



Ref:KSFC/HO/MD/ED(F)/1220/2009-10

Date :10.11.2009

CIRCULAR NO.862(A)

Sub: Scheme for financing of Energy Saving Projects (SESP)
for MSMEs under JICA line of credit of SIDBI –
revision in rate of interest.

Ref: Circular No.862 dated 03.07.2009.

As you are aware, vide above referred circular 'Refinance LOC Scheme for Energy Saving Projects' (RSES) for financing energy saving projects for MSMEs has been implemented. SIDBI vide its letter dated 24.09.2009 has communicated the revision in rate of interest under the scheme. A copy is enclosed for reference. Accordingly a note was placed before the Board in its meeting held on 30.10.2009. The Board after deliberation approved the revision in rate of interest for energy saving projects for MSMEs as detailed below:

<i>Period</i>	<i>Rate of interest p.a.</i>		
	<i>Gross rate</i>	<i>Rebate</i>	<i>Net rate</i>
For loans up to 5 years	15.00%	2.75%	12.25%
For loans above 5 years	15.00%	2.50%	12.50%

In case of default, a penal interest of 2.5% p.a. over and above the gross rate of interest is applicable on the default amount for the period of default.

The remaining guidelines of the scheme are unaltered. All the concerned are hereby advised to give wide publicity to the scheme and sanction maximum cases which are eligible to be covered under the scheme. This may be brought to the notice of all the concerned in your office / department.

Sd/-

MANAGING DIRECTOR

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