

**RAJASTHAN FINANCIAL CORPORATION**  
(CREDIT POLICY & MONITORING DIVISION)

Udyog Bhawan,  
Tilak Marg,  
JAIPUR-302 005.

Ref. No. RFC/LA-16(1)/ 24

Dated : 19.06.2012

**P&G CIRCULAR**  
(LA No. 593)

**Reg. : Delegation of powers for sanction of loan.**

Consolidated guidelines for delegation of powers for sanction of loan cases for Head Office level and for field level was circulated vide P&G Circular No. 1374 dated 08.03.2011.

The Loan Policy for the F.Y. 2012-13 was placed before the Board in its meeting held on 07.06.2012 & it has been decided that since a system of charging different rate of interest based on rating of the project is being introduced; the powers for sanction of loans should be vested in the respective Committees instead of individual authority.

Accordingly, the revised delegation of powers for sanction of loan enclosed herewith at Annexure "A".

Further, the DGM (Operation), in case of H.O. level case and the Manager (Branch)/ Incharge, in case of B.O. level case shall record their clear - cut recommendation on the note sheet as well as loan proposal. The necessary approval from the competent authority (sanction authority earlier as per PG circular No.1374 dated 08.03.2011) shall be obtained before placing the case in the respective committee.

Necessary changes may be made in the P&G at appropriate place.

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

  
(Yaduvendra Mathur) 19/6  
Chairman & Managing Director

Encl : As above.

Copy to :

1. All BOs/SOs/A&I
2. Standard Circulation at Head Office.
3. Dy. General Manager (Operations).

Annexure- 'A'

A) Delegation of powers for sanction of loan for Head Office Level:

Sanctioning authority (irrespective of loan schemes)	Amount of loan (Rs. in lac)
Executive Committee	Full powers for loans upto 20.00 crores (including joint finance cases)
<b>Project Clearance &amp; Consultative Committee (PC&amp;CC):</b>	
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

\*\* Prior permission from SIDBI is required for loan cases exceeding Rs.1000.00 lacs in case of company / Corporation / Co-operative Societies and Rs.400.00 lacs in other cases.

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

Sanctioning authority (irrespective of loan schemes)	Amount of loan (Rs. in lac)
District Level Loan Advisory Committee (DLAC)	Upto Rs.150.00 lac as under
<b>(A) Manager headed Branch</b>	
(I) "A" category branch (including Neemrana & Sitapura branches)	150.00
(II) Other than "A" Category branch	50.00

<b>(B) Dy Manager headed Branch</b>		
(I)	"A" category branch	50.00
(II)	Other than "A" category branch	30.00
<b>(C) Asstt. Manager headed Branch</b>		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. All loan cases/ proposals at field level would be sanctioned by the DLAC on the recommendations of Manager /Incharge.
3. 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.
4. Loan for purchase of DG set (upto 250 KVA) under DG set scheme shall be sanctioned by the concerned authority (Committee) within whose jurisdiction total outstanding falls after considering of the said loan.
5. While sanctioning of loan at field level it should be ensured by the recommending 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.
6. In loan cases of industrial units proposed to be set up on converted land in isolated areas, field offices shall be considered as per PG Circular No. 1405 dated 19.12.2011 and 1409 dated 24.01.2012 with the prior approval from HO.
7. The other norms of the respective scheme (including ceiling on loan amount) shall remain unchanged.
8. 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.
9. 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.
10. The above limits of sanction would also be applicable to Good Borrower Schemes in addition to the powers for sanction of loan under General Loan Schemes.