RAJASTHAN FINANCIAL CORPORATION
(FR Division)

Minutes of the 94th meeting of SLC held on 27.01.10 at 11.00AM under the chairmanship of Shri A.K.Garg, IAS, CMD

Present:

<table>
<thead>
<tr>
<th>Name</th>
<th>Designation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shri Kamal Mehta, Director</td>
<td>Member</td>
</tr>
<tr>
<td>Dr. Mohan Lal Yadav, Executive Director</td>
<td>Member</td>
</tr>
<tr>
<td>Shri Suresh Singhal, FA/GM(A/c)</td>
<td>Member</td>
</tr>
<tr>
<td>Shri K.K.Parashar, GM(A&amp;I) (Link Officer of GM(D))</td>
<td>Member Secretary</td>
</tr>
</tbody>
</table>

Shri R.M.Aswal, DGM(FR-1), Shri Omkar Mal, DGM(FR-2), Shri M..R. Chhinwal, DGM(DDW), Shri A.L.Gupta, DGM(ARRC), Shri H.C. Khunteta, Manager (DDW), Shri P.D.Verma, Manager(FR-3), Shri R.S.Gupta, Dy.Manager (ARRC), Shri Naveen Ajmera, DM(FR) and Shri H.S.Mehra, Dy. Manager(ARRC) were also present.

I. Action taken report on the decision of earlier SLC meetings.

Noted

II. Confirmation of the minutes of SLC meeting held on 30.11.2009

Minutes were confirmed.

III. The committee considered the agenda notes of the following cases placed before it and decided as follows:

1. M/s Shree Nakoda Gases Ltd., Balotra (ARRC Case)

Shri Kailash Modi and Sh. Bharat Kothari, directors of the unit attended the meeting.

A loan of Rs. 57.00 lac was sanctioned in Aug., 1996 out of which Rs. 52.52 lac was disbursed. Due to non payment of corporation’s dues possession of the unit was taken over on 01.03.2008 and paper possession of the collateral security situated at Jasol was also taken on 01.03.2008. Another collateral security situated at Ahmedabad is also with the Corporation. The total value of the collateral securities is Rs. 45.00 lac (Rs. 35.00 + 10.00 lac)
Earlier, this case was placed before SLC held on 27.03.2008. The committee offered to settle the account in a consideration of Rs. 110.58 lac less up front amount of Rs. 10.58 lac i.e. at the net payable settlement amount of Rs. 100.00 lac and the same was consented by the company. The party vide letter dated 22.09.2008 requested to CMD to register the case for review of settlement done by SLC dated 27.03.2008. The party was advised vide letter dated 14.10.2008 that there is no provision to make an appeal again to SLC.

The promoters / directors of the company approached High Court Jodhpur and in compliance of Hon'ble High Court order dated 03.11.2008, the case was again placed before SLC in its meeting held on 12.03.2009. The SLC reiterated the offer of settlement dated 27.03.2008 to settle the account in net payable settlement amount of Rs. 100.00 lac. Interest @ 13% p.a. on simple basis was to be charged on unpaid amount of settlement up to Oct. 2008 and @ 16% thereafter.

Since the promoters / directors did not give consent to the offer of committee, therefore, the committee decided to reject the appeal for review of settlement done by SLC held on 27.03.2008.

The prime assets of the unit have been sold in consideration of Rs. 33.60 lac. In June, 2009. Deficit in the account is as under:

(Rs. in lac)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prin.</td>
<td>Rs. 52.52</td>
</tr>
<tr>
<td>Interest</td>
<td>Rs. 275.33</td>
</tr>
<tr>
<td>Other Money</td>
<td>Rs. 0.17</td>
</tr>
<tr>
<td>Total</td>
<td>Rs. 328.02</td>
</tr>
</tbody>
</table>

The Corporation is also having paper possession of collateral security. Though the prime security mortgaged to the Corporation has already been disposed off, but as per provision (PG Circular No. 1217 dated 29.1.08) the case can not be termed as deficit case.

This case was discussed by the Hon'ble Minister of Industry, Rajasthan with CMD and other officials of the Corporation on 09.09.09 for sympathetic view for settlement of balance dues. Accordingly promoters proposed to settle the balance amount in OTS but there is no such scheme under which party can apply for settlement. Looking to the special nature of the case CMD decided to register the case for OTS without registration and up front fee.

Keeping in view of earlier net payable settlement amount Rs. 100.00 lac as per SLC decision dated 27.03.2008, the committee again offered to settle the case in Rs. 66.40 lac (Rs.100.00 lac – Rs. 33.60 lac, sale price of prime assets) + simple interest @ 13% from April, 2008. The party did not give consent and sought some time, therefore, committee decided to defer the case for next meeting.
2. **M/s Mehta Printers, Dungarpur (ARRC Case)**

The unit is under possession since 28.12.2005 (only plant & machinery) and there has been no suitable offer after 34 auctions and outstanding including interest upto date of possession is as under:

(Rs. in lac)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal</td>
<td>Rs. 3.31</td>
</tr>
<tr>
<td>Interest</td>
<td>Rs. 1.96</td>
</tr>
<tr>
<td>O.M.</td>
<td>Rs. 0.08</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>Rs. 5.35</td>
</tr>
</tbody>
</table>

The case was registered for OTS for Special HOLC and was placed before the committee in its meeting held on 07.11.2008. The committee offered to settle the account in Rs. 5.00 lac but the same was not accepted by the party and the case was rejected. The promoter has submitted appeal before SLC against the said decision. The case was placed in the SLC meeting held on 30.11.2009. The committee offered to settle the account on principal sum plus other money but the party was not agreeable, hence the case was rejected.

The party vide letter dated 17.12.2009 has requested that they are prepared to accept the decision of SLC for settlement of account in principal sum plus other money.

Accordingly, the case was again placed in the SLC meeting scheduled on 27.01.2010 as per CMDs order. Promoter vide his letter received by us on 25.01.2010 informed that due to sudden sickness of his wife, he is unable to attend the meeting.

After discussions, the committee decided to settle the case on principal sum plus other money less up front amount i.e. Rs. 3,13,500/- net payable settlement amount (Rs. 3.39 lac – Rs. 25,500/-). The committee also decided that payment of settlement amount is to be made by 25.03.2010.

No interest would be charged upto 28.02.10 and thereafter w.e.f. 01.03.10 interest @ 13% p.a. on simple basis shall be charged on the unpaid amount of settlement.

3. **M/s Kataria Plastic, Jhunjhunu (ARRC Case)**

Shri Banwari Lal brother of owner of the unit attended the meeting. The above unit is under possession of the Corporation since 24.02.2001 and was put for auction 68 times. Outstanding in the unit including interest upto date of possession is as under:

(Rs. in lac)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal</td>
<td>Rs. 3.29</td>
</tr>
<tr>
<td>Interest</td>
<td>Rs. 1.61</td>
</tr>
<tr>
<td>O.M.</td>
<td>Rs. 0.25</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>Rs. 5.15</td>
</tr>
</tbody>
</table>
MRV of the prime assets is Rs. 3.22 lac and of collateral security is Rs. 3.98 lac.

Earlier this case placed before Special HOLC in its meeting held on 30.01.2008 and the committee offered to settle the account in net payable settlement amount of Rs. 5.50 lac (settlement amount Rs. 6.07 lac – upfront amount Rs. 0.57 lac) but the party did not give consent, hence the case was rejected. Thereafter party made an appeal and the case was registered for SLC on 15.10.2009. The appeal was placed in SLC meeting held on 30.11.2009 but, party did not turn up, therefore, the case was deferred for next meeting.

The case was again placed in the SLC meeting dated 27.01.2010. After discussions, the committee decided to settle the case in net payable settlement amount of Rs. 3.28 lac (Principal Rs. 3.29 lac + Other money Rs.0.25 lac – Upfront amount Rs. 0.26 lac) payable in two equal monthly installments commencing from February, 2010. Last installment shall be paid upto 25.3.2010.

No interest would be charged upto 28.02.10 and thereafter w.e.f. 01.03.10 interest @ 13% p.a. on simple basis shall be charged on the unpaid amount of settlement.

The representative of the concern consented to the settlement.

4. **M/s Global Syntex, Bhilwara (ARRC Case)**

Shri B.S. Ranka appeared before the committee. It is a case which is registered with BIFR since 2002.

It is a joint finance case and RIICO is lead institution. Two loans aggregating to Rs. 100.00 lac were sanctioned by RFC under Good Borrowers Scheme as working capital term loan. The company availed sanctioned WCTL upto 21.1.2000. Outstanding as on 01.12.2009 in the loan account is as under:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount (Rs. in lac)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal</td>
<td>89.81</td>
</tr>
<tr>
<td>Interest</td>
<td>398.80</td>
</tr>
<tr>
<td>OM (debited as service charges)</td>
<td>22.28</td>
</tr>
<tr>
<td>OM-cash (expenses incurred by RFC)</td>
<td>0.09</td>
</tr>
<tr>
<td>Total</td>
<td>510.98</td>
</tr>
</tbody>
</table>

RIICO had settled its dues on principal sum outstanding in the account. Company requested to RFC also to settle the account on the lines of RIICO i.e. in principal sum only.

BIFR in the hearing dated 23.12.2009 directed that keeping in view that RFC constituted only 18% of the secured loan outstanding against the company and RFC had already submitted before the Board that it would follow the
stand of RIICO, RFC to consider the OTS proposal of company and take a decision within one month.

