

OTS Policy of the Bank: 147/22

1. As per HO Cir 147/2022 in respect of accounts where the realizable value of the security is sufficient to cover contractual / decretal dues to the bank full amount without any compromise to be recovered. In exceptional cases the OTS amount can be arrived at as below. A) Book Liability + Simple interest at MCLR as on 1.4.22 + 1.50% p.a. should be recovered b) At least Book Liability + Simple interest at MCLR - 0.50% p.a. should be recovered c) Recover the maximum amount possible. D) No compromise in such cases.
2. In respect of accounts with book liability of Rs.--- & above, where adequate securities are available to cover the contractual/ decretal dues, any OTS proposal though falling within the delegated powers of Branch/RO/CO-CAC shall be placed before GM/CGM-HO-CAC a) Rs 1 cro and above b)Rs 50 lac and above c) Rs 5 cro and above d) None of these
3. Wilful defaulters should not get institutional finance for a period of how many years from the date of removal of their names from the list of Wilful defaulters published by RBI/Credit Information Companies (CICs) a) 7 years b) 5 years c)3 years d) None of these
4. Who is the delegated authority for OTS in respect of loans sanctioned to employees or loans sanctioned under their guarantee or Co obligation during his service and the loans turned to NPA after their Service? A) CAC of the Board b) Respected delegated authority c) MC of the Board d) None of these
5. Calculation of Unapplied interest for internal purpose is to be done to work out the sacrifice. Which is **not** correct with regard to this in respect of non decreed accounts ? a) In respect of Sub-standard Asset: At One Year MCLR prevailing on 01.04.2022 plus 1.25% or contractual rate including penal rate (whichever is lower) on simple basis b) In respect of Doubtful Asset: At One Year MCLR prevailing on 01.04.2022 minus 1.50% or contractual rate including penal rate (whichever is lower) on simple basis c) In respect of Loss Asset: At One Year MCLR prevailing on 01.04.2022 minus 3.50% or contractual rate including penal rate (whichever is lower) on simple basis. d) None of these
6. Normally the payment of compromise amount should not exceed how many months. a) 3 to 6 months b) 6 to 12 months c) 12 to 15 months d) 12 to 18 months
7. Which is **NOT** correct with regard to charging interest on compromise amount? A) The compromise amount shall carry interest at One Year MCLR (prevailing on 01.04.2022) plus 1.50% (Simple) from the due date of OTS sanction or first installment due (if OTS permitted in installments) till the date of final payment. B) Wherever parties seek time for payment of compromise amount for genuine reasons, then at the time of sanction, Bank may at its

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discretion permit time upto 3 months from the date of communicating the orders, without charging interest on the OTS amount. C) However, in exceptional cases DGM CO CAC (DGM headed Circle) /GM-CO-CAC/CGMCO-CAC may permit proposals seeking time upto six months with or without interest on the OTS amount based on merits of the case. D) Further, in exceptional cases, the appropriate authority permitting the proposal at HO shall have the powers to waive interest on the entire period of delay on compromise amount depending on merits of the case. E) None of these

8. The value of security should be as per the valuation report given by approved valuer which should not be more than --- year/months old as on the date of the compromise/ OTS proposal. A) 3 years b) 2 years C) 1 years d) 6 months
9. In respect of loans where the original value of individual mortgaged security is more than Rs. --- Cro, fresh valuation reports from two empanelled valuers are to be obtained for such properties. A) Rs 5 cro b) Rs 10 cro c) Rs 25 cro d) None of these
10. in respect of securities of immovable properties which were valued at more than Rs--- Cr at the time of last sanction /renewal and the reduction in the present value is more than 30 % of the same, in such cases, to ascertain the exact valuation, 2 valuation reports should be obtained and analysed. A) Rs 1 cro b) 5 cro c)Rs 10 cro d) None of these
11. Branches shall necessarily recover at least ---% to ---% of the compromise amount upfront at the time of entertaining the compromise.
12. in respect of accounts /borrowers where CBI/Police case is pending, intimation of the settlement should be given to CBI/concerned Police authorities and --- days thereafter, the OTS sanction to be communicated to the party. A) 15 days b) 7 days c) 10 days d) None of these
13. There should be specific mention in the OTS sanction to the effect that upon payment of the entire OTS amount as per the terms of sanction, the accounts will appear in the records of the CICs, for a minimum period of ---years with remarks "settled" as per the CIC (Regulation) Act, 2005. A) 3 years b) 5 years c) 7 years d) 10 years
14. Who is empowered to permit issuance of legal notice in respect of sanctions made by CGM/GM-HO-CAC/ED-CAC/CAC of Board and the Management Committee of the Board. A) Respective Sanctioning authority b) Circle Head c) CAC of the Board d) RO head CAC
15. In respect of OTS proposals which have lapsed due to non-payment / part payment and or withdrawn and a period of ----- months have elapsed from the due date, any request for revival of such proposals may be treated as fresh proposal. A) 12 months b)15 months c) 24 months d) None of these

