

RAJASTHAN FINANCIAL CORPORATION
(FR SECTION)

Ref.No.RFC/FR/HO/Policy- 122 / 268
Dated: 27-06-2011

CIRCULAR
(FR No. 660)

Sub: Charging interest in case of units (primary security) taken into possession U/S 32G and system of ascertaining surplus/deficit/at par in the cases where there is collateral security.

Ref: i) Circular No. FR-497 dated 29.01.2008.

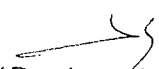
ii) Circular No. RFC/F.11 (149)/586 dated 29.10.2010

iii) Circular No. RFC/F.11(149)/847 dated 09.02.2011

The Circular No. FR-497 dated 29.1.2008 had two components – one relating to charging interest in the case of units (primary security) taken into possession u/s 32G and second the system of ascertaining surplus/deficit at par in the cases where there is collateral security.

The matter regarding charging of interest has been set at rest vide Circular dated 9.2.2011. In regard to system of ascertaining surplus/deficit/at par in the cases where there is collateral security, the present policy is creating confusion, particularly when a unit opts for settlement.

To overcome any confusion in the field offices in the corporation, after detailed deliberations, it has been decided to withdraw Circular No. FR-497 dated 29.01.2008 with immediate effect.


(Pradeep Sen)
CHAIRMAN & MANAGING DIRECTOR

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1. All Branch Offices
2. Standard Circulation at HO.