

CIRCULAR No.920

Sub: Chronic Asset Resolution Scheme
– delegation of powers to ZMs.

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A note on the captioned subject was placed before the Board in its meeting held on 30.09.2010. The Board perused the note. Detailed guidelines were issued regarding resolution of chronic and sticky D-III accounts vide circular no.849 dated 17.02.2009. The said scheme is valid upto 31.12.2010. As per one of the guidelines in respect of cases where primary / collateral securities are available, the assets should have been brought for sale at least on 03 occasions including one public auction.

The Board noted the practical difficulties in bringing the properties located in rural limits, particularly small properties with lower value through e-auction and felt that there was need to provide certain delegations to the Zonal Managers. The Board after detailed deliberations approved to delegate powers to the Zonal Managers as under:

- (a) To settle the cases under CAR scheme / release of collateral property, subject to payment of amount equivalent to the value of the property in respect of the cases where the loan amount sanctioned is upto ₹ 2.00 lakhs and where the value of the property is upto ₹ 2.00 lakhs (market value or SR value whichever is higher) without bringing the property for sale.
- (b) In respect of cases covered under CAR scheme as above, where write-off is involved, the proposals shall be placed before the EC.

The Board approved the proposal that in respect of cases where the value of property is more than ₹ 2.00 lakhs, the property shall invariably be brought for sale through e-auction before considering the case under CAR scheme / release of secured property / accepting the property for sale as per the prevailing guidelines. The Board desired that monthly reports on the settlements approved shall be sent to the HO for review and audit.

The contents of this circular shall be brought to the notice of all the concerned in your office / department.

Sd/-
CHAIRMAN & MANAGING DIRECTOR

To:

All BMs / FO, Yadgir
All ZMs / DGM of Super 'A' Branch / IA cells
All Principal Officers / Section Heads in HO
All General Managers
Library

Executive Directors - for information