

RFC/P&G/ 1433
LA No. 602

RAJASTHAN FINANCIAL CORPORATION

Udyog Bhawan, Tilak Marg, Jaipur.
(CP&M Division)

Ref.No.:RFC/LA-GBD/Gen/125/140

Dated : 22.02.2013

C I R C U L A R

Reg:- **Type of land to be considered as prime security under FAAS**

The aforesaid scheme was launched by the Corporation to provide financial assistance to meet out the requirements of industrial/service/commercial purpose by mortgaging the fixed immovable assets situated in the municipal limits of District Headquarter and/or industrial units situated in the industrial area saturated and having potential vide circular no.P&G-1007 dated 22.05.2003.

Modifications in the scheme have been made from time to time and a circular no.P&G 1268 dated 16.06.2009 was issued after review of the provisions of the scheme. As per this circular the loan under this scheme can be considered against the following type of properties:-

1. Immovable property located within JDA limits may be considered by CMD on case to case basis for Loan cases of Jaipur.
2. No financial assistance is to be provided under the scheme against the security of property held in the joint names.
3. Loan against the security of the properties located outside the state shall not be considered for financing under the scheme.
4. Loan against the security of commercial and residential properties located at the places other than the district headquarters covered under the eligibility criteria of the scheme as per earlier circular under clause 2(b) and (c) of the scheme may be considered for financing by BOs only with the prior approval of HO for which references may be sent to HO in the same proforma as specified for loan cases amounting to Rs.5.00 lacs to Rs.15.00 lacs.

Clause 2(b) & (c) of the scheme speaks as under:-

- 2(a) Existing industrial units situated in industrial area saturated and having potential and ready to mortgage their prime security with the Corporation under first charge.

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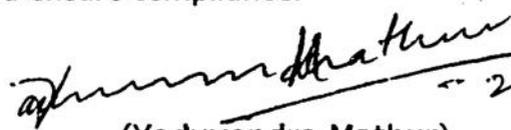
- 2(b) Existing commercial complexes/hotels/nursing homes and other service sectors situated in municipal limit of district headquarters ready to mortgage their mortgageable security with the Corporation.
- 2(c) Any other borrowers ready to mortgage their marketable immovable property situated in municipal limit of district headquarters.

The matter was discussed in the PC&CC in its meeting held on 31.01.2013 and it was felt that industrial/residential/commercial property situated on converted land shall not be considered for loan under this scheme in order to reduce the risk involvement.

In view of above it is reiterated that:-

1. The word "**District Headquarters**" mentioned above will mean the area within **municipal limits** only.
2. The converted land cases may be discouraged in general but if BO feels that a case is worth consideration, the same may be sent to HO for approval as mentioned above.

All concerned are advised to note above and ensure compliance.


21/2/13

(Yaduvendra Mathur)
Chairman & Managing Director.

Copy to:

1. All BO/SOs/A&I.
2. Standard circulation at HO.