

**RAJASTHAN FINANCIAL CORPORATION
(FR SECTION)**

Ref.No.RFC/23FR/HO/Policy- 8 / 1678

Dated : 1st Jan., 09

**CIRCULAR
(FR-548)**

**Reg : Scheme for Settlement of Small Loan cases having
disbursed amount upto Rs. 1.00 lakh : 2008-09**

In order to get rid of the small and sticky accounts and to reduce NPA portfolio of the Corporation, Scheme for Settlement of Small Loan cases having disbursed amount upto Rs. 1.00 lakh was launched vide circular no. FR-519 dated 02.05.08 as per which the loan cases having disbursed amount upto Rs. 1.00 lakh and in which last disbursement was made upto 31.03.01 and the accounts were classified as "Doubtful" or "Loss" as on 31.03.06 were eligible.

The Corporation is seized of the problem of these small sticky accounts since last several years. For the FY : 2008-09, it has been decided that 100% of the cases eligible under this scheme should be registered and settled and accordingly Circular no. FR-529 dated 25.07.08 was issued vide which monthly targets for registration of the eligible cases were fixed.

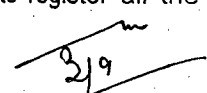
The progress made so far has been reviewed and it has been observed that the achievements made so far are far behind the expectations.

Since the Scheme for Settlement of Small Loan cases having disbursed amount upto Rs. 1.00 lakh is expected to facilitate the Corporation in reduction in NPA level, it has been decided to extend the cut-off date of registration and also to change the mode of payment of settlement amount under this Scheme as follows :-

1	Cut-off date of registration	Upto 28.02.2009
2	Mode of Payment of the Settlement amount	If the party opts to make payment in instalments then the settlement amount will be required to be paid in monthly instalments but in any case repayment period will not be beyond 31.03.09.

It is mentioned that the cases registered upto 31.12.08 will have to deposit the recoverable amount as per the mode of payment contained in Circular no. FR-519 dated 02.05.08 and in case of failure to deposit immediate legal action as per norms may be taken.

All concerned are advised to make a note of above and make sincere efforts to make aware all the eligible loanee concerns about the Scheme and ensure to register all the eligible cases.


(ATUL KUMAR GARG)
CHAIRMAN MANAGING DIRECTOR

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