



Utkarsh Small Finance Bank
Aapki Ummeed Ka Khaata

Credit Card Policy - FY 2025-26

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1. Introduction

This policy outlines the regulatory framework, risk management principles, eligibility criteria, operational guidelines, and customer rights for all credit card products offered by Utkarsh Small Finance Bank Limited (USFBL), herein referred to as 'Bank' or 'USFBL'. The policy is designed in compliance with extant RBI Master Directions on Credit Cards. This policy applies to all USFBL's Consumer and Commercial Credit Cards including both secured and unsecured variants, and governs aspects such as card issuance, billing, interest rates, dispute resolution, co-branding arrangements, compliance reporting and fraud risk mitigation.

The Bank shall not issue any Credit Card in contravention of this policy, and all card-related activities, whether undertaken directly or through Business Correspondents (BCs), Outsourced Partners, or Co-branding entities, shall remain under the direct oversight and control of Utkarsh Small Finance Bank Limited.

2. First Loss Default Guarantee (FLDG)

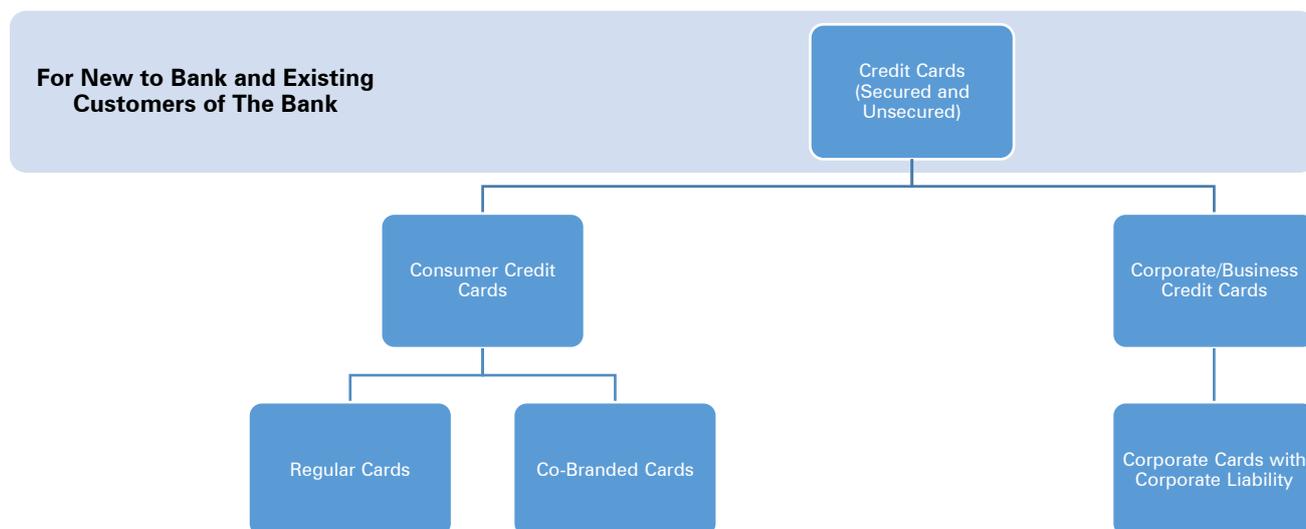
As per RBI directive, the Bank shall not have any First Loss Default Guarantee arrangement with any of the Technology Service Providers/Partners for its Credit Cards product.

3. Product

Credit Card is a physical or virtual payment instrument containing a means of identification, issued with a pre-approved revolving credit limit, which can be used to purchase goods and services or draw cash advances, subject to prescribed terms and conditions.

Bank may issue Credit Card to an individual or a business entity depending on the use case.

Cardholders will be able to use these cards to purchase goods and services at retail point of sale ("card present") as well as online merchants ("card not present"). The cards can also be used to withdraw cash from any ATM that accepts these cards. All Credit Cards will be billed to customers monthly in Indian Rupees. All Credit Cards issued by USFBL may have features including revolving credit, worldwide acceptance, cash withdrawal capability, customer service through mobile app / website and call center, value added offers such as cashback, discounts at selected merchants and rewards programs depending on the product construct.



3.1 Consumer Credit Cards

Consumer Credit Cards are issued by the Bank to an individual. Consumer Credit Cards are broadly classified into three target customer segments – super affluent, affluent and mass.

Currently, USFBL is offering Consumer Credit Cards as below:

3.1.1 Regular Cards

Proprietary cards offered by the Bank will vary from segment to segment. These cards can be either secured or unsecured. These Cards may be offered to New to Bank customers or existing customers of the Bank.

a) Unsecured Cards

Unsecured Credit Cards are issued to an individual without any collateral security basis various parameters like annual income, bureau score, any current lending or an existing credit card.

b) Secured Cards

Secured Credit Cards are issued against a collateral security such as FD, Gold (jewelry), or any other security in liquid form of the customer in favor of the credit card issuing Bank.

