The matter regarding charging rate of interest in loan cases was discussed in the PC&CC meeting held on 18th & 20th March, 2009 with reference to discussions during the Mid term review of BPRF targets of FY 2009 by SIDBI. It has been decided that in all the loan/GBD schemes, if the exposure exceeds Rs. 5.00 crores (including the 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 commencing from the date of first disbursement of loan including token disbursement and the Corporation shall charge rate of interest prevailing at that time or existing rate of interest, whichever is higher. Accordingly policy/guidelines on the Interest Rate Structure shall stand modified.

This decision shall be applicable on all the cases sanctioned on or after 01.04.2009.

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

Sd/-

(ATUL KUMAR GARG)
CHAIRMAN & MANAGING DIRECTOR

Copy to :

1. Standard Circulation at HO.
2. All Branch Offices/Sub-Offices
3. DGM (A&I) Eastern & Western Zones.
Sub: Policy on Group Credit Exposure

The Board of Directors in the meeting held on 25.2.2009 has considered the matter regarding Credit Exposure limits as per RBI guidelines and fixed the exposure limits for individual applicant and group as 15% and 40% of capital funds of the Corporation respectively.

The Board has further noted the definition of a group i.e. if a person controls the companies/firms or/is having controlling stake/shareholding of more than 50% then the person/company/firm is to be considered as a group.

This definition will be applicable to all loan cases subject to the position of capital funds of the Corporation prevailing at the time of sanction. At present, capital funds stand at Rs.130.48 crores, as per balance sheet dated 31.3.08. However, these conditions shall not be applicable to the loan cases already cleared by PC&CC upto 25.2.09.

Accordingly, it is directed that compliance of the above said exposure limit for individuals and group may be ensured and relevant information in the consolidated data sheet may be incorporated alongwith following details while considering the loan applications:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of the unit/ sister concern/ family concern</th>
<th>Name of the director/ share holder / partner/ Proprietor</th>
<th>Amt. sanct.</th>
<th>Amt Disc.</th>
<th>Amt. O/S P.Sum Intt. Total</th>
<th>% of share holding</th>
</tr>
</thead>
</table>

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

Sd/

(ATUL KUMAR GARG)
Chairman & Managing Director

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

: P&G CIRCULAR :
(LA No. 504)

Reg : Scheme for Financing Guest Houses.

Detailed guidelines were circulated vide P&G Circular No. 1249 dated 11.12.2008 with regard to the Scheme for Financing Guest Houses. References have been received from field offices regarding the nature of titles of land, the requirement of approved building plan for sanction of loan under the Scheme.

The matter has been examined in detail and it has been decided that the maximum loan upto 60% of MRV of the existing land and building shall be restricted for those projects where approved building plan duly approved by the competent authority alongwith clear mortgageable and marketable titles are available. In other remaining cases which are having clear mortgageable and marketable titles (Residential/Commercial/Guest houses/Hotel/Tourism purpose), except approved building plan, the maximum loan under the scheme shall be restricted upto 60% of MRV of the existing land only subject to the submission of prescribed undertakings & fulfillment of other norms of the Scheme.

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

Sd/-

(ATUL KUMAR GARG)
CHAIRMAN & MANAGING DIRECTOR

Copy to :

1. Standard Circulation at HO.
2. All Branch Offices/Sub-Offices
3. DGM (A&I) Eastern & Western Zones.
RAJASTHAN FINANCIAL CORPORATION
(LOANS SECTION)

Udyog Bhawan,
Tilak Marg,
JAIPUR-302 005.

Ref.No. RFC/ LA-11(19)/200 Dated : 08.05.2009

: P&G CIRCULAR:
(LA No. 505)

Reg : Reconstitution of the Project Clearance & Consultative Committee (PC&CC)

In supersession of all earlier directions, the constitution of the PC&CC will now be as under :-

<table>
<thead>
<tr>
<th>No</th>
<th>Position</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Chairman &amp; Managing Director</td>
<td>Chairman</td>
</tr>
<tr>
<td>2</td>
<td>Executive Director</td>
<td>Member</td>
</tr>
<tr>
<td>3</td>
<td>Financial Advisor/General Managers</td>
<td>Member</td>
</tr>
<tr>
<td>4</td>
<td>Dy. General Manager (Tech.)</td>
<td>Member</td>
</tr>
<tr>
<td>5</td>
<td>Dy. General Manager (Law)/Manager (Law)</td>
<td>Member</td>
</tr>
<tr>
<td>6</td>
<td>Dy. General Manager (Loans-I)</td>
<td>Member</td>
</tr>
<tr>
<td>7</td>
<td>Dy, General Manager (Loans-II)</td>
<td>Member</td>
</tr>
</tbody>
</table>

The Dy. General Manager (Loans-I) will be the Member Secretary.

All members will be attending the Meeting on regular basis. The Dy. General Manager (BP) or Manager (BP) will be attending by rotation. The concerned Dy. General Manager (Loans) placing the matter pertaining to policy decision will invariably attend the Meeting. The other guidelines shall remain unchanged.

The above amendment be made in Chapter LA-3 (on page No.21 of P&G) with immediate effect.

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

Sd/-
(Atul Kumar Garg)
Chairman & Managing Director

Copy to:

1. Standard Circulation at HO
2. All Branches/Sub-Offices
3. DGM(A&I), Eastern & Western Zone
Reg : Financing of Salt Manufacturing Units.

A Study report of Technical Cell on Salt Manufacturing Units was placed before PC&CC in its meeting held on 05.05.09. On examination it has been decided to stop financing of salt manufacturing units in the entire State with immediate effect. Further it has been decided that speedy action may be taken to recover the Corporation dues by taking appropriate action in default cases under this sector as per the norms.

Accordingly the product of salt manufacturing unit is hereby incorporated in the Restrictive List i.e. Schedule 1/6-A at S.No. 19 of PG.

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

Sd/-
(Atul Kumar Garg)
Chairman & Managing Director

Copy to:

1. Standard Circulation at HO.
2. All Branch Offices/Sub-Offices.
3. DGM(A&I), Eastern & Western Zone
Reg : Delegation of powers for sanction of loan.

Detailed guidelines were issued vide P&G circular No. 1054 dated 27.05.2004, 1191 dated 30.08.2007, 1228 dated 28.05.2008 and 1241 dated 13.10.2008 for delegation of powers for sanction of loan.

In view of increase in cost of projects substantially, it has been decided that sanctioning powers of Managers (Branch) posted at the following branches may be enhanced upto the extent of Rs. 100.00 lacs for SME Sector (only project loan cases) including Good Borrowers except Card Schemes.

Name of the Branch offices:
Jaipur (City), Jaipur (Rural), Sitapura (Jaipur), VKIA (Jaipur), Bhiwadi, Jodhpur, Bhilwara, Kishangarh, Udaipur, Kota, Alwar & Bikaner.

However, while sanction of loan it should be ensured by the sanctioning authority that if the loan amount required is more than the MRV of existing and proposed land & building, additional collateral security is invariably obtained.

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

Sd-

(PAWAN ARORA)
Executive Director

Copy to:
1. All BOs / SOs.
2. Standard Circulation at HO.
3. DGM(A&I), Eastern & Western Zone
After review of the provisions of Scheme for Financing Against Assets, the PC& CC in its meetings held on 13.05.2009 and 09.06.2009 has decided to make following amendments in the Scheme:

(1) In the eligibility criteria of the scheme under clause 2 (b) & (c) immovable property located within JDA limits may also be considered by CMD on case to case basis for loan cases of Jaipur.

