

RFC/P&G/1380

RAJASTHAN FINANCIAL CORPORATION
(CREDIT APPRAISAL SECTION)

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

Ref. No.RFC/LA-13(11)/ 140

Dated : 19.05.2011

P&G CIRCULAR

(LA No. 571)

Reg : Revision in interest rate structure of the Corporation

Attention is invited to guidelines regarding the interest rate structure of the Corporation issued vide PG Circular No. 1320 dated 02.06.2010, 1322 dated 03.06.2010 and 1325 dated 14.06.2010.

Pursuant to revision in refinance rate by SIDBI vide circular dated 20.04.2011 and increase in the rate of Interest on Bank borrowings, 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".

The revised rates shall be applicable to the loan cases to be sanctioned on or after issuance of circular and the loan cases sanctioned earlier but the execution of the loan documents (including token disbursement) of the same is to be done on or after issuance of circular.

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

SD/-
Executive 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 19.05.2011

APPLICABLE FOR MSME /NON MSME SECTOR IRRESPECTIVE OF COST OF PROJECT

S. No	NAME OF THE SCHEME	RATE OF INTEREST
1.	MSME Sector Units (Industrial & Service Sector) Upto Rs. 50,000/.	11.00%
2.	MSME Sector Units (Industrial projects) above Rs. 50,000/- & upto Rs. 20.00 Crores.	12.25%
3.	a) Scheme for Financing Against Assets	16.00%
	b) Scheme for Financing for Builders/commercial /residential complexes/ Multiplexes, Hotels, Hospitals etc. for purchase of land & building	18.00%
	c) Saral Scheme for SME sector	15.00%
4.	Construction of Commercial /Residential Complexes	15.75%
5.	a) Service Sector projects (excluding S.No. 3 to 4) and including Hotels, Technical/ Professional Education Projects/ Guest-House cases	12.75%
	b) Tourism Projects (except hotel projects), Hospitals/ Nursing Home Projects and Medical Equipment Scheme cases	13.50%

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)	11.75% 11.50%
2.	Working Capital Term Loan to Non Assisted Units	13.25%
3.	Platinum Card Scheme	11.75%
4.	Gold Card Scheme	12.00%
5.	Flexi Loan Scheme	12.25%

NOTES :-

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 7 th 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 in terms of PG Circular No. 612 dated 13.06.1995.
3	The rate of interest shall be 1% less under Scheme for Women Entrepreneurs in terms of P&G circular No. 1353 dated 10.11.2010.
4.	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.
5.	In all cases Post Dated Cheques for equated quarterly / monthly installments are to be obtained as per PG circular No. 1307 dated 28.01.2010. Cheques shall be taken for EQI/EMI based on documented rate of interest. It should be clearly stipulated that EQI/ EMI has been calculated on documented rate of interest. In case cheque is not realized, the BO shall ask the borrower for enhanced amount of EQI/ EMI by including applicable rate of liquidated damages.

- | | |
|----|--|
| 6. | <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> |
|----|--|