DGM(DDW)

RAJASTHAN FINANCIAL CORPORATION
UDYOG BHAWAN, TILAK MARG,
JAIPUR – 302 005
(FR SECTION)

PA
1917

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15

CIRCULAR
(FR-662)

Reg : One-time Settlement Schemes - 2011-12

With a view to doing away with old sticky loan accounts and reduce non-performing assets, the Corporation has been launching various one-time settlement (OTS) schemes each year, beginning 1993-94. Last in the series of such schemes were the OTS Schemes for the financial year 2010-11.

It has been observed that, despite such one-time settlement schemes in previous years, there still exist on the Corporation's books of accounts substantial NPAs which could be categorized as difficult cases from the point of view of recovery, besides deficit cases where the assets of the unit have been disposed off and yet there are outstanding amount against the borrowers.

It has also been observed that one-time settlement schemes, so far, have tended to focus on providing relief to NPA in terms of waiver of interest accumulated. In case of very small amounts advanced years ago, such schemes have allowed settlement of cases at a certain percentage of the principal sum. This has resulted in a situation where genuine defaulters (who continue to make repayments according to their capacity and which amounts get adjusted against mounting interest, leaving the principal amount standing as over-dues) stand to lose more than those who are more or less willful in defaulting and end up getting their accumulated interest over-dues waived off under such schemes.

It was felt that, it was time that this situation was rectified. Accordingly, the matter was placed before the Board in its meeting held on 28.06.2011 and 07.07.2011. The Board of Directors in its meeting held on 07.07.2011 has approved the following schemes for One-time settlement of NPAs : 2011-12 :-

A. One-time settlement scheme for settlement of NPAs (except DDW cases) :-

   I. OTS scheme for the cases where sanctioned amount is upto Rs. 2.00 lakhs (except DDW and Transport loan cases)

II. OTS scheme for settlement of Transport loan cases (except DDW cases)

III. OTS scheme for cases where the sanctioned amount is more than Rs. 2.00 lakhs and upto Rs. 10.00 lakhs (except DDW and Transport loan cases)

IV. OTS schemes for cases where sanctioned amount is more than Rs. 10.00 lakhs except the cases where MRV of primary security plus collateral security is more than 200% of the total outstanding (except DDW and Transport loan cases)

B. One-time settlement scheme for settlement of DDW cases :-

I. OTS scheme for deficit / written off cases

II. OTS scheme for decreetal cases

Note : It is mentioned that the DDW cases having collateral security, if otherwise eligible, shall be registered by getting deposited the requisite registration fee and up-front payment as prescribed in different schemes for DDW cases and proposals shall be forwarded by the BOs to HO for placing the same before Special HOLC for taking decision.

The objective of the OTS schemes : 2011-12, eligibility criteria, operative period, details of requisite registration fee and up-front payment, settlement formula under different schemes and general conditions / guidelines to be followed while taking-up cases under any of the one-time settlement schemes for 2011-12, are enclosed herewith at Annexure 'A' to 'C'.

All the Branch Managers are advised to carefully go through these OTS schemes and list-out the cases eligible under different schemes and work-out the details required as per settlement formula latest by 25.07.2011 and send the category-wise details of the number of eligible cases and amount involved (principal interest and other money) to the GM(D) so as to reach latest by 31.07.2011 positively.

The Branch Managers should inform all eligible borrowers about the details of the schemes and the benefit available in the event of settlement latest by 31.07.2011 positively.

The Branch Managers should distribute all the cases eligible under different schemes amongst the different teams constituted for the purpose and these teams should ensure to contact the promoters / guarantors of these cases and make them aware about the benefits which they will get in case of settlement under these schemes.

The Branch Managers will send monthly progress report to the DGM(FR-1) regarding the cases eligible under OTS scheme for NPAs (other than DDW cases and to the DGM(DDW) regarding the cases eligible under OTS scheme for DDW cases in the enclosed format at Annexure 'D' & 'E' respectively by 7th of the following month.

The Branch Managers are also advised to make wide publicity of these schemes through Press notes in the local news papers through DPR.

It is enjoined upon all the Branch Managers to make all out efforts to register all eligible cases so as to get rid off such old and sticky accounts thus facilitating reduction in NPA level.

(PRADEEP SEN)
CHAIRMAN & MANAGING DIRECTOR

Copy to:

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

ANNEXURE 'A'

OBJECTIVES OF ONE-TIME SETTLEMENT

SCHEMES FOR NPAS : 2011-12

Section 24 of the State Financial Corporations Act, 1951, envisages for the boards of State Financial Corporations, for discharging their functions under the Act, to act on business principles giving due regard to the interests of industry, commerce and the general public. The conclusion derived from this Section of the SFC Act prompted the Rajasthan Financial Corporation to devise some mechanism for settling difficult and hard cases where early recovery is not possible whether it be on account of difficulties the unit faces to make re-payments or the non-viability of project itself or the inability of the unit to keep up with the changing economic scenario.