(2) No financial assistance is to be provided under the scheme against the security of property held in the Joint names.

(3) Loan against the security of properties located out side the State shall not be considered for financing under the scheme.

(4) Loan against the security of commercial & residential properties located at the places other than Distt. Head quarters covered under the eligibility criteria of the scheme as per earlier circulars under clause 2 (b) & (c) of the scheme may be considered for financing by Branches Offices only with the prior approval of HO for which references may be sent to Loans Section in the same proforma as specified for loan cases amounting to Rs. 5.00 lacs to 15.00 lacs.

(5) The disbursement shall be made in minimum two number of installments or higher number of installments as the disbursing Authority feels appropriate after satisfying the compliance of terms & conditions of sanction letter.
Disbursement of last 40% of the sanctioned loan amount shall be made only after obtaining CA Certificate for utilization of earlier disbursed loan.

(6) If the commercial /residential property offered for security is located in the following areas of Jaipur, the MRV of land shall be calculated on the basis of DLC rate prevailing in the area :-

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td>Jagatpura Area.</td>
</tr>
<tr>
<td>b)</td>
<td>Agra Road Area</td>
</tr>
<tr>
<td>c)</td>
<td>Tonk Road Area</td>
</tr>
</tbody>
</table>

However, CMD may consider MRV of the property upto 125% of DLC rate depending upon the location of the property.

Other provisions of the scheme shall continue to be followed as per prevailing guidelines.

Necessary amendments may be incorporated at appropriate places in the existing scheme.

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

(Atul Kumar Garg )  
Chairman & Managing Director

Copy to:

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

(LOANS SECTION)

Udyog Bhawan,
Tilak Marg,
JAIPUR-302 005.

Ref. No.RFC/LA-13(11)/429       Dated : 25.06.2009

P&G CIRCULAR
(LA No. 509)

Reg : Revision in interest rate structure of the Corporation

Pursuant to revision in refinance rate by SIDBI vide circular dated 12.05.2009, the Board in its meeting held on 18.06.2009 has reviewed the Interest rate structure for various loan schemes and it has been decided to revise the interest rate structure as per Annexure “A”.

The revised rates shall be applicable to loan cases to be sanctioned on or after 18.06.2009 and the loan cases sanctioned earlier but the execution of the loan documents (including token disbursement) of the same is to be done on or after 18.06.2009.

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

(Atual Kumar Garg)
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 18.06.2009
APPLICABLE FOR SSI / MSI / NON SSI SECTOR IRRESPECTIVE OF COST OF PROJECT

<table>
<thead>
<tr>
<th>S. No.</th>
<th>NAME OF THE SCHEME</th>
<th>DOCUMENTED RATE OF INTEREST</th>
<th>TIMELY PAYMENT REBATE</th>
<th>EFFECTIVE RATE OF INTEREST</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>SME Sector Units (Industrial &amp; Service Sector projects) Upto Rs. 50,000/-</td>
<td>11.50%</td>
<td>0.50%</td>
<td>11.00%</td>
</tr>
<tr>
<td>2.</td>
<td>SME Sector Units (Industrial projects) above Rs. 50,000/- &amp; upto Rs. 20.00 Crores.</td>
<td>14.00%</td>
<td>1.25%</td>
<td>12.75%</td>
</tr>
<tr>
<td>3.</td>
<td>a) Financing Against Assets Scheme &amp; Scheme for Financing for Builders / commercial / residential complexes/ Multiplexes, Hotels, Hospitals etc. for purchase of land &amp; building.</td>
<td>17.00%</td>
<td>0.00</td>
<td>17.00%</td>
</tr>
<tr>
<td></td>
<td>b) Saral Scheme for SME sector</td>
<td>15.50%</td>
<td>1.00%</td>
<td>14.50%</td>
</tr>
<tr>
<td>4.</td>
<td>Project loan for Construction of Commercial / Residential Complexes</td>
<td>17.00%</td>
<td>1.00%</td>
<td>16.00%</td>
</tr>
<tr>
<td>5.</td>
<td>a) Service Sector projects (excluding Serial No. 3 to 4) and including Hotel Projects</td>
<td>14.00%</td>
<td>1.25%</td>
<td>12.75%</td>
</tr>
<tr>
<td></td>
<td>b) Tourism Projects/Guest Houses (except hotel projects) and Hospitals/ Nursing Homes Projects</td>
<td>14.00%</td>
<td>0.50%</td>
<td>13.50%</td>
</tr>
</tbody>
</table>
## APPLICABLE FOR GOOD BORROWER SCHEMES

<table>
<thead>
<tr>
<th>S. No.</th>
<th>NAME OF THE SCHEME</th>
<th>DOCUMENTED RATE OF INTEREST</th>
<th>TIMELY PAYMENT REBATE</th>
<th>EFFECTIVE RATE OF INTEREST</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>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)</td>
<td>14.00%</td>
<td>1.25%</td>
<td>12.75%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>13.75%</td>
<td>1.25%</td>
<td>12.50%</td>
</tr>
<tr>
<td>2.</td>
<td>Working Capital Term Loan to Non Assisted Units</td>
<td>14.50%</td>
<td>0.25%</td>
<td>14.25%</td>
</tr>
<tr>
<td>3.</td>
<td>Platinum Card Scheme</td>
<td>14.50%</td>
<td>0.75%</td>
<td>13.75%</td>
</tr>
<tr>
<td>4.</td>
<td>Gold Card Scheme</td>
<td>14.50%</td>
<td>0.50%</td>
<td>14.00%</td>
</tr>
</tbody>
</table>

### Note :-

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 7th 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. a) In the schemes where Post Dated Cheques for equated quarterly / monthly installments are obtained, the cheques shall be taken net of rebate. It should be clearly mentioned that EQI/ EMI has been calculated in net of rebate i.e. at the
<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>interest rate --% minus --% rebate. In case if the cheque is not realized then BO shall ask the borrower for enhanced amount of EQI/ EMI on actual rate of interest.</td>
</tr>
<tr>
<td></td>
<td>b) In all other schemes Post Dated Cheques shall be taken for all the installments of Principal loan amount as per P&amp;G circular no. 1173 dated 18.04.2007.</td>
</tr>
<tr>
<td>6</td>
<td>a) No processing charges shall be levied under Card Loan Scheme under Good Borrowers.</td>
</tr>
<tr>
<td></td>
<td>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.</td>
</tr>
<tr>
<td>7</td>
<td>Service charges @ 1% p.a. are applicable quarterly in addition to the applicable interest on loans granted under WCTL Scheme of Good Borrowers including NAU Scheme and Pass Book Scheme.</td>
</tr>
<tr>
<td>8</td>
<td>The company / concern shall be eligible for timely payment rebate as per the prevailing policy of the Corporation from time to time.</td>
</tr>
<tr>
<td>9</td>
<td>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.</td>
</tr>
<tr>
<td></td>
<td>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.</td>
</tr>
</tbody>
</table>
Attention is invited to P&G Circular No. 1211 dated 01.12.2007 containing the Saral Scheme for SME Sector and amendments made vide P&G Circular No. 1215 dated 19.01.2008 and P&G Circular No. 1219 dated 12.02.2008. The PC&CC in meeting held on 9th June, 2009 has reviewed the scheme and has decided as under:

1) The repayment period under the scheme has been increased from 3-1/2 years to 5 years including moratorium period not exceeding 6 months.

