

RFC/P&G/ 1294

RAJASTHAN FINANCIAL CORPORATION
(CREDIT APPRAISAL SECTION)

Udyog Bhawan,
Tilak Marg,
JAIPUR-302 005.

Ref. No.RFC/LA-13(11)/ 1399

Dated : 04 .12.2009

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

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

APPLICABLE FOR GOOD BORROWER SCHEMES

S. No	NAME OF THE SCHEME	RATE OF INTEREST
1.	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)	12.50% 12.25%
2.	Working Capital Term Loan to Non Assisted Units	14.00%
3.	Platinum Card Scheme	12.50%
4.	Gold Card Scheme	12.75%

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.	<p>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.</p> <p>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.</p>
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