Accordingly, the Corporation has been bringing in one-time settlement schemes each year to settle its Non-Performing Assets (NPAs) through the mechanism of empowered settlement committees. With a view to getting rid of such accounts, improve its financial health and to provide relief in genuine cases.

The progress made so far has been reviewed and it has been observed that, despite such one-time settlement schemes in previous years, there still exist on the Corporation's books of accounts substantial NPAs which could be categorized as difficult cases from the point of view of recovery, besides deficit cases where the asses of the unit have been disposed off and yet there are outstanding amount against the borrowers.

It has been observed that one-time settlement schemes, so far, have resulted in a situation where genuine defaulters (who continue to make repayments according to their capacity and which amounts get adjusted against mounting interest, leaving the principal amount standing as over-dues) stand to lose more than those who are more or less willful in defaulting and end up getting their accumulated interest over-dues waived off. It has been felt that, it is time that we rectify this situation.

Accordingly, the One-Time Settlement Schemes - one for NPAs other than Deficit cases, and the other for Deficit-Decreetal-Written-off (DDW) cases - for 2011-2012, are being launched keeping in view the following specific objectives :

(i)To reduce NPAs and improve the health code of loan portfolio of the Corporation; also, to reduce the number of old NPA accounts;

(ii)To provide relief to genuine defaulters who continue to repay the loan even after the same has turned an NPA and send a message to all other defaulters, who might choose not to repay the loan once it has turned an NPA in the expectation of a one-time settlement scheme in which their interest dues would get waived, that it pays to make repayments in time;

(iii)To effect maximum recovery from NPA accounts to make available to the Corporation funds that are stuck for long and which would be available at almost zero cost.

ANNEXURE -'B'

ONE-TIME SETTLEMENT SCHEMES - 2011-12

[A] ONE-TIME SETTLEMENT SCHEME FOR SETTLEMENT OF NPA ACCOUNTS (EXCEPT DDW CASES)

[1] Eligibility

Cases **sanctioned up to 31.03.2001** (including single window / composite loan / seed capital loan) and which stand categorized as "**doubtful**" **or** "**loss**" **as on 31.03.2006** shall be eligible.

Note:

(i) There is no bar for registration of cases closed / rejected earlier by the Empowered Settlement Committee(s) / competent authority / deferred sale cases or cases which were settled up to 31.03.2010 with the consent of the loanee but where the loanee either did not deposit any amount or deposited part amount only, if these are otherwise eligible. However, the cases which were settled after 31.03.2010 by the Empowered Settlement Committee(s) / competent authority with the consent of the loanee shall not be registered afresh under the scheme.

(ii) Deficit / decreetal / written-off cases will be covered under a separate scheme of the Corporation and such cases shall not be considered / registered under this scheme.

(iii) As per existing guidelines / practices being followed all live accounts are clubbed-up for ascertaining the eligibility for settlement and ascertaining the settlement amount in cases where a borrower is having multiple accounts.

In case any branch feels that out of multiple accounts, a single account be settled such proposals may be sent to HO; with full facts of the case and comments specially as to how settlement of single account is in the interest of the Corporation; for examination, where till all accounts are settled documents shall not be released.

[2] Operative period : 01.08.2011 to 31.12.2011

I OTS Scheme for the cases where sanctioned amount is up to Rs. 2.00 lakhs (except DDW and Transport loan cases)

Registration fee, up-front payment, formula for OTS and competent authorities

Loan sanctioned amount	Settlement formula	Registration Fee (Rs.)	Up-front payment (Rs.)	Competent Authority (irrespective of quantum of sacrifice)
Up to Rs. 25,000/-	Amount disbursed + other money debited in the account since beginning + incentive paid / payable to the revenue authorities (if applicable) minus total payment made since inception till date of application **OR** 10% of principal sum outstanding + other money + incentive paid / payable to the revenue authorities (if applicable) whichever is lower.	100	10% of principal sum + 10% of other money	Branch Manager
Above Rs. 25,000/- and up to Rs. 50,000/-	Amount disbursed + other money debited in the account since beginning + incentive paid / payable to the revenue authorities (if applicable) minus total payment made since inception till date of application **OR** 30% of principal sum outstanding + other money + incentive paid / payable to the revenue authorities (if applicable) whichever is lower.	100	10% of principal sum + 10% of other money	Branch Manager
Above Rs. 50,000/- and up to Rs. 1,00,000/-	Amount disbursed + other money debited in the account since beginning + incentive paid / payable to the revenue authorities (if applicable) minus total payment made since inception till date of application **OR** 40% of principal sum outstanding + other money + incentive paid / payable to the revenue authorities (if applicable) whichever is lower.	500	10% of principal sum + 10% of other money	Branch Manager
Above Rs. 1,00,000/- and up to Rs. 2,00,000/-	Amount disbursed + other money debited in the account since beginning + incentive paid / payable to the revenue authorities (if applicable) minus total payment made since inception till date of application **OR** 60% of principal sum outstanding + other money + incentive paid / payable to the revenue authorities (if applicable) whichever is lower.	1000	10% of principal sum + 10% of other money	Branch Manager

