

P&G/RFC/1314

RAJASTHAN FINANCIAL CORPORATION  
(Credit Appraisal Section)

Udyog Bhawan  
Tilak Marg  
Jaipur-302 005

Ref. RFC/LA-13 (4)/275

Date : 14.05.2010

P&G CIRCULAR  
(LA No. 538)

Reg. : Loan application fees

Attention is invited to P&G Circular No. 1111 dt. 25.6.05 regarding charging loan application fees. During the Branch Managers' Conference held on 7.5.10, it was suggested that some concession may be offered to the entrepreneurs who register their loan application on the day of Business Promotion Camp.

Accordingly, it has been decided that complete loan applications alongwith all the required documents as per standard check list registered on the date of a Business Promotion Camp may be accepted with 50% of prescribed loan application fee. Incomplete application may not be accepted.

This concession shall be available in all camps which are to be held during current financial year.

All concerned are advised to take a note of above and ensure compliance with immediate effect.

Sd/-

(G.S. Sandhu)

Chairman & Managing Director

Copy to :

1. Standard circulation at HO.
2. All Branches/SOs
3. DGM(A&I), Eastern & Western Zones.

RAJASTHAN FINANCIAL CORPORATION  
(Credit Appraisal Section)

Udyog Bhawan  
Tilak Marg  
Jaipur-302 005

Ref. RFC/LA-13 (3)/300

Date : 19.05.2010

CIRCULAR  
(LA No. 539)

Reg. : Forwarding of loan applications to HO

Time and again it has been observed that field offices are forwarding incomplete loan applications without the required documents as per standard check list circulated vide Circular No. RFC/LA-13(7)/1077 dt. 13.10.09. In the Branch Managers Conference held on 7.5.10 it has been decided that loan applications should be forwarded to HO only after depositing of requisite loan application fee and all the required documents as per the above said circular.

Henceforth all the requirement/formalities/documents regarding the loan application are to be got completed by BOs so that applicants/representatives need not visit HO for this purpose nor the HO officers shall call these parties for such purposes. Violation of these directions shall be viewed seriously.

All concerned are advised to take a note of above and ensure compliance with immediate effect.

Sd/-  
(G.S. Sandhu)  
Chairman & Managing Director

Copy to :

1. Standard circulation at HO.
2. All Branches/SOs
3. DGM(A&I), Eastern & Western Zones.

**RAJASTHAN FINANCIAL CORPORATION  
(CREDIT APPRAISAL SECTION)**

**Udyog Bhawan  
Tilak Marg  
Jaipur-302 005**

**Ref. RFC/LA-GBD/Gen/125/308**

**Dated : 20.05.2010**

**CIRCULAR**

**(LA No. 540)**

**Reg. : Utilisation of loan amount and project viability under  
Scheme for Financing Against Assets and SARAL Scheme  
for SME Sector**

**Attention is invited to P&G Circular No. 1215 dated 19.01.08, P&G Circular No. 1277 dated 10.08.09 and P&G Circular No. 1288 dated 27.10.09 on the subject cited above. The matter regarding utilisation of loan amount under Scheme for Financing against Assets and SARAL Scheme for SME sector was reviewed in the PC&CC meeting held on 30.4.10 and it was decided by the Committee that the Corporation has to be more vigilant in this regard and it should be ensured that the loan funds availed by borrowers under the above said schemes are utilized for the purpose for which they are approved at the time of sanction of loan. Further, project report shall be carefully scrutinized to examine viability of the project during appraisal of the case.**

**Accordingly, it has been decided that at the time of sanction of loan following condition shall be stipulated for loan cases considered under the Scheme for Financing Against Assets and the SARAL Scheme for SME Sector:**

**“The disbursement shall be made in three installments. First disbursement of 50% of loan amount shall be made after satisfying the terms and conditions of sanction letter. The second and third disbursement i.e. 25% each of the loan amount shall be made only after verification on site by the RFC Officers that the earlier disbursed loan has been rightly utilized on the approved activities of the project.**

**The revised guidelines shall be applicable in the loan cases to be sanctioned on or after the date of issue of this circular. Other provisions of the concerned schemes shall remain unchanged.**

**Accordingly, amendments may be made in both the loan schemes.**

**(G.S. Sandhu)  
Chairman & Managing Director**

**Copy to :**

- 1. Standard circulation at HO.**
- 2. All Branches/SOs.**
- 3. DGM(A&I), Eastern & Western Zones.**

RAJASTHAN FINANCIAL CORPORATION  
(CREDIT APPRAISAL SECTION)

Head Office,  
Tilak Marg,  
Jaipur

Ref.No. RFC / LA-16 (20)/ 326

Dated: 24.05.2010

: PG CIRCULAR:  
(LA No. 541)

Reg : Black listing of entrepreneur-Schedule LA(S) 1/7 B.

As you are aware that the Corporation is maintaining a list in the PG as Schedule LA(S) 1/7 B of those persons who have tried to cheat the Corporation by submitting forged quotations/ documents or by applying for loans in false/ benami names. The financial assistance is not considered by the Corporation to any unit in which such persons are directly or indirectly interested as proprietor/ partners/ director.

The name of the person whose details are given below is added to the said schedule LA(S) 1/7 B because of presentation the forged documents of the property which was also found to be a disputed property. This act might have put RFC to considerable loss, had due diligence has not been applied to the same.

Name of promoters and address	Father's name	Real name if any	Name of concern
Shri Kushal Singh Ranawat G-25, Bhopal Pura, Udaipur	Shri Devendra Singh Ranawat	-	M/S Kushal Singh Ranawat

All concerned are advised to take a note of above and take necessary action as per norms. A photocopy of the bio data along with his photograph duly signed by the promoter is enclosed.

Sd/-  
(Dr. Mohan Lal Yadav)  
Executive Director

Encl. As Above

Copy to:

1. Standard Circulation at HO
2. All Branch Offices / Sub- Offices
3. DGM (A&I) Eastern & Western Zones.
4. Nodal Officer concerned.

P&G/RFC/1319

RAJASTHAN FINANCIAL CORPORATION  
(CREDIT APPRAISAL SECTION)

Udyog Bhawan  
Tilak Marg  
Jaipur-302 005

Ref. RFC/LA-14(4) / 394

Dated :02.06.2010

CIRCULAR  
(LA No. 542)

Reg. : Categorization of industrial units for NOC/  
Consent from RPCB

As per guidelines of Rajasthan Pollution Control Board vide order No. F.14(23) Policy/ RPCB/Plg dated 03.04.2008 downloaded from RBCB web-site (photocopy enclosed as Annexure-'A') vide which in supersession of all the previous office orders in this regard, categorization of the industries under Red, Orange and Other Categories has been revised by RPCB from the date of order. Other norms regarding NOC from RPCB will remain unchanged.

Schedule 1/6 C and 1/6 D stand replaced in PG.

All concerned are advised to take a note of above and ensure strict compliance with immediate effect.

Sd/-  
(G.S. Sandhu)  
Chairman & Managing Director

Copy to :

1. Standard circulation at HO.
2. All Branches/SOs.
3. DGM(A&I), Eastern & Western Zones.

RFC/P&G/1320

RAJASTHAN FINANCIAL CORPORATION  
(CREDIT APPRAISAL SECTION)

Udyog Bhawan,  
Tilak Marg,  
JAIPUR-302 005.

Ref. No.RFC/LA-13(11)/396

Dated :02.06.2010

P&G CIRCULAR  
(LA No. 543)

Reg : Revision in interest rate structure of the Corporation.

Attention is invited to guidelines regarding the interest rate structure of the Corporation issued vide PG Circular No. 1294 dated 04.12.09 and 1299 dated 31.12.09.

The Board of Directors in the meeting held on 31.05.2010 has reviewed the Interest rate structure of the Corporation in view of prevailing market scenario and has decided to reduce the interest rate by 1% in all Good Borrowers Loan Schemes and 2% under the Scheme for Financing Against Assets.

It has further been decided to discontinue the recovery of service charges @ 1% per annum being levied so far under all WCTL schemes of Good Borrowers including the NAU scheme, SPWCTL and Pass Book Scheme with effect from 01.06.2010 in all existing as well as in new cases.

Accordingly, the revised interest rate structure is enclosed as per Annexure "A".

The revised rates shall be applicable to the loan cases to be sanctioned on or after 01.06.2010. Other provisions shall remain unchanged.

All concerned are advised to take note of the above and ensure compliance.

*Sd/-*  
*(G.S.Sandhu)*  
*Chairman & Managing Director*

Encl. : As Above.

