

Sonargaon University (SU)

Dhaka, Bangladesh

Thesis Paper

on

Credit Card Risk Management Framework & Operational Policies- Meghna Bank PLC

Submitted by:
Shibly Noman
ID: EMBA2401031031
Program: Executive Master of Business Administration (EMBA)
Major: Management
Semester: Spring-2025

Submitted to:

Department of Business Administration

Sonargaon University (SU)

Dhaka-1215

Date of Submission: April 28, 2025



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ID: EMBA24031031031

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Major: Management

Semester: Spring-2025

Supervised by:

Md. Mostakin

Lecturer

Department of Business Administration

Sonargaon University (SU)

Date of Submission: April 28, 2025

Letter of Transmittal

Date:
April 28, 2025

To
Md. Mostakin
Lecturer, Department of Business Administration
Sonargaon University

Subject: Submission of Thesis Report

Credit Card Risk Management and Product Program Design: A Strategic Review of Meghna Bank PLC

I sincerely thank you for your guidance, support, and encouragement during the internship period and throughout the preparation of this report. I hope the report meets your expectations and academic standards.

Sincerely,

Shibly Noman
ID: EMBA2401031031
EMBA, Management
Sonargaon University

Certificate of Supervisor

Credit Card Risk Management and Product Program Design: A Strategic Review of Meghna Bank PLC

The report is an original piece of work carried out under my supervision and guidance. To the best of my knowledge, it has not been submitted previously for any degree or diploma at any institution.

Md Mostakin
Lecturer, Department of Business Administration
Sonargaon University

Declaration of the Student

Credit Card Risk Management and Product Program Design: A Strategic Review of Meghna Bank PLC

This report is my original work and has not been submitted to any other institution for the award of any degree or diploma.

Shibly Noman
ID: EMBA2401031031
EMBA, Management
Sonargaon University

Letter of Authorization

Credit Card Risk Management and Product Program Design: A Strategic Review of Meghna Bank PLC

We hereby allow him to present this report to his academic institution.

Md Mostakin
Lecturer, Department of Business Administration
Sonargaon University

Acknowledgement

First and foremost, I would like to express my heartfelt gratitude to the Almighty for giving me the strength and patience to complete this report.

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Executive Summary

This thesis explores the structure, policies, and operational framework of the Credit Card Product Program of Meghna Bank PLC, with the goal of evaluating its effectiveness and identifying areas for strategic enhancement. The study analyzes customer segmentation, eligibility criteria, debt burden ratio (DBR), income verification, credit limit assignment, and risk management practices. It also outlines Meghna Bank's current offerings, including digital integration through Meghna Pay and value-added services like Meghna 360° Rewards. Key challenges include limited product differentiation, evolving customer expectations, and the need for stronger digital infrastructure. The paper recommends targeted product development, advanced fraud detection, financial literacy initiatives, and improved customer support to enhance competitiveness and customer retention. Overall, the thesis concludes that Meghna Bank PLC is well-positioned to scale its credit card business by leveraging technology and customer-centric strategies while maintaining regulatory compliance and risk controls.

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Chapter 1: Introduction to Product Program Guideline

Chapter 1: Introduction to Product Program Guideline

1.1 Introduction

This Product Program Guideline (Product Program Guideline) has been developed for Meghna Bank PLC (MGBPLC) as a comprehensive operational document to streamline the Credit Card Division's product lifecycle and associated processes. The primary objective of this guideline is to establish uniform policies, procedures, and risk management protocols to ensure the efficient, secure, and customer-centric management of credit card operations. It also supports the strategic goals of the bank in terms of expanding market reach, enhancing product offerings, ensuring compliance, and maintaining service excellence.

This Credit Card Program Guideline is applicable to all relevant units involved in the Credit Card Business, including branches, SME centers, and support departments. It lays down specific policies for various credit card products, eligibility criteria, customer segmentation, income assessment, credit limits, repayment structures, marketing, and risk measures. While the guideline is set for an annual review cycle, urgent updates and interim amendments can be initiated by relevant division heads with final approval from the Managing Director & CEO. The access to this guideline must be extended across all operational units to ensure standardized implementation and compliance.

