

**BOBCARD LIMITED**  
**Credit Card Policy**

**(Approved by Board in meeting held on  
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## Document Information

<b>Policy Name:</b>	Policy on Credit Card
<b>Policy Owner</b>	BOBCARD LIMITED (earlier known as BOB Financial Solutions Limited)
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<b>Policy Custodian</b>	Head Product & Portfolio Management Chief Operating Officer Chief Risk Officer
<b>Approved By</b>	Board of Directors at the meeting held on 07/11/2024
<b>Effective Date</b>	From the date of approval of the BOD

## Revision History

<b>Sr. No.</b>	<b>Version No.</b>	<b>Addition in the Policy</b>
1	1.0	New Policy
2	2.0	Policy updated for procedural & regulatory changes
3	3.0	Policy updated in line with RBI circular
4	4.0	Policy update and annual review of the policy
5	5.0	Policy updates & new entity name updated at all places as well as the policy was revamped

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## **1. Introduction**

The BOBCARD Credit Card Policy governs the product lifecycle of Credit Cards offered by BOBCARD LIMITED (formerly known as BOB Financial Solutions Ltd.) henceforth referred as BOBCARD. This policy covers the product, customer eligibility, application, processing, customer lifecycle management and collection requirements.

## **2. Scope**

This policy applies to Credit Cards issued by BOBCARD. Instant policy has been updated incorporating the recent regulatory guidelines.

## **3. Product Category**

BOBCARD issues Retail credit cards (Secured & Un-secured), Commercial Credit Cards & Co-branded credit cards. Details of all types of mentioned credit cards are available in company's website.

Details of the category of the credit cards issued by BOBCARD:

- I. Unsecured credit card – Unsecured Credit cards are issued basis credit worthiness of the applicant without having any collateral security.
- II. Secured Card – Secured cards are issued amongst the Bank of Baroda Customers against lien marked Fixed Deposit maintained in Bank.
- III. Commercial Credit Card – Such cards are issued to the personnel of commercial organisations to meet the need of their corporate expenditure.
- IV. Co-branded Credit Card – Issued by BOBCARD with another entity bearing the logos of both the entities.

## **4. Customer Acquisition**

The customer on-boarding shall be done post necessary documentation & checks conducted as per Standard Operating Procedures (SOP). The customer segment of all categories of card (Retail , Commercial & Co-branded) is dependent upon the features of the specific product & considering other aspects viz. bureau score, financial parameters, geographical reach etc.

Following channels are used to mobilize the cards:

- I. Direct Sourcing by BOBCARD
- II. Supported sourcing by Bank of Baroda
- III. Sourcing through Co-branding Partners
- IV. Supported by DSA / Channel partners

In all types of channels, a mix of Physical & Digital Sourcing of credit card application are implemented.

### **4.1. Eligibility**

BOBCARD Credit Cards can be issued to any Indian national who meets the eligibility criteria prescribed from time-to-time basis demographic and other performance related criteria that helps identify ability to pay of the applicants.

On a selective basis FD backed secured or unsecured credit cards to NRI's/PIO/OCI are issued to the Bank of Baroda customer only with mandatory Auto Debit Facility.

#### **4.2. Customer Application Process**

Applicant needs to apply for the Credit Card through digital / physical application.

The 'Most Important Terms and Conditions (MITCs)' and Key Fact Statement (KFS) termed as standard set of Terms & Conditions are highlighted and advertised on the web-site of BOBCARD, shared with prospective customer (s) at all stages i.e. during marketing, at the time of application, at the acceptance stage (welcome kit) and in important subsequent communications.

Any amendments in the MITC shall post approved by the respective Team/s of BOBCARD viz. Business, Compliance & Legal team intimated to customers.

#### **4.3. KYC and Income Documents**

Adhering the guidelines of the Regulators the customer needs to submit self-attested copies of KYC documents as per BOBCARD's KYC – AML – CFT Policy.

Where customers wish to apply for Credit Card issued by BOBCARD basis income documents, Bank statements may be required as the income proof in addition with other income documents viz. Form 16 / Income Tax Return

Applications can also be processed basis other surrogates like existing loan track records and other banking relationships with Bank of Baroda.

OSV is done for KYC and Income documents as per regulatory guidelines.

#### **4.4. Incomplete Documentation**

In case, if any incomplete card application is received at BOBCARD, it will not be processed and the application will be parked as discrepant with intimation to the applicant and/or origination channel. Further processing within TAT is subject to fulfilment of discrepancy identified within timelines else will be cancelled with intimation to applicant.

#### **4.5. Customer Segment**

- a. Bank of Baroda and BOBCARD Staff
- b. Retail and Commercial Bank of Baroda customers
- c. Retail and Commercial Open Market customers.

BOBCARD shall assess the credit limit and cash limit for the customer basis of the following factors viz. risk profile, Income, Account balance or Bank of Baroda relationship & bureau score etc. Further, the credit limit and cash limit shall be assessed taking into consideration all the limits enjoyed by the cardholder from other entities on the basis of self-declaration/credit information obtained from Credit Information Company, as appropriate.