3.1.2 Co-branded Cards

Co-branded cards are issued to an individual jointly by the Bank and other merchant or corporate – they can be secured or unsecured, depending upon on the business arrangement. Co-branded Credit Cards can be offered to New to Bank customers or existing customers of the Bank. The following guidelines w.r.t co-branded cards are followed:

- Before getting into a co-brand arrangement, Bank will do due diligence to take care of various risks associated with such arrangements including reputational risk.
- The co-branded card shall include the logo of the Bank and the Co-Brand Partner
- The co-branding partner will not advertise/market the co-branded card as its own product. In all marketing/advertising material, the name of the Bank will be clearly shown.
- The information relating to revenue sharing between the Bank and the co-branding partner entity shall be indicated to the cardholder and displayed on USFBL's website.
- Under a co-branding arrangement, regulatory guidelines with respect to data privacy and protection of customer information shall be complied with.

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Corporate Credit Cards

Corporate Credit Cards are offered to businesses and organizations for managing official expenses incurred by employees. Under corporate cards, Bank shall only issue corporate cards with corporate liability. These can be co-branded or regular cards basis product construct.

Corporate Cards with Corporate Liability

Corporate Cards with Corporate Liability can be issued where full financial liability rests with the corporate entity rather than the individual employees. Limits are assigned to the Corporate with individual employee level limit being a subset of the assigned corporate limit.

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4. Standard Product Norms

- a) All Credit Cards will follow the extant KYC Policy of The Bank.
- b) Age limit for Credit Cards at the time of applying for a Card: Minimum age of the cardholder should be 18 years & Maximum can be 80 years. This may, however vary depending on the specific Product construct and features.
- c) Credit limit range for Credit Cards will vary depending on the product construct and the Credit evaluation criteria of the Bank subject to a maximum limit of Rs. 10,00,000.
- d) Interest free credit period for Credit Cards will be maximum up to 50 days.

5. Issuance of Credit Cards

Bank shall ensure to follow the extant regulatory guidelines, regarding the issuance, acquisition, underwriting and card activation as mentioned below.

5.1 Customer Acquisition

- a) Bank will explicitly take consent from the customers for the cards issued and for other products/services offered along with the card. It can be in writing or via digital modes with multifactor authentication.
- b) Bank will provide a one-page Key Fact Statement (KFS) along with the Credit Card containing the important aspects of the card such as rate of interest, quantum of charges, among others in digital or physical mode.
- c) In case of rejection of a credit card application, the Bank will communicate to the customer regarding the rejection of the application via digital channels like SMS / Email.
- d) Bank will provide Most Important Terms and Conditions (MITC) to the customer at the time of onboarding and each time a condition is modified, 30 days' notice will be sent to the customer via SMS / Email/WhatsApp / other means.
- e) The MITC will be highlighted and provided at the acceptance stage (welcome kit) and published on USFBL's website.
- f) Bank will send the MITC and copy of the cardmember agreement to the registered email address as per the customer consent given at the time of onboarding. In case of customer onboarding through a digital channel like an App, the MITC and cardmember agreement shall be accessible to the customer via the App as well as the Bank's website.
- g) Wherever the Bank provides an option of insurance cover in tie-up with insurance companies with a specific fee to the customers to take care of the liabilities arising out of lost cards, card frauds, etc., Bank will take explicit consent in writing or in digital mode from the cardholders along with the details of nominees.
- h) Bank shall not issue an unsolicited card and will take explicit consent from the customer for issuing a Credit Card. Bank will also not activate a card without customer consent.
- i) Explicit consent will be taken from the customer in case of any upgrade with increase in credit limit or less restrictions on card usage or in case of any change in fee to be charged from the customer. Bank may, however provide an upgrade with higher rewards or privileges or additional features on its own as per the fee structure of the existing credit card.
- j) Bank will reverse the charges forthwith in case, as pointed out by a customer and validated by the Bank, an unsolicited card is issued, or an existing card is upgraded and activated without the explicit consent of the customer and the customer is billed for the same. Bank will pay the customer an amount double the charges levied.
- k) In case of misuse of unsolicited cards or misuse of applied-for cards before reaching the customers, any loss arising out of misuse of such unsolicited cards shall be the

responsibility of the Bank only and the customer shall not be held responsible for the same. However, if any misuse or transaction happens after the activation of the card by the customer, customer shall be liable to pay for the same.

