



**Saraswat
Bank**

Saraswat Co-operative Bank Ltd.
(Scheduled Bank)

CREDIT CARD POLICY

FY 2025-2028

(FOR PRIVATE CIRCULATION)

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CREDIT CARD POLICY **(FY 2025-2028)**

I. INTRODUCTION

➤ **PREAMBLE:**

Policy for Credit Card Issuance and Conduct is a guidance framework adopted by the bank to enlist guidelines that are relevant for current or future credit card customers to understand issuance and conduct of credit cards. The broad framework covers the service offerings of credit cards and binding governance mechanism in place. This policy is in consonance with RBI's circular (Master Direction – Credit Card and Debit Card – Issuance and Conduct Directions, 2022) and is subject to change in accordance with developments in regulatory directions or internal policies. This framework will be reviewed to encapsulate any change in internal policies, processes, or external factors.

➤ **OWNERSHIP:**

The ownership of this policy lies with Credit Card Cell.

➤ **VALIDITY:**

The Policy will be valid for the F.Y. 2025-2028 and till the approval of the next policy.

➤ **DEFINITION OF CREDIT CARD:**

The term "Credit Card" generally refers to a plastic card / Virtual Card assigned to a cardholder, usually with a credit limit, that can be used to purchase goods and services on credit or obtain cash advances. Credit Card purchases normally become payable after a free credit period, during which no interest or finance charge is imposed. Interest is charged on the unpaid balance after the payment is due. The interest is applied from the date of transaction. Cardholders may pay the entire amount due and save on the interest that would otherwise be charged. Alternatively, they have the option of paying any amount if it is higher than the minimum amount due and carrying forward the balance.

A Credit Card scheme typically involves the following parties –

- a. Cardholders - Persons who are authorized to use Credit Cards for the payment of goods and services.
- b. Card issuers - Institutions/ Banks which issue Credit Cards.
- c. Merchants - Entities which agree to accept Credit Cards for payment of goods and services.
- d. Merchant Acquirers - Banks / NBFCs which enter into agreement with merchants to process their Credit Card transactions; and
- e. Credit Card Associations - Organization's that license card issuers to issue Credit Cards under their trademark, e.g., NPCI (RuPay), VISA and MasterCard, and provide settlement services for their members (i.e., card issuers and merchant acquirers).

Credit Card schemes normally operate at an international level too, meaning that cardholders belonging to card issuers in one country can make purchases at the place of business of merchants in another country.

➤ **ELIGIBLE CARDHOLDERS:**

UCBs are permitted to issue Credit Cards to their regular members and nominal members only.

II. GUIDELINES FOR ISSUANCE OF CREDIT CARDS:

Types of credit cards

- (a) Card-issuers may issue credit cards/charge cards to individuals for personal use together with add-on cards wherever required.

- (b) Card-issuers may also issue cards linked to overdraft accounts that are in the nature of personal loans without any end-use restrictions subject to the conditions as stipulated in the overdraft account.
- (c) Card-issuers may issue business credit cards to business entities / individuals for business expenses. The business credit cards may also be issued as charge cards, corporate credit cards or 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 card-issuers shall put in place effective mechanism to monitor end use of funds. Business credit cards can be issued together with add-on cards wherever required.
- (d) The liability of the corporate/business entity on account of business cards shall form part of their total assessed credits for compliance to instructions issued by the Reserve Bank on Exposure Norms as well as Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances.
- (e) The add-on cards shall be issued only to the persons specifically identified by the principal cardholder under both personal and business credit card categories. Add-on cards shall be issued with the clear understanding that the liability will be that of the principal cardholder. Similarly, while issuing corporate credit cards, the responsibilities, and liabilities of the corporate and its employees shall be clearly specified. The liability of the corporate/business entity shall form part of its assessed credits.
- f) Credit Card will be valid for 7 years from the date of issuance.

Co-branded Credit Cards / Business Credit Card / Corporate Credit Cards:

Saraswat Bank does not issue Co-branded Credit Cards, Business Credit Cards and Corporate Credit Cards. Regulatory guidelines will be followed / adhered, at the time of offering such credit cards.

➤ **UNSECURED CREDIT CARD**

a.Type of Activity:

Stock / Commodity Brokers: Individuals / Body corporates involved in this activity cannot be extended this facility.

b.Employment Norms for Salaried Individuals: Include above in Resident individual.

Individual applicants working with the following type of organizations are eligible to avail the facility –

1. Public Limited Companies
2. Private Limited Companies
3. Government Organizations / Public Sector Undertakings
4. Entities / Organizations having Banking relationship with our Bank.
5. Private aided Schools / Colleges / Trusts
6. Proprietorship Firms / Partnership Firms / LLPs

c.Age of Applicant:

Salaried Employees	18 to 65 years
Businessmen	18 to 70 years

d.Credit card limit:

Minimum	10000/-
Maximum	500000/-*

* (The individual Credit Card limit together with other unsecured borrowings by an individual should not exceed the permissible unsecured limit of Rs.500000/- for an individual borrower)

e.Income Criteria:

***For salaried persons:**

The minimum net take home salary scheme wise is as follows:

- 1.Unsecured regular scheme: Rs.25,000/-
- 2.Unsecured CIBIL1, CIBIL2, Two-wheeler, Car Loan: Rs.10000/-

***For businessmen:**

Self-employed and professionals, the minimum Gross Income should be Rs.1.50 Lakhs p.a.

