

/RFC/FR/PG/--1104-/

RAJASTHAN FINANCIAL CORPORATION

**Udyog Bhawan, Tilak Marg,
Jaipur**

Ref.No.: RFC/23FR/HO/P-8/ 187

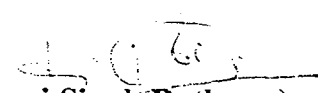
Dated: 19.4.2005

CIRCULAR
(FR No. ³⁴³)

Reg : Scheme for Settlement of Small Loans

In order to cleanse the small loans having disbursed amount upto Rs.50,000/-, the Corporation is launching a scheme for settlement of small loans having disbursed /deficit /written-off /decreetal amount upto Rs.50,000/- for the year 2005-06. Copy of the scheme is enclosed.

All concerned are directed to give full publicity to the scheme and ensure that majority of small loans in their portfolio are settled.


(**Karni Singh Rathore**)
Chairman & Managing Director

Encl. As above

Copy to :

- 1) All ROs/BOs/Sub-Offices
- 2) DGM(A&I), Western Zone
- 3) Standard Circulation at HO

**RAJASTHAN FINANCIAL CORPORATION
(FR SECTION)**

Scheme for Settlement of Small Loans 2005-06

In order to cleanse the NPAs., the Corporation has been launching various schemes over the years. Segment of Small Loans having disbursed amount upto Rs. 0.50 lac is one such area where NPA accounts are in large number. In order to cleanse this portfolio the present scheme is being launched.

1. ELIGIBILITY

The following type of cases including loans disbursed up to 31.3.2000 may be covered under the Scheme :

- a) Loan cases having disbursed amount upto Rs. 50,000/- including Single Window / Composite Loan.
- b) Loan under Shilpbari Scheme.
- c) Transport Loan cases having disbursed amount upto Rs. 50,000/-.
- d) Deficit cases having absolute principal sum upto Rs. 50,000/- as on date of sale.
- e) Written off cases having written-off amount upto Rs. 50,000/-.
- f) Decreeal cases where decree awarded prior to 1.4.2000 and amount is up to Rs. 50,000/-.

2. SALIENT FEATURES

- a) The cases, irrespective of primary security / collateral security / third party guarantee may be settled on principal sum plus other money outstanding on the date of settlement.
- b) The cases where decrees have been passed by the Courts may be settled on decreeal amount plus other money.

(Contd.....P:2)

- c) In the cases where Court case has been filed by the party, that will have to be withdrawn before decision of settlement.

3. REGISTRATION & CUT OFF DATES

- a) Registration of cases from 20.04.2005 to 30.06.2005.
- b) Visit of units by Branch Officers by 30.05.2005.
- c) Decision / Settlement of cases by Branch Manager by 15.07.2005.
- d) Entire settlement amount to be received by 30.09.2005.

Note: *The pending cases registered under the Small Loan Scheme 2004-05 shall also be decided by 30th April, 2005 and payment shall be received by 30th May, 2005.*

4. REGISTRATION FEE

The cases will be registered along with registration fee of Rs.500.00

5. COMPETENT AUTHORITY

Competent authority shall be the Branch Manager/Incharge Branch

6. RESTRICTIVE CLAUSE

- a) The cases already decided shall not be re-opened.
- b) In no eventuality the cases be settled below principal plus other money.
- c) In cases where other money is more than the principal sum then other money equivalent to principal sum on the date of settlement may be taken.
- d) Effect of settlement will be given only after full amount of settlement has been recovered.

7. **GENERAL**

- a) All parties to be contacted personally (which could not be contacted last year under the Scheme 2004-05) and concrete efforts should be made in consultation with the DGM(R).
- b) The DGMs(R) shall review the branch-wise attainments in Regional Meetings and provide feed-back through a special note after every visit, with regard to attainments of each branch.
- c) The Branch Manager is authorised to approve tour programme for using the services of 'B' & 'C' class employees in contracting the promoters.

8. **MONITORING SYSTEM**

- a) First quarter of current financial year 2005-06 is to be used for settlement of these type of cases and each case shall be looked into personally by the BM. The Branch Manager shall constitute a team/teams of officers to visit each and every case and prepare a visit report in the format given at Annexure-1.
- b) Unit-wise record shall be maintained at BO in a separate register in the format at Annexure-2.
- c) Monthly report shall be furnished by BO in Annexure-3 before 10th of every month.

5
Annexure - '1'

RAJASTHAN FINANCIAL CORPORATION

Name of Branch Office _____

Date _____

Time _____

NPA REDUCTION DRIVE 2005-06

(Small Loans upto Rs. 50,000/-)

VISIT REPORT

1. Name of the Unit with Address :
2. Name of the Promoter(s) :
3. Outstanding as on _____
PND
POD
IOD
OM
Total
4. Date and amount of last payment received :
5. Status of Unit : Running/ Closed/ Abandoned
6. Comments of visiting team for registration for settlement/ affecting recovery/ action proposed for recovery.

Signature of Visiting Officer/ Staff

7. Line of action decided by Branch Manager for settlement/ initiate action for recovery.

Manager/ Dy. Manager (I/C)

Annexure-'2'

RAJASTHAN FINANCIAL CORPORATION

BRANCH NAME _____

Scheme for settlement of Small Loans
(2005-2006)

[illegible]

RAJASTHAN FINANCIAL CORPORATION

MONTHLY REPORT

BRANCH NAME _____

MONTH _____

SCHEME FOR SETTLEMENT OF SMALL LOANS
(2005-06)

S.No.	No. of units covered under the scheme in the Branch	No. of cases registered		No. of decision made for settlement	No. in which final amt. received	No. in which part payment received	Total amount received		Total amount sacrificed		%age of settled	Remarks
		During the month	Cumulative				During the month	Cumulative	During the month	Cumulative		
1	2	3	4	5	6	7	8	9	10	11	12	13