

CIRCULAR No.943

Sub: Confirmation of loan balance from the borrowers.
Ref: Circular No.859 dated 17.06.2009.

-:o:0:o:-

As you are aware vide above referred circular, all the Branch Managers and HODs at HO were advised to obtain Acknowledgment of Debt (AoD) / Balance Confirmation Certificate (BCC) from the borrowers as per the format enclosed therein. While deliberating on the subject on the matter of compliance to the Inspection Report of SIDBI, the Board in its meeting held on 08.09.2011 desired that the present system of monitoring receipts of BCCs and AoDs, shall be strictly followed and desired to put in place a control mechanism for taking timely further recovery action in case of non compliance in the submission of BCCs / AoDs.

In this regard, all the Branch Managers and HODs at HO are hereby advised to personally supervise and ensure that BCCs / AoDs are obtained every year (as on 31st March) from all the borrowers, before the end of June of subsequent financial year. In case, the borrowers fail to submit the same, further recovery action be initiated by issuing an SCN and thereafter recalling the loan for non-compliance. Further, for the year ending 31.03.2011, the BMs / HODs at HO shall ensure that BCCs / AoDs are obtained before 31.12.2011, if the same is not yet obtained.

The Internal Audit Department is advised to monitor the compliance of the above and report non-compliance, if any, in the Audit Reports and submit the same to the Managing Director.

For strict compliance.

Sd/-

**EXECUTIVE DIRECTOR
(FINANCE)**

To
All BMs
All ZMs / DGM of Super'A' Branch / IA Cells
All Principal Officers / Section Heads in HO
All General Managers
Library
ED(O) - for information
M D - for kind information.