

RFC/P&G/1555

RAJASTHAN FINANCIAL CORPORATION
(Credit Appraisal Section)

Ref. No. RFC/LA-12(80)/99

Dated : 12.11.2021

CIRCULAR
(CAS -74)

Sub.: 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. RFC/P&G-1549 dated 20.08.2020.

The matter was reviewed and as per approval of Board of Directors of the Corporation passed by resolution through circulation, the rate of interest has been reduced in the following schemes:

S.No.	Name of the Scheme	Revised rate of interest (% p.a.)
1	Loans up to Rs. 20.00 Crores to MSME under Normal Project Loan Scheme	10.00
2	STL, Working Capital Term Loan, Special purpose working capital term loan, Gold Card, Platinum Card & UPGB under Good Borrower's scheme	9.75
3	Flexi Loan Scheme under Good Borrowers	10.75
4	Saral Loan Scheme	11.00
5	Loan against Land allotted by RIICO for Industrial Units, hotel & hospitals	11.00
6	YUPY Scheme (Loan amount up to Rs. 150.00 lacs)	11.50

The rate of interest in other schemes and other terms and conditions shall remain unchanged. In the YUPY Scheme the rate of interest on the loan amount above 150.00 lacs to Rs. 500.00 lacs shall be applicable the same as per the prevailing rate being charged in general term loan Scheme. Accordingly the new interest rate structure is enclosed as Annexure 'A'.

The revised rate of interest shall be applicable in the loan cases to be sanctioned on or after issuance of the circular and in all 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 the above and take action accordingly.


(Shakti Singh Rathore)
Managing Director

Encl.: As above.

Copy to:

1. All Branch Offices
2. Standard Circulation at HO
3. DGM (MS) for hoisting on RFC Website

INTEREST RATE STRUCTURE EFFECTIVE FROM 12.11.2021APPLICABLE TO MSME /NON MSME SECTOR IRRESPECTIVE OF COST OF PROJECT

S.No.	NAME OF THE SCHEME	RATE OF INTEREST (%p.a.)
1.	Loans upto Rs.20.00 crore to MSME under Normal Project Loan Scheme of the Corporation.	10.00
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	9.75
5.	Flexi Loan Scheme under Good Borrowers	10.75
6.	Saral Scheme	11.00
7.	Loan against land allotted by RIICO for Industrial units, hotel & hospital.	11.00
8.	Scheme for Financing for Builders/ Commercial/Residential Complexes/ Multiplexes, Hotels, Hospitals etc. for purchase of land & building.	17.00
9	YUPY Scheme (Loan amount up to Rs. 150.00 lacs)	11.50

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

NOTES :-

1.	In case of loans up to 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 (except for YUPY Scheme).
2.	In case of loans up to 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 (except for YUPY Scheme).
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 (except for YUPY Scheme).
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 (except for YUPY Scheme if the Loan amount is up to Rs. 150.00 lacs). 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 (except for YUPY Scheme if the Loan amount is up to Rs. 150.00 lacs).


