

RAJASTHAN FINANCIAL CORPORATION
Udyog Bhawan, Tilak Marg,
Jaipur -302 005
(FR SECTION)

Ref.No.RFC/23FR/HO/Policy-15/ 12/4

Dated : 14.02.2011

CIRCULAR
(FR- 651)

17

Reg : Change in Constitution / Change in Management of assisted units

Procedure and guidelines for dealing with requests for change in the Constitution of assisted units exist in P&G – Chapter FR – 6. Such changes in constitution or partners / directors or change in management are effective only after the unit has executed modification deed as well as execution of personal guarantee deed by the incoming partners / directors.

It has been observed that after according approval for change in constitution / change in management, the BOs fail to get the required legal documents executed from the incoming partners / directors and the outgoing directors / partners feel themselves relieved of their liability of paying Corporation dues whereas the fact remains that unless no dues / personal guarantee is released they continue to be liable for payment of dues, if any.

It is, therefore, once again reiterated that in case required legal documents / personal guarantee documents are not executed by incoming directors / partners then such approval accorded by the Corporation may be treated as withdrawn under intimation to the concern / partners / directors.

Accordingly, all the Branch Managers are directed to enlist all cases in which permission for change in constitution / management was accorded by the Corporation but necessary legal documents / personal guarantee documents have yet not been executed and get the necessary legal documents executed immediately, in any case within 15 days, failing which the approvals given for change in constitution / management should be withdrawn and necessary action for recovery be taken as per norms.


(UMESH KUMAR)

Chairman & Managing Director

Copy to:

1. All BOs / SOs
2. DGM(A&I), (WZ), Ajmer / Jodhpur.
3. Standard circulation at HO.