

P&G/RFC/1462

RAJASTHAN FINANCIAL CORPORATION  
(Credit Policy & Monitoring Division)

Udyog Bhawan,  
Tilak Marg  
Jaipur-302 005

Ref. RFC/GBD/GEN-25/295

Date: 17.02.2014

**C I R C U L A R**  
(LA No: 621)

Reg.: **Value of collateral security for loan admissibility under Good Borrowers Schemes.**

Attention is invited towards P&G Circular No. 1452 dated 15.10.2013 vide which it was clarified that the value of collateral security will not be considered for the purpose of calculation of loan admissibility in different schemes of Good Borrowers.

References were received thereafter from field offices for consideration of value of collateral security for calculation of admissibility of loan under Good Borrowers Schemes of the Corporation. The matter was again reviewed by PC&CC in its meeting held on 22.01.2014 wherein it was observed that though at present section 29 of SFCs Act is not enforceable on property of collateral security but still section 32-G and SARFEASI Act are also the options available for effecting recovery in the eventuality of default.

In view of the availability of aforesaid recovery measures and also to retain the GB portfolio intact, it has been decided to consider the value of collateral security for calculation of admissibility of loan under Good Borrowers Scheme of the Corporation.

Necessary amendments may be incorporated at appropriate place.

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



(Yaduvendra Mathur)  
Chairman & Managing Director

10/2/14

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