1.2 **Card Product Policy Document Overview Table**

Element	**Details**
Business Unit	Card Division
Product Name	Credit Card
Nature of Product	Unsecured / Secured
Review Cycle	1 Year

1.3 **Table of Contents (Topics Covered in the Credit Card Policy Framework)**

- Background
- Product Definition, Strategies & Plan
- Sales Drive
- Improving Service Quality
- Holistic Marketing Approach
- Vulnerability Assessment & Measures

- **Product Overview**
  - VISA Silver/Gold/Platinum/Signature
  - ERQ Credit Card
  - RFCD Credit Card
  - Co-Branded, Pre-Approved, Staff, Complementary Cards
  - Secured Credit Card, Prothoma Women Credit Card
  - Migration Policy (Staff to General)
- **Eligibility & Income Criteria**
  - Minimum Income
  - Age
  - Nationality
- **Interest Rates & Credit Limits**
  - Credit Card Interest
  - Card Product Type Change
  - Waiver of Annual Fees
- **Required Documents**
- **Payment Options**
  - Mode, Channel, Due Date, Grace Period
  - Minimum Payment Due
- **Card Operations**
  - PIN, Delivery, Replacement, Cheque Facility
- **EMI Facilities**
  - Interest-bearing, Service Charge, Smart Pay, Balance Transfer
- **Value-added Services**
  - Discount Facilities, Lounge Access, Rewards Program
  - Meet & Greet, Internet Banking, SMS Alert, 24-hour Call Centre

Chapter 2: Background, Product Definition, Strategies & Product Overview

Chapter 2: Background, Product Definition, Strategies & Product Overview

2.1 Background

Meghna Bank PLC (MGBPLC) launched its Credit Card business in 2016. Since then, the credit card segment has evolved to become one of the most significant revenue-generating lines within the banking sector in Bangladesh. Over the last few years, with the expansion of consumer finance and changing customer expectations, most top-tier banks have ventured aggressively into the credit card space, making the competition more intense than ever before.

To remain competitive and ensure sustained growth in a crowded market, Meghna Bank has prioritized quality asset growth and an increased market share through strategic enhancements in its credit card offerings. One of the most critical frameworks enabling this structured expansion is the Product Program Guideline (Card Program Manual). The Card Program Manual serves as a foundational document, setting forth the standardized policies and procedures that govern all aspects of the credit card business.

In light of dynamic market trends and evolving customer behaviors, Meghna Bank has introduced a revised and more robust version of the the Guideline, which came into effect in February 2024. This revised guideline aims to ensure stronger portfolio quality, better risk mitigation, and alignment with modern credit card practices. It will be reviewed periodically or upon necessity based on market demands and business requirements.

2.2 Product Definition

The Meghna Bank PLC Credit Card is defined as a multi-purpose, revolving credit facility offered under the VISA brand, featuring flexible monthly repayment options tied to card usage. The product includes both secured and unsecured credit options and can be issued to primary and supplementary cardholders.

Cardholders can use the credit card for:

- Purchasing goods and services at merchant POS terminals.
- Performing transactions through e-commerce/online platforms, as permitted by local regulations.
- Cash withdrawals at ATMs displaying the VISA or Q-Cash logo.
- Card cheque withdrawals and fund transfers via Internet Banking.

2.3 Next 12 Months Key Strategies & Action Plan

Focus Area	Strategic Initiatives
Sales Drive	- Leverage branch network to onboard quality credit card customers alongside other SME, Retail, and corporate products. - Introduce corporate offers to attract high-value clients. - Promote cross-selling (e.g., co-branded and complementary cards with loans).
Improving Service Quality	- Implement IVR-based customer service for faster support. - Launch value-added services to retain loyal customers and attract new users. - Prioritize sales of high-profit intensive products.
Holistic Marketing Approach	- Offer year-round cashback and merchant-specific discount campaigns. - Introduce "Buy 1 Get 3 Free" deals and Smart Pay EMI campaigns. - Promote Platinum cards through digital and ATL/BTL branding.
EMI Campaigns	- Launch Interest-bearing EMI options. - Offer EMI with service charges, unutilized balance EMI, and outstanding balance EMI.
Brand Awareness & Loyalty	- Launch targeted social media and EDM campaigns. - Introduce reward schemes like “Star User of the Month/Year” based on transaction volume and credit behavior. - Use push messaging and media ads for spot marketing.
Vulnerability Assessment & Measures	- Deploy advanced fraud detection and risk management tools. - Ensure customer awareness through educational campaigns and transparent communication.

2.4 Product Overview

Credit Cards issued by Meghna Bank are revolving credit facilities, allowing cardholders to borrow funds at the point of sale and repay as per their financial capacity. Interest accrues on a daily basis from the date of transaction if the dues are not settled within the grace period. Credit limits are assigned based on individual credit ratings, income level, and risk profile.

2.5 VISA Silver / Gold / Platinum / Signature Credit Card

These are Meghna Bank’s core product offerings under the VISA brand. These cards come with:

- Dual currency usage: Customers can utilize the card both locally and internationally.
- USD Limits: The USD credit limit is within the overall BDT limit, or, in some cases, separate BDT and USD limits are defined, depending on the card category.