Copy to :

- 1- Standard Circulation at HO,
- 2- All Branches /Sub-Offices,
- 3- DGM (A&I) Eastern & Western Zone

Annexure 'A'

INTEREST RATE STRUCTURE EFFECTIVE FROM 01.06.2010

APPLICABLE FOR SSI /MSI /NON SSI SECTOR IRRESPECTIVE OF  
COST OF PROJECT

S. No	NAME OF THE SCHEME	RATE OF INTEREST
1.	SME Sector Units (Industrial & Service Sector) Upto Rs. 50,000/.	10.75%
2.	SME Sector Units (Industrial projects) above Rs. 50,000/- & upto Rs. 20.00 Crores.	12.50%
3.	a) Scheme for Financing Against Assets	15.00%
	b)"Scheme for Financing for Builders/commercial /residential complexes/ Multiplexes, Hotels, Hospitals etc. for purchase of land & building"	17.00%
	b)Saral Scheme for SME sector	14.00%
4.	Construction of Commercial /Residential Complexes	14.75%
5.	a) Service Sector projects (excluding S.No. 3 to 4) and including Hotels, Technical/ Professional Education Projects	12.50%
	b) Tourism Projects (except hotel projects), Guest-House cases, Hospitals/ Nursing Home Projects and Medical Equipment Scheme cases	13.25%

: APPLICABLE FOR GOOD BORROWER SCHEMES :

S. No	NAME OF THE SCHEME	RATE OF INTEREST
1.	a) Short Term Loan Scheme (STL), Working Capital Term Loan Schemes (WCTL), Special Purpose Working Capital Term Loan Scheme (SPWCTL).  b) Units Promoted By Good Borrower (UPGB)	11.50%  11.25%
2.	Working Capital Term Loan to Non Assisted Units	13.00%
3.	Platinum Card Scheme	11.50%
4.	Gold Card Scheme	11.75%

NOTES :-

1.	In case of loans upto Rs. 5.00 lacs to SC/ST entrepreneurs the rate of interest shall be 2% less than the rate of interest applicable to other entrepreneurs in terms of PG circular No. 535 dated 7 <sup>th</sup> Aug., 1993.
2.	In case of loans upto Rs. 5.00 lacs, to disabled persons, a firm in which disabled person is partner having majority (not less than 51%) share, the rate of interest shall be 2% less than the rate of interest applicable to other entrepreneurs.
3.	Liquidated damages in case of default shall be charged on amount in default for the period of default at rates applicable prescribed by Corporation from time to time. No interest would be charged on the liquidated damages. However, the mode of appropriation of receipts shall remain uncharged.
4.	Interest on rehabilitation cases is to be charged as per the guidelines issued by the Reh. Cell.
5.	In all cases Post Dated Cheques for equated quarterly / monthly installments are to be obtained as per PG circular No. 1307 dated 28.01.2010. Cheques shall be taken for EQI/EMI based on documented rate of interest. It should be clearly stipulated that EQI/ EMI has been calculated on documented rate of

	<p>interest. In case cheque is not realized, the BO shall ask the borrower for enhanced amount of EQI/ EMI by including applicable rate of liquidated damages.</p>
6.	<p>a) No processing charges shall be levied under Card Loan Schemes under Good Borrowers.</p> <p>b) Processing Charges in all the GBD schemes shall be 0.75% of sanctioned loan amount except Card Loan Schemes, as per P&amp;G circular No. 1256 dated : 30.03.2009.</p>
7.	<p>a) In the loan cases where the exposure is upto Rs.5.00 Crores (including existing outstanding loan amount and proposed sanction amount) and are considered under UPGB and STL Scheme of Good Borrowers, Scheme for Financing Against Assets, Fast Track Loan Scheme for existing borrowers under FAAS (commercial/ residential property) and Saral Scheme for SME Sector the documented rate of interest, after three years (from the date of first disbursement) shall be the prevailing rate of interest at that time or the existing rate of interest whichever is higher.</p> <p>b) In all the loan/ GB cases where the exposure exceeds Rs.5.00 Crores (including existing outstanding loan amount and proposed sanction amount), the documented rate of interest shall be reset after every 12 months during the currency of loan from the date of first disbursement and the Corporation shall charge rate of interest prevailing at that time or existing rate of interest, whichever is higher.</p>

RFC/P&G/1322

RAJASTHAN FINANCIAL CORPORATION  
(CREDIT APPRAISAL SECTION)

Udyog Bhawan,  
Tilak Marg,  
JAIPUR-302 005.

Ref. No.RFC/LA-13(11)/404

Dated : 03.06.2010

P&G CIRCULAR  
(LA No 544)

Reg : Revision in interest rate structure of the Corporation

Attention is invited to guidelines regarding the interest rate structure of the Corporation issued vide PG Circular No. 1320 dated 02.06.2010

In view of prevailing market scenario it has been decided to reduce the interest rate by 0.50% in respect of loan cases of SME Sector Units (Industrial projects) above Rs. 50,000/- & upto Rs. 20.00 Crores mentioned at Sl. No. 2 of Annexure-'A' of the said circular. The interest rate in this category shall now be charged @ 12.00% per annum in place of 12.50% per annum.

The revised rates shall be applicable to the loan cases to be sanctioned on or after 03.06.2010. Other provisions shall remain unchanged.

All concerned are advised to take note of the above and ensure compliance.

*Sd/-*  
*(G.S.Sandhu)*  
*Chairman & Managing Director*

Copy to :

- 1- Standard Circulation at HO,
- 2- All Branches /Sub-Offices,
- 3- DGM (A&I) Eastern & Western Zone

RAJASTHAN FINANCIAL CORPORATION  
(Credit Appraisal Section)

Udyog Bhawan  
Tilak Marg  
Jaipur-302 005

Ref. RFC/LA-12 (4 )/434

Date : 14.06.2010

CIRCULAR  
(LA No. : 545)

Reg. : Scheme for Financing Guest houses

Attention is invited to PG Circular No. 1249 dated 11.12.08 and PG Circular No. 1260 dated 21.04.09 on the subject cited above.

The PC &CC in the meeting held on 09.06.2010 has reviewed the scheme considering suggestions received from entrepreneurs/ industrial associations.

It has been decided to make the following amendments in the scheme :

- a. Maximum Loan may be considered up to 70% of MRV of land/ and building as the case may be as per PG Circular No. 1260 dated 21.04.09.
- b. Repayment period may be considered upto 7 years including moratorium period not exceeding 12 months
- c. Rate of interest shall be as applicable from time to time for hotel projects, presently it is @ 12.5% per annum.

Necessary amendments may be made in the respective paras of the scheme. Other norms shall remain unchanged.

All concerned are advised to take a note of above and ensure compliance of the same with immediate effect.

Sd/-

(G.S. Sandhu)

Chairman & Managing Director

Copy to :

1. Standard circulation at HO.
2. All Branches/SOs
3. DGM(A&I), Eastern & Western Zones.

**RAJASTHAN FINANCIAL CORPORATION**  
(Credit Appraisal Section)

Udyog Bhawan  
Tilak Marg  
Jaipur-302 005

Ref. RFC/LA11(31)/446

Date : 16.06.2010

**CIRCULAR**  
(LA No.: 546)

**Reg. : Processing Charges**

Attention is invited to PG Circular No. 1113 dated 25.06.2005 and PG Circular No. 1256 dated 30.03.09 on the subject cited above. Representations have been received from the entrepreneurs/ industrial associations for reduction/ rationalization of rate of Processing Charges.

The PC &CC in the meeting held on 09.06.2010 has reviewed the existing rate structure of Processing Charges and in super session to earlier guidelines, it has been decided to revise rate of Processing Charges as under:

S. NO	Range of Loan amount sanctioned	% of Loan amount sanctioned
a)	Upto Rs. 5.00 lacs	Nil
b)	Above Rs. 5.00 lacs and upto Rs.100.00 lacs	0.50%
c)	Above Rs. 100.00 lacs and upto Rs.1000.00 lacs	0.75%
d)	Above Rs. 1000.00 lacs	1.00%
e)	Loan sanctioned under 'Fast track loan Scheme for existing borrowers and all Good Borrowers Schemes except Card Schemes	0.25% less than the prevailing rate under respective slabs

Govt. levies such as Service Tax & Education Cess applicable from time to time shall also be charged.

Further, it has also been decided that 50% of the requisite processing charges shall be deposited by the borrower before issue of sanction letter and remaining 50% charges shall be deposited after issue of sanction letter but before execution of loan documents.

The above changes in Processing may be incorporated in P&G at LA-2 at Serial No. 4.4 of Page No.16 of P&G and above revised structure shall be applicable in all loan cases to be sanctioned henceforth.

All concerned are advised to take a note of above and ensure compliance of the same.

Sd/-

(G.S. Sandhu)

Chairman & Managing Director

Copy to :

1. Standard circulation at HO.
2. All Branches/SOs
3. DGM(A&I), Eastern & Western Zones.

RAJASTHAN FINANCIAL CORPORATION  
(Credit Appraisal Section)

Udyog Bhawan  
Tilak Marg  
Jaipur-302 005

Ref. RFC/LA-12 (1 )/448

Date : 17.06.2010

CIRCULAR

(LA No.:547)

Reg. : Scheme for working capital loan under Single  
Window to MSME units

The Corporation has been considering term loan for fixed assets as well as working capital term loan as per provisions of the captioned scheme as Schedule 1/12 M of PG.

