



Fair Practice Code for Credit Card Operations ("Code")

1. Preamble

- 1.1. This is a voluntary Code, recommended by Indian Banks' Association for adoption by Credit Card issuing member banks/institutions or their associates. It is expected that this fair practice code will act as a benchmark service standard in the Bank's dealings with individual customers. The code details the obligations the card issuers undertake while issuing credit cards and will guide their staff in dealing with customers. The code is expected to help the credit card users in knowing their rights and also measures they should take to protect their interests. The card issuers who adopt this code will place it on their websites and make copies available to customers on demand.

The covenants of this code will supplement and will not replace those applicable under 'Bankers' Fair Practice Code' recommended by Indian Banks' Association and adopted by the credit card issuing members/institutions.

About this Code

- 1.2. As this being a voluntary document, the Code promotes competition and encourages market forces to achieve higher operating standards to benefit customers. In the Code, '**you**' shall denote the credit card customer and '**we**' shall denote the credit card issuer (i.e. the Bank). The standards of the Code are governed by the four key commitments as detailed in clause 2 below.
- 1.3. Unless stated otherwise, all parts of this Code apply to all the credit card products and services, whether we provide them across the counter, over the phone, on the internet or by any other method. Commitments outlined in this Code are applicable under normal operating environment. In the event of force majeure (which means any event outside the reasonable control of the Bank affecting its ability to perform any of its obligations under this Code including but not limited to, acts of God, fire, flood, storm, lightning, war, revolution, act of terrorism, riot, civil commotion, strikes, lock outs, industrial action, pandemics, epidemics, failure of a utility service or transport or telecommunications network, compliance with any law or governmental order, rule, regulation or direction or any overriding emergency procedures of government or other competent authority), we may not be able to fulfill the commitments under this Code.

2. Key Commitments

- 2.1. We will act fairly and reasonably in all our dealings with you by:
 - Meeting the commitments and standards in this Code, for the products and services we offer, and in the procedures and practices our staff/agents follow;
 - Making sure our products and services meet relevant laws and regulations;
 - Ensuring that our dealings with you will rest on ethical principles of integrity and transparency; and
 - Not engaging in any unlawful or unethical consumer practice.

- 2.2. We will help you to understand how our credit card products and services work by giving you the following information in a simple language:
- What are the benefits for you?
 - How you can avail of the benefits?
 - What are their financial implications?
 - Whom you can contact for addressing your queries and how?
- 2.3. We will deal quickly and effectively with your queries and complaints by:
- Offering channels for you to route your queries;
 - Listening to you patiently;
 - Accepting our mistakes, if any;
 - Correcting mistakes / implementing changes to address your queries;
 - Communicating our response to you promptly; and
 - Telling you how to take your complaint forward if you are not satisfied with the response.
- 2.4. We will publicize this Code, by making it available for public access on our website and make copies available for you on your request.

3. Information

(To help you to choose products and services, which meet your needs)

- 3.1. Before you become a credit card customer :
- We will ensure prudence while issuing credit cards and independently assess the credit risk while issuing cards to person, especially to students and others with no independent financial means.
 - We will convey in writing to you the main reason/reasons which have led to the rejection of the credit card applications.
 - We will give you information explaining the key features of our credit card products including applicable fees and charges
 - We will advise you what information/documentation we need from you to enable us to issue credit card to you. We will also, advise you what documentation is required from you to fulfill our KYC norms to comply with legal and regulatory requirements
 - We will verify the details mentioned by you in your credit card application by contacting you on your residence and / or business telephone numbers and / or physically visiting your residence and/or business addresses through agencies appointed by us for this purpose, if deemed necessary by us.
 - We will explain you the relevant terms and conditions such as fees and interest charges, billing and payment, renewal and termination procedures and any other information that you may require to operate the card. While issuing cards, the terms and conditions for issue and usage of a credit card will be mentioned in clear and simple language (preferably in English, Hindi and 8 other local languages) comprehensible to you.
- 3.2 We will advise you of our targeted turn-around time while you are availing / applying for a product / service.
- 3.3 We will provide you the reference to the detailed terms and conditions, interest and charges applicable and other relevant information with respect to usage of your credit card along with your welcome/renewal/replacement kit.

