

Consumer Education Literature on SMA/NPA Classification

1. What is a Due Date?

The due date is the date on which the borrower is required to pay the EMI/interest/principal as per the loan agreement.

2. What is an Overdue Amount?

Any amount due under the loan which is not paid on the due date shall be treated as overdue.

3. What is the Date of Overdue?

If the EMI due on a particular date is not received by the end of that day, the account is treated as overdue from that date as part of the day-end process.

4. SMA Classification

Category Overdue Period

SMA-0 Up to 30 days

SMA-1 More than 30 days and up to 60 days

SMA-2 More than 60 days and up to 90 days

5. NPA Classification

A loan account shall be classified as NPA when the interest and/or instalment of principal remains overdue for more than 90 days.

6. Illustrative Example

Assume an EMI of ₹10,000 is due on 31 March 2026.

| Date | Status |
|---------------|--|
| 31 March 2026 | EMI not paid; account becomes overdue at day-end |
| 30 April 2026 | SMA-1 |
| 30 May 2026 | SMA-2 |
| 29 June 2026 | NPA |

7. Upgradation of NPA Account

An NPA account will be upgraded to 'Standard' category only after payment of all overdue amounts, including principal, interest and other charges, as per RBI guidelines.

8. Important Information for Borrowers

- Ensure timely payment of EMIs.
- Delay in EMI payment may adversely affect your credit score.
- SMA/NPA classification is done automatically based on RBI guidelines.
- Classification is determined based on the day-end status of the account.
- Borrowers may contact the nearest CBHFL branch for any clarification regarding their loan account status.