Chapter 3: Special Card Types, Features & Income Criteria

Chapter 3: Special Card Types, Features & Income Criteria

3.1 ERQ Credit Card

The ERQ Credit Card is a secured USD credit card offered by Meghna Bank PLC. This card is specifically issued against a lien on the ERQ (Exporters' Retention Quota) account. Cardholders can avail up to 90% of the lien value as their credit limit.

To process an ERQ Credit Card:

- A valid ERQ account must be maintained with Meghna Bank.
- Auto-debit functionality is mandatory to ensure repayment directly from the ERQ account.

3.2 RFCD Credit Card

The RFCD (Resident Foreign Currency Deposit) Credit Card is also a secured USD credit card product. It is issued against a lien on the RFCD account, which must be held with Meghna Bank.

Key features:

- A maximum of 90% of the lien can be availed as the credit limit.
- The RFCD account with Meghna Bank is mandatory.
- Auto-debit is required for application processing.

3.3 Co-Branded Card

The Meghna Bank Credit Card Division may enter into co-branding agreements with external entities, subject to approval from the Managing Director (MD) & CEO. These co-branded cards are introduced through a Memorandum of Understanding (MOU) that clearly defines:

- The responsibilities of each party.
- The benefits and value propositions of the partnership.
- Joint marketing and customer benefit terms.

The MoU must be signed by both parties before launching any co-branded card.

3.4 Pre-Approved Card

A Pre-Approved Credit Card is not a separate product type but a method of issuance based on the customer's long-standing relationship and account history with Meghna Bank. Customers who meet certain internal criteria — including transaction behavior, deposit balance, and overall account relationship — may be selected under specific campaigns.

Pre-Approved Card Issuance Process:

- Issuance is based on a Campaign Recommendation Document (CRD)**,** which outlines the campaign's justification, eligibility, and timeline.
- The card may be offered to distinguished individuals such as ministers, secretaries, VCs, top government officials, chairpersons of banks, and corporate executives.
- Approval is required from DMD (Deputy Managing Director) and above**.**
- Supporting documentation must be collected at the time of delivery.

3.5 Complementary Card

The Complementary Card is issued as a goodwill gesture and marketing tool to build relationships with influential and reputed individuals in society. This includes:

- Chairpersons, Managing Directors, Deputy Managing Directors, and other C-level officials from Banks, NBFIs, MNCs, Government institutions, clubs, and local organizations.

3.6 Staff Card

The Staff Card is exclusively issued to Meghna Bank PLC employees. These cards are more secure, as cardholders maintain their salary accounts with Meghna Bank.

Issuance Criteria:

- Cardholder must be a confirmed staff member of MGBPLC.
- HR clearance is mandatory**.**
- Credit limit will follow the internal staff limit grid**.**
- Interest rates are as per the Schedule of Charges (SOC)**.**

Migration Policy (Staff to General)

If an employee resigns, they may retain their Meghna Bank Credit Card by converting it to a general commercial card.

- At the time of release, DBR (Debt Burden Ratio) will be recalculated.
- If the new DBR is within limits, the credit limit remains unchanged.
- The individual must submit a new application along with an appointment or offer letter from the new employer, or valid business documents.
- If joining another Bank or Type A company**,** the CPV may be waived**.**

3.7 Secured Credit Card

Secured Credit Cards are issued against lien deposits such as:

- FDR (Fixed Deposit Receipt)
- DPS (Deposit Pension Scheme)
- RFCD
- ERQ

Customers can avail up to 90% of the liened amount as a credit limit. These cards are useful for customers with limited or no credit history.

3.8 Prothoma Women Credit Card

The Prothoma Women Credit Card is a specially designed credit product to empower women by providing them with greater financial access and benefits.

Key Features:

- Available to women of all income groups**.**
- Unsecured credit limit of up to BDT 10,00,000**.**
- Double reward points for every purchase.
- Periodic special offers and promotions targeted at women.

The Prothoma Card reflects the bank's commitment to gender inclusion and customer diversity.

3.9 Minimum Income Criteria for Credit Card Applicants

The following table presents the minimum monthly income required to be eligible for Meghna Bank PLC credit cards across various customer segments:

Segment	**Minimum Monthly Income (BDT)**
Govt / Semi-Govt / Autonomous / Prothoma Women	22,000
A Type / Corporate / Payroll	25,000
B Type (Based on Credit Assessment)	30,000
C Type / Non-Categorized	35,000
RMG (Ready-Made Garments Workers)	40,000
Landlords / Businessmen / Prothoma Businesswomen	75,000

Chapter 4: Eligibility, Limit Determination & Policy Provisions

Chapter 4: Eligibility, Limit Determination & Policy Provisions

4.1 Company Categorization and Recommendations

Credit Card eligibility and credit limit assessments at Meghna Bank PLC are significantly influenced by the applicant's employer classification.