*(It may vary as per bank discretion)

f. Banking Relations:

It is not mandatory for credit card applicants to have Banking relations with the Bank.

g. Pre-approved Credit card issued against Existing Housing Loan and Kwik Lap:-

Bank issues Credit Card to existing Housing Loan and Kwik Lap borrowers as per limit mentioned in their sanction letter provided regular repayment track records in the concerned loans and having adequate security after meeting the loan component. Pre-approved Credit card may be issued on the basis of satisfactory CASA account or banking relationship.

h. Credit Card limit:

As per sanction letter.

➤ **SECURED CREDIT CARD:**

a. To Resident Individuals:

Bank issues Credit Card against the security provided in the form of fixed deposit of our Bank to individuals. These cards are termed as Secured Credit Card. No income proof is required for sanction of secured credit card against Fixed Deposit.

Eligibility:

Age of applicant:

Minimum	18 years
Maximum	No upper limit

Credit Card Limit:

Minimum	Rs.5000/-
Maximum	Rs.2500000/-

(Limit will be 80% of the Term deposit Principal amount)

Term Deposit:

Minimum FDR tenure is 12 Months and above.

Lien Marking:

Term Deposit lien marked for credit card cannot be lien marked or taken as security for any other account. Cancellation of Lien marking should be done only after surrender of the card along with payment of total dues.

Type of Applicant:

Secured Credit card can be issued to Primary holder, joint holder and against the Third-Party FDR receipts.

b. To Non Resident Individuals :

Bank can issue Credit Card to NRI's against security of fixed deposit receipts (Domestic deposits and NRE deposits), duly marking lien on the said deposits with 20% margin on the deposit amount.

Eligibility:

Age of applicant:

Minimum	18 years
Maximum	No upper limit

Credit Card Limit:

Minimum	Rs.5000/-
Maximum	Rs.2500000/-

(Limit will be 80% of the Term deposit Principal amount)

Term Deposit: Minimum FDR tenure is 12 Months and above.
Lien Marking: Term Deposit lien marked for credit card cannot be lien marked or taken as security for any other account. Cancellation of Lien marking should be done only after surrender of the card along with payment of total dues.
Type of Applicant: Secured Credit card can be issued to Primary holder, joint holder and against the Third-Party FDR receipts.

Terms and Conditions:

- These Credit Cards can be of any variant as per Bank discretion.
- The amounts due from such cards shall be settled by inward remittance or out of the balances held in the cardholder's FCNR (B)/NRE/NRO Accounts as directed under RBI Master Circulars from time to time on remittance facilities for NRI/PIO.
- Any changes in the guidelines as and when received from FEMA, RBI, specifically applicable to NRI/NRO/FCNR etc., shall be adhered to.
- For sanction of Credit Cards to NRI customers the approval rests with RBD head.

➤ **UNSECURED CREDIT CARD TO BANK STAFF:**

A separate Policy for issuance of Credit Cards to Staff Members is appended with this Policy.

➤ **ADD ON CARDS:**

Eligibility:

Age limit Minimum	18 years
Age limit Maximum	No limit

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 card-issuer. Add on card shall be issued to the spouse/ children/ parents / siblings of the primary cardholder by obtaining add on application from the primary cardholder with a specific clause that the liability of add on cards shall be on Principal cardholder. The add on cardholders should also fulfill the age criteria for issuing Credit Card. Maximum of 2 add on cards can be issued to the primary card. However, the overall limit of all the cards shall be within the eligible Primary Credit card limit. Add on Credit card cannot be issued to a cardholder who is already holding a Primary Credit card.

III. CREDIT CARD LIMITS:

- Credit Card debt is an Unsecured Line of Credit unless backed by any tangible security. As repayment of Credit Card dues depends primarily upon the card holders' capacity to repay and customers hold more than one Credit Card from different Banks with the intention to pay only minimum monthly payments on outstanding balances, the individual credit limits should be arrived at after assessing the repayment capacity of the customer having regard to the limits enjoyed by the cardholder from other Banks.
- The maximum individual limit for a Credit Card issued to a regular member should be kept at the permitted individual unsecured limit as prescribed in RBI's Circular DoR.AUT.REC. No.27/24.01.041/2022-23 and as amended from time to time. The individual Credit Card limit together with other unsecured borrowings by an individual should not exceed the permissible unsecured limit for an individual borrower. The Credit Card limits for nominal members should be as prescribed in RBI's Circular UBD.No.Plan.PCB.20/09.63.00/96-97 dated October 16, 1996, and as amended from time to time.

- The total unsecured loans and advances (with surety or without surety or cheque purchases) granted by a Bank to its members together with cumulative approved Credit Card limits should not exceed 10 percent of its total assets as per audited balance sheet as on 31st March of the preceding financial year.
- As per the prevalent RBI guidelines, Banks shall convey in writing the main reason / reasons which in the opinion of the Bank have led to the rejection of the Credit Card applications.
- The card issuing Banks would be solely responsible for fulfilment of all KYC requirements.
- Detailed assessment of the applicant's repayment capacity and/or credit worthiness will not be applicable in case of Secured Credit Cards which are issued against the security of applicant's Fixed Deposit Receipt.
- The detailed process for sanctioning the Credit Card limits including the delegation/s for limit approval and deviation approvals as well as ratification will be decided by the Bank and the same may be modified from time to time as per requirements.

IV. **NORMS:**

➤ **TURNAROUND TIME (TAT):**

The Bank will work towards arriving at a decision on the approval / rejection of a Card application within 15 working days from the date of receipt of the application at Credit Card Cell.

➤ **BILLING CYCLE:**

The Billing Cycle will be stipulated at 1 month. The effective date i.e. the billing period and the payment due date shall be determined by the Bank and the same may vary from time to time and for different cardholders, as may be decided by the Bank.