5.2 Underwriting Criteria

- a) Bank will ensure prudence while issuing credit cards and independently assess the credit risk of prospect customer basis underwriting criteria laid down in the Credit Card policy note.
- b) Bank shall assess the credit limit for a cardholder in accordance with the underwriting and credit guidelines, formulated, amended and approved by Product & Process Management Committee of the Bank.
- c) Bank will assess the credit limit for an unsecured credit card customer taking into consideration all the limits enjoyed by the cardholder from other entities based on credit information obtained from a Credit Information Company, as appropriate.
- d) Wherever Bank provides an option to the customer to convert a credit card transaction into Equated Monthly Instalments (EMIs) at no cost, it shall ensure complete transparency giving details of the principal, interest and upfront discount provided by the Bank/Merchant, prior to the conversion.
- e) In the event of loans being offered through credit cards, bank shall comply with the instructions on loans and advances issued by RBI from time to time.

5.3 Credit Limit Change

- a) Bank may review credit limit for cardholder's account once in 12 months or as per request of the cardholder whichever is earlier, which may include one or more criteria like but not limited to account performance, cardholder's spending, payment and delinquency patterns, credit bureau history, behavior score and other portfolio triggers.
- b) Any increase in credit line is done post express consent received from customer. Pro-active limit decrease, which may be permanent or temporary, initiated by the Bank, will be informed to the customers through any communication media like SMS /e-mail/letter.
- c) Customer may choose to change his credit limit within the overall limit assigned by the Bank at no additional cost to the customer.
- d) Customer has the option to enable / disable transaction limits for Point of Sale (POS), Ecommerce (Ecom) and ATM.
- e) Bank will 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.
- f) Bank shall not factor in the interest or any charges/fees on the credit card for the purpose of computing a cardholder's credit limit usage and levying overlimit charges.
- g) Bank will seek prior explicit consent of the cardholder, as a fraud minimization mechanism for usage of a credit card beyond the sanctioned credit limit (i.e., overlimit). Unless explicit consent has been obtained from the cardholder for the overlimit facility, no overlimit can either be provided or overlimit charges be levied.

5.4 Card Activation

- a) Card Activation is customer-initiated process indicating intent to use a credit card such as PIN generation, modification of transaction control, Interactive Voice Response, recorded call to the customer care center, OTP based confirmation for card activation or SMS.
- b) In line with extant RBI Directions, a One Time Password (OTP) based consent shall be sought 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, credit card account shall be closed without any cost to the customer no later than seven working days from date of seeking consent from the customer.

- c) In addition to financial transactions, any process initiated by the cardholder such as generation of statement, change of PIN, change in transaction controls, etc., shall be considered for treating a card as 'used'. However, any calls made to the customer care center, for reasons other than those cited above, shall not be considered towards usage of a card.
- d) For business credit cards, wherein the cards have been issued based on the application by a corporate or business entity, the Bank shall seek explicit consent via OTP for cards not activated for more than 30 days and send intimation as required in case the card is not used for a period of more than a year to the principal account holder (viz. corporate or business entity) unless specified otherwise in the agreement.
- e) Bank will not report any credit information relating to a new credit card account to Credit Information Companies prior to activation of the card.
- f) Any credit information relating to such inactivated credit cards already reported to Credit Information Companies will be withdrawn immediately by the Bank; under no circumstances, it shall take more than 30 days from the effective date of these directions.

6. Interest Rate and Other Charges

- a) The Bank's interest rate ceiling is maximum annualized percentage rate (APR) up to 45%. The information on key features including applicable interest rates/fee and charges has been mentioned in the Most Important Terms and Conditions (MITC) and Key Fact Statement (KFS) available under Terms & Conditions on USFBL's website- <https://www.utkarsh.bank/personal/cards/credit-card>.
- b) Bank shall abide by the instructions on interest rate on advances issued by RBI as amended from time to time, while determining the interest rate on credit card dues.
- c) Bank will ensure transparency in levying differential interest rates that may vary based on the payment/default history of the cardholder.
- d) The following guidelines w.r.t interest rate and charges will be included in the Most Important Terms and Conditions (MITC) provided to the customer at the time of onboarding and available on USFBL's website:
 - i. The methodology of calculation of finance charges with illustrative examples.
 - ii. 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.
 - iii. The method of calculation of APR with clear examples for better comprehension.
 - iv. The APR charged, the annual fee, late payment charges, including the method of calculation of such charges and the number of days.
 - v. Advisory on making only the minimum payment every month, which would result in the repayment stretching over months / years with consequential compounded interest payment on customer's outstanding balance, the same, is also mentioned in Credit Card statements.
 - vi. Illustrative examples showing that the 'interest-free credit period' is suspended if any balance of the previous month's bill is outstanding.