After detailed discussions, the committee observed that as per settled policy of Corporation for OTS scheme, the account can not be settled below principal sum plus other money and accordingly the committee offered to settle the account in principal plus other money (Rs. 89.81 lac + Rs. 22.37) i.e. Rs. 112.18 lac. Shri Ranka, director of the company requested that other money debited as service charges in account i.e. Rs. 22.28 lac be not recovered as this amount is not actual outflow, hence be not treated as other money-expenses. He requested to make settlement in Rs. 89.81 lac plus Rs. 0.09 lac (actual expenses incurred by RFC) total Rs. 89.90 lac.

The matter was discussed at length in the meeting. It was observed that under the scheme for grant of working capital term loan to Good Borrowers, there is a provision that the borrower shall pay service charges yearly @ 1% p.a. payable quarterly on the outstanding amount for working capital term loan. These service charges are debited in the loanee's account as other money (Memorandum).

As soon as the amount is recovered from the borrower, the quantum of other money is recovered first as per the practice of the Corporation. Moreover, as per the scheme for one time settlement of NPAs, no case can be settled below the principal sum plus other money as on date of settlement. Accordingly, these service charges are to be recovered.

The Committee also decided that the matter may be placed before the Board for taking a view as to whether the service charges which are recoverable from the unit under the WCTL (Good Borrowers Scheme) may be treated as part of principal sum for the purpose of one time settlement or the same may be treated as Other Money (Memorandum) i.e. at par with interest since there is no cash outflow.

5. **M/s Shree Ganpati Marbles, Udaipur**

Smt Sangeeta Vyas, wife of the son of proprietor and her neighbour Shri Pannalal Suwalka appeared before the committee.

This case was earlier placed before Spl HOLC in its meeting held on 31.8.07. The decision taken by the committee is reproduced below:

“Shri Niranjan Vyas, Son of proprietor of the unit alongwith Shri Anand Swaroop Vyas, Brother of proprietor, appeared before the committee.

*The case was registered directly for Special HOLC. A loan of Rs. 10.00 lac was granted to the unit on 30.05.94, out of which Rs. 1.49 lac were disbursed. It is a mining marble unit. The unit is lying closed. The category of the loan account was ‘Doubtful’ as on 31.03.04. The MRV of the prime assets has not been calculated as the same are reported to be not traceable. The value of the mortgaged guarantor is Rs. 29.42 lac. The ROD has already been sent to Collector, Udaipur as well as Bhiwara on 30.08.05 and 29.09.05. A sum of*
Rs. 5.90 lac were outstanding as on 01.03.07, out of which Rs. 0.77 lac towards principal sum and Rs. 0.02 lac towards other money.

After detailed discussions with the representative of the unit and considering all the facts and position of the case, the committee offered to settle the account in a consideration of Rs. 5.25 lac less upfront amount of Rs. 0.25 lac, therefore, net payable settlement amount would be Rs. 5.00 lac.

But the representative has sought time of 15 days for giving their consent for the above offer of the committee, therefore, committee has decided to accord time of 15 days to the representatives for furnishing their consent in writing at our concerned BO, Udaipur. Since the consent was pending, therefore, time schedule for payment of the net payable settlement amount could not be finalized, however, in case the representative furnishes consent in writing then a time of 5 months for payment of settlement amount be given, according the unit may be asked to pay the net settlement amount in five equal monthly instalment of Rs. 1.00 each commencing from the month of October, 2007 to Feb., 08.

No interest would be charged upto 31.9.07 and thereafter w.e.f. 01.10.07 interest @ 13% p.a. on simple basis shall be charged on the unpaid amount of settlement.

In case consent is not received then the case will be treated as rejected.

Aggrieved with the decision of Special HOLC, party has preferred an appeal to SLC. The competent authority condoned the delay occurred in preferring appeal to SLC.

After detailed discussions and considering all the facts and position of the case, the committee offered to settle the account in a consideration of Rs.2.61 lac less upfront amount of Rs. 0.11 lac(rounded off), i.e. net settlement amount of Rs.2.50 lac payable in three equal monthly instalments commencing from January, 10. Last instalment shall be paid upto 25.03.10.

No interest would be charged upto 28.02.10 and thereafter w.e.f. 01.03.10 interest @ 13% p.a. shall be charged on unpaid amount of settlement.

The representative of the concern consented to the settlement.

6. M/s Choudhary Gypsum Udyog, Nagaur (FR case)

Nobody turned up before the committee. A letter was however sent by the promoter through special messenger that he will not able to attend the meeting on account of illness of his wife. The consideration of the case was therefore deferred by the committee.
7. M/s. Gemini Cement (P) Ltd., Alwar (DDW Case)

The case was placed before Spl.HOLC held on 20.01.2010 and following decision was taken:

“Shri Shivaji Panjwani, Director and his friend Shri Lalit Jagota appeared before the committee.

The case of above named company was placed before the Spl. HOLC in its meeting held on 26.11.09 and following decision was taken:

“Shri Shivaji Panjwani, director appeared before the committee.

It is a deficit-decreetal as well as appeal case. The case was earlier registered for settlement on 4.5.09, but no settlement could be arrived at. Therefore by deposition of 50% upfront amount as per the orders of CMD, the case was registered for appeal.

A loan of Rs.79.00 lac was sanctioned on 7.2.92 and disbursed Rs.68.03 lac upto 27.1.95 for setting up a cement unit.

On default in repayment of dues, the assets of the unit were taken over into possession on 10.12.97 and sold out P&M on 30.3.02 in a consideration of Rs.11.47 lac and land & building on 25.1.06 for Rs.46.53 lac, thereby totaling Rs.58.00 lac. After appropriation of sale proceeds, deficit as on date of sale works out to Rs.35,67,823/- (principal component including govt.dues Rs.5.25 lac).

Value of property other than mortgaged to RFC comprise flat of Smt.Sunita Panjwani W/o late Ashok Panjwani having MRV of Rs.25 to 27 lac.

After discussions and considering the facts and position of the case, the committee offered to settle the loan account at Rs.35.89 lac less upfront amount Rs.5.21 lac deposited (Rs.1.62 lac on 11.8.09 and Rs.3.59 lac on 4.5.09) i.e. the net payable settlement amount Rs.30.68 lac, but the party sought time, hence consideration of the case was deferred.”

After discussions the committee gave the same offer of Rs.35.89 lac as mentioned above, which was not agreed by him, hence the case was rejected”.

Thereafter on request of the party, the competent authority has allowed to get the appeal registered at 50% of upfront amount. Accordingly, DM (l/c), SO, Delhi vide his fax message dated 25.1.2010 and has informed that the borrower has submitted an application for appeal before SLC alongwith cheques of Rs.153500/- as upfront amount and Rs.5000/- as registration fee vide cheques No.560819 & 560820 drawn on Syndicate Bank, New Delhi. He has further reported that the cheques have been reportedly cleared over phone on 25.1.2010. This clearance is subject to confirmation by bank statement.
During the course of discussion, the committee observed that vide report dated 14.9.09 of Dy.Manager (I/c), SO, Delhi, among the properties owned by the borrowers and their legal heirs, it was reported that one flat worth Rs.25 – 26 lac is owned by Mr. Kushal Panjwani who is son of Shri Shivaji Rai Panjwani. The committee was of the view that since as per the report Mr. Shivaji Rai is also alive, the property owned by his son Mr. Kushal Panjwani may not be considered as property belonging to legal heir and therefore, not tenable in law.

After discussions and considering all the facts and position of the case, the committee offered to settle the case at decreetal amount of Rs.35.70 lac, but the party sought time, hence consideration of the case was deferred.

GENERAL OBSERVATIONS:

1) Wherever settlement amount is to be paid in instalment, the party will produce PDCs in the BO payable on 15th of the each month or date specified by the Committee, as the case may be. BO has to ensure that PDC's are invariably taken in such cases.

2) If the party fails to make payment strictly as per decision of the committee, BO concerned will initiate recovery action at their level.

3) Recovery charges to be sent to Collector concerned are included in the settlement amount, where recovery is affected on account of action initiated under Section 32(G).

4) Actual other money not debited so far is to be recovered over & above the settlement amount. Branch Office will let it know to the party about amount of other money, if any, within a month from the issue of this order.

5) The party shall withdraw court case, if any, before issue of no dues certificate.

6) Subsidy, if any, shall be recoverable separately as per norms.

General Manager (Dev.)
MEMBER SECRETARY
RAJASTHAN FINANCIAL CORPORATION  
(FR Division) 

Minutes of the 95th meeting of SLC held on 23.02.10 at 2.30 PM under the chairmanship of Shri A.K.Garg, IAS, CMD

Present:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shri Rajendra Bhanawat, IAS MD, RIICO</td>
<td>Member</td>
</tr>
<tr>
<td>Shri Kamal Mehta, Director</td>
<td>Member</td>
</tr>
<tr>
<td>Shri Suresh Singhal, RAcS FA/GM(A/c)</td>
<td>Member</td>
</tr>
<tr>
<td>Dr. Mohan Lal Yadav, RAS Executive Director</td>
<td>Member Secretary</td>
</tr>
</tbody>
</table>

Shri M..R. Chhinwal, DGM(DDW), Shri A.L.Gupta, DGM(ARRC), Shri H.C. Khunteta, Manager(DDW), Shri P.D. Verma, Manager (FR-3), Shri J.N.Sharma, Mgr (FR-1), Shri Deepak Verma, Manager (ARRC), Shri M.S.Meena, Manager (FR-4) and Shri Diwakar Sharma, Dy. Manager(ARRC) were also present.