The Most Important Terms and Conditions (“MITCs”) termed as standard set of conditions will be highlighted and advertised/sent separately to you at all the stages i.e. at the time of application, at the acceptance stage (welcome kit) and in important subsequent communications (statements)

We will advise you on our contact details such as contact telephone numbers, postal address, and website/e-mail address to enable you to contact us whenever the need be.

3.4 If you do not recognize a transaction(s), which appears on your credit card statement, we will give you more details if you ask us. In some cases, we may need you to give us confirmation or evidence that you have not authorized a transaction(s).

3.5 We also issue add-on credit cards i.e., those that are subsidiary to the principal credit card, with the clear understanding that the liability will be that of the principal credit cardholder.

4. Tariff (Fees / Charges /Interest)

4.1. We will make available our schedule of common fees and charges (including interest rates) through our:

- MITC (Link below)
- Contact Centre Website; or
- Designated staff

4.2. When you become a customer, we will provide you information on the interest rates applicable on your credit card and charge the same to your credit card account, if applicable.

4.3. We will explain how we apply interest to your account.

4.4. We are advised and guided by the instructions on interest rate on advisory and guidelines issued by RBI and as amended from time to time, while determining the interest rate on credit card dues, the latter being in the nature of non-priority sector personal loans.

4.5. We will inform you a ceiling rate of interest, including processing and other charges, in respect of credit cards. In case we charge interest, rates which vary based on your payment/default history, there shall be transparency in levying of such differential interest rates.

4.6. For this purpose, we will publicize through our website and by other means, the interest rates charged for various products. We also upfront indicate to you, the methodology of calculation of finance charges with illustrative examples, particularly in situations where a part of the amount outstanding is only paid by you.

4.7. We will ensure to inform you about your Credit Card outstanding through E-mail and SMS thereby providing you sufficient number of days as stipulated by RBI for making payment before the interest starts getting charged. In order to obviate frequent complaints of delayed billing, we may consider providing bills and statements of accounts online, with suitable security measures.

4.8. We will quote our Annualized Percentage Rates (APR) on card products (separately for retail purchase and for cash advance, if different). The method of calculation of APR will be given with a couple of examples for better comprehension. The APR charged and the annual fee will be shown with equal prominence (refer MITC).

4.9. We will mention the late payment charges, including the method of calculation of such charges and the number of days in the MITC. The manner in which the outstanding unpaid amount will be included for calculation of interest shall also

be specifically shown with prominence in all monthly statements. Even where the minimum amount indicated to keep the card valid has been paid, it will be indicated that the interest will be charged on the amount due after the due date of payment.

- 4.10. We will add a legend/notice in the MITC that "***Making only the minimum payment every month would result in the repayment stretching over years with consequent interest payment on your outstanding balance***" which will be prominently displayed in all our monthly statements so as to caution you about the pitfalls in paying only the minimum amount due.
- 4.11. We will also step up our efforts on educating you of the implications of paying only 'the minimum amount due'. The MITC will specifically explain that the 'free credit period' is lost if any balance of the previous month's bill is outstanding. For this purpose, we work out illustrative examples and include the same in the Welcome Kit sent to you and also place it on their website.
- 4.12. We will follow a uniform method of determining over-due status for credit card accounts while reporting to credit information companies and for the purpose of levying penal charges viz., late payment charges, etc., if any, as issued in terms of RBI circular RBI/2022-23/92/DoR.AUT.REC.No, 27/24.01.041/2022-23 dated April 21, 2022, as amended from time to time.
- 4.13. We will not levy any charge that was not explicitly indicated to you at the time of issue of the card and without getting your consent. While any tariff change will be undertaken as mentioned in clause 5, any service taxes or levies introduced by Government or any other statutory authority will be implemented as per instructs/timelines issued by such authority.
- 4.14. We will mention the terms and conditions for payment of credit card dues, including the minimum payment due, in our statements so as to ensure that there is no negative amortization.

