimum Amount Due - MAD):	5% of Total outstanding amount (Min. Rs. 100) + all applicable charges/fees/taxes + EMI (in cases of EMI availed by card holder)+ over the limit amount (if any)
Card Replacement Fee	Rs. 300/- per card (applicable for both primary and addon card)
Mark up in case of Transaction in foreign currency:	Upto 3% of transaction Amount

Duplicate Statement:	Rs. 10 per page
Cheque dishonor charges or unsuccessful payment instructions:	Rs. 50
EMI Charges EMI Processing fee	2% of transaction amount with minimum of Rs. 100/- and Maximum of Rs. 200/-
Rate of interest on EMI	13% p.a. for EMI period of 3,6 and 9 months and 14% p.a. for EMI period of 12,18 and 24 months.
EMI Pre-closure penal charges	2% of outstanding principle. EMI Pre-Closure: If a customer pays the full amount of the transaction, the EMI will not be closed automatically. The system should close the EMI only upon receiving the customer's explicit consent.
Surcharges Railway Tickets - Railway Counters Railway Tickets - www.irctc.co.in	Rs. 30+ 2.5% of transaction amount 1% of transaction amount + all applicable taxes
Fuel Surcharges Petrol & all products/services sold at petrol pumps	1% of transaction value with minimum fee of Rs. 10+ applicable taxes. Maximum of Rs 100/- for the billing month would be reimbursed in the upcoming billing month in the following cases: 1. Card should have been used for a minimum amount of Rs. 2500/- for purchase (other than Petrol) transactions during the billing month. 2. Minimum purchase of petrol & petroleum products per occasion(ticket size) for reckoning under this scheme is Rs.400/-.
Card year is the 12 months' period from the month of issue of the card viz if the card is issued in May 2021, then card year is" May 2021 to April 2022".	

Cash advance Limit (against credit card account)

All Credit cards except corporate credit cards	50% of the credit Limit with a maximum of Rs 50,000/-
Canara Card Visa corporate	50% of the credit Limit with a maximum over all Limit of Rs 5.00 lac. Maximum cash limit per Add on card is Rs. 25,000
Transaction fee for cash withdrawal through Credit card at Canara Bank ATMs *(per transaction)	3% of the transaction amount subject to a minimum of Rs. 150/- and the Finance Charges from date of withdrawal till date of payment Unsecured Cards: 2.5% per month & Secured Cards: 2.0% per month .

****Use of other Bank ATMs attracts extra charges levied by the respective banks.***

Copy of charge slip:	Domestic Rs. 100/- International US \$10/- or equivalent
Original Charges slip: If processed by our Bank	USD 2.00*
If Procured from other Bank	USD 6.00 * * Approximate rupee equivalent is charged
Collection charges for outstation cheques	Rs. 100 per instrument+ other banks charges if any
Charges in respect of notices reminders sent to cardholders having overdues	Rs. 50/- per notice

SERVICE CHARGES:

Delayed payment beyond due date For Revolver and Non-revolver:	Late payment fee of Rs 250/- + GST will be charged; this is in addition to existing service charges (2.5% p.m. i.e. 30% per Annum) on carried over balance.
All other out of pocket expenses incurred for any services rendered will be collected in addition to the fees/charges mentioned above.	

***Note: All fees / charges are subject to change and at the discretion of the Bank. The changes in fees / charges and the effective date will be indicated in the bills/MITC/Bank site/SMS /emails etc. Intimation on any such modification in fee/charges will be intimated to customer through SMS /emails etc. Bill/statement will be generated only when there is a billable transaction for the billing month.**