I. **Action taken report on the decision of earlier SLC meetings.**

   Noted

II. **Confirmation of the minutes of SLC meeting held on 27.01.2010**

   Minutes were confirmed.

III. **The committee considered the agenda notes of the following cases placed before it and decided as follows:**

   1. **M/s Shri Nakoda Gases Ltd., Balotra (ARRC Case)**

   The case was placed before SLC in its meeting held on 27.01.2010. The committee, keeping in view of earlier net payable settlement amount of Rs. 100.00 lac as per SLC decision dated 27.03.2008, again offered to settle the case in Rs. 66.40 lac (Rs. 100.00 lac – Rs.33.60 lac, sale price of prime assets) + simple interest @ 13% p.a. from April, 2008. The party did not give consent and sought time, therefore, committee decided to defer the case for next meeting.

   Shri Bharat B Kothari, Director vide letter dated 27.01.2010 has offered to pay Rs. 20.00 lac in four monthly instalments for final settlement of the account. The committee decided that offer of Shri Bharat B Kothari can not be accepted, the case was, therefore, rejected with the direction to Branch Office to take necessary action for recovery of Corporation dues as per norms as well as by using traditional methods of recovery.
2. **M/s M.R. Tools Industries, Nagaur (ARRC Case)**

Shri Khuda Bux representative of the unit attended the meeting. The land & building of the unit is under possession of the Corporation since 25.11.2006. The assets were put for auction 35 times. Plant & machinery have been sold in a sale consideration of Rs. 0.75 lac on cash down basis on 28.10.2009.

The case was earlier placed before Special HOLC held on 25.03.2008. The Special HOLC after detailed discussions and considering all the facts and position of the case, offered to settle the account in a consideration of Rs. 5.95 lac less upfront amount of Rs. 0.45 lac i.e. at the net payable settlement amount of Rs. 5.50 lac but the above offer of the committee was not accepted by the party, hence, the case was rejected.

The promoters made an appeal to SLC against decision of Special HOLC.

Outstanding in the unit including interest upto date of possession is as under:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal</td>
<td>2.64</td>
</tr>
<tr>
<td>Interest</td>
<td>6.93</td>
</tr>
<tr>
<td>O.M.</td>
<td>0.42</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>9.99</strong></td>
</tr>
</tbody>
</table>

MRV of the prime assets is Rs. 2.12 lac and of collateral security is Rs. 6.61 lac.

After detailed discussions with the representative and considering all the facts and position of the case, the committee offered to settle the account in a consideration of Rs. 8.52 lac less upfront amount of Rs. 0.52 lac i.e. at the net payable settlement amount of Rs. 8.00 lac, but the representative did not agree to the offer of committee and in turn offered Rs. 3.50 lac as net payable settlement amount. The committee decided to reject the case.

3. **M/s Chitra Synthetics Pvt. Ltd., Bhilwara (ARRC Case)**

The above said case was placed before SLC in its meeting held on 14.05.2009. Keeping in view the principal outstanding of Rs. 8.34 lac and other money expenses of Rs. 1.35 lac the committee offered to settle the account on further payment of Rs. 10.00 lac but the party did not agree therefore no settlement could be reached. The committee decided that Hon’ble High Court may be requested to kindly vacate the stay in view of the MRV of assets of Rs. 42.91 lac and balance outstanding including simple interest for possession period of Rs. 26.90 lac as on 01.3.09.

At the time of SLC dated 14.05.09 total outstanding balance as on 01.03.2009 (after adjustment Rs. 8.00 lac in principal segment as per order of High Court) was as under:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount (Rs. in lacs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal</td>
<td>8.34</td>
</tr>
<tr>
<td>Interest</td>
<td>3.20</td>
</tr>
<tr>
<td>Other Money</td>
<td>1.35</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>12.89</strong></td>
</tr>
<tr>
<td>Simple interest for Poss. period</td>
<td>14.01</td>
</tr>
<tr>
<td>(17.01.05 to 28.02.09)</td>
<td></td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>26.90</strong></td>
</tr>
</tbody>
</table>
The case was listed on 25.01.2010 before Hon'ble High Court. Our panel advocate Shri P.S. Arya vide letter dated 25.01.2010 informed to us as under:

After hearing from both the sides, specially the offer of Rs.10.00 lac for full and final settlement of the case as per order dated 14.05.09 given by the SLC, the Hon'ble High Court after the consideration of the time gap of about 8 months has considered it fit that the case may be considered for final settlement in case, the party deposits Rs.11.00 lac by means of DD payable in favour of RFC by 01.02.10 and the court directed to inform consent of the Corporation on 01.02.10.

After approval of the competent authority i.e. CMD, vide letter dated 27.01.2010, we have informed through our Advocate to Hon'ble High Court on 01.02.2010 that the corporation has considered for final settlement in the case if the party further deposits Rs.11.00 lac by means of DD with RFC by 01.02.10.

The case was again listed on 01.02.10 and the Hon'ble High Court, Jaipur passed order as under:

"On the last occasion this court had directed the learned counsel for the RFC to find out if the RFC is willing to settle the entire loan amount, in case the petitioner were to deposit Rs. 11,00,000/- as full and final settlement of the case. Today, Mr. P.S. Arya, the learned counsel for the RFC, has produced a letter dated 27.01.2010 written by the Deputy Manager (ARRC) where in the RFC has informed the learned counsel that it is willing to settle the entire loan amount, in case the petitioner were to deposit Rs. 11,00,000/- by means of a Demand Draft. Mr. Suresh Pareek, the learned counsel for the petitioner has submitted two demand drafts, both drawn on the Bank of Board, namely, (1) D.D. No. 850149 amounting Rs. 10,00,000/- dated 29.01.2010, (2) D.D. No. 850150 amounting Rs. 01,00,000/- dated 29.01.2010. The same have been handed over to the learned counsel for the RFC before this court. Since the total amount of Rs. 11,00,000/- has been paid by the petitioner, the entire loan amount is fully and finally settled. Since the entire settlement has been made by the petitioner, the RFC is directed to restore the possession of the property in dispute to the petitioner and to issue a NOC in his favour within a period of three weeks from today.

List this case after three weeks."

After receipt of Banker's cheques of Rs. 11.00 lac from Hon'ble High Court, the same were presented to Bank by Branch Office, Bhilwara for realisation. After realisation of Banker's cheques possession of assets have been handed over to original borrower and no dues also issued in compliance of directions of Hon'ble High Court.

After detailed discussions and keeping in view of action taken in compliance of directions of Hon'ble High Court the committee confirmed the settlement of account accordingly.
4. **M/s Global Syntex (Bhilwara) Ltd., Bhilwara (ARRC Case)**

The above said case was placed before SLC in its meeting held on 27.01.2010. The committee observed that:

It is a joint finance case and RIICO is a lead institution. The case is registered with BIFR since 2002. Two loans aggregating to Rs. 100.00 lac were sanctioned by RFC under Good Borrowers Scheme as working capital term loan. The company availed sanctioned WCTL upto 21.1.2000. Outstanding as on 01.12.2009 in the loan account is as under:

(Rs. in lac)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal</td>
<td>89.81</td>
</tr>
<tr>
<td>Interest</td>
<td>398.80</td>
</tr>
<tr>
<td>OM (debited as service charges)</td>
<td>22.28</td>
</tr>
<tr>
<td>OM-cash (expenses incurred by RFC)</td>
<td>0.09</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>510.98</strong></td>
</tr>
</tbody>
</table>

RIICO had settled its dues on principal sum outstanding in the account. Company requested to RFC also to settle the account on the lines of RIICO i.e. in principal sum only.

BIFR in the hearing dated 23.12.2009 directed that keeping in view that RFC constituted only 18% of the secured loan outstanding against the company and RFC had already submitted before the Board that it would follow the stand of RIICO, RFC to consider the OTS proposal of company and take a decision with in one month.

After detailed discussions, the committee noted that as per settled policy of Corporation for OTS scheme, the account can not be settled below principal sum plus other money and accordingly the committee offered to settle the account in principal plus other money (Rs. 89.81 lac + Rs. 22.37) i.e. Rs. 112.18 lac. Shri Ranka, director of the company requested that other money debited as service charges in account i.e. Rs. 22.28 lac be not recovered as this amount is not actual cash outflow, hence be not treated as other money-expenses. He requested to make settlement in Rs. 89.81 lac plus Rs. 0.09 lac (actual expenses incurred by RFC) total Rs. 89.90 lac.

The matter was discussed at length in the meeting. It was observed that under the scheme for grant of working capital term loan to Good Borrowers, there is a provision that the borrower shall pay service charges yearly @ 1% p.a. payable quarterly on the outstanding amount for working capital term loan. These service charges are debited in the loanees’s account as other money (Memorandum).

The Committee decided that the matter may be placed before the Board for taking a view as to whether the service charges which are recoverable from the unit under the WCTL (Good Borrowers Scheme) may be treated as part of principal sum for the purpose of one time
settlement or the same may be treated as Other Money (Memorandum) i.e. at par with interest since there is no cash outflow”.

