

RFC/PG/122

RAJASTHAN FINANCIAL CORPORATION
(FR SECTION)

Ref.No.RFC/23FR/HO/Policy-28/ 3650

Dated 13.2.2008
19

CIRCULAR
(FR No. 498)

Sub: Monitoring and inspection of assisted units

Attention is invited to FR circular No. 341 dated 16.4.05 regarding above followed by FR circular No.447 dated 1.5.07 whereby recovery strategy for the financial year 2007-08 was circulated to all the field offices.

Accordingly, assisted units of the Corporation need to be visited/inspected on regular basis for (i) knowing the health of the units, (ii) assisting in solving difficulties being faced by the units, if any, and (iii) for the purpose of recovery.

It has been observed that units are not being visited / inspected in adherence to the norms prescribed which is not desirable.

In order to effective monitoring and inspection of assisted units, the following norms, in supersession to all earlier norms are prescribed under PG Schedule - 3/3 :

I. RUNNING UNITS:

a)	Non defaulting unit	Norms for inspection
i).	Loans upto Rs.10.00 lac	
	DM/AM (FR) at Branch	25% of total non defaulting units once in a year
	Branch Manager	5% of units once in a year
ii)	Loans above Rs.10.00 lac and upto Rs.30.00 lac:	
	DM/AM (FR) at Branch	50% of total non defaulting units once in a year
	Branch Manager	50% of total non defaulting units once in a year
iii)	Loans above Rs.30.00 lac	
	Branch Manager	Every unit once in 6 months. Detailed inspection of 25% of units once in a year.
b)	Defaulting Unit	
i)	Overdues above Rs.5.00 lac	
	Branch Manager	Every unit once in a half year. Detailed inspection once in a year.
	DM(FR) / AM (FR) at Branch Office	Every unit once in a quarter.
ii)	Overdues above Rs.1.00 lac but upto Rs.5.00 lac:	
	Branch Manager	Every unit once in a year, detailed inspection of 20% of the units once in a year.
	DM/AM(FR) at Branch	Every unit once in a month, detailed inspection of 50% of the units once in a year.

iii)	Defaults upto Rs.1.00 lac where default is also in principal amount:	
	Branch Manager	50% of units once in a year
	DM/AM (FR) at Branch	Every unit once in a month. Detailed inspection of 25% of units once in a year.

II. CLOSED UNITS:

Branch Manager/DM(FR) at Branch	Detailed inspection at the time of take over of assets.
DM/AM (FR) at Branch	To be inspected immediately on receipt of the information that the unit is lying closed.

III. JOINT FINANCE CASES:

Branch Manager	Detailed inspection once in a half year.
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IV. UNITS IN POSSESSION:

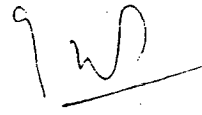
Branch Manager	Once in a year.
DM/AM (FR) in Branch	Once in a quarter.

Note: Each Officer in the Branch shall visit / inspect atleast 10 units in a month.

It should be ensured that all the units running / closed / under possession / joint finance etc. are visited as per above prescribed norms. Inspection reports for the units inspected by Branch Officers shall be submitted to the Branch Manager concerned and inspection report in respect of units inspected by Branch Manager shall be submitted to GM (D) at HO by 7th of every month in the prescribed format.

The time left in the current financial year is very short. It is therefore, enjoined upon all the concerned that maximum number of units are inspected in the month of February 2008 and Inspection reports in respect of the units inspected so far be sent to GM(D) by 3.3.08 positively containing details of inspection carried out in the month of February, 2008.

All concerned are advised to take a note of above and act accordingly. Any laxity noticed in this regard shall be viewed seriously.


(B.N. SHARMA)

CHAIRMAN & MANAGING DIRECTOR

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