Note: There will be no refund of registration fee, or the up-front amount paid, whatsoever, in case one has already repaid to the Corporation over and above the settlement amount as per the applicable parameters, indicated above. However, in such a case the settlement amount will be equivalent to the amount of up-front payment (i.e., 10% of the principal sum outstanding plus 10% of other money as on date of registration).

II OTS Scheme for Settlement of Transport Loan cases (except DDW cases)

Registration fee, up-front payment, formula for OTS and competent authorities

Loan sanctioned amount	**Settlement formula**	**Registr a-tion Fee (Rs.)**	**Up-front payment (Rs.)**	**Competent Authority (irrespective of quantum of sacrifice)**
Up to Rs. 25,000/-	Amount disbursed + other money debited in the account since beginning + incentive paid / payable to the revenue authorities (if applicable) minus total payment made since inception till date of application **OR** 10% of principal sum outstanding + other money + incentive paid / payable to the revenue authorities (if applicable) whichever is lower.	100	10% of principal sum + 10% of other money	Branch Manager
Above Rs. 25,000/- and up to Rs. 50,000/-	Amount disbursed + other money debited in the account since beginning + incentive paid / payable to the revenue authorities (if applicable) minus total payment made since inception till date of application **OR** 30% of principal sum outstanding + other money + incentive paid / payable to the revenue authorities (if applicable) whichever is lower.	100	10% of principal sum + 10% of other money	Branch Manager
Above Rs. 50,000/- and up to Rs. 1,00,000/-	Amount disbursed + other money debited in the account since beginning + incentive paid / payable to the revenue authorities (if applicable) minus total payment made since inception till date of application **OR** 40% of principal sum outstanding + other money + incentive paid / payable to the revenue authorities (if applicable) whichever is lower.	500/-	10% of principal sum + 10% of other money	Branch Manager
Above Rs. 1,00,000/-	Amount disbursed + other money debited in the account since beginning + incentive paid / payable to the revenue authorities (if applicable) minus total payment made since inception till date of application **OR** 60% of principal sum outstanding + other money + incentive paid / payable to the revenue authorities (if applicable) whichever is lower.	1000/-	10% of principal sum + 10% of other money	Branch Manager

Note: There will be no refund of registration fee, or the up-front amount paid, whatsoever, in case one has already repaid to the Corporation over and above the settlement amount as per the applicable parameters, indicated above. However, in such a case the settlement amount will be equivalent to the amount of up-front payment (i.e., 10% of the principal sum outstanding plus 10% of other money as on date of registration).

III OTS Scheme for cases where the sanctioned amount is more than Rs. 2.00 lakhs and up to Rs. 10.00 lakhs (except DDW and Transport loan cases)

Registration fee, up-front payment, formula for OTS and competent authorities

(a) Cases in which MRV of primary assets and collateral security is equal to or less than total outstanding

Settlement amount	*Registration Fee (Rs.)*	*Up-front payment (Rs.)*	*Competent authority (irrespective of quantum of sacrifice)*
Principal sum + other money + incentive paid / payable to the revenue authorities (if applicable)	2,000	10% of principal sum + 10% of other money	District Level Committee

(b) Cases in which MRV of primary assets and collateral security is more than total outstanding but less than 300% of total outstanding

Total payment made since beginning	*Settlement amount*	*Registration Fee (Rs.)*	*Up-front payment (Rs.)*	*Competent authority (irrespective of quantum of sacrifice)*
Thrice or more of principal sum disbursed	Principal sum + other money + incentive paid / payable to the revenue authorities (if applicable) + 10% of principal sum outstanding	2,000	10% of principal sum + 10% of other money	District Level Committee
Between twice to thrice the principal sum disbursed	Principal sum + other money + incentive paid / payable to the revenue authorities (if applicable) + 30% of principal sum outstanding	2,000	10% of principal sum + 10% of other money	District Level Committee
More than principal sum to twice the principal sum disbursed	Principal sum + other money + incentive paid / payable to the revenue authorities (if applicable) + 50% of principal sum outstanding	2,000	10% of principal sum + 10% of other money	District Level Committee
Equal to <u>**OR**</u> Less than the principal sum disbursed	Principal sum + other money + incentive paid / payable to the revenue authorities (if applicable) + 70% of principal sum outstanding	2,000	10% of principal sum + 10% of other money	District Level Committee

(c) Cases in which MRV of primary assets and collateral security is more than 300% of total outstanding sum outstanding will be considered at the level of the special HOLC. Registration fee and up-front payment will be same as above.

