

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:3486  
ANSWERED ON:25.08.2006  
GUIDELINES FOR COLLATERAL SECURITY  
Ajnala Dr. Rattan Singh

**Will the Minister of FINANCE be pleased to state:**

(a) whether on applications for credit for small or medium enterprises the City Credit Centre (Delhi) of State Bank of India is insisting for collateral security located within the municipal limits; and

(b) if so, the details of guidelines issued in this regard?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a)&(b): No, Sir. Small & Medium Enterprises (SME) City Credit Centre (Delhi) of State Bank of India is not insisting for collateral security located within municipal limits. It also accepts collateral security located outside municipal limits. As per guidelines of the Bank, properties offered as collateral outside municipal urban agglomeration can be considered provided the customer is agreeable to bear the cost of inspection of such property including cost of legal opinion valuation of such securities.