RAJASTHAN FINANCIAL CORPORATION
Udyog Bhawan, Tilak Marg, Jaipur-5
(FR SECTION)

Ref.No. RFC/23FR/HO/Policy-29 /1057 Dated: 04-01-11

CIRCULAR
(No. 647)

Sub: Special Campaign for recovery and reduction in NPA (from 10.01.2011 to 31.01.2011)

The Corporation, with a view to improve its financial health, is commemorating the financial year 2010-11 as "the year of consolidation and growth by way of quality recovery in terms of increased interest recovery, prevention of new slippages and reduction in NPAs". Keeping in view this object, Recovery Strategy was designed for the current financial year (Circular No.FR-608 dt.17/20.5.10) and a mechanism to monitor the recovery was issued vide Circular No.FR-607 dt.14/20.5.10.

Further, to achieve the aforesaid object, different settlement schemes were launched. which shall remain in operation till close of the year.

While review of progress made upto 30.11.10, it was observed that results achieved so far though good yet still better could have been achieved, therefore it has been decided to organize a special campaign for the following thrust areas:

1.	**Period**	10.01.2011 to 31.01.2011.
2.	**Objectives**	A. To effect maximum interest recovery not only from the standard assets but also from the NPAs may be by allowing reschedulement. i) 50% of recovery of interest overdues as on 31.3.10 from the units which were other than closed, under possession, deficit or under litigation including Court stay and BIFR etc. on 31.3.10. ii) 10% recovery of interest overdues from the units which were classified as closed, under possession, deficit, or under litigation including Court stay and BIFR etc. on 31.3.10. B. Restoring the category of those cases, which have slipped from standard to NPAs during the last and the current F.Y. C. To reduce overall NPA level of the Corpn. by 30% to 50%. D. To register at least 50% of the eligible cases under the on going OTS schemes specially, the cases having sanction amount above Rs.1.00 lac.

3.	**Action plan**	i)	**Interest Recovery:** An exercise made on the basis of information available at HO category-wise interest overdues as on 31.3.10 and current interest to be due in the cases, which were standard as on 31.3.10 and also were not classified into the specified categories: the same is enclosed at Annex-A. BOs are required to effect interest recovery accordingly.
		ii)	Each and every case, which has slipped from standard category to NPA, should be elevated to standard category. Likewise, the NPA cases should be reviewed and should either be upgraded to standard or accounts of such cases which are eligible under the ongoing settlement schemes should be settled as per provisions of these schemes.
		iii)	All cases which are having interest overdues, should be thoroughly reviewed and party should be persuaded to clear the overdues.
		iv)	The supervisory officers may contact each and every unit allotted to them and persuade the party to either clear the overdues or register the case for settlement, if it is eligible under the ongoing settlement schemes.
		v)	The progress made so far under the scheme for waiver of penal interest is negligible. Therefore, the supervisory officer may persuade the eligible borrowers for registration and settlement of their account.
		vi)	The cases, in which there is stay from the Court, should be reviewed and efforts should be made to contact the parties and pursue them to explore the possibilities for out of Court settlement without prejudice to the Court orders.
		vii)	No NPA cases should be left without deciding firm line of action to effect recoveries and to regularize the account in such a way that maximum cases are upgraded to standard category by March,2011.
		viii)	Each and every case of CRE should be reviewed and efforts should be made to effect recovery of entire interest as well as principal overdues. If recovery of overdues of principal is not possible, then proposals for reschedulement in deserving cases may be made in consultation with the promoters and forwarded to HO for consideration and necessary decision.
		ix)	The cases in which cheques are bounced and complaint u/s 138(B) of NI Act has been filed or under filing, should be reviewed and promoters be persuaded to make the payment against bounced cheques, which will facilitate withdrawing the complaints and reducing the Court cases.

Contrary to the expectations during the year, some accounts of standard category have slipped to NPA, which needs to be elevated to standard category. Similarly, the interest recovery made so far though marginally higher, but on giving accounting effect to settlements, it may slide down. Therefore care be taken that in no eventuality your interest recovery, as per above parameters goes down. Further, although considerable number of cases have been registered and settled under on going settlement schemes, still more and more cases are to be covered.

The Branch Managers will personally monitor the progress of the campaign and will decide firm line of action in order to effect maximum interest recovery, elevate health-code category and prevent slippage of accounts. Similarly, the DGM (A&I), Western Zone and Central Zone will supervise and also monitor the progress of the campaign of the BOs falling under their jurisdiction.

BMs will also ensure that each and every unit is contacted by the supervisory officer during the campaign period and visit report is submitted. The BM should furnish progress report on closure of the campaign in the enclosed format as Annex-B during the campaign.

All concerned are advised to make a note of above and act accordingly.