Representations have been received from the entrepreneurs/industrial associations stating that if the security coverage is adequate in the form of prime security itself, additional collateral security for the purpose of WCTL may not be insisted by RFC.

The matter has been discussed in the PC & CC in the meeting held on 09.06.2010 and it has been decided that while considering loan under the scheme additional Collateral Security may not be insisted if the MRV of existing land and building of the unit ascertained as per prevailing norms covers security for the amount of term loan for fixed assets as well as 150% of Working Capital Term Loan.

Accordingly, the following amendment may be inserted at the end of Para (6) regarding Security in Schedule 1/12 M of PG:

"Note: Additional Collateral Security may not be insisted if the MRV of existing land and building of the unit ascertained as per prevailing norms covers security for the amount of term loan for fixed assets as well as 150% of Working Capital Term Loan."

Other norms shall remain unchanged.

All concerned are advised to take a note of above and ensure compliance of the same with immediate effect.

Sd/-

(G.S. Sandhu)

Chairman & Managing Director

Copy to :

1. Standard circulation at HO.
2. All Branches/SOs
3. DGM(A&I), Eastern & Western Zones.

RAJASTHAN FINANCIAL CORPORATION  
(Credit Appraisal Section)

Udyog Bhawan  
Tilak Marg  
Jaipur-302 005

Ref. RFC/GBD-Gen (125 )/456

Date : 21. 06.2010

CIRCULAR

(LA No. : 548)

Reg. : Maximum loan admissibility based on MRV

The PC &CC in the meeting held on 09.06.2010 has reviewed the method of ascertaining MRV of land under various loans schemes in view of the prevailing market scenario.

It has been decided that the prevailing guidelines for ascertaining MRV for loan cases shall continue. However, a ceiling on the maximum admissible loan amount (including existing and proposed loan) has been fixed based on the DLC rate of land. Accordingly, now amount worked out as per the existing MRV guidelines or the value of Land/Building calculated on the basis of the DLC rate, whichever is less, shall be the maximum limit for sanction of loan.

Necessary amendments may be made in all the loan schemes and existing guidelines where loan admissibility is based on MRV of Land/Building.

All concerned are advised to take a note of above and ensure compliance of the same with immediate effect.

Sd/-

(G.S. Sandhu)

Chairman & Managing Director

Copy to :

1. Standard circulation at HO.
2. All Branches/SOs
3. DGM(A&I), Eastern & Western Zones.

RAJASTHAN FINANCIAL CORPORATION  
(Credit Appraisal Section)

Udyog Bhawan  
Tilak Marg  
Jaipur-302 005

Ref. RFC/GBD-Gen (125 )/456

Date : 21. 06.2010

CIRCULAR

(LA No. : 548)

Reg. : Maximum loan admissibility based on MRV

The PC &CC in the meeting held on 09.06.2010 has reviewed the method of ascertaining MRV of land under various loans schemes in view of the prevailing market scenario.

It has been decided that the prevailing guidelines for ascertaining MRV for loan cases shall continue. However, a ceiling on the maximum admissible loan amount (including existing and proposed loan) has been fixed based on the DLC rate of land. Accordingly, now amount worked out as per the existing MRV guidelines or the value of Land/Building calculated on the basis of the DLC rate, whichever is less, shall be the maximum limit for sanction of loan.

Necessary amendments may be made in all the loan schemes and existing guidelines where loan admissibility is based on MRV of Land/Building.

All concerned are advised to take a note of above and ensure compliance of the same with immediate effect.

Sd/-

(G.S. Sandhu)

Chairman & Managing Director

Copy to :

1. Standard circulation at HO.
2. All Branches/SOs
3. DGM(A&I), Eastern & Western Zones.

RAJASTHAN FINANCIAL CORPORATION  
(CREDIT APPRAISAL SECTION)

Udyog Bhawan,  
Tilak Marg,  
JAIPUR-302 005.

Ref. No.RFC/LA-16(1)/526

Dated : 06. 07.2010

P&G CIRCULAR  
(LA No. 549)

Reg. : Delegation of powers for sanction of loan for  
field level

Attention is invited to PG Circular No.1054 dated 27.05.2004, 1191 dated 30.08.2007, 1282 dated 16.09.2009 and 1283 dated 16.09.2009 on the subject cited above. There has been a persistent demand from entrepreneurs/ industrial associations for further delegation of powers for sanction of loan at the field level. To provide better & quick services to entrepreneurs, the Board of Directors in the meeting held on 30.06.2010 has decided to delegate powers for sanction of loan for field level as per Annexure "A".

Other norms & guidelines will remain unchanged.

All concerned are advised to take a note of above and ensure compliance with immediate effect.

Sd/-  
(G.S. SANDHU)  
Chairman & Managing Director

ENCL : AS ABOVE.

Copy to :

- 1- All BOs / SOs.
- 2- Standard Circulation at Head Office.
- 3- Dy. General Manager(A&I) Eastern & Western Zones.

## Annexure "A"

### Delegation of powers for sanction of loan for field level

Sanctioning authority	Amount of loan (Rs. In lacs)
	All cases except where powers are vested at HO only
Manager (Branch)	
(I) "A" category branch (including Neemrana & Sitapura branches)	150.00
(II) Other than "A" category branch	50.00
Dy Manager (Branch)	
(I) "A" category branch	50.00
(II) Other than "A" category branch	30.00
Asstt. Manager ( Branch )	15.00

#### Note:

1. Cases under the special schemes & GB Schemes where powers have not been delegated to field Offices shall continued to be considered at HO.
2. All loan cases/ proposals at field level would be sanctioned by the Competent Authority on the recommendations of DLAC.
3. Cost Over run upto 20% of the sanctioned amount of loan would be sanctioned (without changing the level of margin on security and promoter's contribution) by the respective sanctioning authority over & above the powers delegated for sanction of loan.
4. Loan for purchase of DG set ( upto 250 KVA) under DG set scheme shall be sanctioned by the concerned authority within whose jurisdiction total outstanding falls after considering of the said loan.

5. While sanctioning of loan at field level it should be ensured by the sanctioning authority that if the loan amount is more than the MRV of existing and proposed land & building, additional collateral security is invariably obtained as per prevailing guidelines.
- 6 . In loan cases of industrial units proposed to be set up on converted land in isolated areas, field offices shall consider loans upto Rs.50.00 lacs as per PG Circular No.1282 dated 16.09.2009 with the prior approval from HO .
7. The other norms of the respective scheme (including ceiling on loan amount) shall remain unchanged.
8. The exposure (sanction) of CRE cases (under various CRE schemes) shall not exceed 25% of total sanctions of the concerned BO on the date of sanction.
9. Field offices are now not required to obtain prior permission of HO for SME Sector loan cases upto Rs. 15.00 lac under Scheme For Financing Against Assets, however, in other loan cases from Rs. 5.00 lac to Rs. 15.00 lac under the scheme prior permission of HO shall continue to be taken as per circular No. RC/LA-GBD/Gen/125/1567 dt. 8.11.2005.
10. Further loan cases may be sanctioned by the sanctioning authority under whose jurisdiction total accommodation fall i.e. outstanding against the existing loan plus proposed loan.
11. The above revised limits of sanction would also be applicable to Good Borrower Schemes in addition to the powers for sanction of loan under General Loan Schemes.

RAJASTHAN FINANCIAL CORPORATION  
(CREDIT APPRAISAL SECTION)

Udyog Bhawan,  
Tilak Marg,  
JAIPUR-302 005.

Ref. No.RFC/LA-11(31)/527

Dated : 06. 07.2010

P&G CIRCULAR  
(LA No. 550)

Reg. : Processing Charges.

Attention is invited to PG Circular No.1328 dated 16.06.2010 on the subject cited above. The Board of Directors in the meeting held on 30.06.2010 has decided that the entire amount of processing charges shall be deposited by borrowers before issue of sanction letter.

Existing policy of no processing charges under Platinum Card and Good Card loan schemes of Good Borrower shall remain unchanged.

The above changes may be incorporated in P&G at LA-2 at Serial No.4.4 of Page No. 15 & 16.

Other norms & guidelines will remain unchanged.

All concerned are advised to take a note of above and ensure compliance with immediate effect.

Sd/-  
(G.S. SANDHU)  
Chairman & Managing Director

Copy to :

- 1- All BOs / SOs.
- 2- Standard Circulation at Head Office.
- 3- Dy. General Manager (A&I) Eastern & Western Zones.

RAJASTHAN FINANCIAL CORPORATION  
(CREDIT APPRAISAL SECTION)

Udyog Bhawan,  
Tilak Marg,  
JAIPUR-302 005.

Ref. No.RFC/LA-GBD/Gen/125/529

Dated : 06. 07.2010

P&G CIRCULAR  
(LA No. 551)

Attention is invited to PG Circular No.1332 dated 21.06.2010 regarding maximum loan admissibility based on MRV.