As per decision of SLC the case was placed before the Board in its meeting held on 05.02.2010. Decision of the Board is reproduced below:

“After detailed discussions, it was allowed by the Board that notional other money (income) debited in the account should be considered at par with interest whereas any expenditure incurred by the Corporation in cash or otherwise should be continued to be at par with principal as at present & be continued to be referred to as other money. Proposal of M/s. Global Syntex (Bhilwara) Ltd. for one time settlement be dealt accordingly.”

Keeping in view the facts and position of the case as well as decision of Board that notional other money (income) debited in the account be considered at par with interest whereas any expenditure incurred by the Corporation in cash or otherwise should be continued to be at par with principal, the committee on 23.02.2010 decided to settle the loan account on payment of Rs. 89.90 lac (principal sum Rs. 89.81 lac + other money Rs. 0.09 lac).

5. M/s Manoj Granites, Neemrana (ARRC Case)

Shri Balbeer Singh owner of the unit attended the meeting. The above unit is under possession of the Corporation since 22.05.2008. Outstanding in the loan account of unit as on 01.02.2010 including simple interest for possession period (without adjusting upfront amount) is as under:

(Rs. in lac)

| Principal | Rs. 4.54 |
| Interst   | Rs. 36.93 |
| O.M.      | Rs. 0.18  |
| Total     | Rs. 41.65 |

MRV of the prime assets is Rs. 28.62 lac.

Earlier the case of the above unit was placed before the HOLC on 15.5.06. The Committee offered to settle the case for Rs. 11.70 lacs minus (-) Rs. 70,000/- as upfront amount net settlement of Rs. 11.00 lac but the promoter did not accept the offer given by the Committee. Therefore, the case was rejected.

The case was also registered under the scheme for waivement of penal interest on 28.7.08 and upfront of Rs. 73000/- was deposited. Benefits available in this scheme were not acceptable to the party hence the party again deposited upfront amount Rs. 70,000/- and fresh registration fee of Rs 2000/- on 22.12.08 under the scheme for settlement of NPA cases. Special HOLC held on 05.6.09 offered to settle the case in Rs. 25.00 lac less Rs. 1.43 lac upfront amount (i.e. Rs. 73000/- for waivement of penal interest scheme and Rs. 70000/- for Special HOLC). Party did not give consent for settlement. Hence, case was rejected. The party had filed appeal for SLC and necessary upfront amount of Rs. 73500/- was deposited by party in July, 2009.
The case was placed in SLC on 28.07.09 and 22.10.09 but no body turned up hence it was again placed in SLC Meeting dated 30.11.09. Again no body turned up, hence committee decided to close the case.

It was decided to put the unit for auction. Party approached again in HO and as per decision of competent authority it was decided to postpone the auction and submit the case for OTS if a sum of Rs. 5.00 lac is deposited by the party on or before 05.02.2010. Accordingly, party deposited Rs. 5.00 lac on 05.02.2010.

After detailed discussions with the owner of the unit and considering all the facts and position of the case, the committee offered to settle the account on further payment of Rs. 22.50 lac on or before 31.03.2010.

The owner consented to the settlement.

6. M/s Choudhary Gypsum Udyog, Nagaur (FR case)

Shri Ram Chandra, Proprietor of the unit appeared before the committee.

A loan of Rs.1.13 lac was sanctioned on 6.9.89 as term loan & Rs.0.57 lac as WCSW to the unit under Single Window Scheme for manufacturing of Plaster of Paris at Village Khajwana out of which Rs.0.71 lac and Rs.0.57 lac were disbursed respectively upto 24.12.91.

State subsidy of Rs.19,420/- was also sanctioned to the unit and Rs.13,628 was disbursed which is recoverable as per AG Audit

In the visit report carried out by AM(T) B.O. Nagaur, it has been reported that no plant & machinery of unit is available. Bhatta is also damaged. Property is located in the Village and it is tough to realise it. ROD sent to Collector on 28.02.2007.

In this case, patta of Shri Shabu S/o Shri Jai Ram was taken as collateral security without verification/inspection of property at the time of execution/disbursement of loan. Patta was issued by Jodhpur State in the year 1913-14. Promoter of unit could not given any details in this regard, therefore, present MRV of collateral security could not be computed as per report of AM(T) (photocopy of visit report is enclosed). Earlier, the BM was asked about how much quantum of collateral security was asked at the time of sanction. The BO reported that no quantum of collateral security in lieu of working capital loan is mentioned in the sanction letter (photocopy of sanction letter is enclosed herewith).

The case was earlier placed before Spl.HOLC in its meeting held on 17.12.2007. The decision of the committee is reproduced as under:

“Shri Ram Chandra, Proprietor of the unit, appeared before the committee.

A loan of Rs.1.13 lac was sanctioned on 6.9.89 as term loan and Rs.0.57 lac as WCSW was sanctioned on 6.9.89, out of which Rs.0.71 and Rs.0.57 lac could be disbursed respectively. The unit was engaged in production of Plaster of Paris. The unit is lying closed. The category of the loan account was ‘Doubtful’ as on 31.3.04. A sum of Rs.10.91 lac were outstanding as on 1.12.07, out of which Rs.1.20 lac towards principal Rs.9.69 lac towards interest and Rs.0.02 lac
towards other money. The MRV of the financed assets is Rs.2.32 lac. The Bhatt has also been damaged. Though the collateral security was obtained for working capital term loan and a patta of Shri Shabu son of Shri Jai Ram was taken but no details about the property is available. No valuation was reported to have been carried out. Further details of collateral security is also not available, therefore, the valuation of the same could not be carried out and the value of the collateral security has been shown as Nil. As per the terms of sanction letter personal guarantee was also to be obtained for working capital terms loan but in fact no third party guarantee was obtained. ROD has already been sent to Collector on 28.2.2007.

State subsidy was also disbursed to the unit amounting to Rs.13,628/- which is also recoverable as there is a AG Audit para.

State subsidy is recoverable separately as per norms.

After detailed discussions with the promoter and considering all the facts and position of the case, the committee offered to settle the account in a consideration of Rs.3.37 lac less upfront amount of Rs.0.37 lac, i.e. at the net payable settlement amount of Rs.3.00 lac but the above offer of the committee was not accepted by the promoter of the unit, therefore, no settlement could be reached and the case was rejected with the advise that B.O. should initiate action for recovery of dues.

The committee have noted that the prescribed procedure for sanctioned valuation, disbursement and lodging FIR for missing assets has not been property followed by the B.O. therefore, it has been decided that a Preliminary Enquiry may be conducted by DGM(A&I) Ajmer for pinpointing the irregularities in sanction, valuation, disbursement and lodging FIR for missing assets alongwith name of the responsible officials. He will furnis a report within 7 days to Vigilance Section.”

In the sanctioned letter it has been mentioned that proprietor of the unit will provide guarantee for working capital but B.O. has informed vide its letter dt. 23.10.2007 that no third party guarantee was taken. However, guarantee of Shri. Ram Chandra, proprietor of the unit was taken. Value of the same has not reported by B.O.

Now, the competent authority has granted permission to place this case before SLC as an appeal case. Hence case registered as an appeal case.

After detailed discussions and considering all the facts and position of the case, the committee offered to settle the account in a consideration of Rs.3.00lac less upfront amount of Rs. 0.18 lac (rounded off), i.e. net settlement amount of Rs.2.82 lac payable in six equal monthly installments commencing from March,2010. Last installment shall be paid upto August, 2010.

No interest would be charged upto 31.03.10 and thereafter w.e.f. 01.04.10 interest @ 13% p.a. shall be charged on unpaid amount of settlement.

The representative of the concern consented to the settlement.
7. **M/s Jain Bandhu Sneh Resorts Pvt. Ltd., Udaipur (FR case)**

   Nobody turned up. However, a letter received from the company requesting to give him another chance as due to preoccupation he could not attend the meeting. The committee decided to defer the case with the instructions to place it in the ensuing meeting.

8. **M/s. Gemini Cement (P) Ltd., Alwar (DDW Case)**

   Shri Shivaji Panjwani, director of the company appeared before the committee.

   The case was earlier placed before SLC held on 27.01.2010 and following decision was taken:

   “Shri Shivaji Panjwani, Director and his friend Shri Lalit Jagota appeared before the committee.

   The case of above named company was placed before the Spl. HOLC in its meeting held on 26.11.09 and following decision was taken:

   “Shri Shivaji Panjwani, director appeared before the committee.

   It is a deficit-decreetal as well as appeal case. The case was earlier registered for settlement on 4.5.09, but no settlement could be arrived at. Therefore by deposition of 50% upfront amount as per the orders of CMD, the case was registered for appeal.

   A loan of Rs.79.00 lac was sanctioned on 7.2.92 and disbursed Rs.68.03 lac upto 27.1.95 for setting up a cement unit.

   On default in repayment of dues, the assets of the unit were taken over into possession on 10.12.97 and sold out P&M on 30.3.02 in a consideration of Rs.11.47 lac and land & building on 25.1.06 for Rs.46.53 lac, thereby totaling Rs.58.00 lac. After appropriation of sale proceeds, deficit as on date of sale works out to Rs.35,67,823/- (principal component including government dues Rs.5.25 lac).