➤ **CREDIT RISK MANAGEMENT:**

The Bank shall define and put in place defined parameters for assessment of a Credit Card Application. The broad contours of the Rating parameters shall include and shall not necessarily be restricted to the demographic details of the applicant in terms of his age, occupation, income profile, asset ownership, past track record, Banking relationship, etc.

The Bank at its discretion may decide to issue Credit Cards based on parameters other than the rating parameters defined for Credit Card applications. Approval for such issuance shall be obtained by the Credit Card Cell from the appropriate authority.

The Bank shall ensure that the required parameters are put in place for monitoring the card transactions so as to comply with the prescribed requirements of Prevention of Money Laundering Act, 2002. The various parameters forming part of the Risk Management exercise shall be updated from time to time as per the requirements specified by the regulatory authorities or as may be deemed fit by the Bank from time to time.

➤ **SHAREHOLDING :**

Credit Card holders (excluding staff members) shall be made members of the Bank as under

- a. For Credit Limits up to Rs.1.00 Lakh - Nominal Membership
- b. For Credit Limits above Rs.1.00 Lakh - Rs. 500/- shareholding
- c. The above limit relates to the overall limit allocated / approved to the Primary Card Holder and is inclusive of the limit granted to the add on card holders. The add on card limit shall not be treated separately in no manner whatsoever.
- d. In case the Credit Limit granted earlier is being increased / enhanced so that the same crosses the limit of Rs. 1,00,000/-; the Bank shall ensure that the Share Application Amount is recovered upfront from the Card holder.
- e. Customers who are already shareholder need not avail additional shares at the time of availing credit card.
- f. In case of Secured Credit Card applications, shareholding norms shall not be applicable since the credit limits are backed by tangible security in the form of Bank's Fixed Deposits.

V. GENERAL PROVISIONS FOR SANCTION OF CREDIT CARDS:

- The instructions/guidelines on KYC/AML/CFT applicable to Banks, issued by RBI from time to time, shall be adhered to in respect of all cards issued, including add-on cards.
- Bank shall not report any credit information relating to a new credit card account to Credit Information Companies prior to activation of the card.
- The issuance of the cards is subject to satisfactory CIBIL score as per the norms decided by Bank from time to time. However, CIBIL score of -1, which means no credit history is available with Credit Information Companies (CIC), is also eligible for issuing Credit Card with enhanced due diligence. Sanction of Credit Cards to the borrowers having CIBIL score of -1 is vested with higher authorities.
- Bank shall not dispatch a card to a customer unsolicited, except in the case where the card is a replacement/renewal of a card already held by the customer.
- In case of renewal of an 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.
- Bank shall block a lost card immediately on being informed by the cardholder and formalities, if any, can follow within a reasonable period of 3 days.
- Bank shall immediately send a confirmation to the cardholder subsequent to the blocking of a card via SMS.
- In case a card is blocked at the request of the customer, replacement card in lieu of the blocked card shall be issued with the explicit consent of the customer.
- Any information regarding discounts, cashbacks, reward points, loyalty points or any other benefits offered by the bank shall be displayed on the bank's website and a copy of the same shall also be provided to the cardholder by SMS / email/ or any other mode.
- As per RBI guidelines, by default all Credit Cards, though issued with global validity, shall be activated for domestic usage only. However, cardholder can activate the international usage by Logging in to Credit Card portal or through mobile application (Saraswat Credit Card). Alternately, cardholder can send request email to Credit Card Department to enable international usage in their Credit Card.
- Cash advance Limit is 40% of card limit.
- Card limit is subject to revision based on the track record of the cardholder.
- Cards shall be issued only on request / consent of customer.
- For activation of cards, customers are empowered via App and portal.
- For the cards which are not activated for more than 30 days from the date of issuance of cards, cardholders will be contacted for activation vide various modes like calling, sending sms, email etc.
- Credit Cards representatives shall contact cardholders only between 10.00 and 19.00 hrs

VI. Limit Enhancement:

- Limit shall be enhanced based on usage, CIBIL report and repayment of card dues. Other factors may also be taken into consideration on case-to-case basis.
- Eligibility criteria for enhancements of credit card limit-
 - The request for enhancement to be considered only after 3 months from date of issuance.
 - The usage of the card should be at least equal to the card limit granted to be eligible for Enhancement.
 - Maximum 3 times the existing limit can be granted as enhanced limit, subject to the usage of last year being more than fresh limit, income is adequate, and transactions are regular.
 - The card holder should be paying the minimum due amount on the card every month.
 - No other credit facility of the card holder should be overdue.
 - CIBIL score to be 723 and above.
 - Banking and a/c operation should be satisfactory.
 - The basic Income norms of Rs.25000/- p.m. for salaried and Net profit Rs.1.50 lacs for business needs to be satisfied.

VII. REWARD POINTS:

- a. Reward Points are allotted only on successful merchant transactions after settlement of funds.
- b. Cardholder will earn 1 reward point for every Rs. 100 spent. Value of each point shall be Rs. 0.25 for redemption. Reward point facility and the conversion price may vary from time-to-time as per Credit Card Cell discretion.
- c. However, the following are not eligible for reward program: Cash withdrawals from ATMs/ Cash at PoS.
- d. Bank may introduce new /existing Credit Card products which offers variable reward points on Credit Card spends based on merchant category (MCC) or cost benefit analysis to improve the card usage and customer experience.
- e. Bank can decide on the reward points for spends at various merchants irrespective of card variant based on card proposition and cost benefit analysis. However, Bank may restrict/enhance this facility to any of the Credit Card variants / category of customers based on Credit Card features/proposition.
- f. Validity of reward points shall be for 1 year.