In this connection, it is clarified that the revised guidelines contained in PG Circular No. 1332 dated 21.06.2010 shall not be made applicable to Good Borrowers Schemes. The GBD cases shall continue to be processed as per the earlier guidelines. Accordingly, necessary amendments in the guidelines may be made.

Sd/-  
(G.S. SANDHU)  
Chairman & Managing Director

Copy to :

- 1- All BOs / SOs.
- 2- Standard Circulation at Head Office.
- 3- Dy. General Manager (A&I) Eastern & Western Zones.

RAJASTHAN FINANCIAL CORPORATION  
(CREDIT APPRAISAL SECTION)

Udyog Bhawan,  
Tilak Marg,  
JAIPUR-302 005.

Ref.No. RFC/ LA-12(61)/589

Dated : 15.07.2010

: PG CIRCULAR :  
(LA No. 553)

Reg : Precautionary measures to be taken for financial assistance to CRE cases.

Attention is invited to P&G Circular No. 1304 dated 21.01.2010 on the subject cited above. The matter was discussed in the PC&CC meeting held on 05.07.2010 and it was decided that henceforth, the following additional precautionary measures shall be taken while considering financial assistance to CRE cases :-

1. Where land is allotted at concessional rate then before accepting the property clarification/information/ permission may be obtained from the lessor in respect of cost of land and to allow the corporation to mortgage the land with clear stipulation that in case of default the corporation can recover its dues by way of sale/transfer/lease out the said property without obtaining further permission of the lessor and without paying any extra amount to the lessor and if any amount is payable in respect of present rate minus concessional rate then it should be paid by the purchaser and not by the Corporation. ARRC and BMs may also comply with the same at the time of sale of such units under possession.
2. As per prevailing practice a condition shall invariably be stipulated in all such loan proposals that before disbursement of the loan, the borrower shall display a sign board at the site mentioning that the property is mortgaged to the Rajasthan Financial Corporation and before selling any part of the property/ flat NOC of RFC is necessary. However, BOs shall strictly follow FR Circular No. 600 dated 20.04.2010 issued in this regard. Case-wise

monitoring of cases may be made by FR Section on monthly basis.

3. In case the building is already constructed then during appraisal the borrower may be asked to submit details of sources of funds to ascertain that the building is not constructed with the financial assistance/loan of FIs/Banks etc. and not with the advance amount received against any sale agreement etc. Copy of bank statement of borrower and its promoters may also be obtained to check the position of funds during appraisal and disbursement. .
4. Prior to sanction of loan, Borrower/promoters shall be required to submit affidavit stating therein that the property in question is free from all encumbrances and they have not entered into an agreement with anyone in respect of said land and in respect of any part of constructed building and had not received any advance amount from anyone and the same status shall be maintained during currency of loan unless any written permission is taken from RFC.

Other norms/guidelines will remain unchanged.

All concerned are advised to take a note of above and ensure compliance of the same.

*Sd/-*

*(G.S. SANDHU)*

*CHAIRMAN & MANAGING DIRECTOR*

Copy to :

1. All BOs / SOs.
2. Standard Circulation at HO.
3. DGM(A&I), Eastern & Western Zones

RAJASTHAN FINANCIAL CORPORATION  
(Credit Appraisal Section)

Udyog Bhawan  
Tilak Marg  
Jaipur-302 005

Ref. RFC/LA-13(4)/630

Dated : 28.07.2010

CIRCULAR  
(LA No. 554)

Reg. : Loan application Fee.

Attention is invited to P&G Circular No. 1314 dated 14.05.2010 regarding charging 50% loan application fee from the entrepreneurs who register their loan applications on the day of BP camp.

The matter was reviewed by the PC &CC in the meeting held on 22.07.2010 and action taken by BOs with regard to acceptance of loan applications with 50% fee during BP Comapain had earlier was confirmed. It was further, decided that the check list be classified into two parts. Part "A" shall be mandatory and shall contain documents which must be taken alongwith applications so that 50% fee be charged. Part "B" will have documents which shall be obtained within seven days from the date of receipt.

Accordingly, the check list has been revised and enclosed herewith.

Other terms & conditions shall remain unchanged.

All concerned are advised to take a note of above and ensure compliance strictly with immediate effect.

(G.S. Sandhu)  
Chairman & Managing Director

Encl. As above.

Copy to :

1. Standard circulation at HO.
2. All Branches/SOs
3. DGM (A&I), Eastern & Western Zones.

Rajasthan Financial Corporation  
Udyog Bhawan, Tilak Marg, Jaipur

Requirement of documents from the promoters alongwith loan application

P A R T "A"

S.No.	Particulars	
	<u>GENERAL :</u>	
1	Bio-data in prescribed proforma of each promoter.	
2	Statement of Net worth of each promoter in the prescribed proforma.	
3	Affidavit regarding financial assistance availed in the prescribed format by each promoter.	
4	Affidavit regarding immovable properties/assets in the prescribed format by each promoter alongwith photo copy of title documents.	
5	Copy of balance sheet/ audited balance sheet and P&L account for last 3 years of applicant concern and sister concerns.	
6	Copies of Income tax returns with computation for last three assessment years for each promoter separately.	
7	Documents regarding land:	
	i)	For lease hold Land Allotment letter/Lease deed
	ii)	For converted Land Sale deed/mutation entry in revenue record, conversion order/lease deed.
	iii)	For Freehold Land Patta/Sale deed with chain of title documents. True copy of resolution passed by Gram Panchayat and NOC from local authorities regarding permission to set up the proposed project.
8	Registered Rent deed in case the unit is proposed to be set up in rented premises and the proposed loan is for P&M only.	
9	Project report in two copies alongwith the details, on scope of the products and demand and supply position.	

10	Technical : i) Quotation of plant and machinery from 2-3 different reputed suppliers.
11	<u>FOR PARTNERSHIP CASES:</u> Partnership deed /Supplementary Partnership deed alongwith firm registration certificate and entry U/s 67 of IP Act.
12	<u>FOR COMPANY CASES:</u> i) Certificate of incorporation and Memorandum & Article of Association. ii) Prospectus ( in case of Public Limited Company) iii) Form No. 32 for incoming and outgoing directors.
13	For Other:
	(i) SSI/Renewed SSI registration certificate.

P A R T "B"

S. No.	Particulars
1)	<b>TECHNICAL :</b> i) Details of capacity/technical specifications. ii) Sales tax nos., catalogue, price list etc. iii) List of clients of P&M iv) Details of technical expertise which will be available to the unit. v) Performance certificate of similar P&M, supplied by proposed supplier in case of new supplier. vi) Reasons for selection of proposed supplier (undertaking to be taken in prescribed proforma)
2)	Search report from CA/CS for existing directors of the company and charge, if any.
3)	Certificate of commencement of business in case of Public Limited Company.
4)	Credit report from CIBIL in prescribed proforma of all the promoters.
5)	<u>Others :</u> i) Name of banker alongwith assurance letter from bank for working capital loan

	ii) Site plan (approved) and building map (approved) if required.
	iii) Share holding patterns.
	iv) Details about implementation schedule.
	(ii) Permission from Electricity Company for installation of DG Set above 125 KVA.
	(iii) Proof regarding SC/ ST/ Ex-serviceman/ physically handicapped/ technocrat
	(iv) NOC from local authority mentioning power load allowed in Abadi land and permission to set up the proposed project. ( as per rules of local authority)
	(v) NOC from RPCB and environment clearance is required if applicable.

Note : The information which is not applicable should not be insisted, additional information may be called as per requirement.

RAJASTHAN FINANCIAL CORPORATION  
(CREDIT APPRAISAL SECTION)

UDYOG BHAWAN,  
TILAK MARG,  
JAIPUR.

Ref. No.RFC/LA-16(1)/740

Dated : 23.08.2010

P&G CIRCULAR  
(LA No. 555 )

Reg : Delegation of powers for sanction of loan for field level

Attention is invited to PG circular no. 1334 dated 06.07.2010 on the subject cited above. There has been a persistence demand from entrepreneurs and BMs for delegation for powers for sanction of loans under card schemes at the field level. To provide better and quick services to our esteemed existing good borrowers, it has been decided to delegate the powers for sanction of loan under various scheme of good borrowers including card scheme as per annexure `A'.

Other terms & guidelines will remain unchanged.

All concerned are advised to take a note of above and ensure compliance with immediate effect.

Sd/-  
(G.S.SANDHU)  
Chairman & Managing Director

ENCL : AS ABOVE.

