

RAJASTHAN STATE INDUSTRIAL DEVELOPMENT &
INVESTMENT CORPORATION LIMITED
UDYOG BHAWAN, TILAK MARG, JAIPUR 302005

IDD 6(212)
February 18, 2015


OFFICE ORDER

Sub: Scheme for financing of Industrial Land in RIICO Industrial Areas

The Board of Directors of the Corporation in its meeting held on 06.02.2015 has approved the "Scheme for financing of Industrial Land in RIICO Industrial Areas" which is enclosed at Annexure-A.

All Unit Offices will implement the scheme with immediate effect and will take following action:

1. A copy of the scheme will be enclosed with each allotment letter of land having development charges of Rs. 3.34 crores and above.
2. A copy of the allotment letter will be sent to Chief General Manager (Investment) at Head Office.
3. The Unit Head will adhere to the disbursement procedure mentioned in clause 7 of the Scheme.


(Veenu Gupta)
Managing Director
Encl.: As above

ANNEXURE-A**Scheme for financing of Industrial Land in RIICO Industrial Areas**

With a view to offer financial support to the entrepreneur right from the beginning of the project implementation, the scheme for financing of Industrial Land in RIICO Industrial Areas has been formulated.

The details of the scheme are as under:

1. Eligibility Criteria:

- (a) Fresh allotment of plot or plots auctioned by RIICO in its Industrial Areas will be eligible under the scheme. Plot purchased under resale will not be eligible.
- (b) Plots allotted for the purpose of setting up an industrial unit will be eligible. Industrial unit here means the "Industrial Concern" as defined in SFC's Act. Commercial/Residential Plots and Plots for Institutional Purpose will not be eligible.
- (c) Promoter should have satisfactory record of repayment and should not be a defaulter to any financial institution/bank.
- (d) The borrowers who have already availed facility of payment of cost of land on installment basis will not be eligible under this scheme.

2. Quantum of Term Loan:

Minimum amount of term loan will be Rs. 200.00 lacs.

Minimum promoter's contribution will be 40% of the bare cost of land

3. Rate of Interest:

The documented (lending) rate of interest will be 15.5% (1% higher than the normal rate of 14.5%). Rebate for timely payment of interest & principal (which is 2% at present) will be admissible making net rate of interest at 13.5%. Liquidated damages @ 2% on the amount of default and for the period of default will be charged as per policy of the Corporation. In case the project proposed to be set up on the plot is also financed by RIICO, the outstanding loan against the land will be merged in the fresh loan and the rate of interest & repayment will be governed by the terms and conditions of fresh term loan. However, the merger will take effect only from the date of first disbursement of fresh term loan.

4. Repayment Period:

The maximum period of repayment will be 5 years including moratorium up to one year. The promoter will adhere to the timelines for starting construction, commercial production, etc. specified in the letter of allotment.

In case the promoter opts for taking loan for the project proposed to be set up on the plot from other financial institution/bank, he will have to pre-pay the loan of RIICO before the charge on the land is released by RIICO. However, no prepayment premium will be charged under the scheme by RIICO for pre-payments made.

5. Security

The loan shall be secured by way:

- (d) First charge over the plot of land proposed to be financed.
- (e) Personal guarantee of Promoters/Directors/Proprietors/Partners of the company/proprietorship firm/partnership firm/LLP, as the case may be.
- (f) Collateral security, where ever considered necessary.

6. Sanctioning Authority:

Competent authority as per the prevailing policy of the Corporation.

7. Disbursement Procedure

- (g) The borrower shall submit allotment letter of Land issued by concerned unit office alongwith proof of payment of minimum 40% amount of development charges. Other leviable charges will be paid by him separately.
- (h) The borrower shall execute necessary legal documents like Loan Agreement, Personal Guarantee, Hypothecation etc. with Legal/Documentation Cell of the Corporation. The Corporation will issue an Assurance Letter to the unit office for payment of balance development charges i.e. loan amount.
- (i) The borrower shall get executed lease deed in its favour from the unit office in Form 'D' mentioning the balance due i.e. upto 60% of development charges and the last date of deposit of balance development charges.
- (j) The borrower shall mortgage the lease deed with Legal/Documentation Cell.

(k) The Corporation will release the loan amount directly to the unit office against the said lease deed.

(l) The unit office will issue "No Dues Certificate" against the said plot.

