

RFC/PGI 1108

**RAJASTHAN FINANCIAL CORPORATION
(ARRC)**

No. RFC/HO/FR-ARRC/ 321

Dated: 9.06.2005
T5

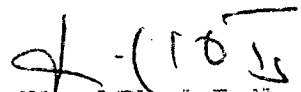
**CIRCULAR
(ARRC No. 105)**

Reg : Sharing of sale proceeds in the ratio of 70:30 between RFC and State Govt. Departments.

Attention is invited to PG Circular No.999 dated 6.3.2003(ARRC-60) on the captioned subject. As per the prevailing guidelines, sale proceeds is being apportioned amongst the Fis on the basis of their outstanding and 30% of total sale consideration as earmarked to State Govt. Departments dues. While sharing the sale proceeds in the ratio 30:70 between State Govt. department and Fis, 30% of total sale consideration is being paid to State Govt. During the course of meeting between the participating Fis it is revealed that RIICO is sharing sale proceed between Govt. Department and Fis in the ratio of 30:70 of sale consideration arrived after deducting the expenditure incurred by the Fis after taking over possession of the unit . In view of this, the Corporation also decided that henceforth net sale proceeds arrived at after deducting post possession expenditure shall be apportioned in the ratio 30:70 between State Govt. Departments and participating Fis.

In the past cases where any such apportionment has been made on the basis of existing guidelines shall not be re-opened.

All concerned are advised to take a note of above.


(Karni Singh Rathore)
Chairman & Managing Director

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