5. Changes in our tariff

- 5.1 We will inform & update our website from time to time in case of any change in our tariff (interest rate or other fees/charges) on our credit card products.
- 5.2 We will make changes in any type of charges only with prospective effect giving notice of at least one month. A period shall be specified after which time you would be deemed to have accepted the terms if you have not withdrawn during the specified period. If you desire to surrender your credit card on account of any change in credit card charges to your disadvantage, you may be permitted to do so without being levied any extra charge for such closure. Any request for closure of a credit card shall be honored as per the stipulated timelines defined by RBI, subject to full settlement of dues.

6. Wrongful billing

We will ensure that wrong bills are not raised and issued to you. In case, you protest any bill, we will provide explanation and, if necessary, documentary evidence may also be provided to you within a maximum period of thirty days with a spirit to amicably redress the grievances.

7. Terms and conditions for issue of cards to customers

The terms shall specify the charges that would be levied at any point of time.

- 7.1 The terms shall put you under an obligation to notify us immediately after becoming aware:
 - of the loss or theft or copying of the card or the means which enable it to be used;

- of the recording on your account of any un-authorized transaction; and
- of any error or other irregularity in the maintaining of that account by us.

7.2 We will not dispatch a card to you unsolicited, except in the case where the card is a replacement for a card already held by you.

7.3 We will make available to you in writing on the website, terms and conditions governing the issue and use of such a card. These terms shall maintain a fair balance between the interests of the parties concerned.

8. Marketing Ethics: Use of Direct Sales Agent (DSAs)/Direct Marketing Agents (DMAs) and other Agents

8.1 We will ensure that our sales representatives will identify themselves when they approach you for selling card products.

8.2 We will have a prescribed code of conduct for our Direct Selling Agents (DSAs) whose services we may avail to market our credit card products.

8.3 In the event of receipt of any complaint from you that our representative has engaged in any improper conduct, we will take appropriate steps to redress the complaint.

8.4 When we outsource the various credit card operations, we will be extremely careful that the appointment of such service providers does not compromise with the quality of our customer service and our ability to manage credit, liquidity and operational risks. In the choice of the service provider, we will be guided by the need to ensure confidentiality of your records, respect your privacy, and adhere to fair practices in debt collection

8.5 We will have a system of random checks and mystery shopping to ensure that our agents have been properly briefed and trained in order to handle with care and caution their responsibilities, particularly in the aspects included in these guidelines like soliciting customers, hours for calling, privacy of customer information, conveying the correct terms and conditions of the product on offer, etc.

9. Telemarketing

9.1 We will ensure if our telemarketing staff/agents contact you over phone for selling any of our credit card products or with any cross sell offer, the caller will identify himself/herself and advise you that he/she is calling on our behalf.

9.2 We will also ensure that the telemarketers comply with directions/regulations on the subject issued by the Telecom Regulatory Authority of India (TRAI) from time to time while adhering to guidelines issued on "Unsolicited Commercial Communications – National Customer Preference Register (NCPR)".

10. Issuance of Credit Card / PIN

10.1 We will dispatch your credit card only to the mailing address mentioned by you through courier / post or to the branch as requested by the customer

10.2 We may also issue deactivated (not ready to use) credit card if we consider your profile appropriate for issuing credit card and such deactivated card will become active only after your acceptance of the same.

10.3 We have suppressed the physical PINs as our initiative to Go-Green however the same can be generated through our digital channels i.e. Mobile Banking, Net Banking. Do note on request we are equipped to send you a physical PIN.

11. Account Operations card statements –

11.1 Credit Card Statements

To help you manage your credit card account and check details of purchases/cash drawings using the credit card, we will offer you a facility to receive credit card transaction details through SMS and/or E-mail. Credit card statement will be dispatched on a predetermined date of every month which will be notified to you.

In the event of non-receipt of this information, we expect you to get in touch with us so that we can arrange to resend the details to enable you to make the payment and highlight exception, if any in a timely manner.