Accordingly, clause No. 6 regarding repayment period under the scheme has been modified.

2) Clause No. 8 regarding the rate of interest has been amended by incorporating the following provisions:

   a) The rate of interest has been reduced from 17.00% p.a. to 15.50% p.a. and the timely payment rebate shall be @ 1.00% p.a. under the scheme. The effective rate of interest is 14.50% p.a. A circular regarding the Interest Rate structure has been issued separately.

   b) In the loan cases where the exposure is upto Rs. 5.00 crores (including existing outstanding loan amount and proposed sanction amount), 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
Ref.No. RFC/ LA-12(61)/538

Dated: 15.07.2009

PG CIRCULAR:
(LA No. 511)

Reg: Scheme for financial assistance for Commercial Complexes, Show Rooms & Sales Outlets.

The Scheme for financial assistance for Commercial Complexes, Show Rooms & Sales Outlets was circulated vide P&G Circular No. 882 dated 16.10.2000. Amendments in the scheme have been made from time to time.

Representations have been received from entrepreneurs to consider financial assistance to intending buyers of shops/offices/commercial space where the Commercial Complex is assisted by the Corporation.

The matter was placed before the PC&CC in its meeting held on 03.07.2009 wherein it has been decided that purchase of commercial area for running permissible activities is also allowed for financing under the scheme.

Accordingly, the existing provision under clause “Eligible activities” in chapter LA(S)-1/16B at page 225 of PG, is substituted as under:

a) Construction of commercial complexes, showroom(s) & sales outlets providing basic infrastructure facilities like Electricity, Water, Sanitary-ware, Telephines, Internet, E-Commerce, Lift, Air conditioners and Cooling, Parking, Storage etc.

b) Purchase of commercial area for running permissible activities.

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

Sd/-
(Atul Kumar Garg)
Chairman & Managing Director

Copy to:
1. All BOs / SOs.
2. Standard Circulation at HO.
3. DGM(A&I), Eastern & Western Zone
Attention is invited to P&G circular No. 1177 dated 18.05.07 on the subject cited above.

Representations have been received to further liberalize the policy on the matter to enhance business in the segment. In view of the above, the matter has been examined in detail and revised the policy as mentioned below:

“The Competent Authority may consider financial assistance for setting up mineral grinding units (marble chips and powder) including expansion, on merits of the case in the Industrial areas of Alwar District (MIA, Rajgarh, Khairthal, Old Industrial area, Alwar) with the condition to furnish collateral security of not less than 50% of the loan amount in addition to the prime security of assets of the unit”.

Accordingly, it has been decided to substitute the relevant para appearing in the Selective List (Schedule 1/6-B).

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

Sd/-
(PAWAN ARORA)
Executive Director

Copy to:
1. All BOs / SOs.
2. Standard Circulation at HO.
3. DGM(A&I), Eastern & Western Zone
RAJASTHAN FINANCIAL CORPORATION
(LOANS SECTION)

Udyog Bhawan,
Tilak Marg,
JAIPUR-302 005.


PG CIRCULAR :
(LA No. 513)

Reg : Revision in Interest Rate for Hotel Projects.

Attention is invited to P&G circular No. 1269 dated 25.06.2009 regarding revision in Interest Rate structure of the Corporation.

The matter regarding charging of interest rate in hotel cases was reviewed in PC&CC meeting held on 23.07.2009 and it has been decided to enhance the effective rate of interest for Hotel projects from existing @ 12.75% to @ 13.50% p.a. (documented rate of interest @ 14% minus timely payment rebate @ 0.50%).

The revised rate shall be applicable to loan cases to be sanctioned on or after 23.07.2009 and the loan cases sanctioned earlier but the execution of the loan documents (including token disbursement) of the same is to be done on or after 23.07.2009.

Other terms & conditions shall remain unchanged.

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

Sd/-
(PAWAN ARORA)
Executive Director

Copy to :
1. All BOs / SOs.
2. Standard Circulation at HO.
3. DGM(A&I), Eastern & Western Zone
Reg : Delegation of powers for sanction of loan.

Detailed guidelines were issued vide P&G circular No. 1054 dated 27.05.2004, 1191 dated 30.08.2007, 1228 dated 28.05.2008, 1241 dated 13.10.2008 and 1267 dated 26.05.2009 for delegation of powers for sanction of loan.

The matter regarding enhancement of powers of sanction of B.O. Neemrana was placed before PC&CC meeting held on 23.07.2009. It has been decided to enhance the powers of sanction of term loan of the Manager(Branch), B.O. Neemrana from existing Rs. 40.00 lacs to Rs. 100.00 lacs for SME Sector (only project loan cases) including Good Borrowers except card schemes. Sanctioning powers of the Manager(Branch) for other categories of loan shall remain unchanged.

While sanctioning loan, it should be ensured by the sanctioning authority that if the loan amount required is more than the MRV of existing and proposed land & building of the unit, additional collateral security shall invariably be obtained.

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

Sd/-

(PAWAN ARORA)
Executive Director

Copy to :
1. All BOs / SOs.
2. Standard Circulation at HO.
3. DGM(A&I), Eastern & Western Zone
RAJASTHAN FINANCIAL CORPORATION
(LOANS SECTION)

Udyog Bhawan,
Tilak Marg,
JAIPUR-302 005.


: PG CIRCULAR :
(LA No. 515)

Reg : Scheme for Financing Against Assets.
(Disbursement of loan amount)

Attention is invited to P&G circular No. 1268 dated 16.06.2009 on the subject cited above.

It was brought to the notice of PC&CC in the meeting held on 23.07.2009 that due to the revised guidelines as circulated vide above said P&G Circular, entrepreneurs are facing problems in getting disbursement as per their requirement and simultaneously the pace of disbursement of the Corporation is also being affected.

The matter was reviewed in detail. It has been decided that disbursement under the Scheme for Financing Against Assets shall continue to be made in minimum two number of instalments but CA Certificate for utilization of disbursed loan in the prescribed performa shall required to be obtained before disbursement of last 20% of sanctioned loan amount in modification of earlier guidelines.

However, in case of switch over of loan cases the entire existing outstanding amount of the Bank/FI may be switched over in one instalment under the scheme subject to admissibility of loan based on MRV as per norms.

The revised guidelines shall be applicable to the loan cases to be sanctioned on or after the date of issue of this circular.

All concerned are advised to take a note of the above and substitute the relevant para appearing at point No. 5 of PG circular No. 1268 dated 16.06.2009 accordingly.

Other provisions of the scheme shall remain unchanged.

Sd/-

(PAWAN ARORA )
Executive Director

Copy to :
1. All BOs / SOs.
2. Standard Circulation at HO.
3. DGM(A&I), Eastern & Western Zone
the existing rate of interest whichever is higher.

c) In the loan 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.

Other terms & conditions shall remain unchanged.

All concerned are advised to incorporate these amendments in the scheme at appropriate places and ensure compliance of the same with immediate effect.

Sd/-
(Atul Kumar Garg)
Chairman & Managing Director

Copy to:

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

P&G CIRCULAR
(LA No. 516)

Re: Financial assistance to concerns involved in conducting courses in designing, technical, management, medical, hospitality etc. to provide trained manpower to industrial/service sector

In the preceding years, Govt. of Rajasthan has initiated effective steps for qualitative and quantitative improvement in technical and professional education in the state. The state is now being recognized as an educational hub in North India and some of the cities viz. Jaipur, Kota, Udaipur, Jodhpur, Bikaner and Ajmer have emerged as renowned centres for technical and professional education. Last 3-4 years have witnessed the emergence of a number of technical and professional educational institutions in the state and many of them are in the offing. As many as 10 new universities with latest courses in the field of medical, technical, management, law etc. have already come into existence.