- For non-listed organizations**, a** recommendation from the Head of Cards (HOC) is required, based on the customer's profile**.**
- Meghna Bank follows a Company Categorization Memo, which classifies employers into Type A, B, and C, with corresponding credit limit multipliers.
- For Prothoma Women Credit Card, the multiplier for determining the credit limit aligns with either:
    - The company category, or
    - The grid segment, if the applicant is a salaried woman.

4.2 Age Criteria for Credit Card Applicants

The applicant's age plays a crucial role in determining eligibility:

Card Type	**Age Level**	**Age Requirement**	**Approval Authority**
Primary Card	Level-1	18 to 60 Years (At the time of issue)	Head of Retail Credit & Collection
Supplementary Card	Level-1	18 Years and above	N/A
Any Card	Level-2 (Above 60 yrs)	Above 60 Years	Line Head of RCC / DMD & Above HOC recommendation required
Secured Card	No specific limit	No age bar	As per product policy

4.3 Nationality Requirements

Meghna Bank PLC permits both citizens and eligible expatriates to apply for credit cards under specific guidelines:

- Applicants must be Bangladeshi by birth or citizenship, or
- Foreign nationals with a valid work permit in Bangladesh can avail cards in BDT limit only, valid till the work permit's expiration.
- A payment guarantees from a company official (authorized via MOA/AOA or Board Resolution) is mandatory for expatriates.

4.4 Credit Card Interest & Payment Terms

Criteria	**For Customers**	**For MGBPLC Staff**
Interest Free Period	Minimum 15 days, Maximum 45 days	Same
Interest Accrual Method	On a daily basis	On a daily basis
Interest Application	Retail Transactions → Due Date Cash Advances → Transaction Date	Same

Interest rates are governed by the Schedule of Charges (SOC)**.**

4.5 Credit Card Limit Policy

The bank defines a structured credit limit framework:

- Minimum limit: BDT 30,000
- Maximum limit**:** BDT 10,00,000
- The total credit limit depends on:
    - DBR (Debt Burden Ratio) coverage
    - Regulatory guidelines
    - Company category and income stability

Card Type-wise Credit Limit Range

Card Type	Credit Limit (BDT)
Visa Silver Card	30,000 – 75,000
Visa Gold Card	50,000 – 2,00,000
Visa Platinum Card	1,50,000 – 10,00,000
Visa Signature Card	5,00,000 – 10,00,000

4.6 Product Upgrade & Credit Limit Multiplier

Customers may upgrade their credit card type if their existing limit falls within the eligible range.

Customer Type vs. Maximum Credit Limit

Customer Type	Type A (Max 5x Net Income)	Type B (Max 4x Net Income)	Type C/Non-CAT (Max 3x)
Salaried Personnel	✓	✓	✓
Self-employed Professionals	✓	✓	✓
Businessmen & Landlords	✓	✓	✓
Prothoma Business Women	Up to 5x, subject to DBR	Up to 4x or 3x	✓

4.7 Card Cheque Limit

Cardholders can access liquidity using Card Cheques**:**

- Customers can issue a cheque from their credit card for up to 90% of the total available limit**.**
- Funds can be transferred to third-party beneficiary accounts only (not to own accounts).

Chapter 5: Required Documents for Secured Credit Card

Chapter 5: Required Documents for Secured Credit Card – MGBPLC

5.1. General Application Documents (Applicable to All)

- Duly filled and signed Credit Card Application Form
- Photocopy of NID or Passport
- Recent Lab Print Photo
- KYC Form
- CIB Undertaking & Inquiry Form
- Post-dated Cheque (PDC)
- All Charge Documents: Demand Promissory Note (DP Note), Letter of Continuity, Letter of Set Off, Letter of Disbursement, Memorandum of Deposit of Securities, Authorization for Encashment of Securities

5.2. Employment/Income Proof Documents

- Latest Salary Certificate / Letter of Introduction (LOI) / Pay slip (within 50 days) – for salaried only
- Office ID / Visiting Card / Business Card
- E-TIN Copy with Latest Income Tax Return (ITR)
- Income Declaration – for self-employed / landlord / other personal card holders
- Bank Statement (3/6/12 months) – not older than 30 days
- BMDC / Professional Certificate – if applicable by profession

5.3. Security & Lien Related Documents

- Lien Request Letter (signed by applicant)
- Lien Confirmation Letter from Branch
- Bank Statement Showing RFCD / ERQ Balance – for RFCD/ERQ cardholders
- Original Security Instrument (signed, verified, with Revenue Stamp)
- Authorization Letter for Debit Instruction (signed)

5.4. Business / Ownership Verification Documents

- Trade License / MOA / Partnership Deed – for businesspersons
- Board Resolution – for Pvt./Public Ltd. Companies
- Owned House Proof / Family Ownership for DBR purpose
- Land Ownership Proof – for landlords

5.5. Internal Bank Documents

- MGBPLC HR Clearance & Debt Burden Ratio (DBR) Assessment.