- e) The manner in which the outstanding unpaid amount has been arrived at for calculation of interest is also specifically shown with prominence in all the billing statements and Welcome Kit.
- f) Bank has stipulated the terms and conditions for payment of credit card dues, including the minimum amount due to ensure there is no negative amortization. Bank does not capitalize for the unpaid charges/levies/taxes charging/compounding of interest.
- g) Bank will 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 three days.
- h) The number of 'days past due' and late payment charges will be computed from the payment due date mentioned in the credit card statement.
- i) Bank levies late payment charges and other related charges, only on the outstanding amount after the due date, and not on the total amount due.
- j) Bank levies interest only on the outstanding amount, adjusted for payments/refunds/reversed transactions.
- k) There are no hidden charges while issuing credit cards free of charge by the Bank.
- l) Changes in charges are made only with prospective effect giving prior notice of 30 days by the Bank.
- m) If a cardholder desires to surrender his/her card on account of any change in charges to his/her disadvantage, he/she can do so without levying any extra charge for such closure, subject to payment of all dues by the cardholder.

7. Billing and Payment of Dues

Bank shall ensure to follow the extant regulatory guidelines, regarding the billing and payment of dues as below.

7.1 Billing

- a) Credit Card statements will be generated monthly for each card account. The statements will include all transactions posted to the card account since the date of the previous statement, all repayments by the cardholder and all fees and charges that have been levied by the Bank. The due date will be up to 20 days from the statement generation date.
- b) The credit card statements will clearly indicate the payment due date by which the cardholder needs to settle the minimum amount due to avoid late payment fees.
- c) Bank will provide credit cards bills and statements through internet/mobile banking or SMS or email or co-branding partner apps to the customer with explicit consent.
- d) Bank will ensure that there is no delay in sending/dispatching/emailing bills/statements and the customer has at least one fortnight for making payment before the interest starts getting charged.
- e) Bank will ensure that wrong bills are not raised and issued to cardholders. In case, a cardholder protests any bill, the Bank will provide response which may include explanation and provide documentary evidence within a maximum period of 30 days from the complaint, wherever applicable.
- f) Bank will not levy any charges on transactions disputed as 'fraud' by the cardholder until the dispute is resolved. Once a customer raises a dispute, pending further investigation into the dispute, Bank may reverse any disputed transactions from the credit card account or post a temporary credit for the same. If the investigation determines that the customer is liable for the disputed transaction, Bank will reinstate all the transactions in the credit card account along with applicable interest, fees and taxes from the effective date of the transaction in dispute.

- g) Any debit to the credit card account is done as per the authentication framework prescribed by RBI from time to time, and not through any other mode/instrument.
- h) Bank does not follow a standard billing cycle for all credit cards issued. Cardholders can modify their billing cycle of the credit card at least once in a lifetime.
- i) 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, will be adjusted against the 'payment due' by the Bank and notified to the cardholder.
- j) Bank will 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 will be obtained through e-mail or SMS within seven days of the credit transaction. Bank shall reverse the credit transaction to the cardholder's bank account, if no consent/response is received from the cardholder.
- k) 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, Bank will process it within three working days from the receipt of such request. Cardholder should share details of his bank account where reversal of the credit amount outstanding is being requested.
- l) For business credit cards wherein the liability rests fully with the corporate or business entity (principal account holder), timeframe provided for payment of dues and adjustment of refunds may be as agreed between the Bank and the principal account holder.

7.2 Credit Card Payment of Dues

- a) The list of authorized payment modes for making payment towards the credit card dues is available on USFBL's website and billing statements.
- b) Cardholders are advised to exercise due caution and refrain from making payments through modes other than those authorized by the Bank.

8. Bureau Check and Reporting

Bank conducts credit bureau checks before issuing credit cards and reports all transactions, repayments, and defaults to Credit Information Companies (CICs) periodically as per regulatory requirements. The extant guidelines are followed for credit bureau reporting and dispute resolution as below.

- a) Bank refers the applications to Credit Bureau / CIC, post credit parameters check. The willingness to repay is assessed by evaluating repayment track record of the customer available in Credit Bureau.
- b) 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), the Bank 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.
- c) Before reporting default status of a credit cardholder to a Credit Information Company (CIC), the Bank shall ensure that they adhere to the procedure, as per the Bank's internal SOP on CIC Reporting and intimate the cardholder prior to reporting of the status.

- d) Bank will report a credit card account as 'past due' to credit information companies (CICs) 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 three days.
- e) In the event the cardholder settles his/her dues after having been reported as defaulter, the Bank will update the status with CIC within 30 days from the date of settlement or as per any other RBI guidelines.
- f) In the case of cards where there are pending disputes, the disclosure/release of information, particularly about the default, will be made only after the dispute is settled. In all cases, the "Disclosure to Credit Bureaus" mentioned in the MITC will be transparently followed by the Bank.
- g) On regularization of the account, Bank will take steps to update this information with the CIC in the next report. In the event of non-payment of at least the Minimum Amount Due by the Payment Due Date, card account will be reported as 'Default' to credit information bureaus / agencies.
- h) Bank will report to CICs suitably about the closure of the card account.