Engineers, MBA and R&D professionals passing out from these institutions would ultimately be contributing to the growth of industrial activity/service sector. As on today Rajasthan is reputed to be the highest producer of Chartered Accountants in the country.

The PC &CC in the meeting held on 31.07.2009 has decided to introduce a new loan scheme for grant of "Financial assistance to concerns involved in conducting courses in designing, technical, management, medical, hospitality etc. to provide the trained manpower to industrial/service sector".
This will aim at providing required services or facilities for industry. Financial assistance under the scheme shall be considered to concerns involved conducting courses in designing, technical, management, medical, hospitality etc. to provide trained man power or facilities to industrial / service sector. Schools and other non professional educational institutions should be kept out of the purview of the loan scheme.

Only viable projects promoted by reputed persons with sound financial background and experience and catering to the manpower requirements of industries and trade may be considered after detailed appraisal.

The Loan scheme is enclosed herewith and marked as Annexure “A”.

All loan applications under the scheme shall be processed and sanctioned at HO only.

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

Sd/-
(A.K.Garg)
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'

Re: Financial assistance to concerns involved in conducting courses in designing, technical, management, medical, hospitality etc. to provide trained man power to industrial / service sector

A- Introduction:
In the preceding years, Govt. of Rajasthan has initiated effective steps for qualitative and quantitative improvement in technical and professional education in the state. The state is now being recognized as an education hub in north India and some of the cities viz. Jaipur, Kota, Udaipur, Jodhpur, Bikaner and Ajmer have emerged as renowned centres for technical and professional education. Last 3-4 years have witnessed the emergence of a number of technical and professional educations institutions in the state and many of them are in the offing. As many as 10 new universities with latest courses in the field of medical, technical, management, law etc. have already come into existence. Apart from this scores of colleges with engineering, management, law and medical related courses have come into being all over the state.

Engineers, MBAs and R&D professionals passing from these institutions would ultimately be contributing to the growth of industrial activity/ service sector and trade and commerce.

Financial assistance under the scheme shall be considered to concerns involved conducting courses in designing, technical, management, medical, hospitality etc. to provide trained man power or facilities to industrial / service sector. Schools and other non professional institutions shall not be considered for financing.

B- Eligible Borrowers:
Proprietorship concerns, partnership firms, registered co-operative societies & registered trusts and companies having clear mortgageable land titles in the name of applicant having viable projects located at suitable sites in the
state promoted by reputed persons with sound financial background.

C- **Purpose of Loan:**
Assistance may be granted to the eligible borrowers for:

a) Purchase of land  
b) Construction of building  
c) Acquisition of required P&M, Furniture & Fixture, lab equipments, air conditioners and other Misc. Fixed Assets

D- **Financial parameters:**

i) Promoters : Minimum 40% of Proposed Project Cost  

ii) Debt Equity ratio : Not more than 2:1  

iii) Margin of security on land and building : 30%  

iv) P&M, F&F and MFA : 50%  

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

E- **Security:**
The loan shall be secured by following:

i) Mortgage/hypothecation of land, building, P&M, Furniture & Fixture, lab equipments, air conditioners and other Misc. Fixed Assets  

ii) Personal Guarantee of all the promoters/trustees/officers  

iii) Need-based collateral security  

iv) Any other type of security, if required by sanctioning authority

F- **Amount of Loan:**
Upto Rs.1000.00 lacs. In suitable cases the limit can be relaxed.
G- Repayment period:
The loan shall be repayable in a period not exceeding 7 years including moratorium period not exceeding 24 months from the date of first disbursement without considering the implementation period.

H- Rate of Interest:
Presently, the documented rate of interest under the scheme shall be @14.50% p.a. payable in quarterly installments. Rate of interest shall be reset as per prevailing norms.

I- Other terms & conditions:
i) The concern shall furnish the required permissions from Govt./ AICTE / concerned university/ board etc for conducting the courses/ running the institution

ii) Building map to be approved by the competent authority

iii) The concern to open an Escrow account to route all its receipts through this account to ensure the payments of Corporation dues on priority from this account

iv) Need based collateral Security to be taken.

v) Permission/ approval/ NOC to be obtained from the competent authority as per conditions of allotment letter/ lease deed to mortgage the titles in favour of the Corporation and for exercise the powers action under provisions of SFCs Act and loan agreement.

J- Sanctioning Authority:
As per the prevailing delegation of powers of sanction. Initially, all loan applications under the scheme shall be processed and sanctioned at HO as per the existing delegation of powers till further orders.
Attention is invited to P&G circular No. 1269 dated 25.06.2009 and No. 1275 dated 30.07.2009 regarding revision in the Interest Rate structure alongwith Clause 'H' regarding Rate of Interest mentioned in Annexure-'A' of PG circular No. 1279 dated 24.08.2009 regarding the scheme for Technical/Professional Institution etc.

The Board of directors in the meeting held on 26.08.2009 has decided that the rate of interest in Hotel Projects and Technical & Professional Education projects shall be charged as under:

<table>
<thead>
<tr>
<th>Documented rate of interest</th>
<th>Timely Payment Rebate</th>
<th>Effective Rate of Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>14.00% p.a.</td>
<td>1.25% p.a.</td>
<td>12.75% p.a.</td>
</tr>
</tbody>
</table>

The revised rate shall be applicable to loan cases sanctioned on or after 26.08.2009 and the loan cases sanctioned earlier but the execution of the loan documents of the same is yet to be done.

Other terms & conditions shall remain unchanged.

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

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

Copy to:
1. All BOs / SOs.
2. Standard Circulation at HO.
3. DGM(A&I), Eastern & Western Zone
RAJASTHAN FINANCIAL CORPORATION  
(LOANS SECTION)  

Udyog Bhawan,  
Tilak Marg,  
JAIPUR-302 005.

Ref. No. RFC/ LA-16(1)/909  
Dated : 16.09.2009  

: PG CIRCULAR :  
(LA No. 518)

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

Attention is invited to P&G Circular No. 1149 dated 08.05.2006 on the subject cited above. The captioned matter was reviewed by PC&CC in the meeting held on 28.08.2009. For convenience of entrepreneurs it has been decided that loan cases of industrial units proposed to be set up on converted land in isolated areas (Including mining lease) shall now be processed and considered for sanction by the concerned branches within their respective delegated sanctioning powers subject to maximum loan amount of Rs. 50.00 lacs. While processing such loan cases following shall be ensured.

1. Prior approval from HO shall be obtained by sending the summarized position of the case in the enclosed proforma.

2. Cautious approach shall be adopted while processing such loan cases.

3. Collateral security of marketable & mortgageable immovable properties situated in Urban areas not less than the term loan amount is to be obtained.

4. Clear approach shall be ensured as per the prescribed guidelines issued by the Law Section.

Applications for above Rs. 50.00 lacs shall be sanctioned at HO as under :
<table>
<thead>
<tr>
<th>Sanctioning Authority</th>
<th>Loan amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chairman &amp; Managing Director</td>
<td>Above Rs. 50.00 lacs and upto Rs. 500.00 lacs.</td>
</tr>
<tr>
<td>Executive Committee</td>
<td>Above Rs. 500.00 lacs</td>
</tr>
</tbody>
</table>

Other guidelines will remain unchanged.

