

## **Credit Control and Other Measures May 1999**

**Selected circular issued by the Reserve Bank of India during May 1999 is reproduced below.**

Ref. UBD No.DS.PCB.CIR.31/13.05.00/ 98-99 dated May 15, 1999

### **All Primary Co-operative Banks**

#### **Flow of Credit to SSI Sector**

At present, 'SSI' units having aggregate fund based working capital limits upto Rs.4 crore from the banking system are to be provided working capital finance computed on the basis of 20 per cent of their projected annual turnover vide our Circular UBD.No.DS.PCB.Cir.4/ 13.05.00/98-99 dated July 24, 1998. This facility is now been raised to Rs.5 crore. Banks should therefore adopt henceforth the simplified procedure of sanctioning working capital limits on the basis of 20 per cent of the projected annual turnover to all SSI units (new as well as existing) requiring aggregate fund based working capital limits upto Rs.5 crore from the banking system. (Other instructions contained in paragraph 3 of Circular No. UBD. DS. PCB. Cir.18/13.05.00/94-95 dated September 19, 1994 remain unchanged).