

RAJASTHAN FINANCIAL CORPORATION
(Credit Appraisal Section-1)

Udyog Bhawan
Tilak Marg
Jaipur-302005

Ref. RFC/LA-13(7)) 213

Dated : 28.02.2018

CIRCULAR
(CAS 22..)

Reg. : Promoter contribution in instalments

The Corporation is stipulating a condition to raise the entire Promoter contribution before first disbursement of loan in project loans. References were received from Field Offices and prospective loanees to relax the condition of raising the entire Promoter contribution before first disbursement of loan and may be allowed to raise in 3 or 4 instalments.

The Corporation has considered such request for CRE projects earlier and promoter contribution was allowed in 3 instalments i.e. 50%, 25% and 25%. It has been noted that bankers are also adopting the practice for raising the promoter contribution proportionately in the project. It is also felt that sometime it becomes difficult for promoters to bring entire Promoter contribution initially in one go.

The matter was placed before PC&CC on 25.01.2018 and the Committee recommended to modify the existing guidelines of raising the entire Promoter contribution before first disbursement of loan and accordingly now promoter contribution may be raised now in 3 instalments i.e. 50%, 25% and 25%.

The relevant condition may be modified in the cases where loan documents have not been executed.

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


(Anoop Khinchi)
Managing Director

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