   Value of property other than mortgaged to RFC comprise flat of Smt. Sunita Panjwani W/o late Ashok Panjwani having MRV of Rs.25 to 27 lac.

   After discussions and considering the facts and position of the case, the committee offered to settle the loan account at Rs.35.89 lac less upfront amount Rs.5.21 lac deposited (Rs.1.62 lac on 11.8.09 and Rs.3.59 lac on 4.5.09) i.e. the net payable settlement amount Rs.30.68 lac, but the party sought time, hence consideration of the case was deferred.”

   After discussions the committee gave the same offer of Rs.35.89 lac as mentioned above, which was not agreed by him, hence the case was rejected”.

   Thereafter on request of the party, the competent authority has allowed to get the appeal registered at 50% of upfront amount. Accordingly, DM (l/c), SO,
Delhi vide his fax message dated 25.1.2010 and has informed that the borrower has submitted an application for appeal before SLC along with cheques of Rs.153500/- as upfront amount and Rs.5000/- as registration fee vide cheques No.560819 & 560820 drawn on Syndicate Bank, New Delhi. He has further reported that the cheques have been reportedly cleared over phone on 25.1.2010. This clearance is subject to confirmation by bank statement.

During the course of discussion, the committee observed that vide report dated 14.9.09 of Dy.Manager (l/c), SO, Delhi, among the properties owned by the borrowers and their legal heirs, it was reported that one flat worth Rs.25–26 lac is owned by Mr.Kushal Panjwani who is son of Shri Shivaji Rai Panjwani. The committee was of the view that since as per the report Mr. Shivaji Rai is also alive, the property owned by his son Mr. Kushal Panjwani may not be considered as property belonging to legal heir and therefore, not tenable in law.

After discussions and considering all the facts and position of the case, the committee offered to settle the case at decreetal amount of Rs.35.70 lac, but the party sought time, hence consideration of the case was deferred”.

After discussions and considering all the facts and position of the case, the committee offered to revive the earlier offer made by the SLC in its meeting held on 27.1.2010 to settle the account at Rs.35.70 lac, but the party did not consent to this offer, hence the case was rejected.

It was further decided to advise the BO, Alwar and SO, Delhi to expedite the recovery proceedings. Besides all out efforts may also be made for tracing out the whereabouts and identify the property of the main promoter Shri Pratap Rai Panjwani reportedly residing in Barbados (West Indies) and no immovable property is available in India. In this regard the concerned Embassy may also be contacted by BO, Alwar/SO, Delhi and the matter be appropriately taken up for pursuing recovery against the promoter. In addition to this, the identified properties may also be got attached with immediate effect so as to effect recovery of the Corporation’s dues.

9. M/s Sujata Marbles & Granite Processing (P) Ltd., Jaipur-Rural (DDW Case)

Shri Anoop Saraf and Shri Atul Saraf, directors of the company, appeared before the committee. The case was earlier placed before the Spl.HOLC meeting held on 26.11.09 and following decision was taken:

Shri Anoop Saraf and Shri Atul Saraf, directors of the company, appeared before the committee.

It is a deficit as well as appeal case filed by the party against the branch settlement decision taken on 15.9.09 for Rs.7986100/- less upfront amount of Rs.399000/- i.e. net payable settlement amount was Rs.7587100/- which shall be paid in equal monthly instalments from October, 09 to March, 2010. Aggrieved with the decision, the party made the appeal.

A loan of Rs.74.24 lac was sanctioned on 5.6.92 and disbursed Rs.72.63 lac upto 30.3.96 for setting up a granite and marble slabs unit.
On default in repayment of dues, the assets of the unit were taken over into possession on 5.5.05 and sold out on 22.11.05 in a consideration of Rs.57.21 lac. After appropriation of sale proceeds, deficit as on date of sale works out to Rs.494.62 lac (principal Rs.83.21 lac, interest Rs.411.33 lac and OM Rs.0.08 lac).

RoD has been filed u/s 32G on 22.1.07 and pending with Dy.Commissioner (S), Delhi. MRV of parental house i.e. identified property situated at 34-G, Ashoka Avenue, Mehroli Zone, Village Khirki Sanik Farms, New Delhi reported by DM (I/C) sharing of both the directors in property to the tune of Rs.71.20 lac vide letter no. 345 dated 22.09.09 Total value of the property is Rs.127.15 lac. At the time of sanction of loan as per Net Worth investible statement of Directors details of property are as under:

Anup Kumar Saraf  Free hold residential Beinik  2 Bigha Rs.33.00
Farm situated at Khasra  4 Biswa lac
No. 414 (2.4) village Nabsarai
Tehsil Mehroli, New Delhi

Atul Saraf  Agriculture land at Khasra  20 Acre Rs.10.00
No. 66/127 village Kot Haryana lac

After discussions and considering all the facts and position of the case, since no acceptable offer was given by the directors of the company, the case was rejected. However, the directors were also advised to file appeal to SLC and also produce complete reports with regard to Jamabandi title papers in relation to the net worth property declared at the time of sanction of the loan.

In compliance of Spl.HOLC decision the directors were advised to file appeal in SLC and also to produce complete records with regard to Jamabandi title papers in relation to the net worth property declared at the time of sanction of loan.

Shri Anup Kumar Saraf, director of the unit vide his letter dt. 23.12.09 deposited DD of Rs.4.00 lac towards appeal and informed/clarified following:

1. That the land under Kot village was mortgaged with UBI towards working capital limit of Rs.25 lac.

2. That at the time of settlement with the Bank, the same was released and sold by them to arrange funds for settlement.

3. That the Sainik Farms property is undivided property in an unauthorized colony of which valuation report (Rs.56 lac) by Govt. approved valuer has also been submitted to RFC. Since Registrar/Sub-Registrar are not registering the sale deed under instruction from State Govt., no purchase/sales are taking place since last several years, but refuse to give the same in writing; fact can be verified by RFC itself, if required.

To enquire about the factual position of properties in question, a team of officers comprising Shri Ramji Lal, DM (I/C), SO, Delhi and Shri Babban Singh, DM, BO, Bhiwadi visited the village near Sohana on 22.1.2010 and on 25.1.2010 to Faridabad as well as Sainik Farms, New Delhi. The report was got examined from law section. Law section has opined that sale of gair mumkin pahar land owned by Smt.Sujata.
Saraf W/o Shri Atul Garg has been completed in all respect and entry in favour of Purchaser has also been made in the Revenue Record.

The account of Union Bank of India has been reported settled vide NOC letter issued by the Banker vide reference No.SD:ADV:233:2009 dated 17.12.09.

The property situated at Sainik Farms, Delhi was also visited by the team.

As per report looking to the location of property situated at Sainik Farms, Delhi good worth of property can not be ignored.

MRV of the property was reported at Rs.127.15 lac having land of 790 sq.mtrs. and constructed area of 5000 sq.ft. approx. as per MRV report dated 17.9.09. Further in the report dated 21.10.08, it has been mentioned that directors of the company are having a very big house and they are presently engaged in export work of Marbles and having there godowns in nearby area of their residence.

Besides this as per borrowers letter dated 15.2.2010 previously they were dealing in small time trading business on commission/ liaison basis and at present both of them are employed with AM Martogranete, New Delhi and furnished the salary certificates of the concern.

After discussions and considering all the facts and position of the case, the committee offered to settle the account at Rs.83.21 lac + recovery charges as per norms u/s 32G. The promoter did not consent to the offer, hence the case was rejected with the advise that the BO, Jaipur and SO, Delhi to expedite the recovery proceedings including ROD u/s 32G so as to have the identified property attached under L.R.Act for effecting recovery of Corporation’s dues with immediate effect.

GENERAL OBSERVATIONS:

1) Wherever settlement amount is to be paid in instalment, the party will produce PDCs in the BO payable on 15th of the each month or date specified by the Committee, as the case may be. BO has to ensure that PDC’s are invariably taken in such cases.

2) If the party fails to make payment strictly as per decision of the committee, BO concerned will initiate recovery action at their level.

3) Recovery charges to be sent to Collector concerned are included in the settlement amount, where recovery is affected on account of action initiated under Section 32(G).

4) Actual other money not debited so far is to be recovered over & above the settlement amount. Branch Office will let it know to the party about amount of other money, if any, within a month from the issue of this order.

5) The party shall withdraw court case, if any, before issue of no dues certificate.

6) Subsidy, if any, shall be recoverable separately as per norms.

EXECUTIVE DIRECTOR
MEMBER SECRETARY
RAJASTHAN FINANCIAL CORPORATION  
(FR Division)

Minutes of the 96th meeting of SLC held on 19.05.10 at 3.30 PM under the chairmanship of Shri G. S. Sandhu, IAS, CMD

Present:

<table>
<thead>
<tr>
<th>Name</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shri Kamal Mehta, Director</td>
<td>Member</td>
</tr>
<tr>
<td>Dr. Mohan Lal Yadav, Executive Director</td>
<td>Member</td>
</tr>
<tr>
<td>Shri S.K. Aswal, RAcS, FA</td>
<td>Member</td>
</tr>
<tr>
<td>Shri Sukhaveer Saini, RAS GM(D)</td>
<td>Member</td>
</tr>
</tbody>
</table>

Shri Abu Talib, DGM(FR-1), Shri A.P. Mathur, DGM (FR-2), Shri J.P. Meena, DGM(DDW), Shri A.L. Gupta, DGM(ARRC), Shri M.C. Meena, Manager (DDW), Shri P.D. Verma, Manager (FR-3), Shri Deepak Verma, Manager (ARRC), Shri M.S. Meena, Manager (FR-4), Shri Ashok Agarwal, Dy. Manager (DDW) and Shri H.S. Mehra, Dy. Manager (FR-2) were also present.