IV OTS Scheme for the cases where sanctioned amount is above Rs. 10.00 lakhs except the cases where MRV of primary security plus collateral security is more than 200% of the total outstanding amount as on the date of registration, shall be eligible (except DDW & transport loan cases)

Registration fee, up-front payment, and competent authorities

Registration fee	Up-front amount	Competent Authority
Rs. 5,000/-	10% of the principal sum, plus 10% of the other money, on the date of registration	Special Head Office Level Committee

[B] ONE-TIME SETTLEMENT SCHEME FOR SETTLEMENT OF DEFICIT, DECREETAL AND WRITTEN-OFF CASES

[1] Eligibility

All deficit, decreetal, written-off cases, **excluding compromise decree cases** and those decreetal cases in which decree was obtained after 31.03.2008.

The cases having collateral security, if otherwise eligible, shall be registered by getting deposited the requisite registration fee and up-front payment as prescribed in different schemes for DDW cases (on the basis of category of loan sanctioned amount); and placed before the Special HOLC for decision.

Note:

(i) There is no bar for registration of cases closed /rejected earlier by the Empowered Settlement Committee(s) / competent authority / deferred sale cases or cases which were settled up to 31.03.2010 with the consent of the loanee but where the loanee either did not deposit any amount or deposited part amount only, if these are otherwise eligible. However, the cases which were settled after 31.03.2010 by the Empowered Settlement Committee(s) / competent authority with the consent of the loanee shall not be registered afresh under the scheme.

(ii)As per existing guidelines / practices being followed all live accounts are clubbed-up for ascertaining the eligibility for settlement and ascertaining the settlement amount in cases where a borrower is having multiple accounts.

[2] Operative period : 01.08.2011 to 31.12.2011

I **ONE-TIME SETLEMENT SCHEME FOR DEFICIT/WRITTEN-OFF CASES**

[i] **Where sanctioned amount is up to Rs. 2,00,000/-**

Registration fee, up-front payment, formula for OTS and competent authorities

Loan sanctioned amount	Settlement formula	Registration Fee (Rs.)	Up-front payment (Rs.)	Competent Authority (irrespective of quantum of sacrifice)
Up to Rs. 25,000/-	Amount disbursed + other money debited in the account since beginning + incentive paid / payable to the revenue authorities (if applicable) minus total payment made since beginning till date of application (including net sale price of assets credited in the loan account) **OR** 5% of principal sum outstanding + other money+ incentive paid / payable to the revenue authorities (if applicable) whichever is lower.	100	5% of principal sum + 5% of other money	Branch Manager
Above Rs. 25,000/- and up to Rs. 50,000/-	Amount disbursed + other money debited in the account since beginning + incentive paid / payable to the revenue authorities (if applicable) minus total payment made since beginning till date of application (including net sale price of assets credited in the loan account) **OR** 20% of principal sum outstanding + other money+ incentive paid / payable to the revenue authorities (if applicable) whichever is lower.	100	10% of principal sum + 10% of other money	Branch Manager
Above Rs. 50,000/- and up to Rs. 1,00,000/-	Amount disbursed + other money debited in the account since beginning + incentive paid / payable to the revenue authorities (if applicable) minus total payment made since beginning till date of application (including net sale price of assets credited in the loan account) **OR** 30% of principal sum outstanding + other money+ incentive paid / payable to the revenue authorities (if applicable) whichever is lower.	500	10% of principal sum + 10% of other money	Branch Manager
Above Rs. 1,00,000/- and up to Rs. 2,00,000/-	Amount disbursed + other money debited in the account since beginning + incentive paid / payable to the revenue authorities (if applicable) minus total payment made since beginning till date of application	1000	10% of principal sum + 10% of other money	Branch Manager

	(including net sale price of assets credited in the loan account) OR 50% of principal sum outstanding + other money+ incentive paid / payable to the revenue authorities (if applicable)whichever is lower.			

Note: There will be no refund of registration fee, or the up-front amount paid, whatsoever, in case one has already repaid to the Corporation over and above the settlement amount as per the applicable parameters, indicated above. However, in such a case the settlement amount will be equivalent to the amount of up-front payment (i.e., 5% / 10% of the principal sum outstanding plus 5% / 10% of other money as on date of registration).