9. Confidentiality of Customer Information

- a) Bank will not reveal any information relating to customers obtained at the time of 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.
- b) Bank will ensure strict compliance to the extant legal framework on data protection.
- c) Further, in case where the customers give explicit consent for sharing the information provided by them with other agencies, Bank will clearly state and explain to the customer the full meaning/implications of the disclosure clause through the Card Member Agreement.
- d) 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. Bank will be solely responsible for the correctness or otherwise of the data provided for the purpose.

10. Grievance Redressal

10.1 Registration of Customer Complaints

Customers can raise a complaint by contacting the Bank via the following:

- a) Toll Free Customer Care Numbers
- b) Email
- c) USFBL's co-brand partner's App
- d) In the event customer is not satisfied with the responses to inquiries and handling of any of the service requests or complaints from the above modes, customer may write to the Bank's grievance officer. The name, direct contact number, email-id and postal address of the designated grievance redressal officer of the Bank is mentioned on the credit card bills and account statements apart from the Bank's website.

10.2 Timelines for Resolving Grievances

- a) Bank will attempt to resolve all grievances as per USFBL's Grievance Redressal Policy available on the website www.utkarsh.bank>Our Policies>Customers Grievance Redressal Policy.

- b) Bank would ensure urgent and efficient resolution of all complaints received. Depending on the nature of grievances, the timelines for resolution of grievances is given below:

Nature of Grievances	Turn Around Time
Normal grievances (other than the one mentioned hereunder)	Within 10 working days
Grievances pertaining to frauds which require analysis/investigation, legal cases and cases which require retrieval of documents and records > 3 months old	Within 21 working days
Grievances involving third parties / other Banks	Within 30 working days
Data Privacy Grievances	Within 30 working days
Chargeback/ Transaction Dispute related Grievances	Within 45 working days or as per Card Network guidelines whichever is lower

- c) In case a complaint requires additional time for resolution, Bank shall proactively inform the customer explaining the reason for the same and will specify the additional time required for resolution.

10.3 Compensation Framework

Bank will follow the compensation framework as per USFBL's Customer Compensation Policy available on the website www.utkarsh.bank>Our Policies>Customer Compensation Policy.

a) Delay in grievance redressal

In the unlikely event that the customer is not satisfied with the Bank's services, the customer may register the grievance by:

- Calling the Bank's customer care numbers.
- Email.
- For further escalations customers can write to The Bank's Principal Nodal Officer (PNO) at pno@utkarsh.bank.
- If the complaint is not resolved within 30 days of receipt by the Bank, then the said complaint can be escalated to Banking Ombudsman under Integrated Ombudsman Scheme for redressal of his/her grievance/s or via the Complaint Management System Portal (<https://cms.rbi.org.in>).
- Bank may temporarily reverse any fees and charges that have been levied because of the delay in resolving the grievance.

b) Delay in closing Credit Card Account

- Bank will reverse any fees and charges levied due to the delay in closing of customer's Credit Card Account.
- If the Bank does not close the customer's Credit Card Account within 7 working days from the date the request is received, Bank is liable to pay Rs. 500 per day for each day

of delay beyond the 7 working days subject to receiving a complete request and there being no outstanding dues pending from the customer. In case of any outstanding balance due or any transaction / charges related dispute, the request date shall be taken from the date of clearance of the dues or closure of the dispute as the case maybe.

11. Collection of Dues

- a) In the event of default, the Cardholder will be sent reminders from time to time for settlement of any outstanding on the card account, either by post, telephone, e-mail, SMS, or any other mode decided by the Bank, and/or we may engage third parties to remind, follow up and collect dues.
- b) Bank may appoint third parties for debt collection and the third parties shall adhere fully to the code of conduct on debt collection.
- c) Bank may at any time and without any prior notice to the cardholder, set-off any balances due from on customer's Credit Card from any deposit account maintained by the customer with USFBL in the Primary or secondary cardholder.
- d) For a credit card secured by a FD, Bank has the right to liquidate the entire fixed deposit amount or make deductions from the amount received for creation of deposit, including the interest accrued, and set-off such amount against the outstanding amount payable to the Bank with respect to the Card. Any balance remaining after the above due adjustment shall be refunded to the customer. The Terms & Conditions of the Bank as applicable for Fixed Deposits shall apply.

