

323

RAJASTHAN FINANCIAL CORPORATION
(FR-ARRC)

Ref: RFC/HO/FR-ARRC/Gen./7/6

Dated: 14.7.2006

CIRCULAR
(ARRC 138)

Reg: Incentive Scheme for Identification of property of promoter(s) / Guarantor(s) of Deficit/Written-off/ Decretal Cases

1. OBJECT:

The Corporation is seized with the problems of sticky and hard accounts where promoter(s)/guarantor(s) and their properties are not traceable. In order to trace their properties and initiate action for recovery against such properties, it is decided to launch a scheme whereby Institutions / Societies / Individuals / Agencies/Gram Panchayat / Nagar Palika etc. who are interested to participate in this incentive scheme to identify the properties of such borrowers may get registered themselves with Branch Office and ask for specific case in which they intend to identify property.

2. ELIGIBILITY:

All deficit/decretal/written-off cases having outstanding above Rs 10.00 lac as on 31.3.06 as per Corporation books, except following:

- i) Such cases already settled under OTS scheme and settlement package is still alive.
- ii) Such cases in which borrower has registered the case for settlement and case is still pending for decision.

Note: Any other property which have been identified by the Corporation in past shall not be eligible for incentive for identification of property.

3. TASK INVOLVED:

The Institutions / Societies / Individuals / Agencies / Gram Panchayat /Nagar Palika etc. registered with Branch Offices will be required to identify the properties of the promoter(s)/guarantor(s) in those cases which are

334

indicated by Head Office to Branches from time to time, they will be eligible to recover incentive if they identify and report about the property in cases assigned to them. The property so identified;

- a) should not be on the record of the Corporation.
- b) should not have been mortgaged to the Corporation.
- c) should belong to loanee / guarantor and should be free from all encumbrances.

If registered person / body withdraw his registration before completing the work assigned or not able to complete the given task within 3 months, the Branch Manager shall allot such cases to other party.

Note: Employees of the Corporation are debarred from the list of individual/agencies etc. who can be registered for identification of properties.

4. QUANTUM OF INCENTIVE:

Incentive will be 1% of the decretal amount / written off amount / principal sum + other money of deficit amount OR 1% of the value of the property identified which ever is less.

5. ROLE OF BRANCH MANAGER

- a) Branch Manager concerned will act as a Nodal Officer and a link between the Institutions/Societies/Individuals/Agencies / Gram Panchayat / Nagar Palika etc. and the Corporation. He will register those persons / bodies who are interested to participate in this scheme and provide a list of units supplied by Head Office from time to time in which property is required to be identified and assign particular case to registered persons / body for which he is interested to participate in the scheme. Prescribed format for application and allotting the case is annexed. After allotment details will be entered in a separate register for control & monitoring purposes. The incentive will be payable to the person / body who submits its information in prescribed time with details of property identified and Branch Manager is

335

convinced that his information is true & correct and the properties so identified is marketable and mortgageable.

Branch Manager will;

- i. keep a list of units supplied by Head Office from time to time which are eligible for identification of property in this incentive scheme
- ii. register the person / body after obtaining the application in prescribed format.
- iii. allot the desired units to registered person / body as per their preference with first come first serve basis.
- iv. maintain register for incorporating information about the cases and to follow up and monitoring them regularly.
- v. accept the request from respective agency and to satisfy that the property so identified is marketable & mortgageable and also free from all encumbrances.
- vi. process the claim for incentive payable to agency.
- vii. take necessary action for filling claim U/s 32-G of SFC Act or to register case under settlement scheme if eligible against borrowers where property has been identified.

b) **CALCULATION OF MRV OF PROPERTY**

The MRV of property so identified shall be calculated by Corporation as per the existing norms.

6. **ADVERTISEMENT :**

To make the scheme popular, wide publicity shall be made through News Papers and RFC website inviting applications for identifying the properties. The interested parties after registration with Branch may get the list of the units from concerned Branch Office in which property identification is required.

7. **TIME PERIOD:**

The Institutions / Societies / Individual / Agencies / Gram Panchayat / Nagar Palika registered at Branch will be required to furnish details of properties so identified within a period of three months from the date of allotting them to unit for identification.

336

8. **HOW TO APPLY:**

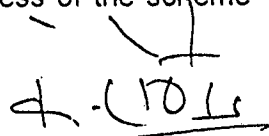
The interested parties may contact Branch Office concerned and submit their application in prescribed format by paying a non refundable registration fee of Rs 50/- in cash or cheque and may procure the list of such units from Branch Office of RFC in which identification of properties are required.

9. **MISCELLANEOUS**

The list of units prepared on the basis of information received from branches for identification of property is enclosed as Annexure 'B'. In case any unit do not fulfill the eligibility criteria as per point No.2 of circular, the branch may exclude it. Branch Office will send monthly information for addition of new units to DGM(ARRC) who will circulate updated list from time to time.

The Corporation shall not undertake reimbursement of any expenses incurred by such agency for identification of property of units allotted to him and shall not be party to any act of it undertaken for identification of property.

All concerned are advised to take a note of above and make wide publicity of the scheme so that maximum results can be achieved. The progress of the scheme shall be reviewed by Head Office on monthly basis.



(Karni Singh Rathore)
Chairman & Managing Director

Copy to:-

1. All ROs/ BOs/SOs.
2. DGM(A&I), Western Zone, Ajmer
3. Standard Circulation at HO.