I. Action taken report on the decision of earlier SLC meetings.

Noted

II. Confirmation of the minutes of SLC meeting held on 23.02.10

Minutes were confirmed.

III. The committee considered the agenda notes of the following cases placed before it and decided as follows:

1. M/s Guru Kripa Steel, Pali (ARRC Case)

Shri Chela Ram Choudhary, Partner of the unit appeared before the committee.

Term loan of Rs. 14.00 lac was sanctioned to the unit on 10.06.1997 out of which Rs 12.15 lac was disbursed upto 10.12.1998.

The unit was under possession of ACTO from 19.03.2001 to 02.07.2009. Corporation took possession from ACTO on 03.07.2009. A sum of Rs.21.21 lac was outstanding as on 01.12.09 (principal sum Rs. 11.67 lac, interest Rs.5.53 lac and other money Rs.4.01 lac).
If interest for the possession period on simple basis is included amounting to Rs.26.83 lac, the outstanding becomes Rs. 48.04 lac. MRV of financed assets is Rs. 5.66 lac as on 03.07.2009. Present value of collateral security as on 03.07.2009 is Rs. 0.50 lac. No third party guarantee is available in the case. The category of loan account is doubtful as on 31.3.05.

Subsidy of Rs. 2,42,900/- is also recoverable with interest. Branch Office has filed claim under section 32 (G) for recovery of subsidy amount from the promoter. The case is pending with SDO Sumerpur, Pali.

The OTS proposal of the concern was placed before Special HOLC held on 20.01.2010. The Special HOLC offered to settle the account in Rs.16.25 lac but borrower did not give consent, therefore, the case was rejected.

The Committee noted that highest offer of Rs.5.18 lac only for sale of assets of the unit was received by the branch office.

Shri Chela Ram Choudhary, Promoter submitted before the Committee that other money debited in the account is due to subsidy interest wrongly debited.

After detailed discussions with Shri Chela Ram Choudhary, Promoter and considering all the facts and position of the case, the Committee offered to settle the account in principal sum Rs.11.67 lac plus other money (to be recalculated by BO) plus subsidy amount Rs.2,42,900/- plus 5% ROD charges to be sent to Revenue authorities.

However, the other money shall be recalculated by BO, Pali regarding subsidy interest debited in their loan account and other money without subsidy interest. The amount deposited as upfront Rs.1,60,000/- on 12.11.09 and Rs.1,18,.000/- on 16.02.10 will be deducted from the settlement amount.

The promoter consented to the settlement. The settlement amount shall be payable in 4 equal monthly installments from June to September, 2010. Interest @ 13% p.a. shall be payable on unpaid amount of settlement w.e.f. 11.06.2010.
2. **M/s Meena Tyre Retraders, Mahuwa, Distt: Dausa**

Shri Heera Lal representative of the borrower appeared before the committee.

It is a deferred sale case. Assets of M/s Modern Cold Tyre Retrading, Mahuwa was sold on deferred payment basis to M/s Meena Tyre Retraders on 19.1.01. Rs. 3.75 lac was deferred sale amount.

The OTS proposal was placed before Special HOLC held on 21.10.2009. Special HOLC offered to settle the account in Rs. 11 lac less up-front amount of Rs. 0.74 lac but the borrower did not accept the offer of Special HOLC, therefore, the case was rejected. The borrower made an appeal to SLC against decision of Special HOLC.

Due to non payment of Corporation dues, possession of the unit was taken over on 22.09.2004. A sum of Rs.7.14 lac was outstanding as on 01.12.2009 (Principal sum Rs. 3.75 lac, Interest Rs.2.76 lac and Other Money Rs.0.63 lac). If interest for the possession period on simple basis is included amounting to Rs.4.42 lac than outstanding becomes Rs. 11.56lac. MRV (revised) of financed assets is Rs. 19.40 lac as on 06.08.2009. No Collateral security and third party guarantee is available in the case. Category of loan account is ‘Doubtful’ as on 31.03.2005.

Highest offer of Rs.11.71 lac for sale of assets of the unit was received in the open auction held on 10.02.2009, which was rejected as it was found inadequate looking to the MRV.

After detailed discussions with the representative and considering all the facts and position of the case, the Committee decided to settle the account in a consideration of Rs.11.00 lac less upfront amount of Rs.0.74 lac i.e. at net payable settlement amount of Rs.10.26 lac.

The representative of the concern did not give consent to the settlement, hence, the case was rejected and it was decided to put the unit for auction.

3. **M/s. Kamdenu Feed & Food, Banswara (FR case)**

The case was represented by Shri Kesari Mal Jain, promoter of the unit. The request of Mr. Jain for waiver of interest for the delayed period was not considered by the Committee, therefore, it was decided to recover interest for the delayed period along with ROD charges. The party consented for a lumpsum payment of Rs.2.30 lac (including ROD charges) less upfront amount of Rs.0.18 lac i.e. net payable amount of Rs.2.12 lac in three equal monthly installments commencing from June,2010 to August,2010. No interest shall be levied for this period.
The case was represented by Shri Anil Jain, Director of the Company and his cousin Mr. Vijay Kothari. Shri Jain tried to gain favour of the Committee on grounds of ailment of his wife but the facts of the case prevailed where the earlier SLC offer dated 21.2.2008 and Hon’ble High Court decision dated 13.8.2008 were discussed at length along with company’s eligibility under OTS. The decision of Hon’ble High Court dated 13.8.08 is reproduced hereunder:

“Learned counsel for the appellant submits, that he may be granted time upto 31.3.2009 for settlement of the entire accounts by the appellant’s own resources or by obtaining financial assistance from other financial institutions, taking benefit of the NOC, issued by the RFC, and also submits that the respondents be directed to provide the statement of accounts and also waive 50% of the penal interest, as was agreed, during the earlier negotiations.

In our view, the time prayed for is very long. However, looking to the magnitude of the amount involved, we think it appropriate to grant the time. Of course, subject to the conditions of the appellant’s depositing minimum amount of Rs. 10,00,000/- per month, till 31.3.2009, or till the account is cleared up, whichever is earlier.

First payment, to be made on or before 01.09.2008. The respondents are also directed to provide statement of accounts to the appellant.

So far as the request of waiver of penal interest is concerned, the appellant may submit representation to the respondents as to in what circumstances, earlier negotiations took place and, what are the entitlements for the appellant, for waiver, and the same shall be considered by the respondent on its own merits objectively and dispassionately.

This disposes of the writ petition and the appeal. It is however clarified that if the appellant, fails to pay the aforesaid amount, in any month, the writ petition and the appeal shall stand dismissed, unconditionally.”

Accordingly, Shri Jain was offered waiver of 50% of the penal interest debited in the account that worked out to around Rs. 38.00 lac. To this offer he was not agreeable, therefore, the Committee decided to reject the case and directed to proceed for recovery of Corporation dues by initiating legal action as per norms.
5. **M/s Shree Laxmi Engg Works, Kishangarh**

Shri Mohan Lal Sharma, proprietor of the unit and his friend Shri D.S. Choudhary attended the meeting.

The P&M of M/s Jay Industries was sold in a consideration of Rs.30,000/- and handed over on 8.7.1982 on deferred payment basis to Shri Mohan Lal proprietor of M/s Shree Laxmi Engg Works.

The sale of P&M was approved on 9.2.82 on the basis of assets “as is where is basis”. The electric motor were stolen on 28.9.81 i.e. prior to submission of bid / approval of sale by the purchaser. Therefore, the claim of purchaser for electric motor is seems to be not justified.

After that following loans were also sanctioned to M/s Laxmi Engg Works which is a partnership firm and in which Shri Mohanlal is also a partner:

<table>
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<tr>
<th>A/c No. 4618 (TL)</th>
<th>A/c No. 4625 (TL)</th>
<th>A/c IFL I</th>
<th>A/c IFL II</th>
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<tr>
<td>170000</td>
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<td>22700</td>
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<tr>
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<td>4.6.86</td>
<td>31.3.87</td>
<td>10.4.90</td>
</tr>
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</table>

Earlier the case was placed before the HOLC in its meeting held on 31.1.06 and committee decided to settle the case by waiving part penal interest of Rs. 60,000/- but party did not adhere to it.

The case was again placed before Spl HOLC in its meeting held on 31.8.07 and committee upheld the decision of HOLC dated 31.1.06 but party did not adhere on settlement. The party has cleared the dues of the Corporation in other account lying in M/s Laxmi Engg Works without taking any relief in penal interest.

The party has requested that account no. 7219 may be treated as separate account but it has already been decided that this account cannot be treated as separate account and conveyed to BO vide letter dated 31.8.09.

Detailed discussions were held and during discussions the proprietor informed that amount of electric motors stolen after submission of his bid for purchase of the P&M of M/s Jai Industries be reduced in his account since inception. The committee decided that detailed examination on the issue raised by the party be made and facts be put up before the committee, till then the case is **deferred**.
6. **M/s. Gemini Cement (P) Ltd., Alwar (DDW Case)**

Shri Shivaji Panjwani, Director of the company and his friend Shri Lalit Jagota appeared before the committee.