12. Replacement, Blocking and Closure of Credit Cards

12.1 Card Blocking

- a) Bank will block a lost card within 24 hours of being informed by the cardholder, reissuance will be done basis customer consent within 15 days.
- b) Bank will ensure that blocking/deactivating/suspending a card or withdrawal of benefits available on any card is immediately intimated to the cardholder along with reasons thereof through electronic means (SMS, email, etc.) and other available modes.
- c) De-activation/Blocking of a credit card temporarily curtails the ability of a cardholder to make any transaction in a credit card account while still maintaining the credit/account relationship with the Bank and does not mean card closure.
- d) Bank shall provide to the cardholder the detailed procedure to report the loss, theft or unauthorized use of card or PIN through its website and MITC.
- e) Bank may provide multiple channels such as a dedicated customer care number, dedicated e-mail-id, Interactive Voice Response, clearly visible link on the website, internet banking and mobile-app or any other mode for reporting an unauthorized transaction on 24 x 7 basis and allow the customer to initiate the blocking of the card.
- f) The process for blocking the card with dedicated customer care number shall be a part of the MITC and the billing statements.
- g) Bank will send a confirmation to the cardholder subsequent to the blocking of a card via SMS or Email.
- h) In case the Bank, at their discretion, decide to block/deactivate/suspend a debit or credit card, following procedure to be followed:

12.1.1 Customer Induced Blocking

Customer Induced blocking:	Customers "To Do"
a. When there is a fraudulent transaction noticed and initiated by the cardholder for blocking the card.	Contact the Bank through the modes provided to reach out and ensure fraudulent transaction suspected is reported to the Bank. Please refer to "clause Loss / theft / damage / compromise of credit card" in MITC.
b. When the credit card is not working for some technical reasons and thus, cardholder initiated the card blocking	Contact the Bank through the modes provided, and check the possibilities for making the card working are taken up before reporting to block the card. Please refer to "clause Loss / theft / damage / compromise of credit card" in MITC.
c. When the credit card is lost, damaged, stolen etc. and cardholder initiated the card blocking	To reach out to the Bank and advise with correct reason for which the credit card is to be blocked. Please refer to "clause Loss / theft / damage / compromise of credit card" in MITC.

12.1.2 Bank Induced Blocking

For Unsecured Credit Cards:

II Bank induced blocking:	"To Do"
a. If the Bank identifies a transaction as suspicious / fraudulent and advises the cardholder about the possibility of compromise of the credit card and blocking the credit card	Bank to contact the customer and advise regarding suspected fraudulent transaction. If the transaction is not done by the customer, Bank to block the card. This call is recorded for future reference. Cardholder cannot transact further with the said blocked card. Bank would advise issuance of replacement card (free of cost) at the earliest. Please refer to "clause Loss / theft / damage / compromise of credit card" in MITC.
b. When the credit card becomes overdue and "transaction" blocking is done by the Bank at the expiry of 14 days from PDD	Cardholder would receive payment reminder notification to avoid transaction blocking in the credit card. If the payment as advised by the Bank is remitted, Bank shall unblock and advise the cardholder for further use of the card. Please refer to "clause Loss / theft / damage / compromise of credit card" in MITC.
c. When the credit card becomes overdue and "card" blocking is done by the Bank at the expiry of 60 days from PDD	Cardholder would receive payment reminder notification to avoid "card" blocking in the credit card. If the payment as advised by the Bank is remitted, Bank would choose to unblock and advise the cardholder for further use of the card. Please refer to "clause Loss / theft / damage / compromise of credit card" in MITC.
d. When the credit card becomes Non-Performing Asset at 90 th day	Cardholder would receive payment reminder notification for "card" blocking in the credit card.

from PDD and “card” blocking is done by the Bank and ‘Default’ status is reported to Credit Information Bureaus	If the payment as advised by the Bank is remitted, Bank may choose to unblock and advise the cardholder for further use of the card. Please refer to “clause Loss / theft / damage / compromise of credit card” in MITC.
e. When the cardholder’s other loan product with the Bank becomes Non-Performing Asset and on “Group NPA” basis, the “card” blocking is done by the Bank	Cardholder would receive notification for “card” blocking in the credit card. If the payment as advised by the Bank is remitted, Bank may choose to unblock and advise the cardholder for further use of the card. Please refer to “clause Loss / theft / damage / compromise of credit card” in MITC.

