

RAJASTHAN FINANCIAL CORPORATION
(Credit Appraisal Section)

Udyog Bhawan
Tilak Marg
Jaipur-302 005

Ref. RFC/LA-12 (1)/448

Date : 17.06.2010

CIRCULAR

(LA No.:547)

Reg. : Scheme for working capital loan under Single
Window to MSME units

The Corporation has been considering term loan for fixed assets as well as working capital term loan as per provisions of the captioned scheme as Schedule 1/12 M of PG.

Representations have been received from the entrepreneurs/industrial associations stating that if the security coverage is adequate in the form of prime security itself, additional collateral security for the purpose of WCTL may not be insisted by RFC.

The matter has been discussed in the PC & CC in the meeting held on 09.06.2010 and it has been decided that while considering loan under the scheme additional Collateral Security may not be insisted if the MRV of existing land and building of the unit ascertained as per prevailing norms covers security for the amount of term loan for fixed assets as well as 150% of Working Capital Term Loan.

Accordingly, the following amendment may be inserted at the end of Para (6) regarding Security in Schedule 1/12 M of PG:

"Note: Additional Collateral Security may not be insisted if the MRV of existing land and building of the unit ascertained as per prevailing norms covers security for the amount of term loan for fixed assets as well as 150% of Working Capital Term Loan."

Other norms shall remain unchanged.

All concerned are advised to take a note of above and ensure compliance of the same with immediate effect.

Sd/-

(G.S. Sandhu)

Chairman & Managing Director

Copy to :

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2. All Branches/SOs
3. DGM(A&I), Eastern & Western Zones.