8. Other Conditions:

- (a) The loan application for project finance from RIICO will be considered separately on merits of the case irrespective of the fact that the applicant has already availed loan from RIICO for allotment of land.
- (b) The processing fee, service charges & upfront fee will be as per policy of the Corporation.
- (c) The payment of interest and principal will be on due dates and in quarterly installments.
- (d) In case the promoter does not take effective steps for construction and implementation of the project within the prescribed period, the Corporation will have right to recall and recover the loan irrespective of timely repayments being made as per schedule of the loan.

**APPLICATION FORM FOR FINANCIAL ASSISTANCE FOR PURCHASE OF INDUSTRIAL
LAND IN RICO INDUSTRIAL AREAS**

A	Financial Assistance Applied For	Rs.....lacs.
B	Enclose cheque/DD for an amount equivalent to 0.1% of loan applied + applicable service tax & cess towards processing charges.	Cheque/DD No. Date Drawn on Amount
1.00	PARTICULARS	
1.01	Name of Borrower	
1.02	Address	
	a) Registered Office	
	b) Controlling (Head) Office	
	d) Telephone Nos.	Mobile No. of contact person
		Fax No.
		e-mail
2.00	Constitution	
2.01	Date of incorporation/registration.	
	(Enclose certified copies of Memorandum & Articles of the company/partnership deed/LLP/trust deed, etc.)	
3.00	Industry	
3.01	Name of the product(s) and their uses.	
3.02	Whether SSI/Medium/Large.	
4.00	Management	
4.01	Give detailed bio-data of the main promoters. (Proforma -I) and Net-worth Statement as per Proforma II.	
	(Enclose copies of IT Returns of the promoters for the last three years)	
4.02	List of Directors/Partners	
4.03	Name(s) and address of bank(s) with whom enquiries may be made regarding the applicant concern and the promoters.(furnish the details in the enclosed Annexure-A)	
	Enclose : Authority letter from the promoter(s)/company for bank to discuss with the lending institutions.	
4.04	Details of pending litigation, if any, against and by the concern.	
5.00	BRIEF HISTORY OF THE CONCERN	
5.01	State briefly the history of the company/firm, in case of existing company/firm.	
	Enclose Audited balance sheet of the company/Firm & copy of income tax returns for last three years. Please also furnish the provisional balance sheet as on date for the current year.	
6.00	ASSOCIATE CONCERN(S)	
6.01	Details and addresses of associate/subsidiary concern(s) in which promoters are interested. (furnish the details in the enclosed Annexure-A)	
	Enclose copies of Audited Balance Sheet for last three years.	

	Self Declaration and Statement showing the details of financial assistance obtained from the financial institutions/ banks.(Annexur-A & AA)			
7.00	PARTICULARS OF THE PROJECT			
	Enclose: Copy of the feasibility/project report.			
8.00	LOCATION AND LAND			
	Indicate location of the site, Area of land for the project and its Cost			
	Enclosure:			
	i. Copy of the Allotment Letter			
	ii. Site plan of the land			
9.00	COST OF THE PROJECT & MEANS OF FINANCE			(Rs.)
	Particular	Incurred	To be incurred	Total
	Cost of Land			
	Registration Charges			
	Preliminary & Preoperative Expenses			
	TOTAL			
	MEANS OF FINANCE			
	Share Capital (Including premium, if any)			
	Term Loan(s)			
	Unsecured Loan(s)			
	Internal Cash Accruals			
	Other source (specify)			
	TOTAL			
	Enclose: proposed share holding pattern			
1000	Details of securities to be offered.			(Rs.)
	(a) Primary Securities i.e Proposed Land			
	(b) Collateral Security. Enclose title deeds & valuation report of Chartered Valuer.			
11.00	Government Consents			
	Particulars	Numbers	Date of Issue	Present status, if not issued.
	a. SIA/SSI Registration			
	b. PAN			
	Enclose : Copies of above approvals.			

DECLARATION

I/We certify that all information furnished by me/us is true; that I/We have no borrowing arrangements except as indicated in the application, for the unit with any bank; that no legal action has been/is being taken against me/us; that I/We shall furnish all other information that may be required by you in connection with my/our application; that this and any other information available with you pertaining to the borrowing unit, present and future, may also be exchanged by you with any agency you may deem fit,

and that you, your representatives, representatives of any other Agency as authorized by you, may at any time inspect/verify our assets, books of accounts etc. in our factory and business premises.