[ii] Where sanctioned amount is more than Rs. 2,00,000/-

Registration fee, up-front payment, formula for OTS and competent authorities

Total payment, including net sale price credited in the loan account, made since beginning	**Settlement amount**	**Registr a-tion Fee (Rs.)**	**Up-front payment (Rs.)**	**Competent authority (irrespective of quantum of sacrifice)**
Four times or more of principal sum disbursed	**50%** of principal sum + other money + incentive paid / payable to the revenue authorities (if applicable)	1,000	5% of principal sum + 5% of other money	District Level Committee
Between thrice to four times of principal sum disbursed	**60%** of principal sum + other money + incentive paid / payable to the revenue authorities (if applicable)	1,000	5% of principal sum + 5% of other money	District Level Committee
Between twice to thrice the principal sum disbursed	**70%** of principal sum + other money + incentive paid / payable to the revenue authorities (if applicable)	1,000	5% of principal sum + 5% of other money	District Level Committee
More than the principal sum up to twice the principal sum disbursed	**80%** of principal sum + other money + incentive paid / payable to the revenue authorities (if applicable)	1,000	5% of principal sum + 5% of other money	District Level Committee
Equal to **OR** less than the principal sum disbursed	Principal sum + other money + incentive paid / payable to the revenue authorities (if applicable)	1,000	5% of principal sum + 5% of other money	District Level Committee

II ONE-TIME SETTLEMENT SCHEME FOR DECREETAL CASES

(Except compromise decree cases and the cases in which decree has been obtained after 31.03.2008)

(A) Deficit / Written off decreetal - Cases in which decree has been obtained for recovery of deficit amount or written off amount:

[a] Where loan sanctioned amount is up to Rs. 2,00,000/-

Registration fee, up-front payment, formula for OTS and competent authorities

Loan sanctioned amount	Settlement formula	Registration Fee (Rs.)	Up-front payment (Rs.)	Competent Authority (irrespective of quantum of sacrifice)
Up to Rs. 25,000/-	Amount disbursed + other money debited in the account since beginning + incentive paid / payable (if applicable) minus total payment made since beginning till date of application (including net sale price of assets credited in the loan account) **OR** 5% of principal sum outstanding + other money +incentive paid / payable whichever is lower.	100	5% of principal sum + 5% of other money	Branch Manager
Above Rs. 25,000/- and up to Rs. 50,000/-	Amount disbursed + other money debited in the account since beginning + incentive paid / payable (if applicable) minus total payment made since beginning till date of application (including net sale price of assets credited in the loan account) **OR** 20% of principal sum outstanding + other money +incentive paid / payable whichever is lower.	100	5% of principal sum + 5% of other money	Branch Manager
Above Rs. 50,000/- and up to Rs. 1,00,000/-	Amount disbursed + other money debited in the account since beginning + incentive paid / payable (if applicable) minus total payment made since beginning till date of application (including net sale price of assets credited in the loan account) **OR** 30% of principal sum outstanding + other money +incentive paid / payable whichever is lower.	500	5% of principal sum + 5% of other money	Branch Manager

Above Rs. 1,00,000/- and up to Rs. 2,00,000/-	Amount disbursed + other money debited in the account since beginning + incentive paid / payable (if applicable) minus total payment made since beginning till date of application (including net sale price of assets credited in the loan account) **OR** **50%** of principal sum outstanding + other money +incentive paid / payable whichever is lower.	1000	5% of principal sum + 5% of other money	Branch Manager

Note: (i) There will be no refund of registration fee, or the up-front amount paid, whatsoever, in case one has already repaid to the Corporation over and above the settlement amount as per the applicable parameters, indicated above. However, in such a case the settlement amount will be equivalent to the amount of up-front payment (i.e., 5% of the principal sum outstanding plus 5% of other money as on date of registration).

(ii) Before settlement of the above decreetal cases, the Branch Manager will certify that all efforts for execution of decree have been made, but no fruitful result has come-out.

(b) Where loan sanctioned amount is more than Rs. 2.00 lakhs

Registration fee, up-front payment, formula for OTS and competent authorities

Total payment, including net sale price credited in the loan account, made since beginning	**Settlement amount**	**Registration Fee (Rs.)**	**Up-front payment (Rs.)**	**Competent authority (irrespective of quantum of sacrifice)**
Four times or more of principal sum disbursed	50% of principal sum + other money + incentive paid / payable (if applicable)	1,000	5% of principal sum + 5% of other money	District Level Committee
Between thrice to four times of principal sum disbursed	60% of principal sum + other money + incentive paid / payable (if applicable)	1,000	5% of principal sum + 5% of other money	District Level Committee
Between twice to thrice the principal sum disbursed	70% of principal sum + other money + incentive paid / payable (if applicable)	1,000	5% of principal sum + 5% of other money	District Level Committee

More than the principal sum to twice the principal sum disbursed	80% of principal sum + other money + incentive paid / payable (if applicable)	1,000	5% of principal sum + 5% of other money	District Level Committee
Equal to **OR** Less than principal sum disbursed	Principal sum + other money + incentive paid / payable (if applicable)	1,000	5% of principal sum + 5% of other money	District Level Committee

Note: Before settlement of the above decreetal cases, the Branch Manager will certify that all efforts for execution of decree have been made, but no fruitful result has come-out.