(G S Sandhu)
Chairman & Managing Director

Encl: As above

Copy to:

1. All BOs/SOs
2. DGM (A&I) Ajmer/Jodhpur
3. Standard circulation at HO.
4 All Nodal Officers.

Annexure 'A'

RAJASTHAN FINANCIAL CORPORATION

BRANCHWISE POSITION OF OUTSTANDING AND TARGETS

Rs.in lac

	BRANCH	TOTAL INTT O/S ON 31.03.10	INTT O/S IN UNITS UNDER POSSESSION ON 31.03.10	INTT O/S INCLOSED UNITS ON 31.03.10	INTT O/S IN BIFR UNITS ON 31.03.10	INTT O/S IN LITIGATION CASES (STAY CASES etc) ON 31.03.10	INTT O/S IN DEFICIT CASES ON31.03.10	NET INTT O/S ON 31.03.10	INTT O/S IN CLOSED,BIFR LITIGATION etc CASES (EXCLUDING DEFICIT CASES) ON 31.03.10	NET TOTAL O/S ON 31.03.10	CURRENT INTT @14% ON NET O/S (INTT TO BE DUE DURING 2010-11)	INTEREST TO BE RECOVERED UP TO 31.03.11: 100%OF CURRENT INTEREST	50% OF NET INTEREST OVERDUES	10% OF INTEREST OVERDUES IN CLOSED/POSSESSION BIFR LITIGATION CASES	TOTAL INTT.TO BE RECOVERED UPTO 31.03.11
	2	3	4	5	6	7	8	9 (3-4to 8)	10(4+5+6+7)	11	12(14%of 11)	13	14(50% of 9)	15 (10% of 10)	16 (13+14+15)
1	Ajmer	511.32	3.35	434.21	0.00	10.48	19.33	43.95	448.04	1310.85	183.52	183.52	21.98	44.80	250.30
2	Beawar	253.27	0.00	4.23	0.00	106.62	58.21	84.21	110.85	768.30	107.56	107.56	42.11	11.09	160.75
3	Bhilwara	9142.67	225.72	3479.67	2771.79	121.58	1894.70	649.21	6598.76	2420.58	338.88	338.88	324.61	659.88	1323.36
4	Kishangarh	619.89	22.88	15.95	0.00	112.20	427.73	41.13	151.03	2263.54	316.90	316.90	20.57	15.10	352.56
5	Makrana	2384.39	19.12	261.85	0.00	242.32	148.88	1712.22	523.29	2860.28	403.24	403.24	856.11	52.33	1311.68
6	Alwar	3018.29	56.51	986.32	0.00	115.52	1363.71	495.23	1158.35	2484.92	347.89	347.89	248.12	115.84	711.84
7	Bharatpur	1197.70	149.58	810.16	0.00	11.40	216.32	10.24	971.14	709.51	99.33	99.33	5.12	97.11	201.57
8	Bhiwadi	1637.17	79.51	1564.08	0.00	0.00	246.33	747.25	1543.59	11016.18	1542.27	1542.27	373.63	164.36	2080.25
9	Dholpur	930.07	57.94	124.40	0.00	295.58	116.55	335.60	477.92	764.14	106.98	106.98	167.80	47.79	322.57
10	Neemrana	461.21	0.00	3.19	0.00	0.00	278.51	179.51	3.19	1592.05	222.89	222.89	89.76	0.32	312.96
11	Bikaner	1030.44	4.53	208.43	0.00	528.41	50.06	239.01	741.37	1196.07	167.45	167.45	119.51	74.14	361.09
12	Churu	753.65	25.68	140.58	0.00	0.00	568.88	28.51	166.26	188.30	26.36	26.36	14.26	16.63	57.24
13	Hanumangarh	726.07	0.00	12.77	0.00	75.44	213.44	424.42	88.21	582.68	81.58	81.58	212.21	8.82	302.61
14	Nagaur	2232.93	16.30	1071.22	0.00	157.03	308.89	679.55	1244.55	1162.10	162.69	162.69	339.78	124.46	626.92
15	SGNR	534.46	0.00	62.85	0.00	90.53	29.14	351.94	153.38	1118.94	156.65	156.65	175.97	15.34	347.96
16	Dausa	790.77	8.53	140.44	0.00	2.43	618.18	21.19	151.40	641.13	89.76	89.76	10.60	15.14	115.49
17	Jaipur(City)	9668.05	291.50	6673.16	0.00	222.33	581.17	1799.89	7186.99	32516.77	4552.35	4552.35	899.95	718.70	6170.99
18	Jaipur(Rural)	2728.11	28.88	721.63	0.00	106.21	1368.83	502.56	856.72	5130.51	718.27	718.27	251.28	85.07	1055.22
19	Jaipur(Sitapura	137.57	29.33	0.00	0.00	2.14	45.03	61.07	31.47	1846.09	258.45	258.45	30.54	3.15	292.13
20	Jaipur(VKIA)	747.94	19.88	55.80	0.00	569.32	52.58	50.36	645.00	4658.09	652.13	652.13	25.18	64.50	741.81