VIII. EMI FACILITY:

In order to facilitate card holders, to conveniently repay the card dues and to provide a competitive edge to our Credit Card product, for its increasing usage for high value merchant transactions, an option to make payments in Equated Monthly Installments (EMIs) shall be made available to the Cardholders as mentioned below.

- Merchant transactions of Rs.2,500/- and above, except the under mentioned are eligible for EMI facility.
 - a. Cash withdrawal through ATM and Cash @ PoS
 - b. Transaction made for Jewellery Purchases.
 - c. Amount spent through card on purchase of fuel.
- The EMI repayment period shall be 3/6/9/12 months as per convenience of the cardholder.
- Conversion of total outstanding balance of the card to 3/6/9 EMIs may be considered as one-time facility on selective basis.

If cardholder does not pay auto subsequent installments of EMI converted, EMI facility shall be cancelled.

Emi conversion with interest component shall not be camouflaged as zero-interest/no cost EMI.

IX. CLOSURE OF CREDIT CARD:

- Any request for closure of a credit card shall be honored within seven working days by the Credit Card Cell, subject to payment of all dues by the cardholder.
- Cardholders will be provided option to submit request for closure of credit card account through multiple channels such as dedicated email id creditcards@saraswatbank.com or any other mode such as submit physical request in any branch of Saraswat Bank.
- After closure of credit card, the card cardholder shall be immediately notified about the closure through the email, SMS etc.
- Failure on the part of the Credit Card Cells to complete the process of closure within seven working days shall result in a penalty of Rs.500/- per day of delay payable to the customer, till the closure of the account provided there is no outstanding in the account.
- If a card has not been used for a period of more than one year, the process to close the card shall be initiated after intimating the cardholder. If no reply is received from the cardholder within a period of 30 days, the card account shall be closed by the Credit Card Cell subject to payment of all dues by the cardholder.
- If a card has not been activated within 30 days from the date of issuance and if no consent is received for activating the card, Credit Card Cell shall close the credit card account without any cost to the customer within 7 working days from date of seeking confirmation from the customer.
- The information regarding the closure of card account shall also accordingly be updated with the Credit Information Company/ies within a period of 30 days.
- Subsequent to closure of credit card account, any credit balance available in credit card accounts shall be transferred to the cardholder's bank account. Card-

issuers shall obtain the details of the cardholder's bank account, if the same is not available with them.

X. ISSUE OF UNSOLICITED CARDS:

The issue of unsolicited cards/upgradation is strictly prohibited. It is emphasized that any loss arising out of misuse of such unsolicited cards shall be the responsibility of the Credit Card Cell only and the person in whose name the card has been issued shall not be held responsible for the same.

XI. DEATH OF CARD HOLDER:

The total Outstanding on the Card account, together with the amount of any Charges effected but not yet charged to the Card account, will become immediately due and payable in full to Saraswat bank Credit Card on death of the Primary Cardholder, and the Card Account shall be immediately blocked. The Primary Cardholder's estate will be responsible for settling any outstanding on the Card account and should keep Saraswat Bank Credit Card indemnified against all costs, including legal fees and expenses incurred in recovering such outstanding. Pending such repayments, Saraswat Bank Credit Card will be entitled to continue to levy finance charges at its prevailing rates which may be reversed later on the request of legal heir at the time of clearance of dues.

XII. SUSPEND / TERMINATE / RESTRICT THE USE OF CREDIT CARD:

Saraswat Bank can restrict, terminate or suspend the Cardholder credit card account at any time without prior notice if Saraswat Bank reasonably believe it necessary for business or security reasons and / or at the request of any law enforcement agency, and / or any government authority and/or under the laws & regulations which apply to Saraswat Bank & its customer. Saraswat Bank can suspend the facility of Credit Card, if the Cardholder defaults on the payment due or exceeds the credit limit extended. The Cardholder Account will not be considered as closed until the Cardholder has paid all amount due. Bank shall intimate the cardholder along with reasons in case of suspend, terminate, or restrict/block the use of card via SMS/Email or other available modes.

BILLING & ACCOUNT MAINTENANCE INCLUDING INTEREST RATES AND OTHER CHARGES:

The following procedure for billing and maintenance of card transactions shall be followed and any changes in the process shall be done with the approval of concerned authority.

- E-statement will be sent to all the cardholders on their registered email ID, in a password protected mode.
- The Billing Cycle will be stipulated in 1 month. The effective date i.e., the billing period shall be determined by the Bank and the same may vary from time to time and for different cardholders, as may be decided by the Bank. The payment due date shall be between 15 - 20 days from the billing (statement) date.
- SMS alert will also be sent to the card holder on their registered mobile number informing the billing amount and due date. Payment reminder SMS will also be sent before due date.
- Bank shall ensure that there is no delay in sending/dispatching/ emailing bills/statements and the customer has enough days [at least one fortnight] for making payment before the interest starts getting charged. Bank shall keep logs such as Email delivery report, SMS report, statement generation report of statement billing activity for future references and resolution of customer grievance on non-receipt of billing statement.
- Bank shall ensure that wrong bills are not raised and issued to cardholders. In case, a cardholder protests any bill, the card-issuer shall provide explanation and, wherever applicable, documentary evidence shall be provided to the cardholder within a maximum period of 30 days from the date of complaint.
- No charges shall be levied on transactions disputed as 'fraud' by the cardholder until the dispute is resolved.

