Regulatory Disclosure -Customer Education

CLASSIFICATION OF A LOAN ACCOUNT AS A SPECIAL MENTION ACCOUNT (“SMA”) OR NON-PERFORMING ASSET (“NPA”) BY CHIRAG CREDIT PRIVATE LIMITED [“COMPANY”], AS PER THE PRUDENTIAL NORMS PRESCRIBED BY THE RESERVE BANK OF INDIA (“RBI”)

The classification of a loan account as Special Mention Accounts (“SMA”)/ Non-Performing Asset (“NPA”) is dependent on the period for which any payment, including Principal component and/ or Interest component, remains overdue from a borrower. In this regard, it must be noted that an amount shall be treated as overdue if it is not paid on the due date fixed/ agreed for the loan.

If there is a default in making payment of Principal component and/ or Interest component and/ or any applicable dues, as per the terms & conditions of the loan, wholly or partly, on or before the due date specified/ notified as per the loan agreement, then such overdue loan account along with all other loan/ credit facilities availed by the borrower from the Company shall be classified as SMA or NPA as indicated in below table given below, as per RBI regulations:

Overdue Period	**Classification**
Upto 30 days	SMA-0
More than 30 days and upto 60 days	SMA-1
More than 60 days and upto 90 days	SMA-2
More than 90 days	NPA*

* Upgradation of accounts classified as NPAs- Loan account once classified as NPA can be upgraded as Standard only after entire arrears of Principal, Interest and any other amount outstanding and due are paid by the borrower. Illustration for classification of borrowers account as SMA/NPA for easy reference (All dates mentioned herein are for illustration purpose only)- If due date of a loan account repayment is April 05, 202X and the payment is not received by the Company before the day-end process is run, then indicative SMA/NPA classification shall be as follows:

Overdue period of Principal/ Interest/ Any other amount	**SMA/ NPA Classification Category**	**SMA/ NPA Classification Date#**
Upto 30 days	SMA-0	April 05, 202X
More than 30 days and upto 60 days	SMA-1	May 05, 202X
More than 60 days and upto 90 days	SMA-2	June 04, 202X
Over 90 days	NPA	July 04, 202X

The date of SMA/ NPA shall reflect the Asset Classification status of a loan account at the day-end of that calendar date.

If due date of a loan account is April 05, 202X, and full dues are not received by the Company on or before this date then the date of overdue shall be April 05, 202X and this account shall be tagged as SMA-0.