

**RAJASTHAN FINANCIAL CORPORATION
(FR SECTION)**

Udyog Bhawan,
Tilak Marg,
Jaipur

Ref. No. RFC/23FR/HO/Policy- 8/3241

Dated : 13/01/2006

**CIRCULAR
(FR No. 374)**

Sub : **Extension in cut-off date for registration of settlement cases**

In the current financial year - 2005-06, the Corporation has introduced two schemes viz, the Scheme for Settlement of Small Loans vide FR Circular No. 343 dated 19.04.05, the Scheme for Settlement of deficit/Written off/Decreetal cases over Rs. 50,000/-, but upto Rs. 2.00 lac vide ARRC Circular No. 100 dated 02.05.05. Vide FR Circular No. 362 dated 02.09.05 and FR Circular No. 368 dated 09.11.05, extension in period for registration of cases was given upto 31.12.05. Third Scheme for Settlement of deficit cases, Decreetal cases and written off/written back cases above Rs. 2.00 lac was also circulated vide ARRC Circular No. 110 dated 20.09.2005.

It has been observed that huge amount is involved in such cases but encouraging results are yet to be received. Requests have also been made by field offices for extension of last date for registration and date of collection of settlement amount.

Keeping the requests of the field offices in mind and also the fact that the scheme is meant for settlement of small and sticky accounts of the Corporation which aims - to reduction in NPAs and to improve the recovery portfolio, it has been decided to further extend the cut off date of registration and collection of settlement amount in all the three settlement schemes as indicated at Page No. 2 :

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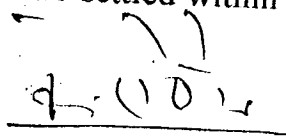
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S. No.	Activity	Cut off date
1.	Last date for registration of eligible cases	28.02.2006
2.	Decision/settlement of cases by competent authority as specified in respective circulars	15.03.2006
3.	Entire settlement amount to be received	31.03.2006

If entire settlement amount is not possible to be recovered upto 31.03.2006 then in deserving cases, at least 50% settlement amount to be recovered upto 31.03.2006 and remaining 50% settlement amount may be recovered upto 30.06.2006 alongwith interest @ 13% p.a. from 01.04.06 to date of final payment on the unpaid amount of settlement. Reasons/justification be recorded if period for payment is being given after March, 2006.

All other terms and conditions of the respective Schemes shall remain the same.

All concerned are advised to provide full publicity of the changes in cut-off dates and ensure that majority of eligible cases are settled within the extended operative period of the scheme.


(Karni Singh Rathore)
CHAIRMAN & MANAGING DIRECTOR

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