

RAJASTHAN FINANCIAL CORPORATION

Udyog Bhawan, Tilak Marg
JAIPUR-302 005

Ref.No.RFC/23FR/HO/Policy: 9/ 3169

1st February, 2005

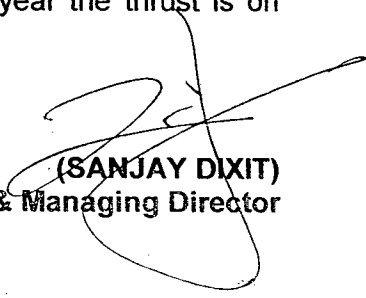
CIRCULAR
(FR No.330)

Reg: Taking over possession under Section 29 of SFCs Act.

It has come to notice that some of the Branches are avoiding possession in genuine cases in the background of circular No. FR/241 dated 4.6.2001. The circular under reference was issued under different situations that are not prevailing now, particularly the number of units under possession of the Corporation as on date vis-a-vis number of units that were in possession during that period.

The circular was part of recovery strategy 2001 - 02. This year the strategy has thrust on interest recovery and definitely if a unit is not even prepared to pay 4 quarters' interest, it is not worth to continue with such an account unless otherwise there is no probability of disposal.

It is, therefore, enjoined that the above referred circular dated 4-6-01 should not be linked with this year's recovery strategy. This year the thrust is on interest recovery coupled with reduction in NPAs.


(SANJAY DIXIT)
Chairman & Managing Director

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