



Ref.No.KSFC.HO/MD/ED(F)/544/2009-10

Date : 13.07.2009

CIRCULAR No.865

Sub : Exposure to real estate sector.

-:o:0:o:-

While confirming the proceeding of the earlier meeting held on 13.01.2009, the Board in its meeting held on 09.03.2009 deliberated on the subject in detail and decided to have restriction on taking fresh projects in the construction sector for some more time until there are definite signs of economic revival. In this regard, a note was placed before the Executive Committee in its meeting held on 12.06.2009 with details of major sector-wise assistance extended by the Corporation in the last three years and its portfolio analysis as on 31.03.2009. The EC after deliberations approved to accept the proposals for assistance to viable projects in the real estate sector, based on the merits of the case with the prior approval of the Managing Director.

The decision of the EC was placed before the Board in its meeting held on 30.06.2009 for seeking ratification of the Board. Taking note of the view of the other directors that infrastructure and construction sectors are improving, have good prospects of growth and also that GOI has declared these sectors as 'thrust areas', the Board ratified the decision taken by the EC. Further, the Board noted that with this decision in place, projects in real estate sector, both commercial and residential, shall be pre-appraised for viability and prior approval of the Managing Director shall be taken before extending the assistance.

The contents of this circular shall be brought to the notice of all in your office / department.

Sd/-
MANAGING DIRECTOR

To:
All BMs
All ZMs / DGMs of Super 'A' Branches / IA cells
All Principal Officers / Section Heads in HO
All General Managers
Library
Executive Directors - for information