Copy to:-

1. All BOs/ SOs.
2. Standard Circulation at Head Office.
3. Dy. General Manager(A&I) Eastern & Western Zones.

Delegation of powers for sanction of loan for field level under GB cases

Sanction authority	Amount of loan (Rs. In lacs) For all good borrower schemes including Card schemes
Manager (Branch)	
(I) `A` category branch (including Neemrana & Sitapura branches)	150.00
(II) Other than `A` category branch	50.00
Dy. Manager(Branch)	
(I) `A` category branch (including Neemrana & Sitapura branches)	50.00
(III) Other than `A` category branch	30.00
Asstt. Manager(Branch)	15.00

Note:-

1. The loan cases under good borrower schemes may be sanctioned by the sanctioning authority under whose jurisdiction total accommodation fall i.e. outstanding against the existing loan plus proposed loan in GB cases.
2. The above limit of sanction under good borrower scheme is in addition to the power of sanction of loan under general loan schemes.
3. The sanction letter under card loan schemes shall be issued under the signature of respective BM.
4. The card against floating limit shall also be issued as per norms at branch level. The blank card shall be arranged by the GAD Section to the respective branches.

RAJASTHAN FINANCIAL CORPORATION  
(Credit Appraisal Section)

Udyog Bhawan  
Tilak Marg  
Jaipur-302 005

Ref. RFC/LA-13 (4)/750

Date : 25.08.2010

P&G CIRCULAR  
(LA No. 556)

Reg. : Loan application fee

Attention is invited to P&G Circular No. 1314 dated 14.05.2010 and P&G Circular No. 1340 dated 28.07.2010 regarding charging 50% loan application fee from the entrepreneurs who register their loan application on the day of BP camp.

The matter was reviewed during the "A" Category Branch Managers meeting and it was decided that complete loan applications alongwith all the basic required documents as per check list circulated vide PG Circular No. 1340 dated 28.07.2010 may be accepted with 50% of prescribed loan application fee in normal course. Incomplete application may not be accepted.

This concession shall be available during current financial year only.

All concerned are advised to take a note of above and ensure compliance with immediate effect.

Sd/-  
(G.S. Sandhu)  
Chairman & Managing Director

Copy to :

1. Standard circulation at HO.
- 2 All Branches/SOs
- 3 DGM(A&I), Eastern & Western Zones.

**RAJASTHAN FINANCIAL CORPORATION**  
**(GOOD BORROWER DIVISION)**

**UDYOG BHAWAN,  
TILAK MARG,  
JAIPUR.**

**Ref. No.F.RFC/GBD(Gen-25)/ 480**

**Dated : 01.09.2010**

**P&G CIRCULAR**

**Reg : Roll over of existing loan outstanding of GCL to PCL**

As per the Platinum Card Loan scheme, if any Gold Card holder becomes eligible for platinum card then while considering the eligible amount under PCL scheme, the outstanding in existing Gold Card loan account is simultaneously squared up and shall be upgraded to Platinum card by way of roll over on the request of the promoter.

The Corporation has revised rate of interest vide PG circular No. 1320 dt. 2.6.10 and accordingly, the rate of interest in PCL scheme is 11.50% p.a. whereas the earlier loans under GCL scheme were sanctioned at higher rate of interest.

The matter was discussed in PC&CC in its meeting held on 18.8.2010 and it has been decided not to allow the roll over of existing GCL to PCL. It has been further decided to provide further eligible loan under PCL scheme without roll over of existing GCL.

All concerned are advised to take a note of above and ensure compliance with immediate effect.

Sd/-

**(G.S.SANDHU)**  
**Chairman & Managing Director**

**Copy to:-**

1. All BOs/ SOs.
2. Standard Circulation at Head Office.
3. Dy. General Manager(A&I) Eastern & Western Zones.

RAJASTHAN FINANCIAL CORPORATION  
(CREDIT APPRAISAL SECTION)

Ref. No. RFC/ LA-12(71)/

Dated : 29.09.2010

CIRCULAR  
(LA No.557)

Reg : Disbursement under SARAL Scheme for SME Sector  
(Existing Industrial Running Units)

Attention is invited to PG Circular No. 1316 dated 14/20-05-2010 vide which it was decided that at the time of sanction of loan following condition may be stipulated for disbursement of loan considered under the Saral Scheme for SME Sector.

"The disbursement shall be made in three installments. First disbursement of 50% of loan amount shall be made after satisfying the terms and conditions of sanction letter. The second and third disbursement i.e. 25% each of the loan amount shall be made only after verification on site by the RFC Officers that the earlier disbursed loan has been rightly utilized on the approved activities of the project".

Representations from Industrial Associations/ Entrepreneurs/BOs were received to consider disbursement in one go under Saral Scheme.

The matter was placed before the PC&CC in its meeting held on 22.07.2010 and after discussions the committee decided that 100% disbursement may be made in one go under the Saral Scheme. The borrower shall utilize the loan and submit C.A. certificate/ documents in proof of utilization of loan disbursed within six months from the date of disbursement as per provisions of the Scheme which shall be verified by the BO.

Accordingly, clause 14 (a) of PG circular No. 1211 dated 01.12.2007 may now be re-placed as under :

14 (a) - The disbursement may be made in one or more installments. The borrower shall utilize the loan and shall submit C.A. certificate/documents for utilization of loan disbursed within six months from the date of disbursement as per provisions of the Scheme which shall be verified by the BO.

Regarding switch over cases, it has been decided not to encourage such cases exclusively for payment of Bank loan under the SARAL Scheme. However, applications for new investment under viable and feasible projects as per the provisions of the scheme should be considered where switchover loan component is not more than 20% of the total loan.

Accordingly, the above clauses may also be incorporated at the appropriate place in the Scheme with immediate effect. Other provisions of the scheme shall remain unchanged.

Sd/-  
(G S Sandhu)  
Chairman & Managing Director

Copy to :

1. Standard circulation at HO
2. All BOs / SOs
3. DGM (A&I), Eastern & Western Zones.

RAJASTHAN FINANCIAL CORPORATION  
(Credit Appraisal Section)

Udyog Bhawan  
Tilak Marg  
Jaipur-302 005

Ref. RFC/LA-12 (39)/1237

Dated: 10.11.2010

P&G CIRCULAR  
(LA No. 558)

Reg. : Scheme for financial assistance to Women  
Entrepreneurs.

The Government of Rajasthan has made an announcement in the "Rajasthan Industrial and Investment Promotion Policy-2010" for introducing a special scheme for providing loan at subsidized rates to encourage Women Entrepreneurs in Micro and Cottage Industries by the Rajasthan Financial Corporation.

Accordingly, the PC&CC in its meeting held on 22.09.2010 has decided to introduce a new loan scheme for financial assistance to Women Entrepreneurs.

The loan scheme is enclosed herewith and marked at Annexure A".

All concerned are advised to take a note of above and ensure compliance with immediate effect.

Encl. As above.

Sd/-  
(G.S. Sandhu)  
Chairman & Managing Director

Copy to :

1. Standard circulation at HO.
2. All Branches/SOs
3. DGM(A&I), Eastern & Western Zones.

RAJASTHAN FINANCIAL CORPORATION  
(CREDIT APPRAISAL SECTION)

Special Scheme for financial assistance to Women  
Entrepreneurs.

In pursuance of a new policy announced by the Government of Rajasthan namely "Rajasthan Industrial and Investment Promotion Policy - 2010 the Corporation has launched a special scheme to encourage women entrepreneurs for providing loan to set up Micro and cottage industry.

1. Eligibility Criteria : -

All projects mentioned hereunder set up by Women Entrepreneur(s) having 100% promoter share would be eligible for financial assistance under the scheme:

- a) New projects of Micro & Small Scale Enterprises including service industries (except Road transport operators).
- b) Existing Micro and Small Scale Industrial and Service Enterprises undertaking expansion, modernization, technology up gradation and diversification.

2. Amount of Loan : Loan upto Rs.5.00 lac.

3. Purpose of Loan:- Assistance may be granted to the eligible borrower for :-

- a) Purchase of land
- b) Construction of building
- c) Acquisition of required P&M, Furniture & Fixtures, Misc. Fixed Assets etc.

4. Security :- The loan shall be secured by :-

- a) Mortgage/hypothecation of land, building, P&M, Furniture & Fixture, Misc. Fixed Assets etc.
- b) Personal Guarantee of the promoter and her husband
- c) Need based collateral security
- d) Any other type of security, if required by the sanctioning Authority.

5. Financial Parameters :-

- a) Promoter's Contribution : Minimum 33% of cost of project.
- b) Debt Equity Ratio : 2:1
- c) Margin of security On
  - On land & building ,P&M,MFA : 30%
  - On Furniture & Fixture : 50%

Other norms/parameters of appraisal shall be applicable as contained in PG and amended from time to time.

6. Rate of interest :

1% lower to prevailing rate of interest as applicable from time to time for SME Sector.

7. Period of repayment : The loan will be repayable over a period not exceeding 10 years including moratorium of 3 years.

8. Application Fee : Loan application fee shall be charged 50% under this scheme.

9. Processing charges : Processing charge will be charged as per prevailing norms.

10. Sanctioning authority:

The loan would be sanctioned by the existing sanctioning authorities within their respective sanctioning powers.

