

RAJASTHAN FINANCIAL CORPORATION
(FR SECTION)

Ref.No.RFC/23FR/NP/JD(R)/144/ 2955

Dated: 2.11.2007
14

CIRCULAR
(FR No. 480)

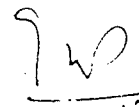
Reg: Guidelines for waiver of penal interest

Considering the fact that the Corporation has changed the interest dues dates from April, July, October and January to June, September, December and March respectively and by this way, in majority of the cases, there remains no interest outstanding as on 1st April of the year as the endeavour of the Corporation is to recover atleast the interest outstanding from the defaulting units by the end of the financial year, the proposal for making an amendment in the existing PG provisions with regard to guidelines for waiver of penal interest was placed before the Board in its meeting held on 25.5.07 and subsequently in the meeting held on 29.9.07.

In spirit of the decision taken by the Board in its meetings held on 25.5.07 and 29.9.07, sub-point (v) of point No. 2.40 (b) under the heading "Guidelines for waiver of penal interest" of Chapter FR-2 of PG is substituted by the following:

"In any case, the extent of penal interest waiver is to be limited to the amount of interest outstanding as on 1st June of the financial year".

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


(B.N. SHARMA)

CHAIRMAN & MANAGING DIRECTOR

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