Chapter 6: Required Documents – Additional Customer Segments

Chapter 6: Required Documents – Additional Customer Segments (MGBPLC Credit Card)

6.1. General Application Documents (Applicable to All)

- Duly filled and signed Credit Card Application Form
- Recent Lab Print Photo
- Photocopy of NID or Passport *(or any valid Photo ID/Digital Birth Certificate for Supplementary Applicant)*
- KYC Form
- CIB Undertaking & Inquiry Form
- Post-dated Cheque (PDC) – *required for all businesspersons, landlords/ladies, and salaried with cook allowance*
- All Charge Documents: Demand Promissory Note (DP Note), Letter of Continuity, Letter of Set Off, Letter of Disbursement, Memorandum of Deposit of Securities, Authorization of Encashment of Securities

6.2. Income & Employment Proof

- Latest Salary Certificate / LOI / Pay Slip (within 50 days) – where applicable
- Office ID / Visiting Card / Business Card
- Bank Statement (3/6/12 months) – not older than 30 days (CRM submission date) Note: Updated statement required if >60 days during CRM approval/CPV
- E-TIN Copy with Latest ITR
- Income Declaration – required for self-employed, landlords, doctors, or professionals
- BMDC / Professional Certificate – required for medical professionals

6.3. Security, Lien & Special Instructions

- Lien Request Letter (signed by applicant)
- Lien Confirmation Letter (from relevant branch)
- Bank Statement Showing RFCD / ERQ Balance – if applicable
- Authorization for Debit Instruction – (signed)
- Original Security Instrument (signed, verified, with Revenue Stamp)

6.4. Business / Organizational Documents

- Trade License / MOA / Partnership Deed – for businesspersons or firms
- Board Resolution – for Pvt. Ltd. or Public Ltd. company accounts

6.5. Ownership & Housing Documents

- Ownership Proof (Land) – for landlords
- Owned House / Family-Owned House Documents (Title Deed / Mutation / Tax Receipt / Utility-Bill)
  Note: DBR relaxation up to 5% allowed for salaried professionals & landlords with owned housing

6.6. Internal & Segment-Specific Requirements

- MGBPLC HR Clearance – internal staff processing
- Debt Burden Ratio (DBR) Calculation
- Segment Notes:
  - Balance Transfer/Takeover Cases*:* Require all regular documents.
  - Club Members / Govt. Engineers / Academic Personnel / Corporate under MOU / Accounting Professionals*:* Submit all standard documents with relevant proof of affiliation.

Chapter 7: Card Operations & Facilities

Chapter 7: Card Operations & Facilities

7.1. Statement Delivery

1. Statements can be delivered via courier upon the cardholder's request. Applicable courier charges will follow the bank's Schedule of Charges (SOC).
2. Statements will not be issued for accounts with zero balance or inactive cards with credit balances.

7.2. Card Validity

- Credit cards are valid for 60 months and will be automatically renewed unless canceled by the customer or revoked by the bank.

7.3. Payment Policy

- Cardholders must clear dues by the specified due date. Payments can be made in full or partially, but must cover at least the Minimum Due Amount**.**

7.4. Modes of Payment

- Cash Deposit
- MGBPLC Cheque
- Non-MGBPLC MICR Cheque
- Debit Instruction from MGBPLC Account
- Standing Instruction (SI) from MGBPLC or other banks
- MGBPLC Debit Card Fund Transfer via ATM
- Mobile Wallet (MFS)
- Internet Banking

7.5. Channels of Payment

- MGBPLC Branches
- ATMs
- Internet Banking
- MFS/Digital Wallets
- NPSB and BEFTN

Minimum Payment Due

- Minimum due is 5% of total financial transactions in both BDT and USD accounts.
- Total minimum payment = current month's minimum due + previous overdue + excess amount + any EMI.
- Late payment fee is automatically applied if the minimum due is not cleared by the due date.

Payment Due Date

- Payments are due 15 days after the billing date**.**

Grace Period

- A 3-day grace period may be allowed beyond the due date, subject to bank discretion. Late payments beyond this period incur interest and a penalty fee per SOC.

