

RAJASTHAN FINANCIAL CORPORATION  
(LOANS SECTION)

Ref. No.RFC/F.LA-GBD/Gen/125/2010

Dated : 09.01.2008

: P&G CIRCULAR :  
(LA No. : 477 )

Reg : FINANCING AGAINST THE SECURITY OF RESIDENTIAL  
PROPERTIES UNDER FINANCING AGAINST ASSETS SCHEME.

The Scheme for Financing Against Assets was circulated vide P&G Circular No. 1007 Dated : 22.05.2003 thereafter various amendments /modification were circulated from time to time.

As per P&G Circular No. 1147 Dated : 06.05.2006, loan application for loan amount below Rs. 50.00 lacs shall not be considered for financing against the security of Residential Properties under FAA Scheme and loan application for loan amount of Rs. 50.00 lacs & above shall be considered for selected cases on the merits of the case.

Representations have been received from the Industrial Associations /field offices requesting for reduction of the minimum amount from Rs. 50.00 lacs for considering the loan against residential property, under this scheme.

The matter was placed before the Board in its 494<sup>th</sup> Meeting held on 28<sup>th</sup> December, 2007, wherein it has been decided that the minimum limit of loan amount against the Security of

residential properties may be reduced from Rs. 50.00 lacs to Rs. 25.00 lacs and financial assistance may be provided only for the authorized economic activities.

In view of the aforesaid Board decision henceforth financial assistance against the security of residential property under FAA Scheme shall be considered for term loan of Rs. 25.00 lacs and above. The utilization of loan shall be made for the activities allowed under Section 2 (C) of SFCs Act.

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

(PAWAN ARORA)  
EXECUTIVE DIRECTOR

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