

RBI/2004/110

Ref No.UBD.CO. BPD. 38/09.09.01/2003-04

March 19, 2004

To
All Urban Co-operative Banks

Dear Sir,

Priority Sector Advances- Enhancement in SSI Investment limit for specified items

Please refer to our Circular No. UBD.POT. 40/09.09.01/2001-02 dated April 6, 2002 on the captioned subject.

2. We advise that Government of India have since issued a Gazette Notification No. S.O. 655(E) dated June 5, 2003 detailing the list of 13 items of the Stationery Sector and 10 items of the Drugs and Pharmaceuticals Sector which figure in the list of items reserved for manufacture in the Small Scale Industries (SSI) Sector, investment limit in plant and machinery for which has been enhanced from Rs. 1 crore to Rs. 5 crore. These items are in addition to the 27 Hosiery and 14 Handtool items listed in the list of reserved items for manufacture in SSI sector, investment for which has already been enhanced (cf. Order No. S.O. 1013(E) dated October 9, 2001).

3. You may accordingly reckon the bank advances to such SSI Units for purpose of classification under priority sector.

4. A copy each of the Government of India, Ministry SSI letter No.4(1)2002- SSI BOARD & Pol dated June 11, 2003 together with a copy of Gazette Notification dated June 5, 2003 referred to above are enclosed.

5. Please acknowledge receipt to the concerned Regional Office of RBI.

Yours faithfully,

(Smt. Madhavi Sharma)
General Manager

Encl: as above