PIN Generation

- PIN can be generated via Call Center (16735) or Internet Banking after card activation.
- A physical copy of the PIN may be provided on request; fees apply as per SOC.

Card Delivery

- Cards will be dispatched to the customer's address through Mail/Courier/Other Delivery Modes**.**

Chapter 8: EMI Facilities

Chapter 8: EMI Facilities

8.1. MGBPLC Interest Bearing EMI

Cardholders can convert retail purchases, card cheque transactions, or fund transfers into interest-bearing installments:

- **Interest Rate**: As per SOC
- **Tenure**: 6, 12, 18, 24 months
- **Minimum Amount**: BDT 5,000

8.2. MGBPLC EMI with Service Charge

Retail purchases, card cheques, or fund transfers can be repaid in service charge-based installments**:**

- **Tenure**: 3, 6, 9, 12, 18, 24 months
- **Minimum Amount**: BDT 5,000
- **Service Charge**: As per approved EMI Service Charge memo

8.3. MGBPLC Smart Pay

Smart Pay allows customers to split retail purchases from partner outlets into 0% interest EMI:

- **Tenure**: 3, 6, 9, 12, 18, 24, 36 months
- **Minimum Purchase**: BDT 5,000

Chapter 9: Airport Lounge & Travel Benefits

Chapter 9: Airport Lounge & Travel Benefits

Balaka Lounge Facility

- **Eligible Cards**: Visa Platinum (Primary & Supplementary), Visa Gold (Primary only)
- **Facility**: Complimentary access to Balaka Lounge, Hazrat Shahjalal International Airport, Dhaka.
- **Amenities**: Hot meals, beverages, Wi-Fi, widescreen TVs, seating, and more.

Meet & Greet Service

- Available exclusively for **Visa Platinum** cardholders (Visa Signature Cardholders will also be eligible upon launch).
- Includes personal assistance during airport check-in and arrival at **Hazrat Shahjalal International Airport**, Dhaka.
- **Booking**: Must be made via MGBPLC **24/7 Call Center** before travel.
- **Service Provider**: Meet Greet & Assist Services Ltd.

Meghna-VISA Lounge Key™ Access

- Available to Visa Platinum (Primary) Cardholders**.**
- Global Lounge Access: Over 1,100 airport lounges worldwide.
- Entry Requirements: Present Meghna VISA Platinum Credit Card or Lounge Key™ Digital Card along with a valid boarding pass.

Chapter 10. Digital Support Services

Chapter 10. Digital Support Services

10.1. Internet Banking

- Cardholders can access Internet Banking to:
    - View statements, balances, and transaction history
    - Request card activation/block, PIN issuance/reissuance
    - Perform fund transfers and bill payments
    - Submit service requests

10.2. SMS Alerts

- Automatic SMS alerts are sent for:
    - Transaction notifications
    - Statement issuance
    - Payment reminders
- Complies with BRPD Circular 07, dated May 12,2017 on Credit Card Operation Guidelines (Section 18).

10.3. 24-Hour Call Center

- **Access**: Available **24/7/365**
- **Support Scope**:
    - Travel bookings (Meet & Greet)
    - Card service requests
    - Account inquiries and issue resolution

10.4. Credit Shield Premium (CSP)

- **Nature**: Optional insurance facility available for MGBPLC Credit Cardholders (Silver, Gold, and Platinum).
- **Premium**: Charged monthly on the outstanding balance, as per the Schedule of Charges (SOC)**.**

10.5. Coverage Details:

- **Death or Permanent Total Disability**:
    - Nominee receives 100% of the credit card outstanding.
    - Bank also receives 100% of the outstanding balance to recover dues.

- **Accidental Death**:
    - Nominee receives 100% of outstanding dues.
    - Bank is reimbursed for the full outstanding.
    - **Additional Compensation**:
        - **Platinum Cardholders**: BDT 5.00 lac
        - **Gold Cardholders**: BDT 3.00 lac
        - **Silver Cardholders**: BDT 1.00 lac

Chapter 11. Market Segmentation & Eligibility Criteria

Chapter 11. Market Segmentation & Eligibility Criteria

11.1. Target Customer Segments

1. **Salaried Individuals** (Except commission-based personnel such as contractual sales, recovery agents, etc.)
    - Includes staff under HR contracts from UN bodies, reputed MNCs, A-type LLCs, Govt./Semi-Govt. projects, and foreign NGOs.
2. Self-Employed Professionals with proven income stream:
    - **Engineers** (BSC/MSC, IEB membership)
    - **Architects** (BSC/MSC, IAB membership)
    - **Doctors** (Minimum MBBS)
    - **Barristers** (With practice experience)