The above changes may be incorporated in the chapter LA-2, at Serial No. 3.1 of page no. 11 with regard to the delegation of powers of field level and in chapter LA-3, at serial no. 3.1 (A), of page no. 24 with regard to the delegation of powers at HO level in the P&G.

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

Sd/-

(Atul Kumar Garg)

Chairman & Managing Director

Encl. As above.

Copy to:
1. All BOs / SOs.
2. Standard Circulation at HO.
3. DGM(A&I), Eastern & Western Zone
Reg: Industrial units proposed to be set up on converted land in isolated area.

Sub: Prior clearance for processing the case at Branch Level of M/s.

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Particulars</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Name of the concern &amp; constitution</td>
</tr>
<tr>
<td>2</td>
<td>Address</td>
</tr>
<tr>
<td></td>
<td>i) Correspondence Address</td>
</tr>
<tr>
<td></td>
<td>ii) Works/Site address</td>
</tr>
<tr>
<td>3</td>
<td>Amount of loan applied &amp; name of the loan scheme</td>
</tr>
</tbody>
</table>

4. **Details of project:**
   a) Brief introduction:

   b) Cost of project & Sources of finance: (Rs. in lacs)

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Existing as on ------------</th>
<th>Proposed</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost of Project</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant &amp; Machinery</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Misc. Fixed Assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prel. &amp; Pre-operative Exp.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Working capital Margin</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Sources of Finance</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Own capital</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internal accruals</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unsecured Loans</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Term loan from RFC</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5. Details of the land of the proposed unit including size & area of land, location, clear approach etc (attach title examination report)

6. Details of collateral security and its MRV (attach title examination report)

7. **Details about the promoters :**

   1) Total Net worth of all the promoters :
      i) Movable assets : _________
      ii) Immovable assets : _________
      **Total** : _________

   2) Details of Income tax paid by the promoters during last three assessment years.

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Assessment year</th>
<th>Income assessed</th>
<th>Tax paid</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

8. Details of sister concern/unit (for preceding three years) in which the borrower is interested as Proprietor/Partner/Director :

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Name of concern/Sister concern</th>
<th>Nature of activity</th>
<th>Income/Sales</th>
<th>Net profit</th>
<th>Cash profit</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

9. Repayment Behavior (If the loanee is existing borrower of the Corporation)

   The Corporation has considered following loan to the unit :

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Date of sanction</th>
<th>Amount sanctioned</th>
<th>Amount disbursed</th>
<th>Amt overdues</th>
<th>Amount outstanding</th>
</tr>
</thead>
</table>
10. Position of loan cases sanctioned under the above category cases:

<table>
<thead>
<tr>
<th>No. of cases</th>
<th>Amount sanctioned</th>
<th>No. of cases in default</th>
<th>Amount in default</th>
<th>Amt. outstanding</th>
</tr>
</thead>
</table>

11. Comments/Recommendation of Branch Manager:

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Particulars</th>
<th>Comments/Recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td>i)</td>
<td>On examination of title documents</td>
<td></td>
</tr>
<tr>
<td>ii)</td>
<td>Comments on clear cut approach to the site</td>
<td></td>
</tr>
<tr>
<td>ii)</td>
<td>Justification for considering term loan</td>
<td></td>
</tr>
</tbody>
</table>

Signature of checked by AM/DM concerned
Signature of Branch Manager
Date: __________

: PG CIRCULAR :
(LA No.519)

Reg : Delegation of powers for sanction of loan at field offices.


To provide better services to entrepreneurs and to speed up the process of sanction, the matter regarding enhancement of powers of sanction of Branches was placed before PC&CC meeting held on 28.08.2009. It has been decided that the powers of sanction of Branches for SME Sector (only project loan cases) including Good Borrowers except card schemes shall be as under with immediate effect :-

<table>
<thead>
<tr>
<th>Sanctioning Authority</th>
<th>'A class Branches</th>
<th>Other Branches</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dy. Manager (Br.)</td>
<td>Rs. 40.00 lacs</td>
<td>Rs. 30.00 lacs</td>
</tr>
<tr>
<td>Manager (Br.)</td>
<td>Rs. 100.00 lacs</td>
<td>Rs. 50.00 lacs</td>
</tr>
</tbody>
</table>

Manager (Br.) BO Sitapura, (Jaipur) & Neemrana shall continue to exercise sanction powers for SME Sector (project loan cases only) already delegated vide P&G circular No. 1267 dated 26.05.2009 & 1276 dated 31.07.2009 respectively.

Accordingly necessary amendment may be made in the PG. The other guidelines shall remain unchanged.

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

Sd/-
(Atul Kumar Garg)
Chairman & Managing 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) 

Ref.No. RFC/ LA-GBD/GEN/125/1051       DATED : 08.10.2009 

: PG CIRCULAR :  
(LA No. 520) 

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

Proposals of some of the branches 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)” have been examined. 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 (Existing industrial running units):

<table>
<thead>
<tr>
<th>Name of Branch Office</th>
<th>Name of Industrial Area (s)</th>
</tr>
</thead>
</table>
| Jaipur (Rural)        | - Industrial Area, Heerawala (Extension)  
|                       | - Industrial Area, Kaladera  
|                       | - Industrial Area, Shahpura  
|                       | - Industrial Area, Renwal  
| Jodhpur               | - Industrial Area, Boranada IV Phase.  
|                       | - Agro Food Park, Boranada  
| Banswara              | - Industrial Area, Thikaria, Banswara  


Other norms/guidelines will remain unchanged.

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

Sd/-

(Dr. Mohan Lal Yadav)
Executive Director

Copy to:
1. All BOs / SOs.
2. Standard Circulation at HO.
3. DGM(A&I), Eastern & Western Zone
Reg : Repayment period under SME Sector project loan cases.

Suggestions have been received during the Branch Managers’ Meeting held on 31.08.09 that the matter regarding a longer repayment period should be reviewed looking to the nature, risk & parameters of project.

Accordingly the matter was placed in the PC&CC meeting held on 09.09.2009 and it has been decided that on the request of the party the repayment period may be considered beyond seven years and upto 10 years (inclusive of moratorium period) depending upon the DSCR position of the project under SME sector project loan cases.

However, the documented rate of interest after seven years shall be higher by 1.00% p.a. than the existing rate of interest or the prevailing rate of interest at that time whichever is higher as under:

<table>
<thead>
<tr>
<th>Repayment period</th>
<th>Increase in Intt. Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Upto seven years</td>
<td>Nil</td>
</tr>
<tr>
<td>- Above seven years but upto eight years</td>
<td>0.50%</td>
</tr>
<tr>
<td>- Above eight years but upto nine years</td>
<td>0.75%</td>
</tr>
<tr>
<td>- Above nine years but upto ten years</td>
<td>1.00%</td>
</tr>
</tbody>
</table>

Other norms will remain unchanged.

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

Sd/-
(Atul Kumar Garg)
Chairman & Managing Director

Copy to:
1. All BOs / SOs.
2. Standard Circulation at HO.
3. DGM(A&I), Eastern & Western Zone.
RAJASTHAN FINANCIAL CORPORATION
(LOANS SECTION)

Udyog Bhawan,
Tilak Marg,
JAIPUR-302 005.


