

### Non-Discretionary One time Settlement (OTS) of NPA for MSEs

To provide assistance to Micro and Small Enterprises (MSE) units which have already become sick or are likely to become sick, the Bank shall announce from time to time, Scheme for One Time Settlement (OTS) of NPAs in Micro and Small Enterprises sector, as per guidelines issued by Reserve Bank of India.

Below mentioned One-time Settlement of NPA scheme for MSEs will be applicable for units classified as Micro and Small Enterprises (MSEs) at the time of granting the credit facility & had turned into NPA. Non-performing loans shall be defined as per the prevailing guidelines of RBI.

Buckets	Unsecured Loans		Secured Loans
	Interest and Charges Waiver	POS Waiver	Interest and Charges Waiver
Sub Standard	50% to 100% of the charges	10% to 20% of POS	50% to 100% of the charges
Doubtful and Loss	75% to 100% of the charges	20% to 60% of POS	75% to 100% of the charges

The OTS is subject to approval by the Bank. The Bank will evaluate the application based on parameters such as seasoning of the loan, collateral value, legal action status & performance on Non-JSFB facilities before decisioning the One Time Settlement.

Cases of fraud, malfeasance and wilful defaults will not be eligible to be considered under the scheme. Accounts wherein any of the secured assets are sold either through Court / Tribunal or through proceedings under SARFAESI Act, 2002 and full dues is recovered are not eligible to be considered under the scheme. Accounts wherein OTS is sanctioned under this scheme once and the borrower failed to comply with the terms of settlement are not eligible.