

RAJASTHAN FINANCIAL CORPORATION

Udyog Bhawan, Tilak Marg, Jaipur-302 005

Ref.No.RFC/23FR/HO/Policy-17/ 1838

Dated: 04.07.2007

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CIRCULAR

(FR No. 463)

Reg: Charging rate of interest in the cases to be settled under various settlement schemes or by Empowered Settlement Committees

Attention is invited to FR circular No. 440 dated 9.4.07 regarding above. The matter was subsequently placed before the Board in its meeting held on 25.5.07 for ex post facto approval of the decision taken. The Board decided to continue with the present rate of interest i.e. 13% p.a. The Board also decided that in case of default in accepted instalments, the Corporation may charge interest @ 16% p.a.

Thus, in accordance with the decision taken by the Board, it has been decided that in the cases to be settled now onwards, 13% rate of interest per annum on simple basis instead of 16% rate of interest p.a. shall be charged, if settled amount is accepted in instalments. In case the party defaults as per schedule of payment, extension with the approval of competent authority will be done by charging interest @ 16% p.a. on simple basis. This proviso shall also be applicable in the cases to be settled under various one time settlement schemes introduced for the financial year 2007-08.

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


(B.N. SHARMA)

CHAIRMAN & MANAGING DIRECTOR

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