

RAJASTHAN FINANCIAL CORPORATION
(FR SECTION)

Udyog Bhawan,
Tilak Marg,
JAIPUR-302001.

Ref.No.23FR/HO/P-28/2900

Dated :13.01.2005

CIRCULAR
(FR/326)

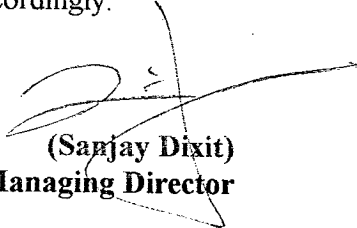
Registration of cases under One time Settlement Scheme for NPAs 2004-05 had cut off date 30.11.2004. There were references from different branches for registering cases for settlement. The matter was placed before the PC & CC in its meeting dated 6th Jan.,2005.

It has,therefore, been decided to adopt a recovery strategy in place of OTS for the limited purpose of continuing to encourage reduction of NPAs. Accordingly, it was decided to entertain cases on merit basis at the level of concerned DGM(R)s that are to be got approved from CGM(D) subsequently.

Under the strategy it has been decided to recover 15% of the outstanding amount or 30% of the principal sum, whichever is less to be accepted as an initial amount.

DGM(R)s shall look into each case on merit basis bearing in mind health code category, securities available and the amount recoverable. In any case it should be in the interest of the Corporation and should lead to reduction in NPAs. Such cases may then be referred to the concerned Committee.

All concerned are advised to take note of the above strategy and act accordingly.


(Sanjay Dixit)
Chairman & Managing Director

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