RAJASTHAN FINANCIAL CORPORATION  
(Credit Appraisal Section)

Udyog Bhawan  
Tilak Marg  
Jaipur-302 005

Ref. RFC/LA-16 (1)/1301

Dated: 23.11.2010

P&G CIRCULAR  
(LA No. 559)

Reg. : Delegation of sanctioning powers in cases of Industrial units proposed to be set-up on converted land in Isolated Areas.

Attention is invited to P&G Circular No. 1282 dated 16.09.2009 vide which it was decided that prior approval from HO shall be obtained by sending the summarized position in the loan cases of industrial units proposed to be set up on converted land in Isolated areas (including mining lease).

During the Review Meeting held on 07.10.2010 of 'A' Category Branches, it was requested by the BMs that to boost up the business of the BOs and reduce the processing time, prior approval from HO may not be required for such cases and Bos may be allowed to process and sanction these cases at their level without obtaining any prior approval from HO.

In view of above, the matter was placed before PC&CC in its meeting held on 16.11.2010 & it was decided that the following Branches are exempted from the condition No. 1 of P&G Circular No. 1282 dated 16.09.2009 :

Bhiwadi, Neemrana, Alwar, Kota, Jodhpur, Udaipur, Jaipur (City), Jaipur(Rural), Jaipur (VKIA) & Jaipur (Sitapura).

Other guidelines will remain unchanged.

All concerned are advised to take a note of above & ensure compliance with immediate effect.

Sd/-  
(G.S. Sandhu)  
Chairman & Managing Director

Copy to :

1. Standard circulation at HO.
2. All Branches/SOs
3. DGM(A&I), Eastern & Western Zones.

RAJASTHAN FINANCIAL CORPORATION  
(Credit Appraisal Section)Udyog Bhawan  
Tilak Marg,  
Jaipur-302 005

Ref. RFC/LA-13 (4)/ 1396

Dated : 14.12.2010

P&G CIRCULAR  
(LA No. 560)Reg. : Loan application fee & forwarding of loan application  
to HO.

Attention is invited to P&G Circular No. 1315 dated 19.05.2010 vide which it has been directed that all the requirement/ formalities/ documents regarding loan application are to be got completed by BOs before forwarding the loan application to H.O.

It has been again observed that the BOs are forwarding incomplete loan applications without required documents as per standard check list circulated vide P&G circular No. 1340 dated 28.07.2010.

It is also observed that the BOs are accepting the incomplete loan application by charging 50% loan application fee, where as clear-cut instructions are issued vide P&G circular No. 1344 dated 25.08.2010. The matter was also discussed in the BM's Conference held on 2<sup>nd</sup> and 3<sup>rd</sup>, Dec., 2010 and it was advised BMs to charge application fee as per PG circular No. 1344 dated 25.8.2010 and send complete loan application with all required documents to HO as per check list.

It has also been decided that henceforth the application fee shall be refunded to the extent of 50% of application fee deposited excluding service tax & education cess in those cases where the loan application is registered @ 50% loan application fee and closed later on.

Therefore, once again all concerned are directed to follow the guidelines issued vide P&G circular No. 1315 dated 19.05.2010 & P&G circular No. 1340 dated 28.07.2010 strictly and ensure compliance. Violation of these directions shall be viewed seriously.

sd/-  
(A. R. CHOUDHARY)  
EXECUTIVE DIRECTOR

Copy to :

1. Standard circulation at HO.
- 2 All Branches/SOs
- 3 DGM(A&I), Eastern & Western Zones.

RFC/P&G/1359

RAJASTHAN FINANCIAL CORPORATION  
(Credit Appraisal Section)

Udyog Bhawan  
Tilak Marg  
Jaipur-302 005

Ref. RFC/LA-12 (39)/1456

Date : 29.12.2010

P&G CIRCULAR  
(LA No. 561)

Reg. : Scheme for financial assistance to Women  
Entrepreneurs.

Attention is invited to P&G Circular No. 1353 dated 10.11.2010 regarding financial assistance to Women Entrepreneurs.

The matter was placed before the Board in the meeting held on 24.12.2010 & it has been decided to delete the condition No.4(c) of the security clause of the scheme.

Necessary amendment may be made in the scheme. Other norms/guidelines will remain unchanged.

All concerned are advised to take a note of above and ensure compliance with immediate effect.

Sd/-  
(A.R. CHOUDHARY)  
EXECUTIVE DIRECTOR

Copy to :

1. Standard circulation at HO.
2. All Branches/SOs
3. DGM(A&I), Eastern & Western Zones.

RFC/P&G\_\_\_\_\_

**RAJASTHAN FINANCIAL CORPORATION**  
**(Credit Appraisal Section)**

**Udyog Bhawan**  
**Tilak Marg**  
**Jaipur-302 005**

Ref. RFC/LA-14 (4)/

Dated : .01.2011

**P&G CIRCULAR**  
**(LA No. \_\_\_\_\_)**

**Reg. : Categorization of industrial units for NOC/Consent from**  
**RPCB.**

Attention is invited to P&G Circular No. 1319 dated 20.06.2010 on the subject cited above. The Rajasthan Pollution Control Board vide order No.F.14(57)/policy/RPCB/Plg/9219-9259 dated 21.12.2010 (photo copy enclosed & marked as Annexure 'A') has notified the new categorization for consent mechanism in supersession of all its previous orders in this regard.

Further, the Rajasthan Pollution Control Board vide order No.F.14(57)/policy/RPCB/Plg/9260-9300 dated 21.12.2010 (photo copy enclosed & marked as Annexure 'B') has delegated powers to their Regional Officers in supersession of all its earlier orders/ circulars/ guidelines with regard to powers for grant or refuse of the consent to establish/ operate industries/project/ process/ activities / mines located within their territorial jurisdiction.

Necessary amendment may be made at appropriate place in PG.

All concerned are advised to take a note of above and ensure strictly compliance with immediate effect.

**(A.R. CHOUDHARY)**  
**EXECUTIVE DIRECTOR**

Encl. : As above.

Copy to :

1. Standard circulation at HO.
2. All Branches/SOs
3. DGM(A&I), Eastern & Western Zones.

**RFC/P&G/ 1360**

**RAJASTHAN FINANCIAL CORPORATION**  
**(CREDIT APPRAISAL SECTION)**

**Udyog Bhawan,  
Tilak Marg,  
JAIPUR-302 005.**

**Ref. No.RFC/LA-16(1)/1457**

**Dated : 29.12.2010**

**P&G CIRCULAR**  
**(LA No. 562)**

**Reg. : Delegation of powers for sanction of loan.**

The Corporation is presently having a two tier delegation of powers for sanction of loan i.e. at Head Office and Field level. Guidelines for this purpose were issued vide PG Circular No.1054 dated 27.05.2004 & amended vide Circular No. 1145 dated 29.03.2006, 1191 dated 30.08.2007, 1282 dated 16.09.2009 1283 dated 16.09.2009 1334 dated 06.07.2010 and 1343 dated 23.08.2010.

The Board of Directors in the meeting held on 24.12.2010 reviewed the progress and observed that still there is a need to further improve and streamline the procedures so as to reduce the process time taken in sanctions. The personnel dealing with the prospective entrepreneurs should be well conversant with the norms and procedures.

Further, the Board decided to enhance the loan sanctioning powers of HO level for providing better & quick services to entrepreneurs. Accordingly, powers for sanction of loan at H.O. Level are delegated as per Annexure "A".

All concerned are advised to take a note of above and ensure compliance with immediate effect.

**Sd/-**  
**(G.S. SANDHU)**  
**Chairman & Managing Director**

**Copy to :**

- 1- All BOs / SOs.
- 2- Standard Circulation at Head Office.
- 3- Dy. General Manager Eastern & Western Zones.

**Annexure-‘A’****Delegation of powers for sanction of loan at Head Office level :**

<b>Sanctioning authority</b>	<b>Amount of loan ( Rs. in lac</b>
<b>Executive Committee</b>	Full powers for loans upto 20.00 crores (including joint finance cases)
<b>Chairman &amp; Managing Director:</b>	
I) Company/Corporation/ Co-operative Society cases (including loan under Information Technology Scheme, Equipment Refinance Scheme, Card loan Schemes of Good Borrowers and cases of industrial units proposed to be set up on converted land in isolated area)	1000.00**
II) Other cases (including loan under Information Technology Scheme, Equipment Refinance Scheme and Card loan Schemes of Good Borrowers)	500.00**
III) Cost over run	Upto 20% of sanctioned loan by EC ( without change in margin of security)
IV) Joint finance cases appraised by RIICO, All India Financing Institutions/ Banks	Full powers
<b>Executive Director:</b>	
I) Company/Corporation / Co-operative Society cases & full powers under DG Set loan scheme exceeding 250 KVA	500.00
II) Other cases & full powers under DG Set loan scheme exceeding 250 KVA	200.00
<b>General Manager/ Dy. General Manager (CAS)</b>	75.00

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**\*\*** Prior permission from SIDBI is required for loan cases exceeding Rs. 1000.00 lacs (recently enhanced from Rs.500.00 lacs) in case of company / Corporation / Co-operative Societies and Rs. 200.00 lac (no change made by SIDBI) in other cases.

