

PERSONAL LINE OF CREDIT FOR ICICI BANK SALARIED CUSTOMERS:

"SALARY OVERDRAFT"

RATE OF INTEREST:

- The Interest Rate applicable for Salary OD is MCLR + 5.50%
- Current MCLR (October'16) is 9.0%
- Note that MCLR can change as frequently as every month depending on the Repo Rate adjustment by the RBI
- Customers who have availed Salary OD are notified by letters in case of any change in MCLR rates
- Interest is calculated as a SIMPLE INTEREST for the period of utilization of the limit (i.e. either till the utilized amount is paid back or swept back from the Salary Account)
- Customers will get a monthly statement with a minimum amount due as per bill cycle
- The Processing Fee applicable is INR 999 + Taxes
- The Renewal Fee (charged at the time of renewal after 12 months) is INR 999 + Taxes
- Late Fee is INR 500 + Taxes

Sample Interest Calculation:

Customer has INR 5,000 balance in savings account and withdraws/cashes a chq for INR 10,000.

INR 5000 will be swept from OD limit and interest charges will start from the date of withdrawal.

SCENARIO 1:

Customer funds the Salary Account to the tune of INR 10,000 after 5 days (sweeps happen at day end)

INR 5000 will be swept into OD account for settling the dues and customer will have INR 5000 left in his Salary Account

$$\text{INTEREST CHARGED} = 5,000 * (\text{INTEREST RATE}/100) * (5/365)$$

SCENARIO 2:

Customer funds the Salary Account to the tune of INR 3,000 after 5 days (sweeps happen at day end)

INR 3000 will be swept into OD account for settling the dues and customer will have INR 0 left in his Salary Account

$$\text{INTEREST CHARGED} = 3,000 * (\text{INTEREST RATE}/100) * (5/365) + (\text{interest on remaining INR 2000 for the duration till when he settles it})$$