

RAJASTHAN FINANCIAL CORPORATION
(LOANS SECTION)

Ref. No. RFC/LA-13(4)/847

Dated : 27.09.03

CIRCULAR
(LA-370)

Sub : Refund of Loan Application

The matter regarding refund of loan application fee was reviewed by the Board of Directors its meeting held on 19.9.03 and after consideration, the Board has adopted the following policy regarding refund of application fees with immediate effect.

1. All loan applications may be accepted alongwith required loan application fees. However, 25% of application fee may be retained by the Corporation and balance 75% of application fee may be refunded in the following circumstances:

- i) Where applicant concern is not an industrial concern under SFCs Act
- ii) Where application attracts restrictive provisions of SFCs Act
- iii. Where industry is not to be encouraged within the existing frame work of the corporation's financing .
- iv. Where case is not cleared by PCC/IPC meeting during the course of discussions in such meetings.

2) In following circumstances the application fees once deposited shall not be refunded

i) In case where the applicant has been advised to approach the Corporation afresh for alternative new line of product, the application fees deposited with the earlier loan application may be adjusted against the subsequent application.

ii) Where case is cleared in principle by PCC/IPC meeting on certain conditions and thereafter if the applicant approaches for refund of applicable fees on account of seeking modification in the terms and conditions.

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The above said guidelines shall be applicable prospectively and required amount of loan application fee may be refunded alongwith the rejection letter to be issued to the applicant.

The above guidelines to be substituted in PG at para 1.3 of Chapter LA-2.

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

Sd/-

(J. P. Vimal)

Executive Director