

RFC/P&G/1549

RAJASTHAN FINANCIAL CORPORATION
(Credit Appraisal Section-I)

Udyog Bhawan
Tilak Marg
Jaipur-302005

Ref: RFC/HO/LA-13(11)/108

Date: 20.08.2020

CIRCULAR
(CAS- 63.)

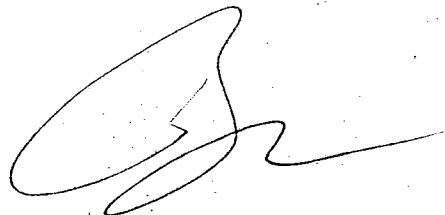
Reg : Revision in the Interest Rate structure of the Corporation.

Attention is invited to the interest rate structure of the Corporation which was circulated vide circular No. PG-1506 dated 03.01.2017.

The interest rate structure for various loan schemes has been reviewed and proposal to reduce the rate of interest was placed before the Board in its meeting held on 11.08.2020. The Board approved the revision of interest rate of the Corporation in the following schemes:

S.No.	Name of the Scheme	Revised Rate of Interest
1	Loans up to Rs.20.00 crore to MSME under Normal Project Loan Scheme of the Corporation.	10.50%
2	Short Term Loan, Working Capital Term Loan, Special purpose Working capital Term Loan, Gold Card, Platinum Card & UPGB under Good Borrower's Scheme.	10.25%
3	Flexi Loan Scheme under Good Borrowers.	11.25%
4	Saral Scheme	11.50%
5	Loan against land allotted by RIICO for industrial units, hotel & hospital.	11.50%

Contd..2/-

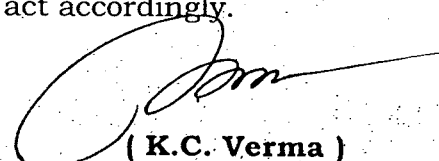


: 2 :

The rate of interest in other schemes and other terms & condition shall remain unchanged. Accordingly, the new rate of interest is enclosed as Annexure-'A'.

The revised rate of interest shall be applicable to the loan cases to be sanctioned on or after issuance of circular and on the loan cases sanctioned earlier but the loan documents are to be executed after issuance of the circular.

All concerned are advised to take a note of above and act accordingly.



(K.C. Verma)
Managing Director

Encl: As above.

Copy to :

1. All Branch Offices/FC
2. Standard Circulation at Head Office.
3. DGM (MS), for uploading the Circular on RFC Website.

**RAJASTHAN FINANCIAL CORPORATION
(CAS-I)**

Annexure 'A'

INTEREST RATE STRUCTURE EFFECTIVE FROM 20.08.2020

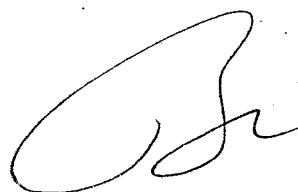
APPLICABLE TO MSME /NON MSME SECTOR IRRESPECTIVE OF COST OF PROJECT

S. No.	NAME OF THE SCHEME	RATE OF INTEREST
1.	Loans upto Rs.20.00 crore to MSME under Normal Project Loan Scheme of the Corporation.	10.50%
2.	Projects for construction of Commercial/Residential Complexes.	14.50%
3.	Finance Against Assets Scheme (FAAS)	14.50%
4.	Short Term Loan, Working Capital Term Loan, Special purpose Working capital Term Loan, Gold Card, Platinum Card & UPGB under Good Borrower's Scheme	10.25%
5.	Flexi Loan Scheme under Good Borrowers	11.25%
6.	Saral Scheme	11.50%
7.	Loan against land allotted by RIICO for Industrial units, hotel & hospital.	11.50%
8.	Scheme for Financing for Builders/ Commercial/Residential Complexes/ Multiplexes, Hotels, Hospitals etc. for purchase of land & building.	17.00%

It is further decided that no separate rate of interest may be kept for loans upto Rs.50000/-. No changes have been made in the interest rate for other schemes.

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	In case of loans upto Rs. 5.00 lacs, 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 unchanged.
5	In all cases Post Dated Cheques/ECS for equated quarterly / monthly installments are to be obtained as per norms. ECS/post dated 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	Credit Rating System for differential rate of interest is in abeyance.
7	Reset Clause: In all loan cases to be sanctioned, the documented rate of interest shall be reset every year after completion of one year from the date of execution of loan documents during currency of loan and the Corporation shall charge rate of interest prevailing at the time of reset of interest or existing rate of interest, whichever is higher.