For Secured Credit Cards:

III. Bank induced blocking:	Customers “To Do”
a. If the Bank identifies a transaction as suspicious / fraudulent and advises the cardholder about the possibility of compromise of the credit card and blocking the credit card	Bank to advise regarding the suspected fraudulent transaction and card blocking is done. Cardholder cannot transact further with the said blocked card. Bank would advise issuance of replacement card (free of cost) at the earliest. Please refer to “clause Loss / theft / damage / compromise of credit card” in MITC.
b. When the credit card becomes overdue and card blocking is done.	Cardholder would receive notification of card blocking and liquidation of pledged fixed deposit against the card. Outstanding dues if any, will be set-off from the FD proceeds.
c. When the cardholder’s other loan product with the Bank becomes Non-Performing Asset and on “Group NPA” basis, the “card” blocking is done by the Bank	Cardholder would receive notification for “card” blocking in the credit card. If the payment as advised by the Bank is remitted, Bank may choose to unblock and advise the cardholder for further use of the card.

12.1.3 Loss/Theft/Damage

For reporting lost/theft/damage:

- Cardholder must contact the Bank via customer care number, email, internet banking, mobile banking or the App immediately if the Credit Card or supplementary cardholder’s credit card is lost, stolen, misplaced, damaged or is being used for unauthorized transactions. The Card shall be blocked by the Bank on reporting by the customer for the above-mentioned reasons.
- Liability for the cardholder and the Bank is specified in MITC clause Loss/theft/damage/compromise of credit card.

12.2 Card Renewal

- Card renewal involves the issuance of a new card on account of expiry of an existing card; the Bank will seek explicit consent of the cardholder for card renewal. Customer shall have the option to decline the same before dispatching o

- 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.
- In case of an expired card, the renewal of the card shall be subject to payment of all dues by the cardholder to the Bank.

12.3 Card Replacement

- Card 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.
- In case of a replaced card, the closure of the existing card shall be subject to payment of all dues by the cardholder to the Bank.

12.4 Card Reissuance

12.4.1 Customer Initiated Closure

In case of card closure initiated by the customer, for both secured and unsecured variants, the card can be reissued as per underwriting criterion depending on segment and variant.

12.4.2 Bank Initiated Closure

In case of Bank initiated closure due to fraud or potentially compromised card, the replacement will happen as per request and subject to verification that the fraud or compromise did not occur due to the customer's action or negligence.

12.5 Multi Carding

The customers are offered to have multiple cards as below:

12.5.1 Additional Cards

Customers can be provided more than one credit card basis different product specifications.

12.5.2 Supplementary Cards

Supplementary cards may be issued with the consent of the primary cardholder. Maximum of three supplementary cards shall be issued only to the persons (spouse/parents/major children) specifically identified by the principal cardholder. Supplementary cards shall be issued with the clear understanding that the liability will be that of the principal cardholder.

12.6 Card Closure

- a) The Bank will honor any request for closure of a credit card within seven working days, subject to payment of all dues by the cardholder.
- b) Bank will round-off the outstanding or excess amount of Re. 1 or below, in case of both Bank induced & customer induced card closures.
- c) Subsequent to the closure of credit card, the Bank will immediately inform the cardholder about the closure through email or SMS or any other channels.
- d) Cardholders will be provided an option to submit request for closure of credit card account through multiple channels such as customer care number or dedicated e-mail-id of the Bank.

- e) 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 by the Bank after intimating the cardholder via digital channels. If no reply is received from the cardholder within a period of 30 days, the card account will be closed by the Bank, subject to payment of all dues by the cardholder.
- f) Subsequent to closure of credit card account, Bank will transfer any credit balance available in credit card accounts to the cardholder's bank account. Bank will obtain the details of the cardholder's bank account, if the same is not available with them.

13. Customer Handling

- a) In the matter of recovery of dues, Bank will ensure that they, as also their agents, adhere to the extant instructions on Fair Practices Code for lenders.
- b) In particular, with regard to appointment of third-party agencies for debt collection, Bank will ensure that their agents refrain from actions that could damage the Bank's integrity and reputation and observe strict customer confidentiality.
- c) All communications issued by recovery agents shall contain the name, email-id, telephone number and address of the concerned senior officer of the Bank whom the customer can contact.
- d) Further, the Bank may provide the name and contact details of the recovery agent to the cardholder immediately upon assigning the agent to the cardholder.
- e) Bank/agents will 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.
- f) Bank will ensure to comply with the extant guidelines in respect of engagement of recovery agents issued by the Reserve Bank, as amended from time to time.
- g) Bank will limit the disclosure of customers' information to the DSAs/DMAAs/recovery agents to the extent that will enable them to discharge their duties.
- h) Bank will not release personal information provided by the cardholder but not required for recovery purposes.
- i) Bank will ensure that the DSAs/DMAAs/recovery agents do not transfer or misuse any customer information during marketing of credit card products.
- j) Bank will ensure while outsourcing various credit card related operations, that service providers do not compromise the quality of the customer service and the Bank's ability to manage credit, liquidity and operational risks.
- k) In the choice of the service provider, Bank will ensure confidentiality of the customer's records, respect customer privacy and adhere to fair practices in debt collection.
- l) Bank has 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.
- m) Bank will ensure that their employees/agents 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.
- n) Bank shall also be liable for the acts of their agents. Bank shall take repetitive complaints received in this regard against any employee/agent on record and appropriate action shall be initiated against them including blacklisting of such agents.

