



भारतीय रिज़र्व बैंक  
RESERVE BANK OF INDIA  
www.rbi.org.in

OFFICE OF THE DEVELOPMENT COMMISSIONER  
(RURAL, SMALL & MEDIUM ENTERPRISES)  
MINISTRY OF RURAL, SMALL & MEDIUM ENTERPRISES  
GOVERNMENT OF INDIA  
Rural Planning, 7<sup>th</sup> Floor, Central Office Building,  
New Delhi - 110 001

RBI/2011-12/337

RPCD.MSME & NFS. BC. No. 53 /06.02.31/ 2011-12

January 4, 2012

The Chairman/Managing Director/  
Chief Executive Officer  
All Scheduled Commercial Banks  
(excluding Regional Rural Banks)

Dear Sir

**Issue of Acknowledgement of Loan Applications to MSME borrowers**

Please refer to paragraph 2 (b) of Circular DBOD.Leg.No.BC.104/09.07.007/2002-03 dated May 5, 2003 on 'Guidelines on Fair Practices Code for Lenders' wherein banks were advised to devise a system of giving acknowledgement for receipt of all loan applications. The banks were also advised vide our circular RPCD.SME & NFS.BC.No.102/06.04.01/2008-09 dated May 4, 2009 to put in place a Central Registration of loan applications and to use of same technology for online submission of loan applications as also for online tracking of loan applications as recommended by the Working Group on Rehabilitation of sick MSME Units (Chairman: Dr. K. C. Chakrabarty).

2. In this connection, we have been receiving complaints from the Industry Associations/Chambers that banks are not acknowledging loan applications. It is therefore, reiterated that the banks should mandatorily acknowledge all loan applications, submitted manually or online, by their MSME borrowers and ensure that a running serial number is recorded on the application form as well as on the acknowledgement receipt.

3. Banks are further encouraged to start Central Registration of loan applications. The same technology may be used for online submission of loan applications as also for online tracking of loan applications.

4. You are requested to issue suitable instructions to your branches / controlling offices for meticulous compliance.

5. Please acknowledge receipt and forward an Action Taken Report by January 30, 2012.

Yours faithfully,

(C.D. Srinivasan)  
Chief General Manager