

/RFC/PB/ 978/

RAJASTHAN FINANCIAL CORPORATION
HD: Udyog Bhawan, Tilak Marg, Jaipur-302 005

Ref. No. RFC/E.Law-3/LPM/6/ 3815
Dated: 07.08 2002

PG CIRCULAR
(Law Section)

Reg: Extension of Validity of Sanction

Attention is invited to PG Circular No. 875 dated 20.08.2000 on the powers for extension of validity period of sanction. The E.C. (discharging the functions of the Board), in its meeting held on 20.07.2002, has reviewed the close provision relating to extension of validity period of sanction and decided that henceforth processing charges alongwith application for re-validation of sanction shall be obtained. Accordingly, authority of revalidation of sanction and applicable rate of processing charges thereon will be as under:-

S.No.	Extension in validity period of sanction (after expiry of six months)	Approving Authority	Processing Charges
1.	For extension of validity for 3 months (beyond 6 months upto 9 months)	Branch Manager	0.2% of the sanctioned loan amount
2.	For extension of further 3 months (beyond 9 months upto 12 months)	DGM(R)	0.2% of the sanctioned loan amount
3.	For extension beyond 12 months for 12 months	CMD	0.25% of the sanctioned loan amount
4.	For extension beyond 24 months from sanction	CMD	0.50% of the sanctioned loan amount

Accordingly, following may be substituted at para 8.1 of Chapter LD-1 of PG:-

8.1- " For the purpose of execution of loan documents, the sanction shall be valid for a period of six months and if the loan documents are not executed within a period of six months from the date of communication of sanction, the sanction would lapse automatically. However, if the circumstances so warrant, this sanction can be revalidated by the delegated authority as indicated below irrespective of loan amount."

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All concerned are advised to take note of above.

(J.P. VIMAL)
EXECUTIVE DIRECTOR

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