11.2. Exceptional Customer Segment

- Customers not explicitly listed in the "Target Market" may be considered exceptional cases**.**
- Approval must be obtained from the Head of Cards, based on:
    - Proper justification
    - Recommendation from Branch Manager or Divisional Head
- Facility may be granted on a case-by-case basis**.**

11.3. Non-Target Customer Segments

The following categories are classified as non-target and are generally ineligible for credit card issuance:

- Media personalities (journalists, freelancers from non-reputed platforms)
- Legal professionals (lawyers, unless designated as grid customers)
- Employees of lesser-known proprietorship/partnership firms
- Law enforcement personnel (except grid-verified officials)
- Politically affiliated individuals
- Travel and C&F Agents (low tier)
- Individuals involved in ethically/socially/environmentally sensitive businesses
- Cable TV/local broadband operators

- Money changers/foreign exchange traders

11.4. Eligibility Criteria

Residence Status

- Must be a Bangladeshi citizen or a foreign national residing in Bangladesh with a valid work permit and tax payment history**.**

Business/Service Existence

- Applicable as per specific segment guidelines (next subsection will detail salaried/service length criteria).

Here's the structured and polished version of the Eligibility and Debt Burden Ratio (DBR) section for your Product Program Guideline (Product Program Guideline) of Meghna Bank PLC's Credit Card Division. This follows the formatting of previous sections and keeps the document bank-compliant and easy to reference.

11.5. Employment & Income Eligibility Criteria

Employment Type Classification

Type	**Minimum Service Tenure**	**Salary Reflection Requirement**
Type A	Minimum 3 months	Minimum 3 salary reflections
Type B	Minimum 6 months	Minimum 5 salary reflections
Type C / Non-listed / Full Cash	Minimum 7 months	Minimum 6 salary reflections

- In case of variable salary reflection**,** the average or lowest salary of the last 3 months will be considered as income. Alternatively, last 3 months' pay slips may be accepted.

11.6. **Cash Salary Considerations**

- General Cash Salary Cases**:**
    - Evaluated case-by-case with Head of Cards' recommendation.
    - Minimum monthly income: BDT 50,000
    - At least 50% of the salary must be reflected in bank statement.

- **Special Cases**:
    - Government Service Holders / Bankers: 100% of cash salary considered.
    - Type A Companies (non-RMG): 80% of full cash salary considered.
    - Type B Companies (non-RMG): 60% of full cash salary considered.
    - Type C Companies / RMG Sector**:** Partial cash portion of salary is not considered**.**
    - Reflected salary must exceed the declared cash salary.

11.7. Debt Burden Ratio (DBR) Guidelines

DBR evaluates the borrower's credit repayment capability relative to income.

Formula:

```
DBR = ((Existing Loan EMIs + 3% of (Existing + Proposed Credit Card Limits)) / Monthly Net Salary) × 100
```

1. For Businessmen and Landlords: DBR must not exceed **50%**, regardless of income tier.
2. DBR Relaxation:
    - Up to 5% relaxation may be applied if the applicant resides in an own house or family-owned property**.**

11.8. Approving Authority for Different Types of Waivers

During routine operations, the Credit Card Division may encounter situations where fee waivers or adjustments are necessary. These adjustments have a direct impact on the bank's accounts and must be handled under a defined approval structure.

Chapter 12: Contact Point Verification (CPV)

Chapter 12: Contact Point Verification (CPV)

CPV is a mandatory step to confirm the applicant's declared socio-economic details.

12.1. CPV Inclusions

- Residence, Office/Business Address
- Signature, Photograph, Contact Number
- Bank Statement and Other Income Documents (if necessary)

12.2. Internal CPV

Conducted by sourcing teams (Sales, Branch, Priority Banking, Payroll, etc.) for:

- High Net-Worth Individuals
- Government Officials
- Club Members
- University Faculty (Public & Select Private)
- Defense and Bank High Officials

Internal CPV must be supported by Head of Card Sales / Deputy Manager / Branch Manager. CPV report validity: Maximum 1 month**.**

12.3. Third-Party CPV

Mandatory for all unsecured credit card applications**.** Conducted by independent, bank-approved verification agencies to ensure:

- Timely processing
- Risk mitigation
- Quality customer onboarding

Chapter 13: Pre-Approval Risk Checks

Chapter 13: Pre-Approval Risk Checks

13.1. De-Duplication (De-Dup) Check

- Manual cross-checking with CRM & bank database to confirm:
    - No existing undeclared loans
    - No credit card defaults from other banks (via CIB)
    - Sanction screening compliance

13.2. Personal References

- Two (2) references required:
    1. One from spouse/parent/blood relative
    2. One from an eligible third party

Supplementary cardholders and MGBPLC staff cannot be listed as references.