**Note:**

1. The CMD is authorized to make need based relaxations in the terms and conditions in all sanctioned cases under various schemes of the Corporation.
2. Loan cases/ proposals at HO level would be sanctioned by the competent authority as per the recommendations of PC&CC.
3. Further loan cases may be sanctioned by the sanctioning authority under whose jurisdiction total accommodation fall i.e. outstanding against the existing loan plus proposed loan.

RAJASTHAN FINANCIAL CORPORATION  
(CREDIT APPRAISAL SECTION)

Head Office,  
Udyog Bhawan,  
Tilak Marg,  
Jaipur-302 005

Ref. No. RFC/LA-13(11)/1459

Dated : 04.01.2011

: P&G CIRCULAR :  
(LA No. 563)

Reg: Charging rate of interest as applicable at the time of considering further term loan to implement the project under project loan scheme for construction of residential complexes / commercial complexes / multiplexes/ hotels (tourism related activities) / hospital and nursing homes in the cases wherein term loan was availed by the borrowers @ 17% per annum under the scheme for purchase of land under the scheme for construction of residential complexes/ commercial complexes / multiplexes/ hotels (tourism related activities) / hospital and nursing homes.

The Corporation is considering financial assistance under the scheme for financing to builders / commercial / residential complexes / multiplexes/ hotels (tourism related activities) / hospital and nursing homes for purchase of land and building. Presently the applicable rate of interest under this scheme is 17% per annum.

The borrowers approach the Corporation for further term loan under project loan scheme for implementation of the complete project after availing loan for purchase of land from the Corporation. Such borrowers are regularly requesting the Corporation to reduce the rate of interest charged on the loan already availed for purchase of land when they approach for project financing and the rate of interest should be charged as applicable to the respective loan scheme.

The matter was placed before the Board of Directors in the meeting held on 24.12.2010 and it has been decided that if the borrowers approach the Corporation for further term loan under project loan scheme for

implementation of the complete project after availing loan for purchase of land from the Corporation, the rate of interest may be charged on the existing outstanding in the land loan account as applicable to the respective loan scheme prevailing at the time of further sanction of term loan for implementing the project.

In such cases, the revised rate of interest under the respective project loan scheme shall be charged on the existing outstanding in the land loan account from the date of execution of loan documents for further term loan subject to the condition that in case any default is made in the existing land purchase account, the Corporation shall revert interest rate to original rate of interest charged in the loan account of land purchase, in addition to liquidated damages payable from time to time on the amount if default for the default period as per norms.

Modification deed for charging revised rate of interest in the existing land purchase loan account shall also be executed alongwith execution of loan documents for further term loan.

All concerned are advised to take a note of above and ensure compliance with immediate effect.

Sd/-  
(G.S. SANDHU)  
Chairman & Managing Director

Copy to :

1. All Branches/Sub Offices
2. Standard Circulation at HO.
3. DGM (A&I) Eastern & Western Zone

RFC/P&G/1363

RAJASTHAN FINANCIAL CORPORATION  
(Credit Appraisal Section)

Udyog Bhawan  
Tilak Marg  
Jaipur-302 005

Ref. RFC/LA-14 (4)/1483

Dated : 07.01.2011

P&G CIRCULAR  
(LA No. : 564)

Reg. : Categorization of industrial units for NOC/Consent  
from RPCB.

Attention is invited to P&G Circular No. 1319 dated 20.06.2010 on the subject cited above. The Rajasthan Pollution Control Board vide order No.F.14(57)/policy/RPCB/Plg/9219-9259 dated 21.12.2010 (photo copy enclosed & marked as Annexure 'A') has notified the new categorization for consent mechanism in supersession of all its previous orders in this regard.

Further, the Rajasthan Pollution Control Board vide order No.F.14(57)/policy/RPCB/Plg/9260-9300 dated 21.12.2010 (photo copy enclosed & marked as Annexure 'B') has delegated powers to their Regional Officers in supersession of all its earlier orders/ circulars/ guidelines with regard to powers for grant or refuse of the consent to establish/ operate industries/project/ process/ activities / mines located within their territorial jurisdiction.

Necessary amendment may be made at appropriate place in PG.

All concerned are advised to take a note of above and ensure strictly compliance with immediate effect.

(A.R. CHOUDHARY)  
EXECUTIVE DIRECTOR

Encl. : As above.

Copy to :

1. Standard circulation at HO.
2. All Branches/SOs
3. DGM(A&I), Eastern & Western Zones.

RFC/P&G/1370

RAJASTHAN FINANCIAL CORPORATION  
(Credit Appraisal Section)

Udyog Bhawan  
Tilak Marg  
Jaipur-302 005

Ref. RFC/LA-13 (4)/1561

Dated : 24.01.2011

P&G CIRCULAR  
(LA No. 565)

Reg. : Share premium as sources of Promoter's  
Contribution.

Attention is invited to P&G Circular No. 1203 dated 26.10.2007 wherein it was circulated that share premium be allowed upto the face value of share as sources of finance in loan cases of Public Limited Company/ Private Limited Company under the loan Schemes of Commercial Complex/ Residential Complex, Builders Scheme, Hotel & Hospital.

References have been received from the field offices for allowing share premium as source of finance in all the Loan Schemes. Accordingly, the matter was placed before the PC&CC in its meeting held on 19.01.2011 and it has been decided that share premium be allowed upto the face value of share as sources of finance in loan cases of Public Limited Company/ Private Limited Company under all Loan Schemes of the Corporation.

The existing guidelines regarding raising of promoter's contribution in the specified ratio of Capital (including share premium) & IFUL as circulated vide P&G Circular No. 1005 dated 21.05.2003, shall continue to be followed. .

Necessary amendment may be made at appropriate place in PG.

All concerned are advised to take a note of above and ensure strict compliance with immediate effect.

Sd/-  
(A.R. CHOUDHARY)  
EXECUTIVE DIRECTOR

Copy to :

1. Standard circulation at HO.
2. All Branches/SOs
3. DGM (A&I), Eastern & Western Zones.

**RAJASTHAN FINANCIAL CORPORATION**  
(CA Section)

Udyog Bhawan  
Tilak Marg  
Jaipur-302 005

Ref. RFC/LA-16 (20)/1669

Date : 11.02.2011

PG CIRCULAR  
(LA No. 566)

Sub : Black listing of entrepreneurs - Schedule  
LA(S) 1/7 B.

The Corporation is maintaining a list in PG as Schedule LA(S) 1/7 B of those persons who have tried to cheat the Corporation by submitting forged quotations/ documents or by applying for loans in false/ benami names. The financial assistance is not considered by the Corporation to any unit in which such persons are directly or indirectly interested as proprietor /partner/ director.

The names of the persons, whose details are given below, are added to the said Circular Schedule LA(S) 1/7 B because they have furnished forged documents/letter dt. 10.1.2011 of Punjab & Sind Bank, Green Park Extension, New Delhi to the Corporation with regard to release of charge of khasra nos. 7, 12, 14 to 17, 20 to 22 village Khajuriwas, Tizara, Alwar, Rajasthan addressed to M/s Connoisseur Developers P. Ltd., Bhiwadi which have approached for term loan of Rs. 20.00 crore for construction of residential complex (Group Housing) from the Corporation which was later on denied by the bank.

Name & address of Directors	Father's name	Concern
Sh. Mehinder Sharma, Plot No. E-156, Greater Kailash Part-I, New Delhi	Late Sh. Amar Nath Sharma	M/s Connoisseur Developers P. Ltd., khasra nos. 7, 12, 14 to 17, 20 to 22, Vill. Khajuriwas, Tehsil Tizara,

		Distt. Alwar, Rajasthan
Smt. Poonam Sharma, Plot No. E-156, Greater Kailash Part-I, New Delhi	W/o Sh. Mehinder Sharma	M/s Connoisseur Developers P. Ltd., khasra nos. 7, 12, 14 to 17, 20 to 22, Vill. Khajuriwas, Tehsil Tizara, Distt. Alwar, Rajasthan
Sh. Amit Kr. Jha, D-145, Preet Vihar, Delhi	Sh. Pashupati Jha	M/s Connoisseur Developers P. Ltd., khasra nos. 7, 12, 14 to 17, 20 to 22, Vill. Khajuriwas, Tehsil Tizara, Distt. Alwar, Rajasthan

All concerned are advised to take note of above and take necessary action as per norms. The photographs and specimen signatures of the promoters are shown in the Annexure 'A' enclosed with the circular.

Sd/-  
(Arjun Ram Choudhary)  
Executive Director

Encl. As above.

Copy to :

1. Standard circulation at HO.
2. All Branches/SOs.
3. DGM(A&I), Eastern & Western Zones.

RAJASTHAN FINANCIAL CORPORATION  
(Credit Appraisal Section)

Udyog Bhawan  
Tilak Marg  
Jaipur-302 005

Ref. RFC/LA-13 (4)/1757

Dated : 25.02.2011

P&G CIRCULAR  
(LA No. 567)

Reg. : Charging of Rate of interest under project loan  
cases of Commercial / Residential complexes.

