

Consumer Education Literature on Special Mention Accounts and Non-Performing Assets Classification

In compliance with the RBI master direction vide RBI/DoR/2023-24/106 dated October 19, 2023 on Non-Banking Financial Company – Scale Based Regulation, following consumer education literature is released for increasing awareness among consumers w.r.t. concepts of dues, overdue, Special Mention Accounts (“SMA”) and Non-Performing Assets (“NPA”) classification for the Gold Loan products of Finkurve Financial Services Limited (“Company”).

Dues: Indicate the principal/ interest/ any charges levied on the loan account which are payable within the period stipulated as per the terms of sanction of the credit facility.

Overdue: Indicates the principal/ interest/ any charges levied on the loan account which are payable but have not been paid within the period stipulated as per the terms of sanction of the credit facility. In other words, any amount due to the Company under any credit facility is ‘overdue’ if it is not paid on the due date fixed by the Company. Which shall become a part of process of all the mandates related to consumer education literature on NPA and SMA classification of accounts.

Following is the loan classification structure:

Classification	Days Past Due (DPD) Bucket	Description
SMA – 0	Upto 30 days	If the due date of a loan account is March 31, 2024, and full dues are not received before the day-end process for this date, the date of overdue shall be March 31, 2024, and it shall get tagged as SMA-0 on March 31, 2024.
SMA – 1	More than 30 days and upto 60 days	Continuing from the above, if the account continues to remain overdue, then it shall get tagged as SMA-1 by day-end process on April 30, 2024, upon completion of 30 days of being continuously overdue.
SMA – 2	More than 60 days and upto 90 days	Continuing from the above, if the account continues to remain overdue, then it shall get tagged as SMA-2 by day-end process on May 30, 2024, upon completion of 60 days of being continuously overdue.
NPA	More than 90 days	Continuing from the above, if the account continues to remain overdue, it shall be classified as NPA by day-end process on June 29, 2024, upon completion of 90 days of being continuously overdue. Once an account becomes NPA, it shall remain to be tagged as NPA until all overdue amounts are cleared and the DPD becomes 0. Any partial payments will not change the NPA status.