We will let you know / notify changes in schedule of fees and charges and terms and conditions. Normally, changes (other than interest rates and those which are a result of regulatory requirements) will be made with prospective effect giving notice of at least one month.

11.2 Protecting your account

We will advise you what you can do to protect your credit card from misuse.

In the event your credit card has been lost or stolen, or that someone else knows your PIN or other security information, we will, on your notifying us, we will block your Credit Card immediately, subject to operating regulations and law in force.

11.3 Processing activities at our end

We may allow processing of credit cards related activities including operations and cross selling to third party agencies that we consider appropriate for these purposes.

12. Confidentiality of Account Details

12.1 We will treat all your personal information as private and confidential (even when you are no longer a customer). We will not reveal transaction details of your accounts to a third party, including entities in our group, other than in the following four exceptional cases when we are allowed to do –

- If we have to give the information by law
- If there is a duty towards the public to reveal the information
- If our interests require us to give the information (for example, to prevent fraud) but we will not use this as a reason for giving information about you or your accounts (including your name and address) to anyone else, including other companies in our group, for marketing purposes
- If you ask us to reveal the information, or if we have your permission to provide such information to our group/associate/entities or companies when we have tie- up arrangements for providing other financial service products.

12.2 We will not reveal any information relating to you 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. The application form for credit card must explicitly provide for consent the same. Further, in case where you give your consent for us for sharing the information with other agencies, we will explicitly state and explain clearly to you the full meaning/ implications of the disclosure clause. The information being sought from you will not be of such nature as will violate the provisions

of the laws relating to secrecy in the transactions. We would be solely responsible for the correctness or otherwise of the data provided for the purpose.

- 12.3 We will ensure that the disclosure to the DSAs/recovery agents should also be limited to the extent that will enable them to discharge their duties. Personal information provided by you but not required for recovery purposes should not be released by us. We also ensure that the DSAs/DMAAs do not transfer or misuse your information during marketing of credit card products.

13. Collection of dues

Our bank's dues collection policy is built on courtesy, fair treatment and persuasion. We believe in fostering customer confidence and long-term relationship. Our staff or any person authorized to represent us in collection of dues or/and security repossession will identify himself/herself and interact with you in a civil manner. We will provide you with all the information regarding dues and will give sufficient notice for payment of dues. Our staff/agents are governed by Model Code for Collection of Dues and Repossession of Security issued by Indian Banks' Association

In the matter of recovery of dues, we and agents ensure to adhere to the extant instructions on Fair Practice Code for lenders

- 13.1 In particular, in regard to appointment of third-party agencies for debt collection, we will ensure that it is essential that such agents refrain from action that could damage our integrity and reputation and that they observe strict customer confidentiality. All letters issued by recovery agents must contain the name and address of our responsible senior officer whom you can contact at his location.
- 13.2 We/our 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 the privacy of the credit card holders' family members, referees and friends, making threatening and anonymous calls or making false and misleading representations.
- 13.3 We will also ensure to comply with the extant guidelines in respect of engagement of recovery agents issued by RBI, as amended from time to time.
- 13.4 General guidelines:
- 13.4.1 We would contact you ordinarily at the place of your choice and in the absence of any specified place at the place of your residence and if unavailable at your residence, at the place of business /occupation.
 - 13.4.2 We would ensure that the identity and authority to represent should be made known to you at the first instance.
 - 13.4.3 We would ensure that your privacy would be respected.
 - 13.4.4 We would ensure that the interaction with you should be in a civil manner.
 - 13.4.5 We would contact you in between 0800 hrs and 1900 hrs. Unless the special circumstances of your business or occupation require otherwise.
 - 13.4.6 We would ensure that your requests to avoid calls at a particular time or at a particular place should be honored as far as possible.
 - 13.4.7 We would also document the time and number of Calls and contents of conversation
 - 13.4.8 We would provide you with all the information regarding dues and necessary notice should be given for enabling discharge of dues.
 - 13.4.9 We would assist you to resolve disputes or differences in a mutually acceptable and in an ordinary manner.
 - 13.4.10 We would maintain decency and decorum during visits to your place for dues collection.