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16. Who is the authority in the bank to settle OTS for wilful defaulters and fraud cases. A) CAC of the Board b) Circle Head CAC c) MC of the Board d) No OTS for these types of borrowers
17. Who is the sanctioning authority in respect of written off accounts when the OTS amount offered is more than 50% of Book Liability a) Branch in charge b) ROCAC c) DGM CO CAC d) None of these
18. Which one of the following is **not** a guideline with regard to writing off full amount of a loan without OTS as per HO Ciri 433/2020 A) Account should have completed 5 years from the date of sanction b) It should have been in NPA for more than 3 years c) Should have been classified as loss asset d) None of these
19. All HO power OTS proposals to be placed before recovery committee at HO consists of 5 GMs for recommendations and the recommendation is valid for – months
20. All OTS proposals involving sacrifice of Rs --- cro and above to be placed before advisory committee at HO and the recommendations of the committee is valid for 12 months.
21. The advisory committee consists of how many members?
22. Proposals already recommended by advisory committee and permitted by the respective CACs, where extension of time for payment of OTS amount is sought and if the time sought for does not exceed --- months from the date of original sanction such proposals need not be placed again before advisory committee for their recommendations .
23. As per the loan recovery policy of the bank (excluding Special OTS) what is the maximum power for waiving unapplied interest by the branch head of VLB?

Special OTS Schemes

1. Tick the Odd man out in respect to Special OTS for MSME loans as per HO Cir 149/22. A) NPA accounts in MSME sector classified as DA and Loss as on 31.3.22 with book liability of Rs 200 lac and below as on the date of Settlement b) SSA accounts in MSE sector with book liability of Rs 200 lac and below as on the date of settlement categorised as sick/non viable for restructuring. C) Book liability on the date of settlement to be generated through BI 291002 d) If the liability is more than Rs 10 lac Panel valuer to give valuation which is not more than 12 months old e) None of these
2. What is the settlement amount in respect of loss accounts with book liability upto Rs 1 lac? 10% of BL as on the date of settlement b) 25% of BL as on the date of settlement c) 30% of BL as on the date of settlement d) None of these

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3. Which is correct with regard to Special OTS for Agriculture NPA accounts as per HO Cir 148/22? 1) Limits sanctioned on or before 31.3.2016 and the limit sanctioned upto Rs 25 lac per borrower 2) For accounts sanctioned with repayment holiday the account should have been sanctioned on or before 31.3.2016 and first instalment should have fallen due on or before 31.3.2017 3) Branch head can settle loans with aggregate sanctioned limit upto Rs 5 lac and RO Head CAC >5 lac upto Rs 25 lac irrespective of sacrifice amount. 4) 10% to be paid on the date of settlement, 25% within 30 days from the date of settlement and balance within 3 months 5) Maximum 6 months can be permitted with interest 6% on OTS amount from the date of OTS 6) None of these a) 1 to 6 all b) 1 to 5 all c) 1 to 4 only d) 3 is not correct
4. Proposals received under Special OTS for agricultural loans as per HO Cir 148/22 to be disposed off with in how many days? A) one week b) 7 days c) 10 days d) two weeks e) 15 days
5. As per HO Cir 150/22 which is not correct with regard to Special OTS for Small Value NPA? A) Small Value NPAs with book liability upto Rs 25 lac b) It should be DA or Loss Assets c) Branch In charges can also settle upto 50 accounts in a FY under this scheme d) If the BL is more than Rs 10 lac and upto Rs 25 lac and if it is Loss asset at least 65% of the BL on the date of settlement to be recovered. E) None of these
6. As per HO Cir 150/22 Which is correct with regard to Special OTS for EL? A) EL with sanctioned limit upto Rs 7.50 lac without any security. B) Sub Standard Accounts are not eligible c) Disbursed before 31.12.2014 and short duration course (upto 2 years) disbursed before 31.12.2017. d) Student borrower earning more than Rs 25,000 PM is not eligible e) All are correct
7. Tick the odd man out in respect of Special OTS for EL as per HO Cir 150/22. a) Large branch head can settle waiving only unapplied interest upto Rs 1 lac b) Loans covered under CGFSEL/CGFSSD prior permission of CGFSEL or CGFSSD to be obtained c) In respect of Restructured EL accounts if the student has died atleast 25% of Book liability to be recovered. D) None of these
8. Special OTS HO Cir 150/22 for Tractor and Farm Mechanisation loans is announced. Which is Irrelevant ? a) Disbursed before 31.3.2017 b) Land holding not more than 16 acres c) Original loan not to exceed Rs 10 lac d) Loan disbursed upto 31.3.2013 base amount to be recovered e) None of these