

RAJASTHAN FINANCIAL CORPORATION  
(FR SECTION)

Ref.No.RFC/23FR/HO/P-8/1214

Dated: 19-7-2006

**CIRCULAR**  
**(FR No. 395)**

To

All Branch Offices &  
Regional Offices of the Corporation

Attention is invited to FR Circular No. 394 dated 19.7.06 hereby existing scheme for settlement of small loans having sanctioned amount above Rs. 0.50 lac to Rs. 2.00 lac has been made liberal and certain amendments have therefore been incorporated therein (copy enclosed).

Attention is also invited to FR Circular No. 378 dated 23.3.06 followed by FR Circular No. 386 dated 4.5.06 and FR Circular No. 391 dated 13.6.06, thereby schemes for settlement of small loans having sanctioned amount upto Rs. 2.00 lac have been issued and FR Circular No. 392 dated 28.6.06, thereby scheme for settlement of transport loan cases having sanctioned amount above Rs. 2.00 lac have been issued.

Though the schemes and provisions contained therein are emphatically clear, some of the field offices are not interpreting them in true spirit and casting their own versions resulting into undue delay and harassment of entrepreneurs. This is also defeating the basic objective of the schemes which are in operation for a limited period.

In the above background, following clarifications are issued :

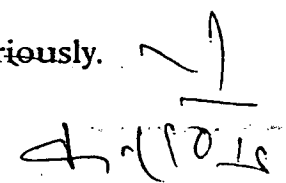
1. Upfront amount equivalent to 15% of (principal sum plus other money) on the date of registration should be obtained. Some branches are insisting upon 15% of principal amount and whole amount of other money as upfront charges which is not correct. 15% of (principal sum + other money) is to be taken as upfront amount.
2. Upfront amount deposited on registration of case should be adjusted against settlement amount.

लोक सूचना अधिकार अधिनियम  
के तहत प्रमाणित  
राज्य लोक सूचना अधिकारी  
लोक सूचना अधिनियम, 2005  
उद्योग नकाशे, गुजरात

3. Branch Manager/In-charge (Branch) is the competent authority to settle cases in these schemes, therefore, case(s) should not be referred to any Committee.
4. Branch Manager/In-charge (Branch) should make all endeavours to settle the case, preferably on the same day when the case is registered.
5. Settlement amount should be worked out in strict adherence to the provisions/norms of settlement schemes. Settlement amount should not be increased on the grounds of value of assets/availability of primary security/collateral security/third party guarantee/net worth of promoters/ guarantors.
6. All parties should be contacted personally and concrete efforts shall be made for registration of cases. It should be ensured that notices along with details of settlement schemes be sent to all parties eligible under the scheme(s).

It is expected that with the above clarifications, there should not be any further confusion/misinterpretation over the provisions of schemes launched and cases shall be settled promptly.

Any laxity noticed in this regard shall be viewed seriously.

  
(Karni Singh Rathore)  
Chairman and Managing Director

Encl: As above

  
लोक सूचना अधिनियम  
के अन्तर्गत  
राज्य लोक सूचना  
लोक सूचना  
उत्तर प्रदेश