

**ORIX Leasing & Financial Services India Limited** (formerly known as OAI Auto Financial Services Limited)  
 (A Subsidiary of ORIX Auto Infrastructure Services Limited)

Regd. Office : Plot No. 94, Marol Co-operative Industrial Estate, Andheri -Kurla Road, Andheri (E), Mumbai - 400 059  
 Tel: +91 22 2859 5093 / 6707 0100 • Fax: +91 22 2852 8549 • Email: info@orixindia.com • www.orixindia.com • CIN:U74900MH2006PLC 16393

**SMA/NPA Classification**

Pursuant to the Reserve Bank of India ("RBI") circular No. RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22 on 'Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications' dated November 12, 2021, any overdue principal and/or interest payable in connection with the Loan availed by the Borrower shall be classified as Special Mention Account (SMA) or Non-Performing Asset (NPA) as follow:

SMA Sub-categories	Term Loan
	Basis for classification – Principal or interest payment or any other amount wholly or partly overdue
SMA-0	Upto 30 days
SMA-1	More than 30 days and upto 60 days
SMA-2	More than 60 days and upto 90 days

- (1) Accordingly, the following illustrative example sets out the basis for classification of Special Mention Account (SMA) as laid down by the RBI:
- (a) If Due Date of EMI is March 31, 2021, and full dues are not received before Lender runs the day-end process for this date, the date of overdue shall be March 31, 2021. If it continues to remain overdue, then Loan Account shall get tagged as SMA-1 upon running day-end process on April 30, 2021 i.e. upon completion of 30 days of being continuously overdue. Accordingly, the date of SMA-1 classification for the Loan Account shall be April 30, 2021
  - (b) Similarly, if the Loan Account continues to remain overdue, it shall get tagged as SMA-2 upon running day-end process on May 30, 2021 and if continues to remain overdue further, it shall get classified as NPA upon running day-end process on June 29, 2021 i.e. where interest and/ or instalment of principal remain overdue for a period of more than 90 days in respect of a Loan
  - (c) Loan Account classified as NPA may be upgraded as Standard Asset only if all EMI dues are paid by the Borrower

Illustrative example as stated above is explained in tabular form based on assumption that EMI Due Date: March 31, 2021

Overdue Days	Date of Classification	Classification Status*
NA	March 30, 2021	Standard
1	March 31, 2021	SMA 0
31	Apr 30, 2021	SMA 1
61	May 30, 2021	SMA 2
91	June 29, 2021	NPA

Note : Borrowers are requested to refer the Schedule of the agreement executed with the Company for exact Due Date of EMI