

Calculation Method of Interest on LOLC FinanceCredit Cards

Calculation Method of Interest on Purchases and Cash Advances

- The minimum grace period applicable for LOLC Credit Cards is 15 days from the Statement Date, which will apply only for purchase transactions.
- A cardholder can enjoy up to a maximum of 45 days Interest free grace for a given transaction, based on the purchase (transaction) date and statement date.
- Interest calculation commences from the Transaction Date stated in the cardholder's card account in the statement, to the next statement date, on all revolving balances.
- In the event the Cardholder pays the full outstanding balance on or before the due date, there will not be any Interest charged on the purchase transactions to the card account for that billing cycle.
- Interest is calculated daily, transaction wise and the total amount will be printed in the monthly statement.
- The Interest calculation formula for LOLC Credit Cards is as follows,

Outstanding x Interest Rate x No. of days
365

* No of days – No of days to the end of the billing period from the transaction date

- Cardholder pays a partial amount (less than full outstanding amount and greater than the minimum amount) on or before the due date

Credit Card Statement

02nd January 2022 to 01st February 2022

	LKR
Opening Balance 02 nd January 2022	0.00
Purchases on 18 th January 2022	100,200.00
Closing Balance 01 st February 2022	100,200.00

Minimum due amount	2,505.00
Due Date	16 th February 2022

Credit Card Statement
02nd February 2022 to 01st March 2022

	LKR
Opening Balance 02 nd February 2022	100,200.00
Purchases on 10 th February 2022	32,000.00
Payment received 16 th February 2022	10,000.00 CR
Interest charged	2,634.84
Closing Balance 01 st March 2022	124,834.84

Minimum due amount	3,120.87
Due Date	16 th March 2022

Interest will be charged as follows:

Rs.100,200 x 20%/365 x (No.of days 09.02.22 – 18.01.22 23 days)	1,262.79
Rs.132,200 x 20%/365 x (No.of days 15.02.22 – 10.02.22 06 days)	434.63
Rs.122,200 x 20%/365 x (No.of days 01.03.22 – 16.02.22 14 days)	937.42
	<hr/> 2,634.84 <hr/>

- Cardholder pays only the minimum amount on or before the due date

Credit Card Statement

02nd January 2022 to 01st February 2022

	LKR
Opening Balance 02 nd January 2022	0.00
Purchases on 18 th January 2022	100,200.00
Closing Balance 01 st February 2022	100,200.00

Minimum due amount 2,505.00

Due Date 16th February 2022

Credit Card Statement

02nd February 2022 to 01st March 2022

		LKR
Opening Balance 02 nd February 2022		100,200.00
Purchases on 10 th February 2022		32,000.00
Payment received 16 th February 2022		2,505.00 CR
Interest charged		2,692.34
Closing Balance 01 st March 2022		132,387.34
Minimum due amount	3,309.68	
Due Date	16 th March 2022	

Interest will be charged as follows:

Rs.100,200 x 20%/365 x (No.of days 09.02.22 – 18.01.22 23 days)	1,262.79
Rs.132,200 x 20%/365 x (No.of days 15.02.22 – 10.02.22 06 days)	434.63
Rs.129,695 x 20%/365 x (No.of days 01.03.22 – 16.02.22 14 days)	994.92
	<u>2,692.34</u>

Cardholder pays an amount less than the minimum amount

Credit Card Statement

02nd January 2022 to 01st February 2022

	LKR
Opening Balance 02 nd January 2022	0.00
Purchases on 18 th January 2022	100,200.00
Closing Balance 01 st February 2022	100,200.00

Minimum due amount	2,505.00
Due Date	16 th February 2022

Credit Card Statement
02nd February 2022 to 01st March 2022

	LKR
Opening Balance 02 nd February 2022	100,200.00
Purchases on 10 th February	32,000.00
Payment received 16 th February 2022	2,000.00 CR
Interest charged	2,696.21
Late Payment Fee charged	500.00
Closing Balance 01 st March 2022	133,396.21
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Minimum due amount	3,334.90
Due Date	16 th March 2022

Interest will be charged as follows:

Rs.100,200 x 20%/365 x (No.of days 09.02.22 – 18.01.22 23 days)	1,262.79
Rs.132,200 x 20%/365 x (No.of days 15.02.22 – 10.02.22 06 days)	434.63
Rs.130,200 x 20%/365 x (No.of days 01.03.22 – 16.02.22 14 days)	998.79
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	2,696.21
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Calculation method of Interest on Cash Advances

(Interest free grace period will not be applicable for Cash Advances and the interest will be charged from the transaction date)

Credit Card Statement	
02 nd January 2022 to 01 st February 2022	
	LKR
Opening Balance 02 nd January 2022	0.00
Cash Advance on 18 th January 2022	100,000.00
Cash Advance Fee (100,000 x 4%) (500/- or 4% of transaction value, whichever is higher)	4,000.00
Payment Received 25 th January 2022	50,000.00
Interest charged	602.74
Closing Balance 01 st February 2022	54,602.74

Minimum due amount	1,365.07
Due Date	16 th February 2022

Interest will be charged as follows:

Rs.100,000 x 20%/365 x (No.of days 24.01.22 – 18.01.22 07 days)	383.56
Rs. 50,000 x 20%/365 x (No.of days 01.02.22 – 25.01.22 08 days)	219.18
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	602.74
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Credit Card Statement

02nd February 2022 to 01st March 2022

	LKR
Opening Balance 02 nd February 2022	54,602.74
Payment Received 10 th February 2022	54,602.74
Interest charged	239.35
Closing Balance 01 st March 2022	239.35

Minimum due amount 100.00 (2.5% of Total Outstanding or Rs.100 whichever is higher)

Due Date 16th March 2022

Interest will be charged as follows:

Rs.54,602.74 x 20%/365 x (No.of days 10.02.22 – 02.02.22 08 days)

239.35

239.35