

Dear Cardholder, the method of calculating interest if you do not pay your Bank of Baroda Credit Card outstanding balance in full by the payment due date, is being revised from 1st September 2019. The interest amount charged as per the new method will reflect in your Bank of Baroda Credit Card Statement of 1st October 2019 onwards.

The revised method of calculating interest is described below, along with an illustration for easier understanding.

### **Interest Free Grace Period**

The interest free grace period could range from 20 to 50 days, depending upon date of transactions, provided there are no previous outstanding on the card.

### **Computation of Service Charges**

- i) The interest free period for a purchase (and any related debited charge) in any statement period will apply, if the Outstanding balance on the Card Account for the previous statement period (if any) is paid in full by its due date.
- ii) Interest charges are payable at the monthly interest rate on all transactions including unpaid EMI installments from the date of transaction in the event of the Cardholder choosing not to pay his balance in full, till they are paid back in full.
- iii) If the Outstanding balance on the Card Account is not paid in full by its due date, interest will be levied on any new purchase (and any related debited charge) from the day on which the purchase (and any related debited charge) is debited to the Card Account and on the Outstanding account balance on the Card Account from the date of transaction.
- iv) Interest charges are calculated on the balance outstanding (purchase balance + cash advance) on the Card Account on a daily basis by applying the current percentage rate to the amount of the balance outstanding (purchase balance + cash advance) at the end of each day.
- v) The current rate of interest is up to 3.25% per month (39% per annum) and is subject to change at the discretion of the company.
- vi) The customer does not have to pay service or interest charges in the following scenarios:

- a. Opening balance is zero.
- b. Pays off 100% of the full outstanding by the due date.

**Example:**

1. Card statement date: 1st of Every month, Transactions done between 1st July and 31st July.
2. Retail Purchase of Rs 1,000 on July 25th: Assuming no previous balance carried forward from 1st July, the statement will be generated on 1st August showing outstanding balance of Rs 1,000 with due date of 20th August.

- a) If full payment is made within the due date, no service or interest charges shall be levied.
- b) If there is no payment made in the account or the payment made is less than minimum due, company will charge @ 3.25% interest charge from date of transaction + Rs 400 late payment charges. So the dues will be Rs 1000 + Rs 39.83 (interest charges @ 3.25% on Rs 1000 from Jul 25th) + Rs 400 + Rs 39.58 + Rs 39.58 (SGST @ 9% + CGST @ 9% = total 18% GST will be applicable) = Rs 1519.00 for which the cardholder will receive in the bill dated 1st September
- c) If minimum payment Rs 100/- (minimum payment amount is 5% of total dues or Rs 100/ whichever is more) is made on 11th August (within the due date), the dues will be Rs 1000 - Rs 100 = Rs 900 + Rs 37.63 (interest charges @3.25% on Rs 1000 for 17 days from July 25 - August 10 and Service Charges @ 3.25% on Rs 900 for 21 days from August 11 - 31) + Rs 3.39 + Rs 3.39 (SGST @ 9% + CGST @ 9%= total 18% GST will be applicable) = Rs 944.41 for which the cardholder will receive the bill dated 1st September.