



by e-mail

To

1. The Managing Director, Haryana State Co-operative Apex Bank Ltd., Chandigarh.
2. All Deputy Registrar, Co-operative Societies in the State of Haryana.
3. All Assistant Registrar, Co-operative Societies in the State of Haryana.
4. All Audit Officers, Co-operative Societies in the State of Haryana.
5. All GMs of District Central Co-operative Banks Ltd. in the State of Haryana.

Memo No.:e-274348/03/24/21/C-5/ 2894-960
Dated: 04.04.2022

Subject: - One Time Settlement (OTS) Scheme for the borrowers of DCCB's-2022.

Please refer on the subject cited above.

In this regard, it is intimated that the State Government has accorded the approval vide Diary No. (files)/7906 dated 15.03.2022 for One Time Settlement (OTS) Scheme for the borrowers of DCCB's 2022 which is as under:-

“One Time Settlement (OTS) Scheme for borrowers of DCCB's – 2022”

1. Introduction:-

With a view to minimize the Non Performing Assets (NPAs) of the DCCBs and to provide relief to the borrowers of the Bank who have not been able to repay their dues for reasons beyond their control, it has been decided to introduce a One Time Settlement Scheme to provide an opportunity to them to liquidate their dues. This will also help the Bank in recycling of funds on account of non-performing assets.

2. Short Title, Extent & Commencement:-

- a) The short title of the Scheme is **“One Time Settlement (OTS) Scheme for borrowers of DCCB's – 2022”**.
- b) The scheme is for borrowers who have availed loan and advances from the District Central Cooperative Banks in Haryana.
- c) It shall come into force from the date of issuance of notification/letter related to the scheme and will be operative upto 30.11.2022.

3. Definitions:-

- i) "Act" means The Haryana Cooperative Societies Act, 1984 as amended from time to time.
- ii) "Bank" means The Haryana State Cooperative Apex Bank Ltd; Chandigarh registered under the Act.
- iii) "Bye laws" means the Registered Bye laws of the District Central Cooperative Banks.
- iv) "DCCBs" means District Central Cooperative Banks.
- v) "Government" means Government of Haryana.
- vi) "Registrar" means a person appointed to perform the function of the Registrar, Cooperative Societies Haryana under the Act.
- vii) "Rule" means the Haryana State Cooperative Societies Rules, 1989.

4. Coverage & Eligibility:-

- a) The Scheme shall cover all borrowers including all type of Societies except PACS/PCCS who have availed loans & advances upto Rs.1.00 crore from DCCBs and are unable to repay their dues owing to the reasons beyond their control and their accounts are NPA (Sub Standard, Doubtful & Loss Assets) as on 31.03.2021 (as per RBI norms) and are still outstanding.
- b) The Scheme will cover all borrowers, even if suits under section 138 of Negotiable Instrument Act, 1881, Arbitration cases, securitization proceedings and legal actions have been initiated for recovery of loans.
- c) Legal heir(s)/guarantor(s) of the deceased borrowers will also be covered under this Scheme.
- d) All those borrowers who applied for settlement of their loan accounts under previous OTS Scheme, but failed to fulfill their commitment will also be covered under this Scheme.
- e) The Scheme shall not cover the cases of frauds & misappropriation of funds.
- f) The Scheme shall not cover the loans directly taken by employee of Govt./ Public Undertaking/Boards/Corporations from the DCCBs.
- g) The Scheme shall not cover the loan due towards Govt./Public Undertaking/Boards/Corporations and loan guaranteed by Govt.

5. Cut-off Date:-

The cut-off date will be 31.03.2021 i.e. All those accounts which have become NPA on or before the cut-off date and are still outstanding will be eligible for the Scheme.

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6. Operative Period:-

The OTS (One Time Settlement Scheme) shall be operative from the date of issuance of notification/letter related to the scheme and will be operative upto 30.11.2022.

7. Settlement Formula:-

- i) Any partial recovery paid by the borrower before OTS scheme shall be treated and adjusted as payment in normal course.
- ii) The settlement amount for all those accounts to be covered under this Scheme, shall be worked out from the date of NPA upto the date of settlement of the case as under:-
 - a) Normal interest as per sanction letter will be charged from the date of disbursement to the date of NPA in normal course.
 - b) 6% simple interest will be charged from the date of NPA to the date of settlement on principal amount outstanding.
 - c) 10% of the principal outstanding as on 31.12.2021 shall be paid alongwith the application prescribed by the Bank for OTS. The last date to opt for OTS will be 30.11.2022.
 - d) In case the balance amount in lumpsum is paid within a period of 30 days, no interest shall be charged from the date of application for settlement as per (c) above upto the date of final recovery of total settlement amount and the same will be borne by the Bank.
 - e) In case it is not paid within 30 days, the balance outstanding out of 90% shall be recovered in 3 installments within a maximum period of six months alongwith interest at 6% p.a. from the date of application of settlement as per (c) above upto the date of final recovery of total settlement amount.
- iii) In case, the balance amount 90% is not paid within six months, the settlement shall stand cancelled.
- iv) In any case, the partial repayments made by the borrower before settlement, which exceeds the settled amount under the OTS Scheme, shall not be refunded by the Bank but the borrowers will be eligible for the Scheme for getting No objection certificate from the Bank. The borrowers will not be entitled to make any claim in this respect.
- v) In case when the borrower fails to deposit the entire settlement amount under the Scheme, the amount so deposited by the borrower under the scheme shall be treated and adjusted as payment in normal course.

8. Financial liability at Bank level:-


The entire amount of relief provided to the borrowers under this Scheme shall be borne by the concerned DCCB. No financial support shall be taken from Govt. on account of this scheme.

9. Other Guidelines:-

- a) The Scheme will be applicable to DCCBs, if the same is adopted by BoDs/BoAs of DCCB concerned.
- b) The Scheme will be non-discretionary and non-discriminatory in nature.
- c) The interest relief amount will be prepared by concerned Branch Manager and shall be got certified/verified by G.M of DCCB and CA.
- d) The certified/verified interest relief amount will be adjusted according to accounting procedure by the Branch concerned.

10. Grievance Redressal:-

A redressal committee comprising of three members namely Deputy Registrar concerned, General Manager & Development Officer of concerned DCCB shall be constituted to redress any complaint/grievance of the borrower(s). Under this Scheme, such grievances will be settled/redressed within one month after the date of receipt of grievance. Any grievance received after 15 days of closure of the scheme shall not be entertained.



Registrar
Co-operative Societies,
Haryana, Panchkula. ✓

Endst. No. e-274348/03/24/21/C-5/ 2961-81

dated:- 04.04.2022

A copy of the above is forwarded to the following for information and necessary action:-

1. Additional Chief Secretary to Government of Haryana, Cooperation Department, Chandigarh.
2. All Branch Officers in H.O.


(Indira Rawat)
Deputy Superintendent (Credit)
for Registrar Co-operative Societies,
Haryana, Panchkula. ✓