(B) Other than Deficit/Written off decreetal cases

(a) Cases having loan sanctioned up to Rs. 2.00 lakh

Registration fee, up-front payment, formula for OTS and competent authorities

Loan sanctioned amount	Settlement formula	Registration Fee (Rs.)	Up-front payment (Rs.)	Competent Authority (irrespective of quantum of sacrifice)
Up to Rs. 25,000/-	Amount disbursed + other money debited in the account since beginning + incentive paid/payable (if applicable) minus total payment made since beginning till date of application **OR** **10%** of principal sum outstanding + other money + incentive paid / payable (if applicable) whichever is lower.	100	10% of principal sum + 10% of other money	Branch Manager
Above Rs. 25,000/- and up to Rs. 50,000/-	Amount disbursed + other money debited in the account since beginning + incentive paid/payable (if applicable) minus total payment made since beginning till date of application **OR** **30%** of principal sum outstanding + other money + incentive paid / payable (if applicable) whichever is lower.	100	10% of principal sum + 10% of other money	Branch Manager
Above Rs. 50,000/- and up to Rs. 1,00,000/-	Amount disbursed + other money debited in the account since beginning + incentive paid/payable (if applicable) minus total payment made since beginning till date of application **OR** **40%** of principal sum outstanding + other money + incentive paid / payable (if applicable) whichever is lower.	500/-	10% of principal sum + 10% of other money	Branch Manager

Above Rs. 1,00,000/- and up to Rs. 2,00,000/-	Amount disbursed + other money debited in the account since beginning + incentive paid/payable (if applicable) minus total payment made since beginning till date of application **OR** 60% of principal sum outstanding + other money + incentive paid / payable (if applicable) whichever is lower.	1000/-	10% of principal sum + 10% of other money	Branch Manager

Note: (i) There will be no refund of registration fee, or the up-front amount paid, whatsoever, in case one has already repaid to the Corporation over and above the settlement amount as per the applicable parameters, indicated above. However, in such a case the settlement amount will be equivalent to the amount of up-front payment (i.e., 10% of the principal sum outstanding plus 10% of other money as on date of registration).

(ii)Before settlement of the above decreetal cases, the Branch Manager will certify that all efforts for execution of decree have been made, but no fruitful result has come-out.

(b) Cases having loan sanctioned more than Rs. 2.00 lakh and up to Rs. 10.00 lakh

Registration fee, up-front payment, formula for OTS and competent authorities

(i) Cases in which MRV of primary assets and collateral security is equal to or less than total outstanding

Settlement amount	***Registration Fee (Rs.)***	***Up-front payment (Rs.)***	***Competent authority (irrespective of quantum of sacrifice)***
Principal sum + other money + incentive paid / payable (if applicable)	2,000	10% of principal sum + 10% of other money	District Level Committee

(ii) Cases in which MRV of primary assets and collateral security is more than total outstanding but less than 300% of total outstanding

Total payment made since beginning	*Settlement amount*	*Registration Fee (Rs.)*	*Up-front payment (Rs.)*	*Competent authority (irrespective of quantum of sacrifice)*
Thrice or more of principal sum disbursed	Principal sum + other money + incentive paid / payable (if applicable) + 10% of principal sum outstanding	2,000	10% of principal sum + 10% of other money	District Level Committee
Between twice to thrice the principal sum disbursed	Principal sum + other money + incentive paid / payable (if applicable) + 30% of principal sum outstanding	2,000	10% of principal sum + 10% of other money	District Level Committee
More than principal sum to twice the principal sum disbursed	Principal sum + other money + incentive paid / payable (if applicable) + 50% of principal sum outstanding	2,000	10% of principal sum + 10% of other money	District Level Committee
Equal to **OR** Less than the principal sum disbursed	Principal sum + other money + incentive paid / payable (if applicable) + 70% of principal sum outstanding	2,000	10% of principal sum + 10% of other money	District Level Committee

Note: Before settlement of the above decreetal cases, the Branch Manager will certify that all efforts for execution of decree have been made, but no fruitful result has come-out.

(c) Cases having loan sanctioned above Rs. 10.00 lakhs except cases where MRV of primary security and collateral security is more than 200% of the total outstanding as on the date of registration

Registration fee, up-front payment, and competent authorities

Registration fee	**Up-front amount**	**Competent Authority**
Rs. 5,000/-	10% of the principal sum, plus 10% of the other money, on the date of registration	Special Head Office Level Committee

Note: Before settlement of the above decreetal cases, the Branch Manager will certify that all efforts for execution of decree have been made, but no fruitful result has come-out.