21	Jhunjhunu	1916.07	15.67	567.82	0.00	0.00	1107.92	224.66	583.49	529.73	74.16	74.16	112.33	58.35	244.84
22	Sikar	2051.14	46.29	251.72	0.00	78.09	352.26	1322.78	376.10	1638.18	229.35	229.35	561.39	37.61	928.35
23	Tonk	268.24	4.11	123.71	0.00	30.21	22.86	87.35	158.03	463.39	64.87	64.87	43.68	15.90	124.35
24	Abu Road	1262.86	33.89	450.04	0.00	0.00	778.59	0.34	483.93	236.85	33.16	33.16	0.17	48.39	81.72
25	Sirohi	2747.15	0.00	52.88	0.00	1.65	2516.96	175.66	54.53	309.36	43.31	43.31	37.83	5.45	136.59
26	Balotra	506.17	0.00	94.47	0.00	0.00	322.71	88.99	94.47	925.71	129.60	129.60	44.50	9.45	183.54
27	Jaisalmer	119.90	0.00	64.70	0.00	0.00	20.79	34.41	64.70	415.29	58.14	58.14	17.21	6.47	81.82
28	Jalore	783.26	119.22	37.11	0.00	0.00	580.72	46.21	156.33	114.60	16.04	16.04	23.11	15.63	54.78
29	Jodhpur	784.16	61.41	17.46	73.76	15.70	490.25	125.58	168.33	5572.53	780.15	780.15	62.79	16.83	859.78
30	Pali	1450.77	137.13	735.68	0.00	1.80	483.58	92.58	874.61	658.17	92.14	92.14	46.29	87.46	225.89
31	Baran	21.70	2.23	0.00	0.00	0.00	5.34	14.13	2.23	65.55	9.18	9.18	7.07	0.22	16.47
32	Jhalawar	357.57	37.87	238.46	0.00	0.00	17.83	63.41	276.33	396.13	55.46	55.46	31.71	27.63	114.80
33	Kota	1198.32	12.96	127.66	0.00	6.41	220.91	830.38	147.03	5292.29	740.92	740.92	415.19	14.70	1170.81
34	Bundi	303.98	7.49	14.21	0.00	0.00	24.23	258.05	21.70	289.84	40.58	40.58	129.03	2.17	171.77
35	S.Madhopur	627.98	77.33	65.05	0.00	7.06	35.71	442.83	149.44	648.31	90.76	90.76	221.42	14.94	327.12
36	Karauli	459.20	0.00	77.30	0.00	0.00	40.29	341.61	77.30	420.27	58.84	58.84	170.81	7.73	237.37
37	Banswara	560.45	7.20	131.98	0.00	0.00	407.80	13.47	139.18	730.59	102.28	102.28	6.73	13.92	122.94
38	Chittorgarh	181.04	0.00	8.30	0.00	27.04	11.57	134.13	35.34	1294.34	181.21	181.21	67.07	3.53	251.81
39	Rajsamand	56.49	4.81	8.35	0.00	5.91	29.05	8.37	19.07	610.11	85.42	85.42	4.19	1.91	91.51
40	Udaipur	725.86	31.42	314.19	0.00	67.22	101.74	211.29	412.83	2209.82	309.37	309.37	105.65	41.28	456.30
41	Dungarpur	314.41	20.41	44.68	0.00	0.00	248.21	1.11	65.09	37.54	5.26	5.26	0.55	6.51	12.32
	Grand Total	57212.75	1658.68	20196.71	2845.55	3010.63	16525.79	12975.39	27711.57	98109.63	13735.35	13735.35	6487.70	2771.16	22994.20

Annexure-B

RAJASTHAN FINANCIAL CORPORATION

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PROGRESS REPORT OF CAMPAIGN

(Rs.in lac)

S. No	Particulars	Progress upto 09.01.2011	Progress during campaign	Total
1.	Interest Recovery: a) From standard assets b) From NPA: i) From the units other than closed, under possession, deficit or under litigation as on 31.3.10. ii) From the units which were closed, under possession, deficit or under litigation as on 31.3.10.			
2.	Units restored to standard out of units slipped to NPAs during last year and current F.Y. No. Amt. (Prin.only)			
3.	Position of NPA (principal only) as on			
4.	Progress of OTS cases registered under Amnesty scheme: a) Cases upto Rs.1.00 lac b) Cases above Rs.1.00 lac			
5.	Progress of OTS cases registered under Schemes for DDW and decreetal: a) Cases upto Rs.1.00 lac b) Cases above Rs.1.00 lac			

Branch Manager