- To provide flexibility in standard billing cycle for all credit cards issued, cardholders shall be provided a one-time option to modify the billing cycle of the credit card as per their convenience.
- 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.
- Notwithstanding the cut-off, if a cardholder makes a request to Credit Card Cell for reversal of the credit amount outstanding in the card account into his/her bank account, the card-issuer shall do it within three working days from the receipt of such request.
- Credit Card Cell shall report a credit card account as 'past due' to CIC or levy penal charges, viz. late payment charges and other related charges, if any, only when a credit card account remains 'past due' for more than 3 days.
- The monthly bill statement shall have a notice of "Making only minimum payment every month would result in the repayment stretching over long periods with consequent interest payment on your outstanding balance", so as to caution the customers about the implication in paying only minimum amount due.

INTEREST RATES AND OTHER CHARGES

- Saraswat Bank shall publicize through website the interest rates charged and other charges to various categories of customers as part of MITC.
- Saraswat Bank shall provide a one-page Key Fact Statement along with the credit card application containing the important aspects of the card such as rate of interest, quantum of charges, among others
- Saraswat Bank shall indicate upfront to the card holder [as part of MITC], the methodology of calculation of finance charges with illustrative examples, particularly in situations where only a part of the amount outstanding is paid by the customer.
- Minimum Amount Due (MAD) is the minimum amount of money, as a part of the total bill amount, that a cardholder must pay to avoid card slipping in overdue status.
- MAD (Minimum amount due) calculated as per prescribed norms will be shown separately. MAD cannot be paid through EMI.
- For the unpaid amounts of previous billings, interest free credit period shall not be available till the TAD amount is paid within due date.
- These will be captured in billing statements, with clear example will also be captured in Welcome kit & placed in bank's website.
- Late payment charges are not levied if the outstanding amount is less than Rs. 100/-
- Changes in charges shall be communicated with 30 days' notice period, in case customer does not agree on payment of all dues, cardholder will be permitted to close without levying any extra charge.
- Saraswat Bank does not offer overlimit facility to its customers.

XIII. PAYMENT OF CREDIT CARD BILL:

Due date for payment of Bill shall be as per card variants adhering up to 50 days interest free credit period. The Card holder may exercise the option to pay only the Minimum Amount Due (MAD) by the due date indicated in statement.

Due date for payment of Bill shall be as per card variants adhering up to 50 days interest free credit period. The Card holder may exercise the option to pay only the Minimum Amount Due (MAD) by the due date indicated in statement. The Minimum Amount Due shall be calculated as per the prescribed norms the outstanding amount or such other amount as prescribed by RBI. In case of any repayment through instalments, the instalment amount due during the statement period will be added to the Minimum Amount Due. If the total outstanding is more than the credit or cash limit, then the amount by which the credit or cash limit has been exceeded will also be included in the Minimum Amount Due. Minimum Amount Due shall also include unpaid Minimum Amount Due of the previous statements, if any. Interest will be charged if the Total Amount Due is not paid by the payment due date even if the Minimum Amount Due has been paid.

Saraswat Bank shall publicize the modes of payments authorized for making the payment of credit card dues in their websites and billing statements.

The card holder will have the following options to make Payment:

- Deposit cheque favoring card number in any of the Saraswat Bank branches from Saraswat Bank account (internal transfer) / Other Bank account.
- **Auto Debit:** Standing Instruction is available for all the cardholders who hold Bank account with the Saraswat Bank.

- Through Mobile Banking and Internet Banking.
- Make online payment from any Bank account by NEFT/IMPS/ UPI modules etc.
- BBPS – UPI application like GPAY, PhonePe etc.

XIV. FAIR PRACTICES IN DEBT COLLECTION:

A model code of conduct for recovery agencies with the following provisions shall be put in place.

- The Recovery agents are advised to adhere to the extant guidelines on fair practices code while dealing with the cardholders for collection of card dues
- Recovery agencies are advised to adhere to the code of conduct and are strictly instructed not to indulge in any unfair practices and shall not resort to intimidation or harassment of any cardholder, while dealing with cardholders for collection of card dues.
- The Recovery agents are advised to refrain from action that could damage the integrity and reputation of the Bank and that they observe strict customer confidentiality.
- Recovery agents should carry the identification card or letter of authority issued by Bank and shall not adopt uncivilized, unlawful, and questionable behavior on recovery process causing reputation / financial loss to the Bank.
- Any complaints from the cardholders against Bank or recovery agents, related with Recovery of dues shall be dealt appropriately.
- Bank shall have a system of random checks 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.
- A dedicated helpline and email-id shall be made available to the cardholders to raise complaints against any act of mis-selling or harassment by the representative/Recovery Agents of the bank.

XV. GRIEVANCES & COMPLAINTS:

- Bank shall display the grievance redressal procedure and the details of chief Grievance Redressal Officer on Bank's website.
- Bank shall put in place a system of grievance redressal where customer complaints are first acknowledged, a complaint number is given for reference and necessary steps are taken to ensure closure within turnaround time.
- It shall be the endeavor of the Department to ensure that all requests and enquiries received over phone at Help Desk are answered immediately. All requests and enquiries received through emails / post shall be redressed at the earliest.
- Card-issuers shall put in place a Grievance Redressal Mechanism within the card issuing entity and give wide publicity about it through electronic and print media. The name, direct contact number, email-id and postal address of the designated grievance redressal officer of the card-issuer shall be mentioned on the credit card bills and account statements.