ANNEXURE – 'C'

General conditions / guidelines to be followed while taking up cases under any of the One-Time Settlement Schemes for 2011-2012

The General conditions / guidelines to be followed while taking up case under any of the One-Time Settlement Schemes for 2011-2012, and other salient features are follows:

[a] The cases having loans sanctioned up to Rs. 5.00 lakhs belonging to SC / ST / disabled persons / ex-serviceman / BPL Card holders will be exempt from paying registration fee. Such cases will be registered only by getting the requisite up-front payment prescribed under the Scheme, under which they are eligible for OTS, deposited.

[b] In cases where other money is more than the principal sum then other money to be taken shall be limited to the principal sum.

[c] Effect of settlement will be given only after receipt of full amount.

[d] Cases where action under Section 31/32(G) has been initiated, and the party registers its case under OTS, then the concerned Branch Manager shall request the revenue authorities for keeping the action in abeyance till realization of settlement amount.

In case the party commits default in paying the settlement amount then the revenue authorities are to be requested to re-initiate the action from the stage it was kept in abeyance.

[e] Legal notices issued u/s 30/29 prior to registration of the case shall be kept in abeyance till such time as the party commits default in making payment of settlement amount.

[f] Payment of settlement amount by the party: The party will be required to deposit the entire settlement amount within 30 days of the decision of settlement. However, if the party opts to make payment of the settlement amount in installments then it may be allowed to deposit the settlement amount in monthly installments from the date of settlement, however, such installments will not be more than six. However, except in cases where the loan amount was less than Rs. 25,000/-, simple interest @ 13% p.a. shall be charged from the date 30 days after the date the decision of settlement.

The last date for depositing of the settlement amount (as full and final payment) should not be later then 31.03.2012 in any case. The case will not be allowed to spill-over to the next financial year.

[g] Appeal

There shall be a provision of only one appeal.

[i] Appeals against decisions of the Branch Manager /DLC:

No appeal shall lie against the order of the Branch Manager / District Level Committee (DLC) unless the decision on settlement is against the provisions of the scheme. In such cases appeal against the decision of the Branch Manager/DLC can be made to the Head Office Level Committee (HOLC).

[ii] Appeals against decisions of the Special HOLC:

Appeals against the decision of the Special HOLC shall lie with the State Level Committee.

All appeal cases shall be registered at the branch level and proposals for settlement shall be forwarded to the Head Office to reach within 15 days of the registration of appeal for placing the same before HOLC / State Level Committee.

All appeals shall be filed within 30 days after the decision of settlement (appealed against) is conveyed to the party.

An appeal shall be entertained only when an up-front amount equal to 10% of the principal outstanding and registration fees of Rs. 10,000/- is deposited. However, no registration fee for appeal shall be charged from the entrepreneurs belonging to SC/ST/disabled persons/ex-servicemen / BPL Card holders cases where sanctioned amount is up to Rs.2,00,000/-.

[h] General

Branch Level cases: Branch Manager/DLC shall decide within 30 days of registration.

HO Level Appeal cases: The Appellate authority shall dispose of the appeals within 30 days of receipt of the proposal at the Head Office.

[i] Branch Managers will give wide publicity to the schemes and will also arrange display of the schemes on the notice board of the branch/DIC/collector's office/office of the local bodies/industries associations, etc.

[j] Branch Managers shall ensure that all eligible cases are identified and distributed among the officials of the branch for proper follow-up.

[k] All parties should be contacted personally and given notice in writing. Concrete efforts should be made in this direction and it should be ensured that the notice about the scheme is delivered to the loanee / guarantor.

[l] A register shall be maintained at each Branch. This register shall have column for serial number, date of registration., name of unit, category, registration fee, upfront amount, outstanding balance, settlement amount, installment allowed, if any, date of settlement, if there is delay, reasons for the same, and, remarks.

[m] The branch will send monthly information by the 5th of each month to the General Manager (Development) about the number of cases registered, amount settled and recovery affected.

[n] After depositing the entire settlement amount "No Dues Certificate" shall be issued stating that the account is settled under OTS scheme of the Corporation and specify the amount that the Corporation has sacrificed while settling the account.

[o] All officers of the branch to whom the cases are allotted, will ensure that eligible borrowers are informed of the OTS schemes that parties are contacted personally, and, if needed, pamphlets are distributed as per norms.

[p] Doubts relating to interpretation of any term or clause or any ambiguity or confusion arising during interpretation or implementation of the scheme shall be referred to the CMD, who shall be the competent authority to issue necessary clarifications.

[q] The amount deposited by the party after the decision to write-off / write-back shall be adjusted against the written-off amount.

For the purpose of calculating settlement amount, the written-off amount less amount deposited after writing off, shall be the principal sum.

[r] Cases that have already been settled earlier under any one-time settlement scheme shall not be reopened.

