

“ NAVIN RIN SAMJHAUTA YOJNA - 2010”

1. OBJECT OF THE SCHEME

To encourage recovery from NPAs under all segments during the current financial year, bank has launched “**NAVIN RIN SAMJHAUTA YOJNA – 2010**”.

2. COVERAGE:

The “ **NAVIN RIN SAMJHAUTA YOJNA - 2010**” will cover the following types of accounts:-

- (i). All chronic NPAs (irrespective of the segment) of Rs.10 lac and below.
- (ii) Classified, as NPAs on or before 30.09.2008 will only be covered under this scheme.

3. MODALITIES OF THE SCHEME:

- (i) Borrowers will be informed by way of notice about the opportunity of OTS.
- (ii) Notices / advertisement have been placed in selected dailies initially.
- (iii) **The amount arrived at should be with a commitment in writing to repay within a time frame but not beyond six months from the date of settlement.** The settlement terms will contain clause that in the event of failure of the borrower to comply with the settlement offer, full dues of the Bank would become payable. In case of suit filed cases, consent decree will be obtained from the court.

5. EXTENT OF COMPROMISE SETTLEMENTS.

S.No. /Category/ Minimum acceptable amount (This is indicative) :

- (i) Accounts where the value of tangible security is adequate to cover the total dues : A minimum of principal amount as on date of NPA plus 50% of notional interest (simple) at BPLR or applicable rate whichever is lower from the date of NPA subject to compliance of RBI guidelines regarding net present value of securities.
- (ii) Accounts where the value of tangible security is 50% or more but less than 100% of the total notional dues: A minimum of principal amount as on date of NPA plus expenses excluding interest from the date of NPA or NPV of securities.
- (iii) Accounts where the value of tangible security is less than 50% of the total dues: A minimum of 75% of the principal amount as on date of NPA less recovery after NPA or upto the NPV of securities.
- (iv) Accounts where the value of tangible security Nil.A minimum of 50% of the principal amount as on date of NPA.

6. The borrower will have to give their consent / offer letter duly signed by him.

7. The scheme is within the broad parameters laid down by RBI. Condition apply.

8. The scheme will be operative upto 30.06.2010 only.

Borrowers may contact branch for further details / clarifications.

This is to inform that, in case the beneficiaries do not come forward for settlement, their names will be placed on CIBIL website, which will make them in-eligible to obtain loans from any institutional source.

DGM (Stress Assets Management)