“The case was earlier placed before SLC held on 23.02.2010 and the committee offered to revive the earlier offer made by the SLC in its meeting held on 27.1.2010 to settle the account at Rs.35.70 lac, but the party did not consent to this offer, hence the case was rejected.

It was further decided to initiate recovery proceedings against the promoters of the company”.

*It is a deficit-decreetal as well as appeal case. A loan of Rs.79.00 lac was sanctioned on 7.2.92 and disbursed Rs.68.03 lac upto 27.1.95 for setting up a cement unit. On default in repayment of dues, the assets of the unit were taken over into possession on 10.12.97 and sold out P&M on 30.3.02 in a consideration of Rs.11.47 lac and land & building on 25.1.06 for Rs.46.53 lac, thereby totaling Rs.58.00 lac. After appropriation of sale proceeds, deficit as on date of sale works out to Rs.35,67,823/- (principal component including govt.dues Rs.5.25 lac). Value of property other than mortgaged to RFC comprise flat of Smt.Sunita Panjwani W/o late Ashok Panjwani having MRV of Rs.25 to 27 lac.*

Shri Shivaji Panjwani, Director of the company vide his letter dated 24.02.2010 informed that he has now made up his mind to deposit full outstanding of Rs.29.15 lac i.e. Rs.35.89 lac less upfront amount Rs.5.21 lac deposited on 11.08.09 & 04.05.09 + upfront for SLC on 22.02.10 Rs.1.53 lac = Rs.29.15 lac in four equal monthly instalments.

On the request of the party the competent authority has allowed to place the application of the party before SLC once again as now party is willing to accept the offer given by committee.

After discussions and considering all the facts and position of the case, the committee offered to settle the case at Rs.35.89 lac less upfront Rs.6.74 lac, i.e. net settlement amount of Rs.29.15 lac payable upto 30.6.2010. No interest shall be charged upto 30.6.2010.

The representative consented to the settlement on above terms”.

---

6
7. **M/s. Mohan Rubber Industries (P) Ltd., Alwar (DDW Case)**

“Shri Man Mohan Lal, Director of the company appeared before the committee.

*It is a Deficit-write off case. A loan of Rs.21.00 lac was sanctioned on 31.3.84 and disbursed Rs.20.32 lac upto 29.3.86 for setting up a Rubber product unit. A Rehabilitation package with financial assistance of Rs.4.50 lac was granted during 1990-91 vide which facilities of rescheduling and relief in penal interest was allowed to the tune of Rs.4.53 lac. On default in repayment of dues, the assets of the unit were taken over into possession on 7.10.93 and sold out on 3.5.94 in a consideration of Rs.30.25 lac. After appropriation of sale proceeds, deficit as on date of sale works out to Rs.20.76 lac. The Corporation has written off Rs.17.68 lac and written back Rs.3.05 lac the deficit amount in the F.Y. 1994-95.*

Earlier the account was settled by DLC in its meeting held on 20.09.06 in consideration of Rs.21.77 lac including 5% recovery charges (-) upfront amount of Rs.3.11 lac. The net settlement amount was Rs.18.66 lac but the promoter had neither given his consent for settlement nor deposited any settlement amount.

Appeal of the party against the DLC has been considered by competent authority and delay in filing appeal has also been condoned by competent authority. ROD is pending with the DC (West) Rampura, Delhi since 28.04.06. Collateral security is not available but the promoter is having good immovable property, MRV of which works out to be Rs.4 to 5 crores. As per opinion of Law Cell, any personal property even not charged with RFC can be attached for recovery of Corporation’s dues as per provisions of CPC & LR Act,1956. An interest free loan of Rs.1.15 lac was also disbursed on 26.3.91.

The case was earlier placed before the Spl. HOLC in its meeting held on 23.02.2010 the committee offered to revive the earlier settlement made by DLC on 20.09.06 at Rs.21.77 lac including 5% recovery charges less upfront Rs.3.11 lac + Rs.1.77 lac on 15.1.10 i.e. the net settlement amount Rs.16.89 lac alongwith interest @ 16% till date. The party did not agree to the committee’s offer, hence the case was rejected with the advise to the BM to expedite the recovery proceedings.

After discussions and considering all the facts and position of the case, the committee offered to settle the case at Rs.21.77 lac less upfront amount Rs.5.77 lac (Rs.3.11 + 1.78 + 0.88 lac) i.e. net settlement amount of Rs.16.00 lac including ROD charges payable upto 31.3.2011 in equal monthly instalments payable from May, 2010 and March,2011. No interest shall be charged upto 30.6.2010, and thereafter w.e.f.
01.07.10 Interest @13% p.a. shall be payable on unpaid settlement amount.

The representative consented to the settlement on above terms and also submitted 5 PDCs of Rs.1.50 lac each bearing cheque Nos.341821 to 341825 drawn on Syndicate bank, Delhi” payable from May to Sept.,2010.

GENERAL OBSERVATIONS:

1) Wherever settlement amount is to be paid in instalment, the party will produce PDCs in the BO payable on 15th of the each month or date specified by the Committee, as the case may be. BO has to ensure that PDC’s are invariably taken in such cases.

2) If the party fails to make payment strictly as per decision of the committee, BO concerned will initiate recovery action at their level.

3) Recovery charges to be sent to Collector concerned are included in the settlement amount, where recovery is affected on account of action initiated under Section 32(G).

4) Actual other money not debited so far is to be recovered over & above the settlement amount. Branch Office will let it know to the party about amount of other money, if any, within a month from the issue of this order.

5) The party shall withdraw court case, if any, before issue of no dues certificate.

6) Subsidy, if any, shall be recoverable separately as per norms.

General Manager (Dev.)
MEMBER SECRETARY
RAJASTHAN FINANCIAL CORPORATION
(FR Division)

Minutes of the 97th meeting of SLC held on 27.09.10 at 3.30 PM under the Chairmanship of Shri G. S. Sandhu, IAS, CMD

Present:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shri Kamal Mehta, Director</td>
<td>Member</td>
</tr>
<tr>
<td>Dr. Mohan Lal Yadav</td>
<td>Member</td>
</tr>
<tr>
<td>Executive Director</td>
<td></td>
</tr>
<tr>
<td>Shri J.P. Meena, DGM/DDW</td>
<td>Member</td>
</tr>
<tr>
<td>Shri A.L. Gupta, DGM/ARRC</td>
<td>Member</td>
</tr>
<tr>
<td>Shri D.V. Jashnani, Manager</td>
<td>Member</td>
</tr>
<tr>
<td>(I/c - Law)</td>
<td></td>
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<tr>
<td>Shri Abu Talib, DGM(FR-1)</td>
<td>Member Secretary</td>
</tr>
</tbody>
</table>

Shri N.K. Jain, Manager (ARRC), Shri M.C. Meena, Manager (DDW), Shri P.D. Verma, Manager (FR-1), Shri M.S. Meena, Manager (FR-2) and Shri Ashok Agarwal, Dy. Manager (DDW) were also present.

I. Action taken report on the decision of earlier SLC meetings.

Noted

II. Confirmation of the minutes of SLC meeting held on 19.05.10

Minutes were confirmed.

III. The committee considered the agenda notes of the following cases placed before it and decided as follows:

1. M/s Krishna Ram s/o Shri Jetha Ram, Nagaur (FR case)

Shri Krishna Ram s/o Shri Jetha Ram, promoter of the unit appeared before the committee.

A loan of Rs. 10.00 lac was sanctioned on 08.05.97, out of which Rs. 6.86 lac was disbursed. Project was for manufacturing of Plaster of Paris at Village Jayal, District Nagaur.
The promoter had given collateral security of 16 plots at Village Suwadia, Panchayat Ratamga, Distt.Nagaur. All the plots are bare with no demarcation, no boundary wall and with no development. There is no proper approach road to the village and it is very tough to realize the dues from this property. The unit could not run and for recovery of the dues, action u/s 32-G has been initiated which is pending with Tehsildar, Jayal.

The case was settled by the Special HOLC in its meeting held on 25.3.08 in a consideration of Rs. 8.63 lac less upfront amount of Rs. 1.38 lac (rounded off), i.e. at the net payable settlement amount of Rs. 7.25 lac, which was payable within two months time from the date of decision i.e. upto 24.05.08. Interest was applicable w.e.f. 01.04.08 @ 13% p.a. on simple basis. The promoter of the unit consented to the settlement.

The party did not adhere to the decision of the committee. He requested vide his letter dated 9.2.09 that he was ready to deposit the settlement amount in six months which may be allowed to him. The request of the party was considered and was granted extension for payment of settlement amount of Rs.7.25 lac alongwith interest @ 16% p.a. for delayed period (w.e.f. 1.4.08) upto 9.8.09.

The party again did not adhere to the decision of competent authority and requested through Hon'ble Industries Minister for further six months time. This extension was also granted in making payment of settlement amount upto 9.3.10 alongwith interest @ 16% p.a. for delayed period w.e.f. 1.4.08 subject to the condition that in case party fails to make payment of settlement amount, the settlement shall be treated as cancelled and action shall be initiated as per norms of the Corporation.

