

NATIONAL MINORITIES DEVELOPMENT AND FINANCE CORPORATION

One Time Settlement Scheme (w.e.f. 01/04/2013)

1. Coverage:

All borrowers (SCAs/NGOs), who have overdues at the end of the financial year (i.e. as on 31st March) shall be eligible for OTS scheme.

2. Procedure:

In the first Quarter of the Financial Year, NMDFC will intimate the borrowers about the overdue amount as on 31st March. NMDFC will also inform the borrowers about the amount which can be written off and the amount of overdue which would be payable by the borrower, under various options of One Time Settlement. On receipt of the acceptance, NMDFC will issue sanction to this effect to the borrower.

3. Settlement formula & Payment conditions:

Terms used:

Settlement amount : Overdue amount minus amount to be written off.

Current year: Financial year when proposal of OTS is approved.

Previous year: Previous Year is the Financial Year preceding the Current Year.

Sr. NO.	Formula	Payment Conditions
1	(i) 100% of penal interest overdue (receivable) as on 31 st March will be written off. (ii) 100% amount of penal interest already adjusted till 31 st March from the repayments by NMDFC will be written off.	100% payment of the settlement amount at the time of acceptance of OTS proposal.
2	(i) 100% of penal interest overdue (receivable) as on 31 st March will be written off. (ii) 100% amount of penal interest already adjusted from the repayments during the last	(i) 50% repayment of the settlement amount at the time of acceptance of OTS proposal. (ii) Balance 50% within 6 month.

	three previous years.	
3	(i) 100% of penal interest overdue (receivable) as on 31 st March will be written off. (ii) 15% of normal interest overdue (receivable) as on 31 st March will be written off. (iii) 100% amount of penal interest already adjusted from the repayments during the last two previous years.	(i) 35% repayment of the settlement amount at the time of acceptance of OTS proposal. (ii) Balance 65% within 9 month.
4	(iv) 100% of penal interest overdue (receivable) as on 31 st March will be written off. (i) 25% of normal interest overdue (receivable) as on 31 st March will be written off. (ii) 100% amount of penal interest already adjusted from the repayments during the last one previous year.	(i) 15% repayment of the settlement amount at the time of acceptance of OTS proposal. (ii) Balance 85% within one year from the date of acceptance of proposal.
5	100% of penal interest overdue (receivable) as on 31 st March will be written off.	(i) 25% repayment of the settlement amount at the time of acceptance of OTS proposal. (ii) Balance 75% within two year from the date of acceptance of proposal.

Note: Overdue amount as on 31st March shall be freezed and no further simple interest/penal interest will be levied.

4. In case of partial compliance or non-compliance of the terms and conditions, within the stipulated time by the borrowers, interest/penal interest shall not be waived and overdue amount already freezed will be restored.