

## Credit cards specially for you

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*Choose a card that goes well with your lifestyle and can earn you goodies*



Many of us love the offers and discounts that come with credit cards. While some like the reward points that can be spent on a catalogue of reward items, others enjoy the discounts on eating out and movie tickets. Waiver of fuel surcharge at petrol stations and access to airport lounges too attract many. Most credit cards give you a mix of these.

But if you seek specific benefits or want to be rewarded extra for certain spends, go for special credit cards which give you the usual credit card offerings such as fuel surcharge waiver and access to airport lounges too.

Some special cards also come loaded with a welcome benefit — a certain number of reward points or vouchers worth a certain amount — even before you begin spending. Apart from that, the rate at which your credit card spending is converted into points too could be higher for special cards. But all this does not come for free; special credit cards come at an extra cost. The annual fee on such cards can be twice as much or even more than that on the usual cards.

### **Fly for less**

If you are a travel enthusiast, you can choose a credit card that gives you travel vouchers or airline miles (travel points) based on your card spend. Axis Bank, HDFC Bank and Citibank are some banks offering such cards.

With Axis Bank's Privilege Credit Card, you get a travel voucher worth ₹ 5,000, first when you activate your card and then every time you spend ₹ 2,50,000.

These vouchers can be used for booking travel tickets and hotels on travel portal *Yatra.com*. Similarly, HDFC Bank's Superia Credit Card, gives you reward points that can be redeemed against airline miles on many international and domestic airlines.

You start with an upfront 1000 reward points and then get three additional points for every ₹ 150 spent on the card. These points are then converted into airline miles (100 points = 70 miles) that can be used to pay for air tickets. So, how much saving does that amount to? Let's take an example to put it in perspective- if you want to fully fund an economy class air ticket from Mumbai to Delhi on Jet Airways using airline miles, you would need 8500 miles.

Get back more

For those looking to save on their regular telephone, electricity, water and fuel bill payments, cashback cards can come handy. These cards credit a certain percentage of the value of your transactions back to your account. Take, for instance, Citibank's Cash Back Credit Card.

It gives you 5 per cent cashback on telephone and utility bill payments and movie ticket purchases, subject to a monthly limit of ₹ 100 per category.

Similarly, with Standard Chartered's Super Value Titanium Credit Card, you get 5 per cent cashback on fuel, telephone and utility bill payments up to ₹ 500 a month. Other transactions too can get you the cashback benefit, though by a smaller amount.

## Shop smart

Then, there are credit cards that give shoppers a reason to smile. They help you rake in reward points at a quicker pace than usual, on some of your shopping expenses. Kotak Mahindra Bank's Essential Platinum Card, for instance, gives you 100 points for every ₹ 100 spent at departmental and grocery stores. But, you can earn only up to only 500 points a month, each worth a rupee.

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Similarly, the Citibank Rewards Card gives you 10 reward points for every ₹ 125 spent at apparel and departmental stores and at some online retailers such as Flipkart, makeMytrip and Nature's Basket. Other purchases earn you one point for every ₹ 125 spent.

### Co-branded cards

Apart from special credit cards, you also have co-branded cards to choose from. These are offered by banks in collaboration with retail outlets, airlines, fuel stations etc. Such cards come with several benefits, but these can be earned, by and large, and redeemed only against your spending at a particular place.

Take, for example, ICICI Bank's HPCL Coral Credit Card. It offers you cashbacks on your fuel purchases, but only at HPCL fuel stations. And while reward points accumulate on all your card spends, they do so at an accelerated pace when you spend at an HPCL fuel outlet.

In the airline-related co-branded cards category, the Jet Airways IndusInd Bank Odyssey Credit Card and Air India SBI Signature Card are two such products. To sum up, a credit card that suits your lifestyle can earn you more goodies and cut your spend.

But unless you spend often and enough to accumulate a substantial points, such cards may not be really worth it.

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## Do you need it?

***Go for a special credit card only if you spend often and enough such that you earn a meaningful number of reward points***

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## Special benefits

***Earns you travel miles***

***Pre-loaded reward points***

***Higher reward for shopping***

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