- 13.4.11 We would avoid inappropriate occasions such as bereavement in the family or such other calamitous occasions for making calls/visits to collect dues.
- 13.4.12 We would avoid demeanor that would suggest criminal intimidation or threat of violence
- 13.4.13 Do's and Don't's for the agents -

	Do's	Do Not's
Speech	<ul style="list-style-type: none"> • Use formal address • Tone should be sincere polite, yet assertive and firm. 	<ul style="list-style-type: none"> • Do not get tough or aggressive or abusive • Do not lose cool, get angry or even irritated irrespective of reason. • Pitch should not be high. • No shouting • Should not be personal • Do not threaten/harass/torment the customer in anyway.
Ethics		<ul style="list-style-type: none"> • Collector should not make any verbal or written promises to customer on matters outside his purview or an ad hoc settlements/product features. • Should not State any false information
Confidentially		<ul style="list-style-type: none"> • Unauthorized information written or verbal cannot be divulged to any customer/competitor/any other person.
Process/Product Discipline	<ul style="list-style-type: none"> • Collectors will perform their role within the framework of the instructions issued to them in terms of process notes and specifies of collection action based on the product. 	

Maximize Effectiveness	<ul style="list-style-type: none"> Collectors will strive to maximize the effectiveness of the visitations by previsit preparation and result orientation in order to improve results. Will document result in visit/action taken. 	
Proximity	<ul style="list-style-type: none"> Maintain a reasonable distance from the customer 	<ul style="list-style-type: none"> No physical contact with the customer No obstruction to
Timing (City Specific)	<p>Earliest:0800hours Latest : 1900 hours</p> <p>- (Unless the special circumstances of the borrower's business or occupation demands otherwise.)</p>	

14 Reporting to Credit Information Companies (CICs)

- 14.1 We will explicitly inform you while providing your information to a Credit Information Company relating to your credit history/repayment record
- 14.2 Before reporting your default status to a Credit Information Company, we would ensure to issue you a sufficient notice (as mandated by the regulators) about the intention to report you as a defaulter.
- 14.3 This would also cover the period within which such report will be withdrawn in the event you settle your dues after having been reported as defaulter.
- 14.4 We would be particularly careful in the case of cards where there are pending disputes. The disclosure/release of information, particularly about the default, would be made only after the dispute is settled. These procedures are mentioned in our MITC.

15 Redressal of Grievances

- 15.1 We will have a Grievance Redressal Cell/Department/Center within the organization. If you want to make a complaint, we will tell you how to do this and what to do if you are unhappy about the outcome. Our staff will help you with any queries you have.
- 15.2 Our Complaint handling procedure will be displayed on our website along with the time frame for responding to your complaints and escalation process.
- 15.3 We will constitute Grievance Redressal machinery within the bank and give wide publicity about it through electronic and print media. The name and contact number of designated grievance redressal officer of our bank shall be mentioned on the credit card bills and on our website. The designated officer would ensure that genuine grievances of credit card subscribers are redressed promptly without involving delay.
- 15.4 We will ensure that our call center staff is trained adequately to competently handle all your complaints.
- 15.5 Our grievance redressal procedure and the time frame fixed for responding to the complaints would be placed on the bank's website. There would be a system of

acknowledging your complaints for follow up, such as complaint number, even if the complaints are received on phone.

- 15.6 Within 30 days of lodging a complaint with us, if you do not get a satisfactory response from us and you wish to pursue other avenues for redressal of grievances, you may approach Banking Ombudsman appointed by Reserve Bank of India under Banking Ombudsman Scheme 2006.

16 Termination of Credit Card

- 16.1 You may terminate your credit card by giving notice to us and by following the procedure laid down by us in our MITC after clearing outstanding dues, if any.
- 16.2 We may terminate your credit card, if in our opinion; you are in breach of the cardholder's agreement.

17 Feedback and Suggestions

Please provide feedback on our services through our customer service center. Your suggestions will help us to improve our services.

18 References –

MITC	https://www.kotak.com/content/dam/Kotak/files/english-rcas.pdf
RBI Master Circular	https://rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=12300