- o) A dedicated customer care number and email-id will be available for the cardholders to raise complaints against any act of mis-selling or harassment by the representative of the Bank.

14. General Guidelines for Credit Cards

- a) Bank will 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.
- b) Bank shall provide the cardholder with a record of the transactions after he/she has completed it, immediately in the form of receipt or another form such as the bank statement/email/SMS etc.
- c) With a view to reducing the instances of misuse of lost/stolen cards, Bank may consider issuing card with advanced features that may evolve from time to time.
- d) Bank shall ensure transparency in offering any discounts, cashbacks, reward points, loyalty points or any other benefits offered, including source of such benefits. Detailed information regarding these benefits shall be displayed on the USFBL website and a copy of the same shall also be provided to the cardholder via digital modes.
- e) The relationship between the Bank and the cardholder shall be contractual. Bank will make available to the cardholders in writing or via digital modes, a set of contractual terms and conditions governing the issue and use of such cards. These terms shall be expressed clearly and also maintain a fair balance between the interests of the parties concerned.
- f) The terms and conditions for the issue and usage of a card shall be mentioned in clear and simple language comprehensible to the cardholder.
- g) Bank shall not levy any charge that was not explicitly indicated to the cardholder at the time of issue of the card and without getting his/her explicit consent. However, this shall not be applicable to charges like service taxes, which may subsequently be levied by the Government or any other statutory authority. The details of all the charges associated with cards shall be displayed on USFBL's website.
- h) The convenience fee, if any charged on specific transactions, shall be indicated to the cardholder in a transparent manner, prior to the transaction.
- i) The terms may be altered by the Bank, but 30 days' notice of the change shall be given to the cardholder to enable him/her to withdraw if he/she so chooses. After the notice period of 30 days, the cardholder would be deemed to have accepted the terms if he/she had not withdrawn during the specified period. The change in terms shall be notified to the cardholder through all the communication channels available.
- j) The terms shall put the cardholder under an obligation to take all appropriate steps to keep the card safe and not to record the PIN or code, in any form that would be intelligible or otherwise accessible to any third party if access is gained to such a record, honestly or dishonestly.
- k) The terms shall specify that the Bank shall exercise care when issuing PINs or codes and shall be under an obligation not to disclose the cardholder's PIN or code to anyone, except to the cardholder.
- l) The issue of cards as a payment mechanism shall also be subject to relevant instructions on cash withdrawal, issue of international card, security issues and risk mitigation measures, card-to-card fund transfers, merchant discount rates structure, failed ATM transactions, etc., issued by the Department of Payment and Settlement Systems, Reserve Bank of India under the Payment and Settlement Systems Act, 2007, and the Foreign

Exchange Department, Reserve Bank of India under Foreign Exchange Management Act, 1999, as amended from time to time.

- m) Bank shall strictly adhere to the extant instructions/Directions on KYC/AML/CFT issued by RBI from time to time, in respect of all cards issued, including co-branded cards.
- n) Bank shall ensure adherence to the extant Master Direction DoS.CO.CSITEG/SEC.1/31.01.015/2023-24 dated April 10, 2023 on 'Outsourcing of Information Technology Services' and guidelines on Managing Risks and Code of Conduct in Outsourcing of Financial Services, as amended from time to time.
- o) Further, the Bank shall not share card data (including transaction data) of the cardholders with the outsourcing partners unless sharing of such data is essential to discharge the functions assigned to the latter.
- p) In case of sharing of any data as stated above, Bank shall obtain explicit consent from the cardholder. Bank shall also ensure that the storage and the ownership of card data remains with the Bank.
- q) This is a master policy for Credit Cards for Utkarsh Small Finance Bank. The Product construct, Reward & Loyalty Program, the Product & Program commercials, Risk and Credit Policy, Schedule of Charges and Process can be amended from time-to-time basis approval from the Product & Process Management Committee /Asset Liability Committee of The Bank (as applicable).
- r) The Board approved credit card policy shall be updated on the Bank's website in a customer friendly format.
- s) Any change in toll free numbers, email or other modes for grievance redressal can be updated from time to time on the Bank's website and MITC and communicated to the customer.
- t) Any change in timelines for resolving grievances can be updated from time-to-time basis Bank's Grievance Redressal Policy and Customer Compensation Policy available on USFBL's website.

15. Review of the Policy

This policy would be reviewed annually taking into account the various amendments to guidelines and regulations (if any), Business models and would be placed to the Board for their approval.

16. Confidentiality

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