

ICICI BANK CUSTOMER EDUCATION SERIES

TIMES BUSINESS ASSOCIATE COMMUNICATION

Did You Know?

When you opt for the EMI payment option, banks usually levy a foreclosure charge if you pre-pay the EMIs.



Before accepting a pre-approved loan on your credit card, read the terms and conditions carefully.

The Credit Card As A Financial Tool

- ▶ A credit card is primarily a convenience tool that allows you to revolve your balances in emergencies. However, it can be a very useful financial tool if used wisely.
- ▶ Banks offer the facility of balance transfer on your card. This allows you to transfer the balance amount from one credit card to another credit card depending on which bank is offering you a lower interest rate.
- ▶ To manage your card dues better, you can request the option of consolidating balances of different cards on to one card. It is strongly recommended that you first understand the applicable rates and tenures of such transfers. If unpaid at the end of the tenure, these will be converted into high-cost revolving balances.
- ▶ Banks also offer the facility of conversion of outstanding balances and high-value transactions on your credit card into payment by EMIs (equated monthly instalments) .
- ▶ You will be charged a one-time processing fee and a flat interest rate that is lower than the revolving rate on a monthly basis.
- ▶ You can convert your balances/transactions into EMIs by:
 - ▶ Calling the bank's call centre and requesting the conversion.
 - ▶ Requesting the participating merchant where you made the high-value purchase to initiate the EMI payment option for that transaction when he swipes your card.
- ▶ While opting for the merchant EMI payment option, check your charge-slip before signing it. It should reflect the total transaction amount and the tenure.
- ▶ You can also opt for a personal loan against your credit card. This is, however, subject to a good repayment history.



SMS CONTEST

Question: The facility of transferring outstanding amount from one credit card to another credit card is called

Answer: A. balance transfer
B. EMI payment
C. EMI pre-payment

To answer, SMS DISHA A, B or C to 53030 and win a 2N 3D holiday.*
Contest open for the day of publication.

*Terms and conditions apply.
Visit www.dishafc.org for details.

We welcome your questions, suggestions and feedback on this column. Please use the 'Email Us' link at www.icicibank.com or send us an SMS to 53030. Please include your full name, address and phone number. Your comments may be edited for clarity and space.