I/We further certify that as on date there are no overdues to financial institutions/ banks from the undersigned, the other promoters and the Company/Companies in which I/the other promoters have interest as a promoter/director/partner/proprietor. I/We further certify that there are no statutory overdues pending against me/the other promoters/the Company or other in which I am/the promoters are Director/Directors. That the company/firm or any of its Promoters/ Directors/Partners are not involved in any case of economic offence and are not declared insolvent.

Place:
Date

Signature
Name and Designation
Name of the concern

Note : For applicable Service Charges & Up-front fee, payable in respect of the loan sanctioned, please visit our Website ; www.riico.co.in

PROFORMA I
DETAILS OF MAIN PROMOTERS
 (Please use separate sheets for each promoter)

Space for Photograph duly signed

NAME OF UNIT :

1.	Bio-Data of :
2.	Father's Name :
3.	Date of Birth
4.	Information required for statistical purpose: (i) Whether the promoter is a) A member of backward/minority community or Scheduled Caste/Tribe b) Ex-Serviceman c) Physically Handicapped (ii) Sex (iii) PAN No. allotted by Income Tax Department(Pl. enclose copy) (iv) Passport No..... issued from(Pl. enclose copy) (v) Voter ID No.....(Pl. enclose copy) (vi) Telephone No. a) Residence b) Office c) FAX No. d) Mobile No. e) e-mail
5(A)	Permanent Address (pl. enclose copy of address proof)
5(B)	Address for Correspondence
6.	Academic Qualification
7.	Experience Period Employer Designation Last Salary Drawn
8.	Functional responsibilities in the proposed project.
9.	Capital/Loan contribution in the proposed project. (i) At present (ii) Proposed
10.	Any other information
	NOTE : The details should be presented in a manner to reflect managerial/entrepreneurial abilities of the promoters.

PROFORMA II

DETAILS OF NET WORTH OF PROMOTER(S) AS ON

	Particular(s)	Value
(i)	Immovable (Details of property alongwith address, enclose photocopy of the title deeds). 1..... 2..... 3.....	
(ii)	Movables	
(iii)	Loan(s)	
(iv)	Investment(s)	
(v)	Cash & Bank Balance	
(vi)	Others (if any)	
	TOTAL	
	Less : Liabilities	
	NET WORTH	

(To be furnished by Promoters/Guarantors individually duly self attested)

ANNEXURE 'A'

DECLARATION

I(Name of Promoter/Guarantor) S/O, W/O, D/O Shri, agedyears, residing at Director/Partner/Proprietor of M/s..... do solemnly declare that :-

i. I am/We are submitting an application to Rajasthan State Industrial Development & Investment Corporation Ltd. (RIICO), Udyog Bhawan, Jaipur for sanction of Term Loan of Rs.....lacs (Rs.....only) for purchase of Industrial land measuring sq. mtrs., situated at plot no., RIICO Industrial Area, District

ii. I am having savings/current a/c in my name in the following bank(s) :-
Name of the Bank with Address Nature of A/c A/c No. Since

iii. I am having following associate concerns in which I am acting as a director/partner/proprietor.
Name of Associate Concern with address Product Since

iv. The details of bank a/cs of associate concerns are as under :-
Name of associate concern Name of bank with address A/c No. Since

v. That neither I nor any director/partner of our company/concern namely M/s....., have so far sought any sort of financial assistance from any other financial institution/bank at any place in the country except as stated in the statement enclosed as Annexure 'AA'.

vi. I authorize the Corporation to seek details of credit worthiness/repayment behaviour from the bankers for its confidential use.

vii. I declare that the bank a/cs are regular and there are no default committed by me/us or any of the associate concern.

viii. I further declare that the above information is complete and nothing has been concealed.

Signature of Deponent
(.....)
Name & Address

Dated :
Place :

VERIFICATION

I, the said do hereby verify that contents of para i to viii of the above affidavit and enclosed Annexure 'AA' are true and correct to the best of my personal knowledge and belief. Nothing has been concealed or falsely stated. I am well aware of the fact that if the information given by me is proved false/not true, I will have to face the punishment as per the law. Also, all the benefits availed by me shall be summarily withdrawn.

Signature of Deponent
(.....)

ANNEXURE 'AA'

Statement showing the details of financial assistance obtained from the financial institutions/ banks.

(Attached to Declaration)

S No	Name of FI/ Bank with address	Loan/ limit sanctioned	Nature of Loan/ Limit	Amount Outstanding	Overdue, If any	Name of concern/ company in whose name assistance has been obtained.	Name of interested persons who are common in both the project/ business
1.	2.	3.	4.	5.	6.	7.	8.

Signature of Deponent
(.....)