

HLR No- \_\_\_\_\_

Borrower Name- \_\_\_\_\_

**Consumer Education Literature on Special Mention Account (SMA)/ Non- Performance Asset (NPA) classification, Upgradation and Concept of date of overdue**

- Due date for payment is as specified in the Sanction letter.
- Standard Asset means an asset in respect of which, no default in repayment of principal or interest is perceived and which does not carry more than normal risk attached to the business.
- The overdue timeline for SMA 0, SMA 1, SMA 2 and NPA shall be upto 30, more than 30 upto 60, more than 60 upto 90 and more than 90 days respectively and same shall be done as part of day-end process for relevant date. In other words, the date of SMA / NPA shall reflect the asset classification status of an account at the day-end of that calendar date.

Standard Assets	
Sub Categories	Basis for classification— Principal or interest payment or any other amount wholly or partly overdue
Regular	0 days/ NIL Overdue
Special Mention Account (SMA -0)	1 day and upto 30 days
SMA- 1	More than 30 days and upto 60 days
SMA- 2	More than 60 days and upto 90 days
Non- Performing Assets (NPA)	
NPA	More than 90 days

**Example;**

If due date of a loan account is March 05, 2022, and full dues are not received before SRGHFL runs the day-end process for this date, the date of overdue shall be March 05, 2022. If it continues to remain overdue, then this account shall get tagged as SMA-1 upon running day-end process on April 03, 2022 i.e. upon completion of 30 days of being continuously overdue. Accordingly, the date of SMA-1 classification for that account shall be April 03, 2022. Similarly, if the account continues to remain overdue, it shall get tagged as SMA-2 upon running day-end process on May 03, 2022 and if continues to remain overdue further, it shall get classified as NPA upon running day-end process on June 02, 2022.

- Classification of borrower accounts as SMA as well as NPA will be done by SRGHFL as part of the day-end process for the relevant date and the SMA or NPA classification date will be the calendar date for which the day end process is run.
- Loan accounts classified as NPAs will be upgraded as "Standard" assets only if entire arrears of interest and principal are paid by the borrower. Any partial payment, such as payment of two or three instalments, shall not result in the upgradation of the loan account. There would be no upgrade from NPA to SMA, it can only directly be classified as 0 DPD.

	Name of Person	Signature
Applicant		
Co-Applicant		
Guarantor		
Guarantor		