: PG CIRCULAR :
(LA No. 522)

Reg : Withdrawal of Mahila Udyam Nidi Scheme (MUN).

The Scheme for assistance to Women Entrepreneur- Mahila Udyam Nidi Scheme (MUN) was circulated vide P&G circular No. 324 dated 20.09.1989 and thereafter amendments/modifications were also issued from time to time.

SIDBI vide its circular No. FI-05/2009-10 dated 24.09.2009 (Photo copy enclosed) has decided to withdraw the MUN Scheme with effect from 01.10.2009 and it has been advised not to sanction any fresh cases under the scheme.

Accordingly, all concerned are advised not to accept any loan application and no further loan may be considered for sanction under MUN scheme with immediate effect. All pending loan applications under the scheme may be closed and the application fee may be refunded as per norms.

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

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

Encl. As above.

Copy to :
1. All BOs / SOs.
2. Standard Circulation at HO.
3. DGM(A&I), Eastern & Western Zone
Attention is invited to P&G circular No. 1277 dated 10.08.2009 on the subject cited above.

The matter was placed before the Board of Directors in the meeting held on 26.08.2009, wherein it has been decided that following documents shall be obtained from the borrower before disbursement of last 20% of sanctioned loan amount or within 6 months from the date of first disbursement of loan which ever is earlier under the scheme:

(i) C.A. certificate for utilisation of disbursed loan in the prescribed proforma.

(ii) Affidavit in enclosed proforma on Non-Judicial Stamp paper of Rs. 10/-dully attested by Notary Public or Magistrate for utilization of loan amount for the purpose loan has been granted.

Other provisions of the scheme shall remain unchanged.

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

Sd/-
(A.K. GARG)
Chairman & Managing Director

Encl. As above.

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

I______________________ S/o. Shri ___________________________
aged_______ years, residing at __________________________________
Proprietor/Partner/Director of M/s. _____________________________ do
dehereby state on oath as follows :-

1. That the Rajasthan Financial Corporation has sanctioned a loan of
   Rs. ________ (Rupees______________________________ only) in
   favour of my/our concern/firm/company vide its sanctioned letter
   dated __________ for the purpose of ____________________________
   under Scheme for Financing Against Assets of the Corporation.

2. That out of the above sanctioned loan disbursement of Rs. _____
   (Rupees _________________________________only ) has been availed
   till date.

3. That the above said disbursed loan has been utilized by us exactly for
   the said purpose for which the loan was sanctioned/disbursed to
   my/our concern/firm/company.

DEPONENT

I, the said ________________________do hereby verify on oath that
contents of paras 1 to 3 are true and correct to the best of my personal
knowledge and belief. Nothing has been concealed or falsely stated so help
me GOD.

DEPONENT

Place :

Dated :
RAJASTHAN FINANCIAL CORPORATION  
(CREDIT APPRAISAL SECTION)  

A proposal of Rajasamand branch for inclusion of the following Industrial Area under the eligibility criteria of “Scheme for Financing Against Assets” and “Saral scheme for SME Sector (Existing industrial running units)” have been received and examined. The competent authority has decided to include the following Industrial Area under clause 2 (a) of Scheme for Financing Against Assets (in Annexure ‘A’) and in Annexure ‘A’ of Saral scheme for SME Sector (Existing industrial running units):

<table>
<thead>
<tr>
<th>Name of Branch Office</th>
<th>Name of Industrial Area (s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rajsamand</td>
<td>Tasol Road Industrial Belt at a stretch of about 3 kms. from Village – Pasond, N H 8 to Village Tasol subject to the condition that the MRV of the land is to be considered on the basis of DLC rate Rs. 55/- per sq. ft.</td>
</tr>
</tbody>
</table>

Other norms/guidelines will remain unchanged.

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

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

Executive Director
RFC/P&G1291

RAJASTHAN FINANCIAL CORPORATION
(CREDIT APPRAISAL SECTION)

Head Office
Tilak Marg
Jaipur


: P&G CIRCULAR :
(LA No.525)

Reg : Scheme for financing Against Assets.

Attention is invited to P&G Circular No. 1105 dated 25.04.2005 enhancing the maximum limit for financing under Scheme for Financing Against Assets upto Rs. 10.00 crores in case of Companies/Corporation/Registered Co-operative Societies and Rs. 8.00 crores in other cases.

The Board of Director in the meeting held on 27.10.2009 has now decided that loan above Rs. 10.00 crores & upto Rs. 20.00 crores in case of Companies/Corporation/Registered Co-operative Societies may be considered by the competent authority on case to case basis.

Other guidelines will remain unchanged.

All concerned are advised to take a note of the above.

(A.K. GARG)
CHAIRMAN & MANAGING DIRECTOR

Copy to :

1. Standard Circulation at HO.
2. All Branch Offices/Sub-Offices
3. DGM (A&I) Eastern & Western Zones.
RAJASTHAN FINANCIAL CORPORATION
(CREDIT APPRAISAL SECTION)

Head Office
Tilak Marg
Jaipur


: P&G CIRCULAR :
(LA No. 526)

Reg : Scheme for financing Against Assets.

Attention is invited to P&G Circular No. 1210 dated 29.11.2007 vide which guidelines was issued for consideration of loan to the units/promoters who have availed benefits in the form of reschedulement/any relief in the concern/ sister concern/ group concerns from the Corporation/ Banks/ FIs under Scheme for Financing Against Assets.

The matter was discussed in the Executive Committee meeting held on 05.11.2009 and it has been decided that if reschedulement has been considered in the loan cases of applicant concern/sister concern under scheme for financing against assets and real estate by extending LDR from $3 \frac{1}{2}$ years upto 5 years as per the prevailing policy of the Corporation the same may not be treated ineligibility and therefore there should not be any restriction in granting fresh loan under Scheme for Financing Against Assets in such cases.

Other guidelines will remain unchanged.

All concerned are advised to take a note of the above.

(A.K. GARG)
CHAIRMAN & MANAGING DIRECTOR

Copy to :
1. Standard Circulation at HO.
2. All Branch Offices/Sub-Offices
3. DGM (A&I) Eastern & Western Zones.
Attention is invited to P&G Circular No. 1271 dated 02.07.2009 on the subject cited above.

In view of representations received from the entrepreneurs the PC&CC in the meeting held on 24.11.2009 has decided that the moratorium period under the scheme may be considered up to 12 months. However, the total repayment period shall not exceed 5 years as per the existing guidelines.

Other guidelines will remain unchanged.

All concerned are advised to incorporate the amendment in clause no. 6 of the scheme and ensure compliance of the same with immediate effect.

(A.K. GARG)
CHAIRMAN & MANAGING DIRECTOR

Copy to:

1. Standard Circulation at HO.
2. All Branch Offices/Sub-Offices
3. DGM (A&I) Eastern & Western Zones.
P&G CIRCULAR
(LA No. 528)
Reg : Revision in interest rate structure of the Corporation

Pursuant to revision in refinance rate by SIDBI vide circular dated 09.11.2009, the Corporation has also reviewed the Interest rate structure for its various loan schemes and it has been decided to revise the interest rate structure as per Annexure “A”.

Regarding timely payment rebate revised guidelines shall be as under:

a) No rebate for timely payment shall be allowed for loan cases to be sanctioned on or after the date of issuance of the circular.

b) In the existing loan cases and already sanctioned loan cases, the earlier guidelines regarding timely payment rebate shall continued to be followed. In the cases where loan has been sanctioned and documents have already been executed with the condition of timely payment rebate as per the prevailing policy of the Corporation from time to time, the prevailing rate of timely payment rebate on the previous day of issuance of this circular shall be applicable.