2. CREDIT LIMIT:

- Cardholder is assigned with a credit limit along with a cash limit to the credit card account, which may be varied by the Bank from time to time as provided, or by notice to credit cardholder.
- Credit limit is the maximum amount, which can be outstanding against the credit card account at any given time. Transactions beyond this limit will be declined till the credit card account is funded fully or partly. There is also a sub limit under the overall limit, up to which cash can be drawn, if balance is available in the card limit/Cash limit. There are sub limits for different category of transactions as a fraud prevention measure for protecting the interests of Cardholders.
- The available credit limit on the credit card account is the assigned credit limit less the total amount due. The cardholder can login to the Mobile Banking/Internet Banking to ascertain the available credit limit. The cardholders can also check the available credit limit through any of the Canara Bank ATM.
- The cardholder may apply for **up gradation**/modification of his assigned credit limit at any time with a specific written/**digital request** or

application duly providing proof of income to the card issuing branch. Increase or decrease of the credit limit is at the sole discretion of the bank duly assessing the income, usage, payment history and risk associated.

- Cash withdrawal limits for Canara credit cards are fixed to 50% of the card limit with a maximum of Rs. 50000.00 (Rs. 25000.00 in case of Corporate Add-on Cards) **per month**.

3. BILLING PAYMENTS:

When the credit card account has an outstanding balance, Bank will send a monthly itemized statement of account to the registered email address indicating the payments credited and the transactions debited to the cardholder's account since the last statement.

Normally the bills will be generated on the following days:

- a. Canara **Visa** (All Variants)/**Corporate Cards**: 20th / 16th of every month.
- b. Canara **MasterCard/RuPay** (All variants): 18th / 14th of every month.

If the cardholder has not registered his/her email ID, physical statement will be dispatched to cardholders within 3 days from the respective billing date. The card statement is also sent to the registered e-mail address of the cardholder if any request is made through

Internet Banking/Mobile Banking/IVR. Canara Bank credit card holders can also view/download the statement through Internet Banking/Mobile Banking. If the cardholder is finding any difficulty in requesting the statement through any digital modes, they can directly approach the branch for getting the statement. Non - receipt of statements does not absolve the cardholder from his obligations and liabilities.

Revolving Credit facility is an easy way to pay card dues in instalments i.e. the Cardholder, with prior request, has the option to pay the card dues in monthly instalments @ 5% of outstanding amount or Rs. 100 (whichever is greater) plus all applicable taxes and EMI (only in case of EMI based products). Over limit (OVL) amount shall also be included, in case cash or credit limit is exceeded. Any unpaid minimum amount of the previous statements, if any, shall also be included in the Minimum Amount.

If the card is used beyond the card limit, then excess liability is added to the monthly instalment. The unpaid balance in the card account attracts service charges @ 2.5% per month compounded, (i.e. 30% per annum) or at such modified rates as decided by the Bank from time to time.

There are two types of billing for our Cardholder viz., direct billing, and debit to operative account of the cardholder with our Bank Branches. Cardholder while applying for a card needs to indicate the mode of payment.

Under direct billing, settlement of bills can be made by the cardholder in any of the following modes by tendering:

1. NEFT
2. Payment through Canara Mobile App
3. Payment through Canara Bank ATM.
4. Through Canara Bank Branches.

No credit due to transactions converted to EMI will be considered as a payment towards the outstanding of the card.

DISPUTE RESOLUTION:

All activities under a dispute resolution of Visa/Master/RuPay Cards are time bound and no leverage would be allowed. If any error in a transaction is noticed, the cardholder should dispute the same within seven days from the date of receipt of statement of account. After the lapse of the time stipulated, it will be construed that all charges are acceptable and in order. In case of any dispute in billing statement please contact our Customer Service Section Immediately.

[FOR FURTHER DETAILS, PLEASE CONTACT CUSTOMER SERVICE CENTRES:](https://canarabank.com/User_page.aspx?menulevel=5&menuid=5&CatID=2)

[\(https://canarabank.com/User_page.aspx?menulevel=5&menuid=5&CatID=2 \)](https://canarabank.com/User_page.aspx?menulevel=5&menuid=5&CatID=2)