Accepting any card application is the sole discretion of BOBCARD LIMITED as per its internal policy.

#### **4.6. Communicating Decision**

Once the application is reviewed & processed at BOBCARD, the final decision (including the reasons for rejection, if any, shall be communicated to the customer via SMS and/or Email.

## **5. Credit Card Despatch, Validity, Replacement and Renewal**

A new credit card is embossed and despatched via courier / speed post through the card manufacturing vendor.

The current validity of BOBCARD Card plastic is 5 years from the month of issuance. While the card plastic of all live customers will be auto-renewed every 5 years, there may be instances where a replacement credit card is required due if the card is lost/stolen, transaction in a high risk country, damage to the chip or magnet stripe etc. In these cases, the customer can request a replacement by calling up Customer Service or sending an email to CRM mail ID or using any self-service channel such as BOBCARD app. For any urgent card blocking due to lost card / fraudulent transactions, customer to use the self-serve channels or block by calling at BOBCARD contact centre instead of sending request to CRM ID.

At the time of renewal of the card account, card holders shall be given a prior notice through SMS / e-mail stating about the renewal. 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. Further, in case a card is blocked at the request of the cardholder, replacement card in lieu of the blocked card shall be issued with the explicit consent of the cardholder.

**5.1 Card Replacement** - Card replacement is available through mobile application also customer may request through our customer care email ID. Replacement card is new card number, expiry & card gets dispatched to registered address.

**5.2 Card Upgrade** - Card upgrade facility is provided to the customer post verifying certain criteria such as credit limit, Bureau score, Designation (for BOB and BOBCARD staff). In the card upgrade customer card variant & number gets changed and new card gets issued to the customer as a fresh issuance with new expiry.

**5.3 Digital to Physical** - Cards which are digitally only issued to the customer, thereafter, can opt to get physical card through the self-servicing channel. Customer gets the same card number.

## **6. Credit Card Repayment**

Currently, BOBCARD offers multiple statement cycles. All statements are generated on specified date of each month, and are sent via SMS/Email (with suitable security measures like password protection)/ Hard copy. Also, monthly card statement is also available in Portal & Mobile App to be accessed by the card holder at his / her convenience. At the time of sending monthly billing statement, it is ensured that there shall be no delay in dispatching / uploading / sending and the customer has sufficient number of days (at least one fortnight) for making payment before the interest rates starts getting charged for late payment.

The billing statement provides details of the transactions, last month payments, Total Outstanding & Minimum Outstanding, Credit Limit, Cash Limit & available billing cycles.

As per the regulatory guide line, Customers have a one-time option to change their existing billing cycle from those offered/available with BOBCARD. Process to request the same is provided through billing statement.

Cardholders are required to pay at least the Minimum Amount Due as mentioned in the Card billing statement. There are several channels enabled for credit card dues repayment. Additionally, Auto Debit facility for Minimum amount due or Total Amount due is made available to the customers for easier repayments and may be made mandatory for certain locations/segments at the discretion of BOBCARD

## **7. Customer Lifecycle Management**

As Credit Card is a perpetual unsecured lending product, management of customer life-cycle is very important & one of the crucial activities on which the span of the relationship / bondage depends mostly. This is done both proactively and reactively.

*Proactive customer lifecycle management* is done through Welcome Calling, where newly acquired customers are called / WhatsApp / Email / SMS to acquaint them about the Credit Card features, benefits, repayment options etc.

*Reactive management of customer lifecycle* is done when a cardholder contacts us with their concern. The Customer Experience (CE)/Call center team ensure that all such communications are properly managed, to help maintain/increase cardholder engagement, as the case may be.

## **8. Reward Points**

BOBCARD Credit Cards have a Loyalty Program as one of the core product feature. Reward Points (earlier known as Bonus Points) help to improve engagement level with the credit cardholder, by rewarding for eligible transaction done using the BOBCARD Credit Card. The number of reward points awarded to the card holder for each eligible transaction depends upon the product features. BOBCARD reserve the rights to reverse reward points on the applicable transactions (cancelled / reversed /lapsed)

### **8.1 Accrual of Reward Points**

Reward Points accrue as per the respective Credit Card variant/type of usage.

### **8.2 Validity of Reward Points**

From 1<sup>st</sup> April 2018, Reward Points for all card variants have a validity of 2 years from the date of accrual, except for few credit card variants.

Requests for redemption/re-credit of expired points may be allowed on case-to-case basis at discretion of BOBCARD.

### **8.3 Redemption of Reward Points**

Currently, a cardholder can redeem Reward Points upon accumulation of at least 500 points.

Further details on reward points are available in our MITC and Reward point Terms and Conditions

The redeemed value is credited to the cardholder's BOBCARD Credit Card account. Please note, any changes in the above-mentioned points will be communicated to customer on timely basis.

Also, BOBCARD is planning to facilitate its card holders by giving them additional channels to use their accumulated reward points such as Gift Voucher, Pay by Rewards, Gift Articles, Airmiles etc. and communicate the same to customers from time to time.

