

RAJASTHAN FINANCIAL CORPORATION
(Credit Policy & Monitoring Division)

RFC/P&G/150/

Udyog Bhawan, Tilak Marg,
JAIPUR-302 005.

Ref. No. RFC/LA-12(80)/159

Dated : 18.02.2016

CIRCULAR
(CPBD No. 29)

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Reg : Yuva Udyamita Protsahan Yojna

Attention is invited to PG circular No. 1489 dated 20.07.2015 vide which Yuva Udyamita Protsahan Yojna, (YUPY), incorporating the modifications approved by Government was circulated.

During screening of the loan applications by Screening Committee, some more modifications were proposed to make the scheme more broad-based to bring the investment in MSME sector and promote small enterprises to generate employment opportunity. The proposed modifications were placed before Board of Directors in meeting held on 29.12.2015. The Board approved the modifications subject to approval of the State Government. The Government has approved the following modifications in the YUPY scheme:

- a) Information Technology (IT) projects are allowed to be established in commercial space at District Headquarters and important towns in the State subject to examination of technical feasibility and economic viability.
Cost of acquisition of commercial space for IT Projects, Hotel (including Restaurant), Hospital (including Diagnostic Clinic, Dental Clinic) and other Service units may be considered for financing on 30% margin as a part of project.
- b) Service Sector projects including Hotel, Hospital and IT projects, etc. be considered in the Development Authority / UIT Limit at District Headquarter and Municipal limit at other major towns if they are technically feasible and economically viable.
- c) The Hotel projects proposed at Four or Six lane National Highway be considered.
- d) Projects of promoter(s) as proprietor / partner / director in running units either in rented premises or own premises are also allowed if new unit is being set up in the areas allowed under the scheme and promoter(s) is otherwise eligible.
- e) In case there are more than one promoter, then at least one promoter should be of age and qualification as prescribed in the scheme. Such promoter(s) should have at least 50% share in the project.
- f) The Industrial Projects proposed on converted land be considered for financing under YUPY as per prevailing guidelines of the Corporation.

All concerned are advised to note the above changes in the Scheme and act accordingly to bring maximum number of loan applications under the scheme.


(Maneesh Chauhan)
Managing Director

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