

RAJASTHAN FINANCIAL CORPORATION
(FR-ARRC)

No: RFC/ARRC/ 2362

Dated: 25.01.2005

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Circular
(ARRC No: 96)

Reg: Disposal of units during the current financial year 2004-05.

Although the Corporation has been making all out efforts this year for speedy disposal of units under possession but desired results are lacking. It has been noticed that despite delegation of vast powers to field offices, cases are being referred to Head Office unnecessarily and bids are not being approved. This is not in the spirit of existing guidelines.

Attention is also invited to Circular No. ARRC-93 dated 22.09.2004, vide which DGMs were expected to approve the bids, if any, received irrespective of MRV, amount disbursed and higher offer received in the past under special sale drive but no encouraging results have been received.

Now only two months are left in the current financial year and concerted efforts are needed for achieving the targets. Strategy to be adopted in this context is given as under:

- 1) Cases where auctions have been conducted 20 or more times, the respective auction cum negotiation committee may dispose off the assets, if the offer is equivalent to the disbursed amount of loan or upto 65% of the MRV of the assets.

- 2) Offer received between 50% to 65% of the MRV in the category No. (1) shall not be rejected and it be sent to Addl. GM(ARRC) with full justification and clear-cut recommendations of sale committee so as to take a conscious decision at HO.
- 3) Endeavours should be made to dispose off the assets of all units covered under the special sale drive as per guidelines already issued.
- 4) Prospective purchaser should be given to understand about the facilities being offered by the Corporation i.e. undertaking the liability of the debts. of the State Govt, Stamp Duty Exemption, loans for start up expenses, facilities offered by the State Govt. as per provisions contained in closed / sick industrial units under Rajasthan Investment Promotion Scheme, 2003 etc.

This shall be operative till 31.3.2005.

It is enjoined upon all the concerned that not only the assigned targets for revival of units are achieved in full but to exceed it.

Performance evaluation of staff and officer would also be made on the basis of achievement of the assigned targets.


(Sanjay Dixit)
Chairman Cum Managing Director

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