



Ref.No.KSFC/HO/MD/ED(F)/543/2009-10

Date : 13.07.2009

CIRCULAR No.849 (B)

Sub: Chronic Asset Resolution Scheme - extension of validity.

Ref: (1) Circular No.849 dated 17.02.2009;
(2) Circular No.849(A) dated 08.04.2009.

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As you are aware, vide above referred Circular No.849(A) dated 08.04.2009, the validity of the CAR scheme was extended upto 30.06.2009. In this regard, for seeking further extension, a note was placed before the Board in its meeting held on 30.06.2009. The Board after detailed deliberations resolved to extend the validity of chronic asset resolution scheme upto 30.09.2009 without any change to the terms and conditions of the scheme.

Further, some of the Branch Managers are seeking clarifications regarding the time limit for payment of the approved resolution amount. In this regard, it is hereby clarified that the balance resolution amount shall be paid within 30 days from the date of communication of approval of resolution to the borrower and during this period no interest is applicable. If the entire resolution amount is not paid within 30-days the reliefs and concessions extended under the resolution package shall lapse automatically.

Further, there shall be no further extension of the scheme after 30.09.2009 and hence all the BMs, ZMs, concerned HODs at HO are once again instructed to review all the accounts which were in D-III category as on 01.04.2008 and resolve all the eligible cases. A special DRC meeting exclusively for these cases may be conducted and maximum number of cases resolved before 30.09.2009. The contents of this circular shall be brought to the notice of all in your office / department.

Sd/-
MANAGING DIRECTOR

To:
All BMs
All ZMs / DGMs of Super 'A' Branches / IA cells
All Principal Officers / Section Heads in HO
All General Managers
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