

### **Special OTS Scheme- "CORP-RIYAYATI-VI"**

- NPA loan accounts with book balance up to and inclusive of Rs.10.00 lakh outstanding (Borrower wise) as on 31.03.2018 under Doubtful (C-2, C-3) or Loss asset (D) category and were classified as NPA on or before 31.03.2016.
- The Scheme will also cover suit filed and decreed debts.
- NPA loan accounts with Book balance up to Rs.1.00 lakh based on the age of NPAs without reckoning the securities available, under C-3 & D Category of NPAs up to 31.03.2014 are also covered in the Scheme under the Special Concessional Settlement Benefit (SCSB).
- The Scheme will be operative from 01.05.2018 to 31.03.2019.

### **Special OTS Scheme- "CORP RIYAYATI PLUS"**

- NPA loan accounts with outstanding book balance exceeding Rs.10.00 lakhs up to and inclusive of Rs.25.00 Lakhs which are classified as NPA on or before 31.03.2016 and are under Doubtful (C2 & C3) category and Loss (D) category as on 31.03.2018 are eligible for settlement under the scheme.
- The Scheme will also cover suit filed / decreed debts and also failed OTS cases.
- The Scheme will be operative from 16.08.2018 to 31.12.2018.

The borrowers may approach their respective branches to know the eligibility of their account under the scheme and if covered, the amount payable under the scheme.

### **SCHEME FOR ONE TIME SETTLEMENT OF MSMEs NPA ACCOUNTS**

SIDBI, on the advice of the Dept. of Financial Services, Ministry of Finance, Govt. Of India, have prepared a scheme for One Time Settlement (OTS) for MSMEs.

#### **Factors to be considered while negotiating One Time Settlement proposal:**

Realisable value of the security charged/ other attachable assets and net worth of the borrower/ promoters/guarantors.

- Present status of the borrower unit/ company and its financial performance.
- Possibility of better recovery through other means, like SARFAESI/legal action.
- Asset classification and provision made in the Bank's book
- Consideration / approval of OTS by other lenders and comparison of the terms thereof with that offered to our Bank.
- Impact of the OTS proposal on the Bank's profitability.
- The premise of the scheme is to benefit both the lender and the borrower.
- The proposed OTS scheme will cover all NPAs classified as "doubtful" and "loss" in respect of Micro, Small and Medium Enterprises (manufacturing as well as services) as defined in the MSMED Act, 2006.

The proposed policy will also cover eligible cases in which the Bank has initiated actions under SARFAESI Act, cases pending before Courts/DRTs/ Lok Adalat and decreed accounts subject to obtaining consent decree from the Court/DRT/Lok Adalat.

Accounts under Consortium or Multiple Banking arrangements will also be eligible to be covered under the proposed Scheme subject to approval by 75% of the lenders by amount.

The borrowers under MSME NPA accounts may approach their respective Branch to ascertain their eligibility under the scheme and if covered, the amount payable under the scheme for settlement of account.

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