

Collateral free loans- Small Scale Industries.

RPCD/PLNFS/ No.BC. 58 / 06.02.80/ 2001-02

23 January 2002

All Scheduled Commercial banks
(Including RRBs)

Dear Sir,

Collateral free loans- Small Scale Industries.

Please refer to our circular RPCD / PLNFS/ No.BC.65/ 06.02.31/99-2000 dated 3 March 2000, in terms which the exemption limit of borrowal accounts for obtention of collateral securities was raised from Rs.1 lakh to Rs.5 lakh for the tiny sector.

2. It has now been decided to extend the benefit under the increased limit of Rs.5 lakh to all SSI units so as to ensure flow of credit to this sector.

3. We shall be glad if you will please implement the above decision and issue necessary instructions to your controlling offices/ branches in the matter for appropriate action.

4. Please acknowledge receipt.

Yours faithfully,
Sd-
(Varughese John)
General Manager