The party again did not adhere to the decision of HO and requested through Hon'ble Industries Minister vide his letter dated 1.5.10 for waiver of interest and extension of time for further period of six months. His request was again considered and further extension of time for payment of unpaid amount by six months was granted upto 9.9.10 alongwith interest @ 16% p.a. for the delayed period w.e.f. 1.4.08 upto the date of payment of settlement.

Now the party has again requested vide letter dated 26.7.10 that he is ready to pay Rs.7.00 lac upto March,2011 without interest.

The competent authority decided that the case may be placed before SLC for taking a view without charging registration fee and upfront amount.

After discussions and background of the case, the committee decided to uphold the earlier decision of Rs.8.63 lac less upfront amount of Rs.1.38 lac deposited earlier i.e. net settlement amount of Rs.7.25 lac payable upto 1.3.2011 without interest with clear directions to take over the unit into possession if borrower fails to deposit the settlement amount.
The promoter consented to the above settlement

2. **M/s Shree Laxmi Engineering Works, Kishangarh (FR case):**

Shri Suresh Sharma and Shri Kailash Sharma s/o Late Shri Mohan Lal Sharma, proprietor of the unit appeared before the committee.

The case was earlier placed before SLC in its meeting held on 19.5.10. Decision taken by the committee is reproduced below:

“Shri Mohan Lal Sharma, proprietor of the unit and his friend Shri D.S. Choudhary attended the meeting.

The P&M of M/s Jay Industries was sold in a consideration of Rs.30,000/- and handed over on 8.7.1982 on deferred payment basis to Shri Mohan Lal proprietor of M/s Shree Laxmi Engg Works.

After that following loans were also sanctioned to M/s Laxmi Engg Works which is a partnership firm and in which Shri Mohanlal is also a partner:

<table>
<thead>
<tr>
<th>A/c No. 4618 (TL)</th>
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Earlier the case was placed before the HOLC in its meeting held on 31.1.06 and committee decided to settle the case by waiving part penal interest of Rs. 60,000/- but party did not adhere to it.

The case was again placed before Spl HOLC in its meeting held on 31.8.07 and committee upheld the decision of HOLC dated 31.1.06 but party did not adhere on settlement. The party has cleared the dues of the Corporation in other account lying in M/s Laxmi Engg Works without taking any relief in penal interest.

The party has requested that account no. 7219 may be treated as separate account but it has already been decided that this account cannot be treated as separate account and conveyed to BO vide letter dated 31.8.09.

Detailed discussions were held and during discussions the proprietor informed that amount of electric motors stolen after submission of his bid for purchase of the P&M of M/s Jai Industries be reduced from the sale amount. The committee decided that detailed examination on the issue raised by the party be made and facts be put up before the committee, till then the case is **deferred.**”

In compliance of the above decision, the Branch Manager, Kishangarh was requested to examine the case in light of observation made by the committee as per branch record. The Branch Manager, vide letter dated
28.06.10 (copy enclosed) has forwarded factual position of the case as under:

1. The bid for purchase of P&M of M/s Jai Industries was submitted by the party on 25.09.81 while the theft of electric motors was occurred on 28.09.81 & FIR lodged on 29.09.81.

2. It seems that electric motors were included in the auction because No. Auction was held after 25.09.81 only negotiations were held in Dec.,81 at H.O. The detail of this negotiations are net available in Branch Office regarding missing electric motors whether it was discussed or not at the time of negotiation were made with party.

3. The P&M of M/s Jai Industries was sold in consideration of Rs.30,000/- and handed over on 08.07.1982 on deferred payment basis to Shri Mohan Lal proprietor of Shri Laxmi Engg. Works. The calculation of MRV of missing assets (Electric Motors) are not possible at present, however, the value of electric Motors were considered by DM(T) not more then Rs.3,000/- earlier.

Since the total plant & machinery of M/s Jai Industries, was sold to M/s Shri Laxmi Engg. Works in a consideration of Rs.30,00/- only therefore as reported by the branch office the value of missing assets 9 Electric Motors) is considerable maximum of Rs.3,000/- only.

The party proposal is to adjust from the principal amount of Rs.16,257/- against the Electric Motors which is not handed over till date for settlement the account and issue NOC.

The outstanding as on 1.9.2010 and MRV of the prime assets in the case are as under:

<table>
<thead>
<tr>
<th>Outstanding as on 1.9.2010</th>
<th>MRV</th>
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</thead>
<tbody>
<tr>
<td>Principal Rs.16,257/-</td>
<td>Land Rs. 86.00 lac</td>
</tr>
<tr>
<td>Interest Rs 643674/-</td>
<td>Building Rs. 36.75 lac</td>
</tr>
<tr>
<td>Other Money Rs. -</td>
<td>P &amp; M Rs. 5.00 lac</td>
</tr>
<tr>
<td>Total Rs. 6,59,931/-</td>
<td>Total Rs. 127.75 lac</td>
</tr>
</tbody>
</table>

After discussions and considering all the facts and position of the case, the committee offered to settle the case by waiver of Rs.0.60 lac as offered earlier in the meeting of Special HOLC held on 31.1.06 in the case of another unit of the promoter viz. M/s Laxmi Engg Works, account of this unit has been squared up without giving any rebate.

It was also decided that the cut off date for the purpose of settlement of the account of M/s Shree Laxmi Engg Works, the outstanding balance is to be taken as on 31.3.06. It was concluded that the account of the concern is to be settled in a consideration of outstanding balance as on 31.3.06 (as per books), less Rs.0.60 lac.
The Branch Office will work out the amount and inform to the party through a letter and the party shall deposit the settlement amount upto 31.10.2010.

The representatives of the concern consented to the above settlement.

3. **M/s Shree Ganpati PVC Pipe (India) Ltd., Jaipur (FR case):**

Shri Virendra Rajpal, Director of the company appeared before the committee. The committee gave full opportunity of hearing to Shri Rajpal to ventilate his grievances. He represented his case in detail. After deliberations he was advised by the committee that besides principal outstanding of Rs.107.79lac he should pay some part of interest to the reasonable extent but he could not offer. The committee deemed it proper to give him an other opportunity to think over. Meanwhile the case was deferred.

4. **M/s Modern Refractories, Pilani, Jhunjhunu**

Nobody appeared before the committee. However, a letter dated 24.9.10 received from Shri Surendra Singh Shekhawat, partner of the unit informing that due to Shradha he is not in a position to attend the SLC on 27.9.10. The letter placed before the committee to consider the request to defer the case for consideration in next SLC. The case was therefore, deferred.

5. **M/s P K Bulb Industries, Churu (DDW case)**

Shri Kunj Bihari Agrawal on behalf of Shri Sanjay Kumar, Partner of the unit appeared before the committee.

It is a Deficit case. A loan of Rs.10.00 lac was sanctioned on 14.3.96 and disbursed Rs.8.48 lac for setting up an Electric Bulb unit. On default in repayment of dues, the assets of the unit were taken over into possession on 28.10.05 and sold out on 31.3.06 in consideration of Rs.8.01 lac. After appropriation of sale proceeds, deficit as on date of sale works out to Rs.36.11 lac (principal Rs.8.86 lac, interest Rs.27.24 lac). Value of third party guarantee worth Rs.15 lac is there. ROD has been sent to Collector, Jhunjhunu on 9.2.07.

The case was settled by BO on 23.3.2010 in a consideration of Rs.9.52 lac. Aggrieved with the branch decision, the party has filed appeal for Spl.HOLC.

In the meeting of Special HOLC dated 18.06.10, the committee offered to settle the case at Rs.9.52 lac (including Govt.dues Rs.49665/- less upfront Rs.1.82 lac i.e. net settlement amount of Rs.7.70 lac payable in 8 equal monthly installments commencing from 1.7.2010. Interest @ 13% p.a. was applicable from 1.7.2010 on unpaid amount of settlement. The party did not give the consent to the offer given by the committee and aggrieved with the decision of Special HOLC the party made an appeal to SLC.
After discussions and considering all facts and position of the case, the committee offered to settle the case in a consideration of Rs.8.48 lac less upfront amount Rs.2.73 lac i.e. at a net settlement amount Rs.5.75 lac subject to the condition that party will submit the no dues certificate from JVNL. Over and above the settlement amount the party would also pay the actual amount to be paid to revenue authorities towards motivational incentives as per norms. The settlement amount would be paid by the party in six equal monthly installments commencing from October, 2010 to March, 2011. No interest shall be charged upto 31.10.2010 and thereafter Interest @ 13% p.a. shall be charged from 01.11.2010 on unpaid amount of settlement. No dues certificate will be issued after compliance of terms of settlement.

The party consented to the settlement.

GENERAL OBSERVATIONS:

1) Wherever settlement amount is to be paid in instalment, the party will produce PDCs in the BO payable on 15th of the each month or date specified by the Committee, as the case may be. BO has to ensure that PDC’s are invariably taken in such cases.
2) If the party fails to make payment strictly as per decision of the committee, BO concerned will initiate recovery action at their level.
3) Recovery charges to be sent to Collector concerned are included in the settlement amount, where recovery is affected on account of action initiated under Section 32(G).
4) Actual other money not debited so far is to be recovered over & above the settlement amount. Branch Office will let it know to the party about amount of other money, if any, within a month from the issue of this order.
5) The party shall withdraw court case, if any, before issue of no dues certificate.
6) Subsidy, if any, shall be recoverable separately as per norms.

Dy. General Manager (FR-1)