RAJASTHAN FINANCIAL CORPORATION
(FR SECTION)

Ref.No. RFC/23FR/HO/Policy-17/ 3345 Dated 11.01.2008
15

CIRCULAR
(FR No. 494)

Sub: Scheme for one time settlement of NPAs : 2007-08

Attention is invited to FR circular No.448 dated 1.5.07 whereby the Corporation has introduced scheme for one time settlement of NPAs for the Financial Year 2007-08

On reviewing the progress made under the settlement scheme, it has been observed that the results are not encouraging. The loanees are not forthcoming to avail the benefits under the scheme.

Considering the above and in order to get rid of sticky accounts and reduce NPAs, it has been decided to provide relaxation in the norms in regard to upfront amount which is required to be obtained from loanee parties for registration of cases under the settlement scheme. Accordingly, the upfront amount required is reduced from 30% to 20% (of principal sum plus other money) on the date of registration.

Further, it has also been decided that the cases which were settled prior to 1.1.05 with the consent of loanee but the loanee either did not deposit any amount or deposited part amount, may be allowed for registration afresh under the scheme.

Accordingly, sub-clause (c) that reads as under has been added in clause 1 under the heading 'Eligibility' of the scheme:

"The cases settled prior to 1.1.05 with the consent of loanee but loanee either did not deposit any amount or deposited part amount and is willing to get the case registered afresh under current scheme provided it is otherwise eligible for registration."

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

(B.N. SHARMA)
CHAIRMAN & MANAGING DIRECTOR

Copy to:

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