

RAJASTHAN FINANCIAL CORPORATION
Udyog Bhawan, Tilak Marg, Jaipur

Ref.No.RFC/HO/FR- ARRC/2370

Dated: 27.08.2010

CIRCULAR
(ARRC No. 178)

Reg. Interest for the Possession Period

As per the guidelines in force, no interest for the period of possession of unit is charged / debited if unit is sold in deficit. Interest in surplus sale cases is being debited. The matter was reviewed and it has been decided by the Board in its meeting held on 30.06.2010 that :

- A. In case delay in sale of assets is due to litigation or other reasons on the part of the borrower/original loanee, then interest for possession period may be charged in surplus sale cases.
- B. In other cases, interest for possession period may not be debited.
- C. It has also been decided that the cases already settled / decided will not be reopened
- D. Revised guidelines will be effective from the date of issue of circular.

Accordingly, a new para iii-A is added at ARRC Chapter-2 point No.5 as under:

"In case delay in sale of assets is due to litigation or other reasons on the part of the borrower/original loanee then interest for possession period may be charged in surplus sale cases."

Likewise, (iv) at para No.9.1 in ARRC Chapter -2 is added as above.

All concerned are advised to make a note of above.



(G.S. Sandhu)

Chairman & Managing Director



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