

## RAJASTHAN FINANCIAL CORPORATION

Udyog Bhawan, Tilak Marg, Jaipur-302 005  
(RRM DIVISION)

Ref.No.RFC/ARRC/GEN-77/ 284

Dated: 09.09.2013

CIRCULAR  
(FR-719)Re: Expenses relating to NITs for sale of units

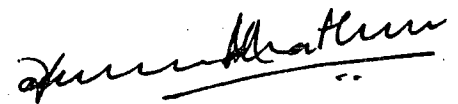
In accordance with the provisions contained at para 7(a), Chapter GAD-10(BP-1) of Procedure & Guidelines, presently, the expenses incurred by the Corporation on publication of sale notices in the newspapers for sale of units taken over into possession are debited equally in the loan accounts of the units.

It is observed that the policy of debiting the expenses equally irrespective of size of loan which is ranging between Rs.2.00 lakh and Rs.20 crore is not justified, as sometimes in smaller loan accounts the interest outstanding is comparatively higher.

The matter was placed before the Board in its meeting held on 29.08.2013 and it was decided that the expenses being incurred by the Corporation on publication of sale notices (for inviting offers for sale of assets of units taken over into possession by the Corporation for recovery of dues and incidental thereof) will be debited proportionately in the ratio of principal sum outstanding in the loan accounts of the units.

Accordingly, the wordings at para 7(a), Chapter GAD-10(BP-1) of the Procedure & Guidelines i.e. "equally debiting the expenditure" may be replaced with "will be debited proportionately in the ratio of principal sum outstanding".

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



(Yaduvendra Mathur)  
Chairman & Managing Director

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