

Calculation Method of Interest on HNB Credit Cards

- The minimum grace period applicable for HNB Credit Cards is 25 days from the Statement Date.
- A cardholder can enjoy up to a maximum of 55 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 **(w.e.f. 05th August 2021. Previously, the interest was calculated commencing from the Posting Date of the transaction to the statement)**
- 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 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 HNB Credit Cards is as follows,

$$\text{Capital Outstanding} \times \text{Interest Rate} \times \frac{\text{No. of days}}{360}$$

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

Interest Rate – The present Interest rate is 1.5% per month (18% p.a.)

☑ 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	
01st November 2020 to 30th November 2020	
	LKR
Opening Balance 01st November 2020	0.00
Purchases on 18 th November	100,200.00
Closing Balance 30th November 2020	100,200.00
Minimum due amount	2,505.00
Due Date	25th December 2020

Credit Card Statement	
01st December 2020 to 31st December 2020	
	LKR
Opening Balance 01st December 2020	100,200.00
Purchases on 10 th December	32,000.00
Payment received 20th December 2020	10,000.00 CR
Interest charged	2,194.50
Closing Balance 31st December 2020	124,394.50
Minimum due amount	3,109.86
Due Date	25th January 2021

Interest will be charged as follows:

$Rs.100,200 \times 18\%/360 \times (\text{No. of days } ((20/12/20-18/11/20)+1))$	1,653.30
$(Rs.100,200 - Rs.10,000-) \times 18\%/360 \times (\text{No. of days } (31/12/20-20/12/20+1))$	<u>541.20</u>
	<u>2,194.50</u>

Credit Card Statement

01st January 2021 to 31st January 2021

	LKR
Opening Balance 01st January 2021	124,394.50
Purchases on 14 th January	20,000.00
Payment received 21st January 2021	10,000.00 CR
Interest charged	2,225.11
Closing Balance 31st January 2021	136,619.61

Interest will be charged as follows:

$Rs.124,394.50 \times 18\%/360 \times (\text{No. of days}(21/01/21-01/01/21))$	1,243.95
$(Rs. 124,394.50 - Rs.10,000) \times 18\%/360 \times (\text{No. of days } (31/01/21-21/01/21+1))$	629.17
$Rs.32,000 (\text{Purchase on } 10^{\text{th}} \text{ December}) \times 18\%/360 \times (31/12/20-10/12/20+1)$	352.00
	<u>2,225.11</u>

☒ **Cardholder pays only the minimum amount on or before the due date**

Credit Card Statement	
01st November 2020 to 30th November 2020	
	LKR
Opening Balance 01st November 2020	0.00
Purchases on 18 th November 2020	100,200.00
Closing Balance 30th November 2020	100,200.00

Minimum due amount	2,505.00
Due Date	25th December 2020

Credit Card Statement

01st December 2020 to 31st December 2020

	LKR
Opening Balance 01st December 2020	100,200.00
Purchases on 10 th December	32,000.00
Payment received 20th December 2020	2,505.00 CR
Interest charged	2,239.47
Closing Balance 31st December 2020	131,934.47

Minimum due amount	3,298.36
Due Date	25th January 2021

Interest will be charged as follows:

Rs.100,200 x 18%/360 x (No. of days(20/12/20-18/11/20)+1)	1,653.30
(Rs.100,200 - Rs.2,505-) x 18%/360 x (No. of days (31/12/20-20/12/20+1))	<u>586.17</u>
	<u>2,239.47</u>

Credit Card Statement

01st January 2021 to 31st January 2021

	LKR
Opening Balance 01st January 2021	131,934.47
Purchases on 14th January	20,000.00
Payment received 21st January 2021	3,298.36CR
Interest charged	2,378.84
Closing Balance 31st January 2021	151,014.95

Interest will be charged as follows:

Rs.131,934.47 x 18%/360 x (No. of days(21/01/21-01/01/21))	1,319.34
(Rs.131,934.47 - Rs. 3,298.36) x 18%/360 x (No. of days (31/01/21-21/01/21+1))	707.50
Rs.32,000 (Purchase on 10 th December) x 18%/360x (31/12/20-10/12/20+1)	352.00
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	2,378.84
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☒ **Cardholder pays a less amount than the minimum amount**

Credit Card Statement	
01st November 2020 to 30th November 2020	
	LKR
Opening Balance 01st November 2020	0.00
Purchases 18th November 2020	100,200.00
Closing Balance 30th November 2020	100,200.00

Minimum due amount	2,505.00
Due Date	25th December 2020

Credit Card Statement

01st December 2020 to 31st December 2020

	LKR
Opening Balance 01st December 2020	100,200.00
Purchases on 10 th December	32,000.00
Payment received 20th December 2020	2,000.00 CR
Interest charged	2,242.50
Late Payment Fee Charged	751.50
Closing Balance 31st December 2020	133,194.10

Minimum due amount	3,329.85
Due Date	25th January 2021

Interest will be charged as follows:

Rs.100,200 x 18%/360 x (No. of days(20/12/20-18/11/20) +1)	1,653.30
(Rs.100,200 - Rs.2,000-) x 18%/360 x (No. of days (31/12/20-20/12/20)+1))	<u>589.20</u>
	<u>2,242.50</u>