➤ REDRESSAL OF GRIEVANCES:

- a. Any complaint received at the Zone/Department, either directly from customer or escalated by branch, the same is expected to be resolved in 12 days from the lodgment of the complaint.
- b. All the necessary provisions of customer Grievance Redressal Policy shall be applicable to the Credit Card portfolio also.
- c. Bank will ensure that the Call Centre staff is trained adequately to handle all customer complaints.
- d. The grievance redressal procedure of the Bank and the time frame fixed for responding to the complaints will be placed on the Bank's website. The name, designation, address, and contact number of important executives as well as the Grievance Redressal Officer of the Bank may be displayed on the website. There shall be a system of acknowledging customers' complaints for follow up, such as complaint number / docket number.
- e. If a complainant does not get satisfactory response from the Bank within a maximum period of thirty (30) days from the date of his lodging the complaint, he / she will have the option to approach the Office of the concerned Banking Ombudsman for redress of his grievance/s.

- f. The Grievance Redressal process shall have a provision for automatic escalation of unresolved complaints from a call center / base level to higher authorities. There shall be a system of acknowledging customers' complaints for follow up, such as complaint number / docket number, even if the complaints are received over phone.
- g. Card-issuers 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. For redressal of his / her grievance.
- h. The customer can lodge his / her complaint with the Ombudsman, Reserve Bank through any of the following:
 1. Online at <https://cms.rbi.org.in>
 2. Physical complaint (letter/post) in the form as specified in Annexure 'A' of the Reserve Bank - Integrated Ombudsman Scheme, 2021 to "Centralised Receipt and Processing Centre, 4th Floor, Reserve Bank of India, Sector -17, Central Vista, Chandigarh - 160017."

XVI. COMPENSATION WITH RESPECT TO FRAUDS:

The Credit Card Cell shall determine the liability of the customers and compensate them in cases of unauthorized Credit Card transactions as under:

➤ **ZERO LIABILITY OF A CUSTOMER:**

A customer's entitlement to zero liability shall arise where the unauthorized transaction occurs in the following events:

- a. Contributory fraud/ negligence/ deficiency on the part of the bank (irrespective of whether the transaction is reported by the customer).
- b. Third party breach where the deficiency lies neither with the bank nor with the customer but lies elsewhere in the system, and the customer notifies the bank within three working days of receiving the communication from the bank regarding the unauthorized transaction.
- c. The burden of proving customer liability in case of unauthorised electronic banking transactions shall lie on the bank.

➤ **LIMITED LIABILITY OF A CUSTOMER:**

A customer shall be liable for the loss occurring due to unauthorized Credit Card transactions in the following cases:

- a. In cases where the loss is due to negligence by a customer, such as where he has shared the payment / card credentials, the customer will bear the entire loss until he reports the unauthorized transaction / blocking of credit card request to the bank. Any loss occurring after the reporting of the unauthorized transaction / blocking of credit card request shall be borne by the bank.
- b. In cases where the responsibility for the unauthorized Credit Card transaction lies neither with the bank nor with the customer but lies elsewhere in the system and the customer notifies the bank of such a transaction within four to seven working days of receiving the communication from the bank, the per transaction liability of the customer shall be Rs. 10,000/- or transaction value whichever is lower.
- c. On being notified by the customer, the bank shall credit (shadow reversal) the amount involved in the unauthorised electronic transaction to the customer's account within 10 working days from the date of such notification by the customer (without waiting for settlement of insurance claim, if any). Banks may also at their discretion decide to waive off any customer liability in case of unauthorised electronic banking transactions even in cases of customer negligence. The credit shall be value dated to be as of the date of the unauthorised transaction.

➤ **FULL LIABILITY OF A CUSTOMER:**

The entire liability of the unauthorized Credit Card transactions shall be solely on the Customer in following cases:

- a. Customer shall bear the entire loss in cases where the loss is due to negligence by the customer, e.g., customer has lost card, customer has shared payment credentials, Credit card details, Credit Card PIN/OTP or due to improper

protection on customer devices like mobile/laptop/desktop leading to malware/ Trojan or Phishing/Vishing attack. This could also be due to SIM deactivation by the fraudster or where the fraudster has gained access to customers Credit Card mobile App/Credit Card web portal because of customer sharing credit card details or OTP. Under such situations, the customer will bear the entire loss until the customer reports unauthorized transaction to the bank.

- b. In cases where the responsibility for unauthorized Credit Card transaction lies neither with the Bank nor with the customer but lies elsewhere in the system and when there is a delay on the part of the customer in reporting to the Bank beyond seven working days after receiving the communication from the Bank regarding unauthorized Credit Card transactions.
- c. The Bank will not be liable for the losses, in cases where the unauthorized Credit Card transaction was successful through the second factor authentication sent to the Customer's registered mobile number. It will be considered as sufficient proof of customer's involvement /consent in effecting the transaction.
- d. Customer should regularly update his/her registered contact details as soon as such details are changed. Bank will only reach out to customer at the last known email/mobile number. Failure of the customer to update the Bank with latest contact details shall be considered as customer negligence. Any unauthorized transaction arising out of this delay shall be treated as customer liability.
- e. Bank will not be responsible for any unauthorized Credit Card transaction initiated by third party, family members or known members of the cardholder if the cardholder has allowed any of the above to transact using credit card on behalf of himself.