The revised rates of interest shall be applicable in the loan cases to be sanctioned on or after 04.12.2009.

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

(A.K.Garg)
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 04.12.2009

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

<table>
<thead>
<tr>
<th>S. No.</th>
<th>NAME OF THE SCHEME</th>
<th>RATE OF INTEREST</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>SME Sector Units (Industrial &amp; Service Sector) Upto Rs. 50,000/.-</td>
<td>10.75%</td>
</tr>
<tr>
<td>2.</td>
<td>SME Sector Units (Industrial projects) above Rs. 50,000/- &amp; upto Rs. 20.00 Crores.</td>
<td>12.50%</td>
</tr>
<tr>
<td>3.</td>
<td>a) Financing Against Assets Scheme and “Scheme for Financing for Builders/commercial/residential complexes/Multiplexes, Hotels, Hospitals etc. for purchase of land &amp; building”&lt;br&gt;b) Saral Scheme for SME sector</td>
<td>17.00% 14.00%</td>
</tr>
<tr>
<td>4.</td>
<td>Construction of Commercial/Residential Complexes</td>
<td>16.00%</td>
</tr>
<tr>
<td>5.</td>
<td>a) Service Sector projects (excluding S.No. 3 to 4) and including Hotels, Technical/Professional Education Projects&lt;br&gt;b) Tourism Projects (except hotel projects), Guest-House cases, Hospitals/Nursing Home Projects and Medical Equipment Scheme cases</td>
<td>12.50% 13.25%</td>
</tr>
</tbody>
</table>

APPLICABLE FOR GOOD BORROWER SCHEMES

<table>
<thead>
<tr>
<th>S. No</th>
<th>NAME OF THE SCHEME</th>
<th>RATE OF INTEREST</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>a) Short Term Loan Scheme (STL), Working Capital Term Loan Schemes (WCTL), Special Purpose Working Capital Term Loan Scheme (SPWCTL).&lt;br&gt;b) Units Promoted By Good Borrower (UPGB)</td>
<td>12.50% 12.25%</td>
</tr>
<tr>
<td>2.</td>
<td>Working Capital Term Loan to Non Assisted Units</td>
<td>14.00%</td>
</tr>
<tr>
<td>3.</td>
<td>Platinum Card Scheme</td>
<td>12.50%</td>
</tr>
<tr>
<td>4.</td>
<td>Gold Card Scheme</td>
<td>12.75%</td>
</tr>
</tbody>
</table>
**NOTE :-**

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 7th 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. a) In the schemes where Post Dated Cheques for equated quarterly / monthly installments are obtained, the cheques shall be taken on documented rate of interest. It should be clearly mentioned that EQI/ EMI has been calculated on documented rate of interest. In case if the cheque is not realized then BO shall ask the borrower for enhanced amount of EQI/ EMI by including applicable rate of liquidated damages.

   b) In all other schemes Post Dated Cheques shall be taken for all the installments of Principal loan amount as per P&G circular no.1173 dated 18.04.2007.

6. a) No processing charges shall be levied under Card Loan Schemes under Good Borrowers.

   b) Processing Charges in all the GBD schemes shall be 0.75% of sanctioned loan amount except Card Loan Schemes, as per P&G circular No. 1256 dated : 30.03.2009.

7. Service charges @ 1% p.a. are applicable quarterly in addition to the applicable interest on loans granted under WCTL Scheme of Good Borrowers including NAU Scheme and Pass Book Scheme.

8. a) No timely payment rebate shall be allowed for loan cases to be sanctioned on or after the date of issuance of the circular.

   b) In the existing loan cases and already sanctioned loan cases, the earlier guidelines regarding timely payment rebate shall continued to be followed. In the cases where loan has been sanctioned and documents have already been executed with the condition of timely payment rebate as per the prevailing policy of the Corporation from time to time, the prevailing rate of timely payment rebate on the previous day of issuance of this circular shall be applicable.
9. 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.

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.
RAJASTHAN FINANCIAL CORPORATION
(CREDIT APPRAISAL SECTION)

Udyog Bhawan,
Tilak Marg,
JAIPUR-302 005.

Ref.No. RFC/ LA-12(67)/ 1414
Dated : 08.12.2009

: PG CIRCULAR :
(LA No. 529)

Reg : Financial assistance to concerns involved in conducting courses in designing, technical, management, medical, hospitality etc. to provide trained manpower to industrial/service sector.

Attention is invited to P&G circular No. 1279 dated 24.08.2009 on the subject cited above.

Suggestions have been received during Branch Managers' Meeting held on 31.08.09 to streamline the process of financing under the captioned scheme. The matter has been examined in detail. After review of the provisions of the scheme, the PC&CC in its meetings held on 09.09.09 and 16.11.2009 has decided to make following amendments in the Scheme:

1. Repayment of principal in yearly/half yearly instalments may be considered on case to case basis on the request of the borrowers. The interest may continued to be paid on quarterly basis as usual.

2. Depending upon the risk perception, minimum 25% collateral security of loan shall be taken in each case under the scheme in addition to mortgaging/hypothecation of prime security of the unit. Additional collateral security may invariably be obtained from institutions located outside city areas and in cases of Medical Education Institutions. However, based on merits of the case, relaxation in
collateral security may be considered by CMD on case-to-case basis.

3. In the case of institutions registered under Societies Act (Rajasthan Institutions Registration Act, 1958) loan under the scheme shall be considered upto the extent of Rs. 800.00 lacs only as per the SFCs Act.

4. While considering loan under the scheme a condition specifically be stipulated in the loan proposal regarding take over of management u/s 29 of SFCs Act in addition to the other powers available for recovery under SFCs Act as under:

"The borrower will submit an undertaking that Rajasthan Financial Corporation can take over possession or management or both of the concern/firm/company/society in exercise of powers conferred on the Rajasthan Financial Corporation u/s 29 of the State Financial Corporation Act, 1951 in case of default and breach of any condition of sanction letter and loan agreement to be executed in favour of Rajasthan Financial Corporation".

An undertaking to this effect shall be also obtained as per the enclosed draft.

5. Documents of Title and constitution of the society/concern in respect of all the loan cases under Technical/professional Educational loan scheme shall be examined while considering loan under this scheme.

6. All precautions including various clearances from Govt. Departments /agencies e.g. AICTE, MCI etc. may be taken while considering loan under the scheme

Other provisions of the scheme shall remain unchanged.

Necessary amendments may be incorporated at appropriate places in the existing scheme.
All concerned are advised to take a note of above and ensure compliance.

(A. K. GARG )
Chairman & Managing Director

Encl. As above.
Copy to:
1. All BOs / SOs.
2. Standard Circulation at HO.
3. DGM(A&I), Eastern & Western Zone
(To be executed on Non-Judicial Stamp paper of Rs. 100/- purchased in the name of the Company for the purpose of Undertaking and duly attested by the Notary Public)

UNDERTAKING

I, ____________________ S/o Sh ____________________________ aged ______years, resident of ____________________________________________________________, sole Proprietor/Partner/Director/Authorized office bearer of M/s. _________________ do hereby state and undertake as follows:

1) That I/We have applied to the Rajasthan Financial Corporation (RFC) for a loan of Rs. ______ (Rupees ______________ only) for establishment/development of our Technical/Professional Educational Institution at______________________________________________________

2) That the Rajasthan Financial Corporation has sanctioned a loan of Rs. ______ (Rupees ______________ only) in favour of my/our Concern/Firm/Company/Society for the above said purpose.

