

RAJASTHAN FINANCIAL CORPORATION  
(CREDIT APPRAISAL SECTION)

Udyog Bhawan,  
Tilak Marg,  
JAIPUR-302 005.

Ref. No.RFC/LA-16(1)/1822

Dated : 08.03.2011

P&G CIRCULAR  
(LA No. 569)

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 at Field level). Guidelines for this purpose have been issued vide P&G Circular No.1334 dated 06.07.2010 & vide P&G Circular No. 1360 dated 29.12.2010.

Consolidated guidelines for delegation of powers for sanction of loan cases for Head Office level and for field level is enclosed herewith as Annexure "A".

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

(UMESH KUMAR)  
Chairman & Managing Director

Encl :AS ABOVE.

Copy to :

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

Annexure - 'A'

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	Full powers

Institutions/ Banks	
<b>Executive Director:</b>	
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

\*\* 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 lacs (no change made by SIDBI) in other cases.

**B) Delegation of powers for sanction of loan at Field Office level :**

Sanctioning authority	(Rs. in lac)	
	Amount of loan	
	All cases except where powers are vested at HO only	
Manager (Branch)		
(I) "A" category branch (including Neemrana & Sitapura branches)	150.00	
(II) Other than "A" category branch	50.00	
Dy Manager (Branch)		
(I) "A" category branch	50.00	

(II) Other than "A" category branch	30.00
Asstt. Manager ( Branch )	15.00

**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. Cases under the special schemes & GB Schemes where powers have not been delegated to field Offices shall continued to be considered at HO.
4. All loan cases/ proposals at field level would be sanctioned by the Competent Authority on the recommendations of DLAC.
5. Cost Over run upto 20% of the sanctioned amount of loan would be sanctioned (without changing the level of margin on security and promoter's contribution) by the respective sanctioning authority over & above the powers delegated for sanction of loan.
6. Loan for purchase of DG set (upto 250 KVA) under DG set scheme shall be sanctioned by the concerned authority within whose jurisdiction total outstanding falls after considering of the said loan.
7. While sanctioning of loan at field level it should be ensured by the sanctioning authority that if the loan amount is more than the MRV of existing and proposed land & building, additional collateral security is invariably obtained as per prevailing guidelines.
8. In loan cases of industrial units proposed to be set up on converted land in isolated areas, field offices shall consider loans upto Rs.50.00 lacs as per PG Circular No.1282 dated 16.09.2009 with the prior approval from HO.
9. The other norms of the respective scheme (including

ceiling on loan amount) shall remain unchanged.

10. The exposure (sanction) of CRE cases (under various CRE schemes) shall not exceed 25% of total sanctions of the concerned BO on the date of sanction.
11. Field offices are now not required to obtain prior permission of HO for SME Sector loan cases upto Rs. 15.00 lac under Scheme For Financing Against Assets, however, in other loan cases from Rs. 5.00 lac to Rs. 15.00 lac under the scheme prior permission of HO shall continue to be taken as per circular No. RC/LA-GBD/Gen/125/1567 dt. 8.11.2005.
12. 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.
13. The above revised limits of sanction would also be applicable to Good Borrower Schemes in addition to the powers for sanction of loan under General Loan Schemes.