XVII. CUSTOMER CONFIDENTIALITY:

- Bank shall not reveal any information relating to customers obtained at the time of opening the account or issuing the Credit Card to any other person or organization without obtaining their specific consent, as regards the purpose/s for which the information will be used and the organizations with whom the information will be shared. Banks shall give the customer the option to decide as to whether he is agreeable for the Bank sharing with other agencies the information furnished by him at the time of applying for Credit Card. The application form for Credit Card may be suitably modified to explicitly provide for the same. Further, in case where the customer gives his consent for the Bank sharing the information with other agencies, Banks shall explicitly state and explain clearly to the customer the full meaning / implications of the disclosure clause. Banks shall satisfy themselves, based on specific legal advice that the information being sought from them is not of such nature as will violate the provisions of the laws relating to secrecy in the transactions. Banks would be solely responsible for the correctness or otherwise of the data provided for the purpose.
- For providing information relating to credit history / repayment record of the card holder to a Credit Information Company (that has obtained Certificate of Registration from RBI), the Bank may explicitly bring to the notice of the customer that such information is being provided in terms of the Credit Information Companies (Regulation) Act, 2005.
- Before reporting default status of a Credit Card holder to Credit Information Companies which have obtained Certificate of Registration from RBI, Bank shall ensure that a procedure is adhered, duly approved by their Board, including issuing of sufficient notice to such card holder about the intention to report him / her as defaulter to the Credit Information Company. The procedure shall also cover the notice period for such reporting as also the period within which such report will be withdrawn in the event the customer settles his dues after having been reported as defaulter. Banks shall be particularly careful in the case of cards where there are pending disputes. The disclosure / release of information, particularly about the default, should be made only after the dispute is settled as far as possible. In all cases, a well laid down procedure shall be transparently followed.

DELEGATION MATRIX

Delegation Matrix for approval of Credit Card Limits / Limit Enhancement / Reversal of Charges Parameters	Card Limit	Recommending Authority	Sanctioning Authority
Applications as per norms	All Limits	Branch Manager	Any official of Dy. Manager Cadre and above posted at Credit Card Cell
Deviations in any of the following Eligibility norms			
1) CIBIL Score – Less than 723, 1, 2,3,4,5 & -1 2) Income below prescribed minimum requirements 3) Non-availability / submission of Income Documents 4) Higher Limit above eligible amount as per Credit Rating 5) Age greater than prescribed outer limits	Upto Rs. 50000/-	1st level – Branch Manager and Zonal Head	Head – Credit Card Cell
		2nd level - Any official of Dy. Manager Cadre or above - CCC	
	Above Rs. 50000/-	1st level – Branch Manager and Zonal Head	DGM and above- Retail Banking
		2nd level – Head- Credit Card Cell	
Limit Enhancement	All Limits	Manager and /or any official of Dy. Manager Cadre and above posted at Credit Card Cell	Head – Credit Card Cell Ratified by DGM and above- Retail Banking
Reversal of Fees / Charges	All Limits	Head – Credit Card Cell	Ratified by DGM and above- Retail Banking



**Saraswat
Bank**

Saraswat Co-operative Bank Ltd.

(Scheduled Bank)

CREDIT CARD POLICY
for Staff Members

F.Y. 2025-2028

(FOR PRIVATE CIRCULATION)

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CREDIT CARD POLICY for Staff Members
(F.Y. 2025-28)

I. PREAMBLE:

Policy for Credit Card Issuance and Conduct is a guidance framework adopted by the bank to enlist guidelines that are relevant for current or future credit card customers to understand issuance and conduct of credit cards. The broad framework covers the service offerings of credit cards and binding governance mechanism in place. This policy is in consonance with RBI's circular (Master Direction – Credit Card and Debit Card – Issuance and Conduct Directions, 2022) and is subject to change in accordance with developments in regulatory directions or internal policies. This framework will be reviewed to encapsulate any change in internal policies, processes, or external factors.

II. OBJECTIVE:

- To create a set of standardized guidelines at the Bank with respect to the issuance of Credit Cards to the Bank's staff members, so that the entire Credit Card activity, starting from receipt of the application to the processing of the application, sanctioning of credit limit and its monitoring in terms of operations and recovery is done in a structured manner.
- To ensure adherence to related RBI guidelines, thorough appraisal of the card applications, and proper monitoring of all outstanding dues.

III. OWNERSHIP:

The ownership of this policy lies with Credit Card Cell.

IV. VALIDITY:

The Policy will be valid for the F.Y. 2025-2028 and till the approval of the next policy.

V. APPLICABILITY:

The Credit Card Policy is applicable at every stage of the Credit Card cycle with respect to the Credit Cards issued to staff members of the Bank i.e. the credit model for ascertaining the credit worthiness of the borrower, norms applicable for applicants, loan amount, interest rate applicable, reporting, monitoring, routine operations and repayment.

VI. SCOPE:

The scope of this Policy extends to the complete range of Credit Cards being issued / to be issued by Bank from time to time to its staff members.

The Basic features and type of cards are the same as are applicable in case of cards issued to Bank customers.

VII. BROAD CONTOURS OF THE POLICY:

➤ **ELIGIBILITY:**

- a. All staff members of the Bank shall be eligible to apply for a Credit Card.
- b. Deviation to be raised to issue card to staff on probation.

➤ **CREDIT CARD LIMITS:**

The minimum Card Limit to be granted shall not be less than Rs.10,000/- and the maximum Card Limit shall not exceed Rs. 5 Lakhs.

➤ **NORMS:**

a. Card Limit:

The Card limit (inclusive of both credit and cash) to be approved for staff members shall be based on the following parameters –

1. Gross Salary
2. Net Salary
3. Designation

The eligibility calculation based on the above parameters and considering unsecured exposure (**including ODSTF+ Personal loan+ Unsecured loan**) shall be fixed by the Bank and will be subject to change from time to time as per the Bank's guidelines in this regard.

b. Billing Cycle:

The Billing Cycle will be stipulated at 1 month. The effective date i.e. the billing period shall be determined by the Bank and the same may vary from time to time and for

different cardholders, as may be decided by the Bank. The payment due date shall be 15 – 20 days from the end of the billing (statement) date.

c. Credit Risk Management:

The Bank shall ensure that the required parameters are put in place for monitoring the card transactions so as to comply with the prescribed requirements of Prevention of Money Laundering Act, 2002. The various parameters forming part of the Risk Management exercise shall be updated from time to time as per the requirements specified by the regulatory authorities or as may be deemed fit by the Bank from time to time.

