

RAJASTHAN FINANCIAL CORPORATION
(ARRC)Udyog Bhawan
Tilak Marg
JAIPUR

No.RFC/ARRC/23/HO/Gen/152/ 2725

Dated : 11.11.2003
14CIRCULAR
(ARRC No. 77)**Reg: Grant of loan for restarting of sold unit(s)**

Your attention is drawn towards P&G circular No.395 dated 29.10.1990 and P&G circular No.1024 (ARRC No.75) dated 23.10.2003 vide which guidelines were issued for granting of loan for restarting of the unit sold by way of auction by the Corporation.

You are aware that the purchaser is required to spend a considerable amount for restarting the unit in the form of repairs and renewals, maintenance of building and machinery, replacement of part asset(s), amount paid to RIICO against IPI dues and working capital margin.

With a view to attract entrepreneurs, purchasing the unit under possession through auction from the Corporation, a scheme for granting loan for restarting of the unit was introduced. But it is felt that on account of lack of awareness and proper publicity of the aforesaid scheme, progress made is not satisfactory.

The Rehabilitation / Reconstruction of such sick units would obviously be helpful in recycling of production, generating employment and also opening avenues of income for the Corporation. Moreover, old stock of units under possession would reduce which ultimately save expenditure being incurred on advertisement as well as watch & ward.

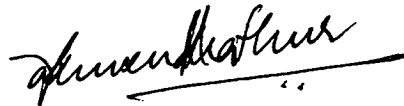
The financial assistance under the aforesaid scheme is released only if the purchaser restarts the unit within the prescribed period which, ofcourse, indicate that while extending assistance under the said scheme, it be seen that purchaser takes required steps for revival of the unit at their level.

Proforma of biodata to be obtained from the highest bidder is also appended herewith so as to ensure that information in the proforma be obtained soon after attempting the auction. This proforma would also be helpful in knowing the financial position of the bidder, their future plans for restarting the unit as well as to avail loan from the Corporation.

While sending the proposal for approval of sale to HO, under any scheme of sale, alongwith requisite information, as indicated in ARRC circular No.45 dated 10.04.2002, biodata of the highest bidder/promoter/partner/director, in the enclosed proforma, may also be sent to HO positively.

All concerned are advised to ensure to popularise the aforesaid scheme and make endeavours to extend required financial assistance to the purchaser of the auctioned unit as per norms of the Corporation.

After grant of the restart-up loan, Branch Manager may invariably send copy of the sanction letter to DGM(ARRC), HO for monitoring purposes.



(Yaduvendra Mathur)
Chairman cum Managing Director

Encl: As above.

1. All BOs, ROs and SOs.
2. GM(WZ), Jodhpur / DGM(A&I), Ajmer
3. Standard circulation in HO



DETAILS ABOUT PROMOTER(S) / PARTNER(S) / DIRECTOR(S)
who gave the highest bid in the auction / negotiation

1. Name and permanent address :
2. Father's name :
3. Age :
4. Telephone No:
 - a) Residence :
 - b) Factory/business :
5. Name of the unit / firm / company, if name/ constitution has been decided :
6. Qualification(s) :
7. Details about experience / occupation :
 - a) Present :
 - b) Past :
 - c) Any other business / Industrial experience (full details about name and address of concern / employer, period, exact nature of work, etc. may be furnished) :
8. Details of Networth and sources of investible funds :
9. Whether factory would be run :
 - a) With the present product of the unit being purchased : Yes / No
 - OR**
 - b) Line of the product would be changed / diversified? Give details. : Yes / No
 - OR**
 - c) Full or part assets being purchased would be sold out : Yes/No

10. Details about planning for expansion of the project :
11. Whether further finance from RFC is needed ? Give details :
12. Name & address of the banker :
13. Details of concern(s) of which he is proprietor/ partner / director (following details in respect of each such concern may be given)
 - a) Name & address of the banker :
 - b) Nature of business :
 - c) Extent of his interest :
 - d) Year of establishment :
 - e) Name & address of the bank(s) in which account of such concern is operated :
 - f) Details of financial assistance from RFC/ Bank etc. (if any) :

Signature:

Name:

Place:

Date :