

RFC/P&G/ 1360

RAJASTHAN FINANCIAL CORPORATION
(CREDIT APPRAISAL SECTION)

**Udyog Bhawan,
Tilak Marg,
JAIPUR-302 005.**

Ref. No.RFC/LA-16(1)/1457

Dated : 29.12.2010

P&G CIRCULAR
(LA No. 562)

Reg. : Delegation of powers for sanction of loan.

The Corporation is presently having a two tier delegation of powers for sanction of loan i.e. at Head Office and Field level. Guidelines for this purpose were issued vide PG Circular No.1054 dated 27.05.2004 & amended vide Circular No. 1145 dated 29.03.2006, 1191 dated 30.08.2007, 1282 dated 16.09.2009 1283 dated 16.09.2009 1334 dated 06.07.2010 and 1343 dated 23.08.2010.

The Board of Directors in the meeting held on 24.12.2010 reviewed the progress and observed that still there is a need to further improve and streamline the procedures so as to reduce the process time taken in sanctions. The personnel dealing with the prospective entrepreneurs should be well conversant with the norms and procedures.

Further, the Board decided to enhance the loan sanctioning powers of HO level for providing better & quick services to entrepreneurs. Accordingly, powers for sanction of loan at H.O. Level are delegated as per Annexure "A".

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

Sd/-
(G.S. SANDHU)
Chairman & Managing Director

Copy to :

- 1- All BOs / SOs.
- 2- Standard Circulation at Head Office.
- 3- Dy. General Manager Eastern & Western Zones.

Annexure-‘A’**Delegation of powers for sanction of loan at Head Office level :**

Sanctioning authority	Amount of loan (Rs. in lac
Executive Committee	Full powers for loans upto 20.00 crores (including joint finance cases)
Chairman & Managing Director:	
I) Company/Corporation/ Co-operative Society cases (including loan under Information Technology Scheme, Equipment Refinance Scheme, Card loan Schemes of Good Borrowers and cases of industrial units proposed to be set up on converted land in isolated area)	1000.00**
II) Other cases (including loan under Information Technology Scheme, Equipment Refinance Scheme and Card loan Schemes of Good Borrowers)	500.00**
III) Cost over run	Upto 20% of sanctioned loan by EC (without change in margin of security)
IV) Joint finance cases appraised by RIICO, All India Financing Institutions/ Banks	Full powers
Executive Director:	
I) Company/Corporation / Co-operative Society cases & full powers under DG Set loan scheme exceeding 250 KVA	500.00
II) Other cases & full powers under DG Set loan scheme exceeding 250 KVA	200.00
General Manager/ Dy. General Manager (CAS)	75.00

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****** Prior permission from SIDBI is required for loan cases exceeding Rs. 1000.00 lacs (recently enhanced from Rs.500.00 lacs) in case of company / Corporation / Co-operative Societies and Rs. 200.00 lac (no change made by SIDBI) in other cases.

Note:

1. The CMD is authorized to make need based relaxations in the terms and conditions in all sanctioned cases under various schemes of the Corporation.
2. Loan cases/ proposals at HO level would be sanctioned by the competent authority as per the recommendations of PC&CC.
3. Further loan cases may be sanctioned by the sanctioning authority under whose jurisdiction total accommodation fall i.e. outstanding against the existing loan plus proposed loan.