3) That I/we have offered all the fixed assets of our Concern/Firm/Company/Society situated at __________________________ in security for the said loan.

4) That my/our Concern/Firm/Company/Society have agreed and given free consent to the Rajasthan Financial Corporation to take over possession or management or both of the Concern/Firm/Company/Society in exercise of powers conferred on the Rajasthan Financial Corporation u/s 29 of the State Financial Corporation Act, 1951 in case of default and breach of any condition of sanction
letter and loan agreement to be executed in favour of Rajasthan Financial Corporation.

For M/s. _________________

(______________________)

Proprietor/Partner/Director/Authorized office bearer

Place :
Dated :
Ref. No. RFC/LA-13(11)/1524


: P&G CIRCULAR :
( LA No. 530 )

Reg : Revision in Interest rate for construction of Residential/Commercial complex projects.

Attention is invited to P&G Circular No. 1294 dated 04.12.2009 regarding revision in Interest Rate structure of the Corporation.

The matter regarding charging of interest rate in construction of Residential/Commercial complex projects was reviewed in the PC&CC meeting held on 22.12.2009 and it has been decided to reduce the rate of interest for construction of Residential/Commercial complex projects from existing rate of interest @ 16.00% p.a. to 14.75% p.a.

As per existing guidelines, the revised rate shall be applicable to loan cases to be sanctioned on or after 22.12.2009 and cases where documents executed on or after 22.12.2009.

Other terms & conditions shall remain unchanged.

All concerned are advised to take a note of the above.

(A.K. GARG)
CHAIRMAN & MANAGING DIRECTOR

Copy to :
1. Standard Circulation at HO.
2. All Branch Offices/Sub-Offices
3. DGM (A&I) Eastern & Western Zones.

: PG CIRCULAR :
( LA No. 531 )

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

Proposals received from branch office Bharatpur & Sikar
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)” were placed and decided by the PC&CC in
the meeting held on 22.12.2009. Accordingly, 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 (Existing
industrial running units):

<table>
<thead>
<tr>
<th>Name of Branch Office</th>
<th>Name of Industrial Area(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bharatpur</td>
<td>- Industrial Area, Bayana</td>
</tr>
<tr>
<td></td>
<td>- IID Centre Bayana</td>
</tr>
<tr>
<td></td>
<td>(subject to the condition that the MRV of building shall be excluded)</td>
</tr>
</tbody>
</table>
It has also been decided that loan may also be considered under “Scheme for Financing Against Assets” and “Saral scheme for SME Sector (Existing industrial running units)” for all other RIICO Industrial Areas other than the industrial areas already specified in Annexure ‘A’ of respective schemes till 31st March, 2010. subject to the satisfaction of the Branch Managers and prescribed norms/parameters. Further, MRV of land for such areas is to be considered on the basis of RIICO rate.

Other norms/guidelines will remain unchanged.

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

(A.K. GARG)
CHAIRMAN & MANAGING DIRECTOR

Copy to:
1. All BOs / SOs.
2. Standard Circulation at HO.
3. DGM(A&I), Eastern & Western Zone
Reg : Precautionary measures to be taken for financial assistance to CRE cases.

In the light of directions issued by the Hon’ble High Court, Bombay published in the News paper i.e. Time of India Mumbai Edition dated 19.09.2009, the matter was discussed in the PC & CC meeting held on 04.11.2009 and it was decided that henceforth, the following precautionary measures should be taken while considering financial assistance to CRE cases:–

a) A condition to be stipulated in all the loan cases to be sanctioned in future that the promoter/ builder/ developer/ borrower to disclose the charge or any other liability on the plot/property and the information of particular scheme related to Housing/Commercial complex in brochure, pamphlets, booking form/application and advertisement in newspapers/magazines etc., inviting public at large to purchase flats and properties. It will also be indicated that they have to obtain certificate of NOC/permission from the Corporation before execution of sale deed in favour of purchaser.

b) The borrower shall submit an undertaking to the effect that transparency and fair business dealings/ethic shall be maintained with the prospective buyers/purchasers.
All concerned are advised to take a note of the above and ensure compliance with immediate effect.

Sd/-
(A.K. GARG)
CHAIRMAN & MANAGING DIRECTOR

Copy to:

1. Standard Circulation at HO.
2. All Branch Offices/Sub-Offices
3. DGM (A&I) Eastern & Western Zones
Ref. No. RFC/LA-12(65)/1639  Dated: 22.01.2010

: P&G CIRCULAR:
(LA No. : 534)

Reg : Fast Track Loan Scheme for Existing Borrowers.

Attention is invited to P&G Circular No. 1239 dated 06.10.2008 regarding the captioned scheme.

In view of suggestions received from the field offices the PC&CC in the meeting held on 12.01.2010 has decided that clause 2(ii) of the scheme regarding eligibility criteria stands amended as under:

"There should not be overdues as on date and the unit should have repaid atleast 6 quarterly principal installments/EQIs".

Accordingly, all concerned are advised to incorporate the amendment in the scheme at appropriate place and ensure compliance of the same.

Other guidelines will remain unchanged.

Sd/-

(A.K. GARG)
CHAIRMAN & MANAGING DIRECTOR

Copy to :

1. Standard Circulation at HO.
2. All Branch Offices/Sub-Offices
3. DGM (A&I) Eastern & Western Zones.
Attention is invited to P&G Circular No. 1173 dated 18.04.2007 on the subject cited above.

The Corporation is invariably stipulating the condition for obtaining Post Dated Cheques (PDCs) in the loan schemes where the repayment of principal and interest amount is through Equated Quarterly Installments (EQIs)/Equated Monthly Installments (EMIs) and in case of other schemes PDCs are taken for repayment of principal amount in term loan cases.

The matter was reviewed by the PC&CC in the meeting held on 12.01.2010 and it has been decided that repayment of principal and interest installments shall be made by way of Equated Quarterly Installments (EQIs)/Equated Monthly Installments (EMIs) and PDCs for the same shall be obtained for all EQIs/EMIs at the time of execution of loan documents in all the loan cases under all loan schemes to be sanctioned on or after 01.02.2010.

All concerned are advised to make changes in repayment clause of all the Loan Schemes and to stipulate the condition accordingly.

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

Sd/-
(A.K. GARG)
CHAIRMAN & MANAGING DIRECTOR

Copy to:
1. Standard Circulation at HO.
2. All Branch Offices/Sub-Offices
3. DGM (A&I) Eastern & Western Zones.
Reg : Financial assistance to concerns involved in conducting courses in designing, technical, management, medical, hospitality etc. to provide trained man power to industrial/service sector.

Attention is invited to P&G circular No. 1279 dated 24.08.2009 and P&G Circular No. 1295 dated 08.12.2009 on the subject cited above.

During discussions on the scheme, the Board of Directors in the meeting held on 05.02.2010 has decided that Assets Coverage Ratio for loan cases under the scheme should not be less than 2:1. Therefore, while considering loan under the scheme, Security Margin on all the Fixed Assets shall be kept 50%.

Other provisions of the scheme shall remain unchanged.

Necessary amendments may be incorporated at appropriate places in the existing scheme.

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

Sd/-
(A. K. GARG)
Chairman & Managing Director

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