

Annexure - 9.42

Education Loan OTS Scheme of Canara Bank to Iraq & Libya Repatriate Nurses **Guidelines**

- a. **Name of the Scheme** : One Time Settlement Scheme for NPA accounts of Educational loans granted to Nurses returned from Civil war affected countries like Iraq and Libya upto a limit of Rs. 4.00 lacs in the State of Kerala
- b. **Eligibility:**
- ❖ Educational loans (ELs) sanctioned upto a limit of Rs. 4.00 lacs where security is not available irrespective of Networth/year of sanction.
 - ❖ All EL NPA accounts without cut off date.
 - ❖ Cases of Fraud, Malfeasance, and Willful default are not eligible.
 - ❖ ELS on standalone basis can be considered for settlement under the Scheme irrespective of other liabilities of the borrower/guarantor.
 - ❖ The Scheme shall not be applicable to loans granted to employees/ex employees who availed/extended guarantee during the tenure of the employment.
- c. **Settlement Formula:**
- For accounts with loan amount upto Rs. 4.00 lacs:** Compromise/ OTS amount shall be minimum of Base amount and the balance amount outstanding shall be written off and unapplied interest if any, shall be waived.
- Base Amount:** Amount disbursed + Expenses incurred (including legal expenses) -Total recoveries excluding Interest Subvention.
- d. **Sanctioning Authority:**
- Sacrifice to be calculated as per Loan Recovery Policy (HO Circular 254/2013 dated 05.06.2013) and existing delegated powers are to be exercised by various authorities.
- e. **Terms of payment:**
- OTS amount to be recovered within 12 months from the date of conveying OTS sanction without interest.
- f. **General Guidelines:**
- i. All eligible borrowers are to be intimated about the scheme by giving wide publicity. Branch to take an offer letter from the eligible borrower.
 - ii. The Scheme shall be operative till 31.03.2015.

- iii. Wherever borrowers have filed cases against the Bank or made counter claims, settlement under the Scheme shall be subject to withdrawal of cases/counter claims.
- iv. Acceptance of OTS shall be at the sole discretion of the appropriate authority and the minimum amount prescribed cannot be claimed as a matter of right by the borrowers.
- v. In cases, where the borrower has already paid the Compromise amount, so arrived as per “c” above or more, balance amount outstanding, if any can be waived/ written off and in no circumstances, amount already paid shall not be refunded.
- vi. The Compromise proposals permitted are to be reviewed by the next higher authority as per the Loan Recovery Policy.
- vii. Subsidy, DICGC claims etc. wherever available, to the extent of appropriation shall be over and above the OTS amount.
- viii. Accounts already closed /settled are not eligible.

g. Review and Reporting of Progress under the Scheme:

Circles to maintain a record of permissions accorded by them under the Schemes in a Separate register and send a consolidated report to NPA Management Section. Recovery Wing, HO on monthly basis.