

“POLICY FOR COMPROMISE SETTLEMENT OF LOSS ACCOUNTS OF HARYANA FINANCIAL CORPORATION-2021”

1. SHORT TITLE AND COMMENCEMENT

This policy will be called **“The Policy for Compromise settlement of Loss 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 have become loss assets upto 31.3.2018 irrespective of the date of sanction of loan. The Policy will also cover written off Loss Accounts.
- b) The settlement scheme shall be non-discriminatory and therefore the settlement amount shall not be linked with the value of personal properties (not mortgaged) of the borrowers/guarantors available/attached by the collectors.
- c) This policy shall also cover doubtful Loan A/cs where no immovable property has been mortgaged as per the then prevailing policy or the mortgaged property has been disposed off and movable assets i.e. machinery/stocks have also been disposed off by the borrower/not available for disposal.
- d) This 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. However, Managing Director is authorized to revive earlier pending OTS approved cases, in case the borrower is agreeable to clear the balance outstanding OTS amount along with applicable normal interest till the date of final payment. No penal interest shall be charged in such cases.
- e) This policy would also cover cases pertaining to Lease Finance, bridge loans, Working Capital Term Loans/ Working Capital Loans and Soft Loan Cases.
- f) This Policy, however, will not apply in respect of cases already settled and no old case would be reopened.

3. ELIGIBILITY

- a) All loan accounts which have been categorized as ‘Loss Account’ up to 31.3.2018 thereby meaning that the securities pledged to the Corporation both Primary as well as Collateral have been disposed off and Agreement to Sell stands executed or 100% of sale amount stands received by the Corporation in the process of its recovery by the Corporation, are eligible under the Scheme.



