

“POLICY FOR COMPROMISE SETTLEMENT OF CHRONIC NON-PERFORMING ASSETS (DOUBTFUL LOAN ACCOUNTS) OF HARYANA FINANCIAL CORPORATION-2021”

1. SHORT TITLE AND COMMENCEMENT

This policy may be called “The Policy for Compromise settlement of Chronic Non-Performing Assets (Doubtful Loan Accounts) of Haryana Financial Corporation-2021.” This policy shall come into force with immediate effect.

2. CATEGORIES OF ACCOUNTS TO WHICH THIS POLICY APPLY.

- a) This policy will cover all the accounts/borrowers of HFC which were classified as NPA Accounts that have become doubtful up to 31.3.2018 and continue as such.
- b) The policy would also cover cases wherein Corporation has taken action under Section 29 of SFCs Act, RC issued cases and also cases pending before Courts/ DRT cases, BIFR/AAIFR cases & cases where orders for winding up have been passed. However, in such cases the borrowers shall be required to give an affidavit for withdrawal of the case or obtain consent decree from Court(s)/ DRT/ BIFR/AAIFR.
- c) The policy would also cover cases pertaining to Lease Finance, bridge loans, Working Capital Loans/ Working Capital Term Loans and Soft Loan Cases.
- d) The policy will not cover cases where the Corporation had approved settlement under any of the ongoing scheme or previous settlement schemes of the Corporation and settlement has not been cancelled till 31/05/2021.

This Policy, however, will not apply in respect of cases already settled and no old case would be reopened.

- e) This policy shall not be applicable in fraudulent cases where mortgaged security / machinery / stocks are missing or have been disposed off / shifted by the borrower / guarantor at their own level without Corporation’s approval and such cases shall not be given the benefit of this settlement scheme.

3. ELIGIBILITY

For the purpose of determining eligibility, the NPA definition would be as per the guidelines of RBI applicable as on March 31st, 2018 which is as under:-

Category of Asset/ Account	Age of Default
Standard Assets	0-90 days
Non Performing Assets (NPA)	Default exceeding 90 days
Sub-Standard Assets	Classified as NPA for a period not exceeding 12 months
Doubtful Assets	Classified as NPA for a period exceeding 12 months
Loss Assets	No security available

Likewise NPA definition for leasing accounts would be as per RBI guidelines as applicable as on March 31st, 2018.