[s] Cases financed under agency loan scheme against Government guarantee may be settled as per provisions of the settlement schemes. If such cases are settled in any branch office, the details of such cases shall be sent to the Head Office (in the format contained in circular no. FR-649 dated 24.01.2011) so that claims with the government could be lodged.

[t] Cases of willful defaulters/malfeasance/fraud and where criminal cases are pending will not be eligible for settlement.

The Corporation will continue to consider cases of grievances and of hard nature (not eligible under the above schemes) as per the existing mechanism of redress of grievances.

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ANNEXURE 'D'

Month________

RAJASTHAN FINANCIAL CORPORATION
BO____________

Progress under One-time settlement scheme for NPAs : 2011-12

S.No.	Name of the Scheme	Total Eligible Cases		No. of cases personally contacted by the officials (allotted)	No. of cases registered	Total amount Involved in registered cases	No. of cases settled	Sacrifice passed on	Recovery effected (Amount)
		No.	Amt.						
1	2	3	4	5	6	7	8	9	10
(A)	One-time settlement scheme for Settlement of NPAs : 2011-12								
	I. Loans upto Rs. 2.00 lakhs								
	i) Upto 25,000/-								
	ii) Rs. 25,000/- - 50,000/-								
	iii) Rs. 50,000/- - 1.00 lakh								
	iv) Rs. 1.00 – 2.00 lakhs								
	TOTAL								
	II. Transport loan cases :								
	i) Upto 25,000/-								
	ii) Rs. 25,000/- - 50,000/-								
	iii) Rs. 50,000/- - 1.00 lakh								
	iv) Above Rs. 1.00 lakh								
	TOTAL								

	III. Loans more than Rs. 2.00 lakhs and upto 10.00 lakhs :								
	i) MRV equal to OR less than total outstanding								
	ii) MRV more than total outstanding but less than 300% of total outstanding								
	➢ Total payment thrice or more								
	➢ Twice to thrice								
	➢ More than P. sum to twice								
	➢ Equal to OR less than P. sum								
	TOTAL								
	iii) MRV more than 300% of total outstanding								
	IV. Loans above Rs. 10.00 lakhs								
	GRAND TOTAL								

Signature of Branch Manager, BO ________

ANNEXURE 'E'

Month________

RAJASTHAN FINANCIAL CORPORATION
BO____________

Progress under One-time settlement scheme for DDW cases : 2011-12

S.No.	Name of the Scheme	Total Eligible Cases		No. of cases personally contacted by the officials (allotted)	No. of cases registered	Total amount Involved in registered cases	No. of cases settled	Sacrifice passed on	Recovery effected (Amount)
		No.	Amt.						
1	2	3	4	5	6	7	8	9	10
(A)	(I) OTS scheme for settlement of deficit / written off cases :								
	I. Sanctioned amount upto Rs. 2.00 lakhs								
	i) Upto Rs. 25,000/-								
	ii) Rs. 25,000/- - 50,000/-								
	iii) Rs. 50,000/- - 1.00 lakh								
	iv) Rs. 1.00 - 2.00 lakhs								
	TOTAL								
	II. Sanctioned amount more than Rs. 2.00 lakhs								
	i) Total payment > 4 times								
	ii) Thrice to Four times								
	iii) Twice to thrice								
	iv) more than P.sum to twice								
	v) Equal to OR less than P. sum								
	TOTAL								

(B)	FOR DECREETAL CASES								
	(I) For deficit / written off decreetal cases								
	i) loans upto Rs. 2.00 lakhs								
	a) Upto 25,000/-								
	b) Rs. 25,000 - 50,000/-								
	c) Rs. 50,000/- - 1.00 lakh								
	d) Rs. 1.00 – 2.00 lakhs								
	TOTAL								
	ii) loans more than Rs. 2.00 lakhs								
	a) Total payment > 4 times								
	b) Thrice to four times								
	c) Twice to thrice								
	d) More than P. sum to twice								
	e) Equal to OR less than P. sum								
	TOTAL								
	(II) Other than deficit / written off decreetal cases								
	Cases having loans upto Rs. 2.00 lakhs								
	i) Upto Rs. 25,000/-								
	ii) Rs. 25,000/- - 50,000/-								
	iii) Rs. 50,000/- - 1.00 lakh								
	iv) Rs. 1.00 – 2.00 lakh								
	TOTAL								

	Cases having loans Rs. 2.00-10.00 lakhs								
	i) MRV is equal to OR less than total outstanding								
	ii) MRV more than but less than 300% of outstanding								
	➢ Total payment thrice or more								
	➢ Twice to thrice								
	➢ More than P. sum to twice								
	➢ Equal to OR less than P. sum								
	TOTAL								
	Cases having loan sanction above Rs. 10.00 lakhs								
	GRAND TOTAL								

Signature of Branch Manager, BO ________