

RAJASTHAN FINANCIAL CORPORATION

HEAD OFFICE,
TILAK MARG,
JAIPUR.

Ref. No.RFC/LA-16(1)/1191

Dated : 30.08.2007

: P&G CIRCULAR :
(LA No.468)

SUB : Delegation of Powers for sanction of loan.

P&G Circular No. 889 dated 20-12-2000 and P&G Circular No. 1054 dated 27.05.2004 were issued for delegation of powers for sanction of loan.

Consequent upon the decision to close the Regional Offices, the matter relating to delegation of powers for sanction of term loans by the field offices was discussed by the PC&CC in its Meeting held on 20.08.2007 and it has been decided to revise the powers for sanction of term loans by the field offices as under :-

i) Sanction of term loan to SME sector including Good Borrowers :

	Sanctioning Authority	Maximum Amount
-	Dy. Manager (Br.)	Rs.20.00 lacs
-	Manager (Br.)	Rs.40.00 lacs
-	Dy. General Manager (Br.)	Rs.50.00 lacs

ii) Sanction of term loan to NON-SME sector :-

	Sanctioning Authority	Maximum Amount
-	Dy. Manager (Br.)	Rs.15.00 lacs
-	Manager (Br.)	Rs.25.00 lacs
-	Dy. General Manager (Br.)	Rs.40.00 lacs

- iii) All the Loan cases /proposals would be sanctioned by the Competent Authorities on the recommendations of DLAC/ LAC.
- iv) The constitutions of the Committee will remain unchanged as given in the LA-2 at Serial No. 3.2, & 3.2B Page No. 12 of P&G, except for the Committee headed by DGM, the convener will be Manager /DM (Loans/ Appraisal) of the respective Branch. All other delegations of powers for sanction of Loans to borrowers shall be applicable as per the existing policy in respective schemes.
- v) The above changes may be incorporated in LA-2 at Serial No. 3.1 & 3.2, Page No. 11 & 12 of P&G with regard to delegation of powers for sanction of term loans to field offices.

NOTE :

- i) Cost over run upto 20% of the sanctioned amount of loan would be sanctioned (without changing the level of margin of security and promoter's contribution) by the respective Sanctioning Authority over and above the powers delegated for sanction of loan.
- ii) The special schemes and GB Schemes under which powers have not been delegated to field offices shall continue to be exercised at HO.
- iii) The loan for purchase of DG Set (upto 250 KVA) under D G Set scheme shall be sanctioned by the concerned authority within whose jurisdiction total outstanding falls after considering of the said loan.
- iv) The CMD is authorised to make need based relaxations in the terms and conditions in all sanctioned cases under various schemes of the Corporation.
- v) The loan cases /proposals at HO level would be sanctioned by the Competent Authority as per the recommendations of PC&CC.
- vi) Further loan cases may be sanctioned by the Sanctioning Authority under whose jurisdiction total accommodation falls i.e. outstanding against the existing loan plus proposed loan.

vii) Non SME sector will include :

- I. FAAS { excluding industrial unit (Annexure-A) and hotel (tourism related activities) hospital and nursing homes}.
- II. Builders scheme { excluding hotel (tourism related activities) hospital and nursing homes}.
- III. Commercial complex, showrooms and sales outlsets/ residential complex scheme.

The above revised delegation of powers of sanction (Field level and H. O. Level) would also be applicable for the loan cases under GB Scheme and it would be in addition to the powers for sanction of loan under General Loan Scheme.

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

Sd/-
(S. K. Agarwal)
Executive Director

Copy to :

- 1- The Secretary to CMD,
- 2- PS to ED,
- 3- Standard Circulation at HO,
- 4- All Branches /Sub-Offices,
- 5- DGM (A&I) Eastern & Western Zone,