13.3. Name / DOB Mismatch (NID/Passport/E-TIN)

- Applicant must submit written clarification
- Supporting documents (if available)
- Approval by: Head of Card Sales / Branch Area Head / Head of Branch

13.4. Residence / Business Address Mismatch

- Written clarification required
- Supported by available documents
- Approval by: Head of Card Sales / Branch Area Head / Head of Branch

13.5 Credit Information Bureau (CIB) Guidelines

- A clean and valid CIB report (not older than 1 month) is mandatory.
- Up to 2 months of overdue may be considered in repayment history (discretionary based on risk profile and policy).

Chapter 14: Negative File Maintenance

Chapter 14: Negative File Maintenance

14.1. Retail Credit and Collection Team will maintain a Negative File to blacklist:

- Individuals with fraud documentation history
- Borrowers with integrity concerns or prior delinquencies
- Previously defaulted or rejected applicants

14.2. Income and Credit Assessment

To be conducted strictly as per the Credit Policy Guidelines and Income Evaluation Matrices defined for respective customer types in this Credit Card Program Guideline.

Here's a well-structured and professionally formatted section for Credit Limit Determination & Enhancement as part of the Product Program Guideline (Card Product Policy Document) for Meghna Bank PLC (MGBPLC) Credit Card Division. This version improves clarity and enhances usability across operations, risk, and sales teams:

14.3. General Limit Determination Based on Net Monthly Income (NMI)

Applications meeting minimum cut-off criteria and qualifying under credit policy may be approved for credit limits based on the following multiplier of the applicant's Net Monthly Income (NMI), subject to the approving authority's discretion and internal guidelines.

14.4. CLE Eligibility Parameters

Criteria	Requirement
Month on Books (MOB)	> 6 Months
Utilization	≥ 30% in last 6 months
Delinquency	Maximum 1 Late Payment (LPC) in last 6 months
DBR Compliance	As per PPG
CLE Period	No delinquency in last 6 months
CIB	Clean & Updated
Limit Increase	Based on Grid Category or General DBR
Documentation	Latest Income Documents, Customer Request Letter, CPV, PDC (for Businessman/Landlord)

14.5. Corporate Officials

Segment	Documents Required	Proposed Limit
Chairmen, MDs, CEOs, Directors of Type A/B companies or MGBPLC Corporate Clients	Mandatory docs, Visiting Card, Income Declaration	BDT 500,000 – 1,000,000 (based on recommendation by Head of Corporate/Branches/Cards/Card Sales)

14.6. Club Members

Clubs Covered	Documents Required	Limit
Dhaka/Gulshan/Banani/Uttara Club, Golf Clubs, Cadet College Club	Mandatory Docs, Signature, Membership Card, Income Declaration	BDT 500,000 – 1,000,000 (clean CIB required, DBR not considered)

14.7. Existing Platinum/Signature Cardholders of Other Banks

Banks Covered	Limit Criteria
City Bank, SCB, EBL, BRAC, UCB, MTB, etc.	Minimum = Other card limit Maximum = 1.5x of other card limit (subject to clean CIB)

Chapter 15: Recommendations and Conclusion

Chapter 15: Recommendations and Conclusion

Recommendations

To improve the effectiveness of Meghna Bank PLC's Credit Card Product Program, the following steps are recommended:

Diversify Credit Card Products

https://www.meghnabank.com.bd/cards/choose-your-credit-card/retail

1. Enhance Digital Banking Services

   Integrate advanced digital features via Meghna Pay and Internet Banking.
   https://www.meghnabank.com.bd/page/a-digital-wallet/meghna-pay

2. **Strengthen Reward Programs**

   Expand the Meghna 360° Rewards catalog to include categories such as travel, lifestyle.
   https://www.meghnabank.com.bd/cards/meghna-360-rewards-1/retail

3. **Boost Customer Support**

   Enhance service quality by enabling 24/7 helpline, live chat, and faster dispute resolution mechanisms.
   https://www.meghnabank.com.bd/page/complaint-cell/retail

4. **Promote Financial Awareness**

   Launch awareness campaigns on responsible card usage, digital security, and fraud prevention.

Conclusion

Meghna Bank PLC has established a strong foundation in the credit card market. To sustain growth and remain competitive, the bank must adapt through technological upgrades, diversified products, and customer-focused services. Implementing the recommendations will significantly enhance customer satisfaction and card adoption.

For more details, visit the bank's website:

https://www.meghnabank.com.bd

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