

Calculation Method of Cash Advance Fee, Late Payment Fee, Overlimit fee and Interest on People's Credit Card.

Calculation Method of cash advance fee and Interest.

- Cash Advance fee is currently 50% of the credit limit
- There will be no grace period for cash advances and interest will be charged from the transaction date.

Calculation Method of Interest on purchases

- The minimum grace period for People's Credit Card is 21 days from the statement date which will apply only for purchase transactions.
- The maximum grace period is 51 days. In order to enjoy maximum grace period, customers must execute the purchase on the statement date or nearby date.

Example:

Statement date	1 st December
Transaction Executes on 1 st December	In general, minimum period that it takes to post a particular transaction to the statement is 2 days. (This depends on the settlement date of the merchant)
Hence the particular transaction will be posted to the January 1 st Statement	Therefore, customers have a 30 days period without charging an interest.
Time availability to due date	21 days
Total Time period without interest	51

- Interest calculation commences from the transaction date stated in the card statement, to the next statement date, on revolving balance. If the full payment is not settled on or before the due date, interest will be charged on each transaction from the transaction date until the transaction is settled through a payment.
- If the card holder pays the full outstanding balance on or before the due date, there will not be any interest charged on the purchase transaction to the card account for the billing cycle.
- Interest is calculated daily, transaction wise and the total amount will be printed on the credit card monthly statement.
- Interest calculation formula for People's Credit Card as follows:
Capital outstanding * Interest rate * No of Days

360
- No of Days: No of days to the end of the billing period from the transaction date
- Interest rate (Please refer to the tariff structure for the interest rate)

1. Interest in Calculation

Scenario 01- If customer settles the total outstanding balance of the card on or before the due date.	
Credit Card Statement Statement Date 07 th May Due Date 28 th of May	LKR
Purchase on 26.04.2025	10500.00
Closing Balance 7 th May (Statement date)	10500.00
Minimum Amount to be paid as at 28 th May (Due Date)	525/-
Payments on or before 28 th May (before due date)	10500.00
Interest for the period	0.00

Scenario 02- If the customer makes a Partial Payment not less than the minimum payment	
Credit Card Statement Statement Date 07 th May Due Date 28 th of May	LKR
Purchase on 26.04.2025	10500.00
Closing Balance 7 th May 2025 (Statement Date)	10500.00
Minimum Amount to be paid as at 28.05.2025	525/-
Partial Payment made on 22.05.2025 (This can be minimum payment or. amount greater than the minimum payment). Eg: Payment made 1000/-	1000
Interest in the period which will appear in June 7 th Statement	
Interest for the period of 26.04.2025- 07.05.2025	$10500 \times 26\% / 360 \times 12 = 91.00$
Interest for the period of 07.05.2025- 22.05.2025	$10500 \times 26\% / 360 \times 16 = 121.33$
Interest for the period of 22.05.2025-07.06.2025	$9500 \times 26\% / 360 \times 17 = 116.63$
Total Interest for the period	328.97

2. Sequence of Payment uses to settle outstanding balances.

01. Fees & Charges
02. Interest
03. Cash Advances
04. Purchases
05. Instalments/Easy Payment Plans

Eg: Sample Payment Recovery

Fees and Charges	100
Interest	50
Cash Advances	1000
Purchases	5000
Instalments/Easy Payment Plans	3000
Total outstanding	9150/-
Assume customer makes a Partial Payment value of 4000/-	4000/-
Sequence of recovery	
Fees and Charges	100/-
Interest	50/-
Cash advance	1000/-
Purchase	2850/-
Total	4000/-
Remaining Outstanding	
Purchases	2150/-
Instalments	3000/-
Therefore, interest will be charged for purchases and Instalments if customer does not make the full payment at the rate of 26% per annum.	
When considering transactions, oldest transaction will be settled from the first payment.	

3. Late Payment Fee Charging

If the customer fails to make the minimum payment on or before the due date late payment fee will be charged to the customer and it will appear in following month's statement. (Please refer to tariff structure for relevant fees)

4. Over limit Fee Charge

If the total outstanding balance of the credit card exceeds the credit limit overlimit will be charged and it will appear in the monthly credit card statement. (Please refer to tariff structure for relevant fees).