

**RAJASTHAN FINANCIAL CORPORATION
UDYOG BHAWAN, TILAK MARG, JAIPUR
(RRM DIVISION)**

Ref. No. RFC/HO/23FR/Policy-125/1245

Dated : 19.12.2011
03-01-2012

**CIRCULAR
(FR - 677)**

Sub : One Time Settlement Schemes : 2011-12

Schemes for one-time settlement of NPAs have been launched vide circular no. FR-662 dated 8/15.07.2011 which are operative upto 31.12.2011.

The Board of Directors of the Corporation; in its meeting held on 01.12.2011, after review of the performance under these schemes; has **decided to extend** the operative period of the OTS schemes : 2011-12 upto **31.03.2012 with the following changes / modifications** in the provisions and general terms & conditions of the aforesaid Circular :-

1. Registration fee & Up-front payment :

The **registration fee and up-front payment** in the cases having loans sanctioned **above Rs. 2.00 lakh** being registered from **01.01.2012** onwards will be the **double** than that prescribed in the aforesaid circular.

However, it is clarified that there is no change in the registration fee and up-front payment for the cases having loans upto Rs. 2.00 lakh.

2. Competent Authority :

The competent authority for taking decision for settlement under the OTS Schemes - 2011-12 wherever mentioned as "**Special HOLC**", **will now be** the respective Empowered Settlement Committee (i.e. **HOLC or SLC**) in accordance with their jurisdiction as defined in Circular no. P&G-1404 dated 13.12.2011.

3. Clarification / relaxation :

The existing **Clause "(p)"** contained in Annexure 'C' of the aforesaid Circular No. FR-662 dated 08/15.07.2011 is hereby **substituted** by the following :-

*"(u) **Clarification / Relaxation** : In case of any difficulty in implementation / interpretation of the scheme or any clarification / relaxation is required, CMD's decision will be final. CMD is also authorized to allow registration / extension in making payment of settlement amount beyond the cut-off date, if required, depending upon merits of the case."*

It is further mentioned that there will be no new OTS Scheme w.e.f. 01.04.2012 as such, for the cases which are otherwise eligible under the OTS Scheme : 2011-12 but do not apply for registration for OTS upto 31.03.2012, the Corporation is actively working on the proposal to treat, such cases which are eligible for settlement as per specified formula defined in the OTS Schemes-2011-12, as '**deemed settled**' as on 31.03.2012 and a case-wise list of such cases will be published clearly depicting the amount of settlement as on 31.03.2012 which the party may deposit along with interest @ 16% w.e.f. 01.04.2012 (Needless to mention that as per provision (f) of Annexure-C of the OTS Schemes : 2011-12, the rate of interest in the cases settled upto 31.3.2012 will be 13%, if the amount is paid by the party as per terms of settlement).

All concerned are, therefore, advised to list-out the cases which are otherwise eligible under the OTS Schemes : 2011-12 but do not apply for registration by 31.03.2012 (in which settlement amount is to be calculated as per specified formula in the scheme) and send the list of such cases to HO (indicating name of the unit, date of sanction, loan sanctioned, name of scheme under which it is eligible, total outstanding (Principal, Interest & Other Money), whether it was settled earlier (if yes, then amount of settlement) and the amount of settlement as per formula prescribed in the OTS Scheme : 2011-12) so as to reach the GM (Dev.- RRM) latest by 07.04.2012.

It is enjoined upon all the Branch Managers / DGM (Operations) to make all out efforts to register all the eligible cases, so as to get rid of such old and sticky accounts facilitating reduction in NPAs.



(YADUVENDRA MATHUR)
CHAIRMAN & MANAGING DIRECTOR

Copy to :

1. All BOs/SOs
2. All DGM(Operations)
3. Standard circulation at HO.