

CIRCULAR**Reg:- Change in Interest Debit Dates: Rebate for Timely Payment**

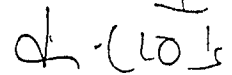
The Board of Directors in their meeting held on 18th March,2005 have decided to change the Quarterly Interest Debit Dates in all the loan accounts to 1st March, 1st June, 1st September and 1st December from the earlier Interest Debit Dates of 1st April, 1st July, 1st October and 1st January.

Accordingly, in compliance of the Board decision, a circular No.RFC/F.11(149)/30 dated April 7, 2005 has also been issued. As regards to the loan accounts, where repayment schedule is drawn on equated quarterly installment basis, it has been advised to change the due date in the repayment schedule in such a way so that the due dates would be as per the revised Interest Debit Dates i.e. 1st March, 1st June, 1st September and 1st December. It has also been mentioned in the circular that the borrowers may be requested to execute the modification deed for change of Interest Debit Dates in the repayment schedule.

References have been received from the field offices that in some cases, due dates of interest as well as principal have been changed but the modification deed has not been executed by the party and payment was not forthcoming as per the revised due dates that's why the benefit for timely payment could not be extended in the loan account of the party. The field offices have also informed that the borrowers are pressing hard for extending the above rebate as the installment has been paid as per the deed executed by them at the time of sanction of loan, before effecting the changes in the Interest Debit Dates by the Corporation.

The matter was placed before the Board of Directors in their meeting held on 15th September,2006 and it has been decided by the Board that the benefit for timely payment (Rebate) be extended in cases where modification deed has not been executed so far upto 31.03.2007. The Board further desired that all the field offices be advised to get the modification deed executed latest by 31.03.2007.

Accordingly, all concerned are advised to take a note of above and ensure compliance of the decision taken by the Board.



(Karni Singh Rathore)

Chairman & Managing Director

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