

RAJASTHAN FINANCIAL CORPORATION
(FR SECTION)

Ref.No.RFC/FR/HO/Policy- 108/1391

Dated: 31.10.2008

3.11.

CIRCULAR
(FR No.539)

Reg: Special campaign for NPA reduction
(from 05.11.08 to 05.12.08) .

The Corporation is organizing a Special Campaign for reduction of NPA from 5.11.2008 to 5.12.2008. The main object of the camp is to prevent deterioration of standard assets, increasing interest recovery and reducing NPAs. A Vision plan has already been drawn and circulated vide Circular FR-513 dated 29.4.2008.

In order to further the objectives of the Vision plan, concerted efforts are required to be put to ensure effective reduction of NPAs, detailed guidelines in this regard has already been issued by Circular No. 536 dated 22nd October, 2008. The following main points need immediate attention of the field officers during the campaign:

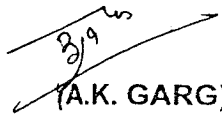
1. It is to be ensured that no assets which have been classified as standard assets slips to NPA. For this purpose, each and every case classified as standard as on 31.3.2008 are reviewed by the Branch Manager himself and distributed amongst the officers of the Corporation in such a manner that if there is any default of such unit should be regularized during the period of campaign itself.
2. NPA cases should be reviewed and those which can be upgraded to standard assets should find special attention of the Branch Manager himself and upgraded during this period.
3. Targets have already been assigned for reduction of NPA. It is to be ensured that the NPA level of the Corporation is reduced atleast by 50%.
4. Attention of each and every Officer of the Corporation is drawn for settlement of eligible cases under the existing OTS Schemes. Effective reduction of NPA is possible only by settling the maximum cases under the settlement schemes since this is the only method to provide any relief to an entrepreneur and thereby getting his loan account settled. The progress in this field can also not be considered as satisfactory as a lot is required to be done in this field. Such cases are to be distributed amongst the officers of the Branch as per the Vision Plan and monitored individually by the Branch Manager.
5. In DDW cases following actions are required to be taken by the Branch:
 - i) Identification of properties in such cases by carrying out in depth study of the files and other information available with the Branch Office. Effective information can also be collected by visiting the available address of promoters/guarantors.

- ii) Persuasion with the Revenue authorities for attachment of properties and its auction.
6. During the course o visit attempt should be made to identify prospective purchasers of the unit under possession for their disposal.

Role of Nodal Officers

- (1) The Nodal Officers must be directly in touch with the Branch Managers and monitor all aspects mentioned in the Circular issued for the purpose.
- (2) Deficiency in a particular field should be looked into and discussed in depth with the Branch Managers and remedial measures suggested so that the effect can be visualized in the campaign period itself.
- (3) The Nodal Officers must be in touch with the General Manager (Dev.) and keep him abreast with the latest position regularly.
- (4) The Nodal Officers must visit the respective BOs atleast twice during the campaign period.

It is expected that the Branch Managers and the Nodal Officers would act in the spirit of the purpose of Special Campaign for reduction of NPA to improve financial health of the Corporation.


(A.K. GARG)
Chairman & Managing Director

Copy to:

1. All Branch Offices
2. All Nodal Officers
3. Standard Circulation at HO.