RAJASTHAN FINANCIAL CORPORATION Udyog Bhawan, Tilak Marg, JAIPUR

Ref.RFC/23FR/HO/Policy/8 /28/

Dated: 01.02.07

02

CIRCULAR (FR No.425/)

Reg: Scheme for settlement of Small Loan Cases.

Attention is invited to FR Circular No. 378 dated 23.03.06, thereby two schemes; one for settlement of small loans having sanctioned amount upto Rs. 0.50 lac and another for the cases having sanctioned amount above Rs. 0.50 lac to Rs. 1.00 lac were issued followed by FR Circular No. 386 dated 4.5.06. Attention is also invited to FR Circular No. 391 dated 13.06.06, thereby scheme for settlement of small loan cases having sanctioned amount above Rs. 0.50 lac to Rs. 1.00 lac was extended with the same terms & conditions for the cases having sanctioned amount upto Rs. 2.00 lac followed by amendments made vide FR Circular No. 394 dated 19.07.06.

Considering requests from the field offices, the period of registration under the schemes has been further **extended upto 31.3.2007**. This shall also be applicable in the cases registered under the schemes after expiry of cut off date of registration i.e. 30.12.2006.

Accordingly, Clause 6 under the heading "Payment of settlement amount" of the schemes shall also be read as under:

"Generally, settlement amount is to be received in one instalment. However, if party opts to make payment in instalments, then, party be allowed to pay settlement amount in monthly instalments, but in any case repayment period would not be beyond 31st March, 2007. Interest @ 13% p.a. shall be charged from the first day of the following month of the date of settlement on balance settlement amount."

All concerned are advised to take a note of above and act accordingly.

(B.N. Sharma) Chairman & Managing Director

Copy to:

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