

RAJASTHAN FINANCIAL CORPORATION
(FR Section)

Udyog Bhawan,
Tilak Marg, JAIPUR

Ref.No. RFC/F/23FR/HO/Policy-39/ 74 957

Dated: 24.11.10

CIRCULAR
(FR- 642)

Reg: Reschedulement of loans under FAAS and CRE sector

Vide FR circular No 604 dated 10.05.10 it was decided not to allow reschedulement in FAAS and CRE sector loans. The position has been reviewed and it has been observed that the real estate sector has not yet come out of red. The branches are still referring the borrowers of CRE sector to HO with their genuine difficulties requesting to allow deferment / reschedulement including extension in repayment period. Accordingly, the matter was placed before the PC&CC in its meeting held on 27.10.10 and looking to the heavy defaults in CRE sector, the committee decided as under:

1. The promoters of FAAS / CRE sector loanee concerns be called at the level of GM(D) and efforts be made to recover the overdues and get the account regularized.
2. In case of CRE sector where borrower is not in position to clear the entire overdues, in such cases, reschedulement of principal be considered provided the entire interest overdues is cleared by the borrower
3. In cases sanctioned under FAAS where borrower is not in position to clear the entire overdues, the reschedulement be considered only in those cases which have rightly utilized the funds disbursed and are facing genuine difficulties provided the interest overdues are cleared.
4. It has also been decided that in the rescheduled cases, Corporation will not consider any further financial assistance upto one year from the date of reschedulement.

Action may be taken accordingly.



(G.S.Sandhu)

Chairman & Managing Director

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