### 9. Credit Card – Tariff of charges

Various fees and charges applicable on credit card issued by BOBCARD is listed in the latest MITC & KFS document for respective Credit card product and to be made available to all prospect/existing cardholders on our official website.

### 10. Turnaround time

#### 10.1. Issuance of credit cards

Minimum of 11 working days from date of receiving completed application form along with all supporting documents from the applicant.

#### 10.2. Grievance Redressal

BOBCARD Credit Cards have setup customer grievances and redressal mechanism to address the complaints of the customers.

	Customer Action	Response Time
Level 1	Email on <a href="mailto:crm@bobcard.co.in">crm@bobcard.co.in</a>	5 Working Days
If complaint is remains unresolved customer can write to- <b>Level 2</b>	Mr. Ravi Ranjan Kumar Grievance Redressal Officer at <a href="mailto:escalations@bobcard.co.in">escalations@bobcard.co.in</a> or Call at <a href="tel:022-41683700">022-41683700</a> (Ext.433) 15TH FLOOR, 1502/1503/1504, DLH PARK, S.V. ROAD, GOREGAON, Mumbai- 400102 (WEST)	3 Working Days

#### 10.3. Dispute/Chargeback process

All dispute/ Chargeback related processes are followed as per Network Partner's Guidelines.

### 11. Credit Card Closure and Card Suspension

A Credit Card can either be closed voluntarily i.e. by the cardholder himself/herself, as per regulatory guidelines or Can be suspended/ Blocked/Cancelled by BOBCARD on account of delinquency i.e. unpaid dues.

When a customer approaches BOBCARD for voluntary closure of Credit Card, BOBCARD will make attempts to retain the customer by addressing any concerns and taking required steps for service recovery. However, if the customer is not convinced, BOBCARD will allow closure of the Credit Card subject to clearance of all



dues. After clearance of the total outstanding (outstanding become Nil), card account is closed within 07 (Seven) working days.

In addition, if any card is not activated (activation includes: payment, change of credit limit/cash limit, consent over phone / SMS / Mail from registered mobile number / email id) by the card holder after issuance of the card, such card is closed after 30 days from the date of issuance of the card without imposing any charges to the card holder & simultaneously no information is updated in Credit bureaus. Further, those cards which are not used for one year are also closed when the process of retention is exhausted. Any credit amount, is also refunded in the card holder's account if registered with us.

However, BOBCARD has the right to suspend / close any card account at any time without informing / informing to the card holder if any unnatural pattern of transaction pattern is observed / such transactions which are beyond the guidelines of regulators or notice from regulator/ law enforcement / network.

## **12. Recovery/ Collections**

Recovery refers to the processes of collecting overdue balances due from Credit Card customers. These processes ensure that loss is minimized through internal and external collections activities to recoup balances due. The objective of Recovery or Collection is to minimize the addition of the NPA (Non-Performing Asset), Maximization of the collection in NPA / Written-off Category & to ensure the min. slippage to the NPA category by undertaking both preventive & curative measures

BOBCARD uses the services of internal employees as well as external agencies to recover outstanding balances from customers adhering the guidelines related to 'Fair Practice code of Debt Collection' issued by Reserve Bank of India.

## **13. NPA (Non-Performing Asset)**

As per statutory guidelines related to 'Prudential Asset Classification Norm' defined by RBI, BOBCARD currently recognizes NPA from Credit Card receivables at 90DPD (Days Past Due) by adhering the said guideline.

## **14. Regulatory Reporting**

All regulatory reporting pertaining to Credit Cards shall be done as per extant guidelines. Notification shall be sent to customers via SMS on timely basis after each billing cycle thereby giving them seven days' notice before reporting them for default to the credit bureaus if MIN DUE payment is not received by that day.

In the event the customer settles his/her dues after having been reported as defaulter, status will be updated within 30 days from the date of paying the entire settlement amount.

## **15. Policy Exception / Conflict / Interpretation Resolution**

It is the responsibility of every BOBCARD employee to escalate to the Policy Custodian for any conflicts or interpretation issues associated with the Policy.

All requests for exceptions to this policy, or its related procedures, must be approved by the Policy Approvers. Exception requests must include an action plan, and rationale, and must carry either an expiration date or a review date. Any identified exception to this policy that has not yet been approved must be escalated to the Policy Custodian immediately. Approved policy exceptions do not constitute policy non-compliance.

The Policy Approvers will maintain documentation of all exceptions, and the Policy Custodian will regularly review these exceptions to assess whether a policy change is required and to ensure ongoing policy compliance.

## **16. Periodicity of Review of the Policy**

The policy shall be reviewed after one year from the date of approval or regulatory change/amendment, whichever is earlier and it shall continue to be in force till the reviewed policy comes into place.

## Glossary

FD	Fixed Deposit
NRI	Non-Resident Indian
PIO	Person of Indian Origin
OCI	Overseas Citizenship of India
MITC	Most Important Terms & Conditions
KFS	Key Fact Statement
KYC	Know Your Customer
AML	Anti-money laundering
CFT	Combating the Financing of Terrorism
OSV	Original, Seen and Verified
NPA	Non-Performing Assets
DPD	Days Past Due