

RAJASTHAN FINANCIAL CORPORATION
(Credit Appraisal Section-I)

Udyog Bhawan
Tilak Marg
Jaipur-302005

Ref. RFC/CAS/LA-4(79/ 36

Date: 22.06.2020

CIRCULAR
(CAS- 55.)

Sub : Shifting of Registered Office within the State in Company cases.

As per existing loan policy of the Corporation it is mandatory for a borrower company who wants to avail loan from the Corporation to set up its registered office within the State of Rajasthan and loan is only sanctioned with the condition to submit an undertaking that

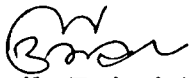
“Registered Office of the company shall not be shifted out of the State of Rajasthan during currency of loan of the Corporation without prior written permission of the Corporation”.

It was noted that in some cases, companies are facing problem in shifting their registered office in the State of Rajasthan and on that account the Corporation is loosing business.

The matter was placed before the Board in its Meeting held on 29.05.2020 vide agenda item no. 552/6/2020 and the Board has approved that the borrower company will not be insisted upon to shift their registered office in the State of Rajasthan. However, to consider financing to such companies whose registered office is out of State (except Delhi), the security may be kept more by 25% in these cases.

Accordingly, the value of prime security i.e. land & building should not be less than 125% of the loan amount. However, in any case if value of prime security i.e. land & building is less than 125% of loan amount then collateral security equal to the gap shall be taken in such cases.

All concerned are advised to take a note of above amendment and insert the same in mode of compliance of special terms & condition No.6 mentioned at Annexure-'A' in PG Chapter RD-6(Page No.585).


(Urmila Rajeria)
Managing Director

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