The required specifications shall be incorporated in the Credit Card software for deterring attempted fraudulent card transactions.

d. Shareholding:

Staff members shall be excluded from the shareholding requirements as are applicable in case of other Credit Card holders.

➤ **RESIGNATION / TERMINATION / RETIREMENT / DEATH OF STAFF MEMBER HOLDING A CREDIT CARD:**

a. **In the event of retirement / VRS of a staff member, the following process shall be followed-**

1. Information in respect of staff members retiring at the end of a particular month to be obtained by Credit Card Cell from HRD Department.
2. Credit Card Cell shall take consent from the retired staff for continuation of the same credit card limit or reduction in limit or closure of credit card.
3. Staff shall be allowed to continue the card without the income papers after taking consent from the staff.
4. The staff member shall be required to apply for the Bank's membership (nominal membership / regular shareholding) as per the existing norms applicable to other Credit Card holders.
5. Concerned branch shall be required to ensure completion of the shareholding requirements in respect of the said staff member prior to the date of retirement, till that time said card will be in ed status.
6. The credit limit granted to the staff member at the time of his service shall continue and remain unchanged. However, in certain cases the Credit Card facility shall be reviewed in consultation with HRD Department.
7. In case the staff member does not comply with the shareholding / nominal membership requirements then the Card facility shall be discontinued.
8. HR department shall inform again last working day of staff to CCC for categorizing the card under non staff category.
9. HR department shall inform CCC in case the staff is retrieved or extension if any granted.

b. **In the event of resignation of a staff member, the following process shall be followed-**

1. Intimation to be provided by HRD Department to the Credit Card Cell in respect of staff member having tendered their resignations.
2. Credit Card Cell shall take consent from the resigned staff for continuation of the same credit card limit or reduction in limit or closure of credit card.
3. Staff shall be allowed to continue the card without the income papers after taking consent from the staff based on latest CIBIL score.
4. The staff member shall be required to apply for the Bank's membership (nominal membership / regular shareholding) as per the existing norms applicable to other Credit Card holders.
5. Concerned branch shall be required to ensure completion of the shareholding requirements in respect of the said staff member prior to relieving of the staff member, till that time said card will be in blocked status.
6. The credit limit granted to the staff member at the time of his service shall continue and remain unchanged. However, in certain cases the Credit Card facility shall be reviewed in consultation with HRD Department.
7. In case the staff member does not comply with the shareholding / nominal membership requirements then the Card facility shall be discontinued.
8. HR department shall inform again last working day of staff to CCC for categorizing the card under non staff category.
9. HR department shall inform CCC in case the staff is retrieved or extension if any granted.

- c. In the event of termination of a staff member, the following process shall be followed -**
1. Intimation to be provided by HRD Department to the Credit Card Cell in respect of staff member who have been issued termination letters.
 2. The Credit Card Cell shall in turn inform the HRD Department in respect of any outstanding dues against the Credit Card and the same shall be recovered from the dues payable to the staff member.
 3. The Credit Card issued to the staff member shall be permanently blocked for transactions thereafter.
 4. The card will be closed subject to the clearance of all dues.
- d. In the event of death of a staff member, the following process shall be followed –**
1. Intimation in case of death of a staff member should be provided by HRD Department to the Credit Card Cell.
 2. Credit Card Cell shall permanently block the Credit Card with immediate effect.
 3. The Credit Card Cell shall in turn inform the HRD Department in respect of any outstanding dues against the Credit Card and the same shall be recovered from the dues payable to the deceased staff member.
 4. The card will be closed subject to the clearance of all dues.

➤ **THE MOST IMPORTANT TERMS AND CONDITIONS (MITCs)-**

As stipulated in the Appendix as per the RBI Circular Ref. DCBR.CO.BPD. (SCB).No.1/13.05.000/2014-15 dated 30th April 2015, as mentioned in the Credit Card Policy applicable to customers shall be applicable in case of staff members also.

➤ **UNSOLICITED CARDS:**

Credit Cards shall be issued to staff members only after receipt of a duly signed Credit Card Application.

➤ **RECOVERY MECHANISM:**

Recovery of outstanding dues / overdues under the Credit Card portfolio shall be initially handled by Credit Card Cell and chronic overdues will be reported to HRD Department.

➤ **LIMIT ENHANCEMENT:**

Eligibility criteria for enhancements of credit card limits to staff-

No. of yrs. of service	CIBIL Score	Enhanced limit
Above 2 years	723 & above	Rs.100000/-
	650 – 722	Rs.75000/-
Above 5 years	723 & above	Rs.150000/-
	650 – 722	Rs.125000/-
Above 10 years	723 & above	Rs.300000/-
	650 – 722	Rs.200000/-
Above 15 years	No CIBIL score	Rs.500000/-

***Subject to overall unsecured exposure (Incl. ODSTF) of Rs. 5.00 Lacs**

- In case of resignation by staff, enhancement of limit of credit card can be extended without income documents and after obtaining zonal approval for non-availability of income documents by the concerned Branch from where credit card is availed.
- In case of retirement of staff, enhancement can be extended after obtaining zonal approval for non-availability of income documents as well as the age deviation and income deviation by the concerned Branch from where credit card is availed.

➤ **OTHERS**

All other clauses mentioned in the approved Credit Card Policy shall be applicable for the Credit Cards issued to staff members also unless otherwise specifically approved by the Bank.