It has been observed that in some of the CRE cases sanctioned under Project Loan Scheme, the promoters have availed entire sanctioned loan against the land, while no or meager amount is drawn against building and the project is not fully implemented as approved. In few cases, even the account has also been squared-up.

Since there is a parallel scheme available to get finance for purchase of land where the rate of interest is higher in comparison to rate of interest applicable under Project Loan Scheme, by using the financing under Project Loan Scheme only or substantially for purchase of land, promoters may try to avail lower rate of interest.

It has been decided that in all cases where term loan is sanctioned under project loan scheme and the disbursement is availed only for purchase of land and less than 50% of the amount for construction of building is availed, the rate of interest prevalent under Builders Scheme for purchase of land shall be applicable.

Henceforth, the following condition be stipulated in all Project Loan sanctioned under CRE Sector for construction of Commercial/Residential complex in the loan proposal and also in loan agreement.

"The rate of interest prevalent under Builder's Scheme for purchase of land shall be applicable, if the

concern/company avails loan against land and less than 50% of loan for construction of building."

In previously sanctioned and disbursed cases, before closure of account in cases of above category, prior approval of Head Office would be required.

All concerned are advised to take a note of it and ensure compliance with immediate effect.

Sd/-  
(UMESH KUMAR)  
*Chairman & Managing Director*

Copy to :

1. Standard circulation at HO.
2. All Branches/SOs
3. DGM (A&I), Eastern & Western Zones.

**RAJASTHAN FINANCIAL CORPORATION**  
(CREDIT APPRAISAL SECTION)

Udyog Bhawan,  
Tilak Marg,  
JAIPUR-302 005.

Ref.No. RFC/ LA-GBD/Gen./125/1806

Dated : 07.03.2011

: PG CIRCULAR :  
(LA No. 568)

Reg : Inclusion of New Industrial Areas under Scheme for Financing Against Assets & Saral Scheme for SME and Service Sector.

The Scheme for "Financing Against Assets" was circulated vide P&G Circular No. 1007 dated 22.05.2003. Likewise, the "Saral Scheme" for SME Sector (Existing Industrial Running Units) was circulated vide P&G Circular No. 1211 dated 01.12.2007. Thereafter amendments /modifications in these loan schemes were also issued from time to time

Proposal received from Branch Office Hanumangarh for inclusion of Industrial Areas under the eligibility criteria of "Scheme for Financing Against Assets" and "Saral scheme for SME Sector (Existing industrial running units)" was placed in the PC&CC meeting held on 21.02.2011.

The Competent authority has decided to include the following Industrial Areas under clause 2 (a) of Scheme for Financing Against Assets (in Annexure 'A') and in Annexure 'A' of Saral scheme for SME Sector and Service Sector Industries for providing financial assistance to existing running units only :

Name of Branch Office	Name of RIICO Industrial Area (s)
Hamumangarh	Phase I & II, Hanumangarh
Ajmer	Gegal
Bhilwara	Phase IV

Bhiwadi	Rampur Mundana, Kaharani, IID Khushkhera, Tapukara, Pathredi & Sarekhurd.
Neemrana	New Industrial complex (Majrakoth), EPIP, Neemrana Phase-I & Phase-II
Jaipur (City)	Jothwara Extension I & II Phase
Jaipur (Sitapura)	Ramchandrapura (Sitapura Ext.), SEZ, II Phase.

For calculation of MRV of land and building in above areas, the prescribed norms shall be followed.

Other norms/guidelines will remain unchanged.

All concerned are advised to take a note of above and ensure compliance of the same.

*Sd/-*  
(A.R. CHOUDHARY)  
EXECUTIVE DIRECTOR

Copy to :

1. All BOs / SOs.
2. Standard Circulation at HO.
3. DGM(A&I), Eastern & Western Zone

RAJASTHAN FINANCIAL CORPORATION  
(CREDIT APPRAISAL SECTION)

Udyog Bhawan,  
Tilak Marg,  
JAIPUR-302 005.

Ref. No.RFC/LA-16(1)/1822

Dated : 08.03.2011

P&G CIRCULAR  
(LA No. 569)

Reg. : Delegation of powers for sanction of loan.

The Corporation is presently having a two tier delegation of powers for sanction of loan (i.e. at Head Office and at Field level). Guidelines for this purpose have been issued vide P&G Circular No.1334 dated 06.07.2010 & vide P&G Circular No. 1360 dated 29.12.2010.

Consolidated guidelines for delegation of powers for sanction of loan cases for Head Office level and for field level is enclosed herewith as Annexure "A".

All concerned are advised to take a note of above and ensure compliance with immediate effect.

(UMESH KUMAR)  
Chairman & Managing Director

Encl :AS ABOVE.

Copy to :

- 1- All BOs / SOs.
- 2- Standard Circulation at Head Office.
- 3- Dy. General Manager Eastern & Western Zones.

Annexure - 'A'

A) Delegation of powers for sanction of loan at Head Office level :

Sanctioning authority	Amount of loan (Rs. in lac)
Executive Committee	Full powers for loans upto 20.00 crores (including joint finance cases)
Chairman & Managing Director:	
I) Company/Corporation/ Co-operative Society cases (including loan under Information Technology Scheme, Equipment Refinance Scheme, Card loan Schemes of Good Borrowers and cases of industrial units proposed to be set up on converted land in isolated area)	1000.00**
II) Other cases (including loan under Information Technology Scheme, Equipment Refinance Scheme and Card loan Schemes of Good Borrowers)	500.00**
III) Cost over run	Upto 20% of sanctioned loan by EC (without change in margin of security)
IV) Joint finance cases appraised by RIICO, All India Financing	Full powers

Institutions/ Banks	
<b>Executive Director:</b>	
I) Company/Corporation / Co-operative Society cases & full powers under DG Set loan scheme exceeding 250 KVA	500.00
II) Other cases & full powers under DG Set loan scheme exceeding 250 KVA	200.00
General Manager/ Dy. General Manager (CAS)	75.00

\*\* Prior permission from SIDBI is required for loan cases exceeding Rs.1000.00 lacs (recently enhanced from Rs.500.00 lacs) in case of company / Corporation / Co-operative Societies and Rs.200.00 lacs (no change made by SIDBI) in other cases.

**B) Delegation of powers for sanction of loan at Field Office level :**

Sanctioning authority	(Rs. in lac)	
	Amount of loan	
	All cases except where powers are vested at HO only	
Manager (Branch)		
(I) "A" category branch (including Neemrana & Sitapura branches)	150.00	
(II) Other than "A" category branch	50.00	
Dy Manager (Branch)		
(I) "A" category branch	50.00	

(II) Other than "A" category branch	30.00
Asstt. Manager ( Branch )	15.00

Note:

1. The CMD is authorized to make need based relaxations in the terms and conditions in all sanctioned cases under various schemes of the Corporation.
2. Loan cases/ proposals at HO level would be sanctioned by the competent authority as per the recommendations of PC&CC.
3. Cases under the special schemes & GB Schemes where powers have not been delegated to field Offices shall continued to be considered at HO.
4. All loan cases/ proposals at field level would be sanctioned by the Competent Authority on the recommendations of DLAC.
5. Cost Over run upto 20% of the sanctioned amount of loan would be sanctioned (without changing the level of margin on security and promoter's contribution) by the respective sanctioning authority over & above the powers delegated for sanction of loan.
6. Loan for purchase of DG set (upto 250 KVA) under DG set scheme shall be sanctioned by the concerned authority within whose jurisdiction total outstanding falls after considering of the said loan.
7. While sanctioning of loan at field level it should be ensured by the sanctioning authority that if the loan amount is more than the MRV of existing and proposed land & building, additional collateral security is invariably obtained as per prevailing guidelines.
8. In loan cases of industrial units proposed to be set up on converted land in isolated areas, field offices shall consider loans upto Rs.50.00 lacs as per PG Circular No.1282 dated 16.09.2009 with the prior approval from HO.
9. The other norms of the respective scheme (including

ceiling on loan amount) shall remain unchanged.

10. The exposure (sanction) of CRE cases (under various CRE schemes) shall not exceed 25% of total sanctions of the concerned BO on the date of sanction.
11. Field offices are now not required to obtain prior permission of HO for SME Sector loan cases upto Rs. 15.00 lac under Scheme For Financing Against Assets, however, in other loan cases from Rs. 5.00 lac to Rs. 15.00 lac under the scheme prior permission of HO shall continue to be taken as per circular No. RC/LA-GBD/Gen/125/1567 dt. 8.11.2005.
12. Further loan cases may be sanctioned by the sanctioning authority under whose jurisdiction total accommodation fall i.e. outstanding against the existing loan plus proposed loan.
13. The above revised limits of sanction would also be applicable to Good Borrower Schemes in addition to the powers for sanction of loan under General Loan Schemes.