

RBI/2004-05/343

RPCD/PLNFS/BC. No. 72 /06.02.31/2004-05

January 12, 2005

The Chairman/Managing Director
All Scheduled Commercial Banks
(including RRBs)

Dear Sir,

**Enhancement in SSI Investment Limit
in respect of Sports Goods-**

Please refer to our circular RPCD/PLNFS/BC.No.7/06.02.31/2003-04 dated 14 July 2003 regarding enhancement in the ceiling limit on investment in plant and machinery from Rs.1 crore to Rs.5 crore in respect of certain items on Stationery and Drugs and pharmaceuticals.

2. We advise that Government of India have since issued a Gazette Notification No. S.O 1109 (E) dated 13 October 2004 detailing the list of seven items belonging to **Sports Goods** which are reserved for manufacture in the Small Scale Industries (SSI) Sector, investment limit in plant and machinery for which has been enhanced from Rs.1crore to Rs.5 crore.. These items are in addition to 13 Stationery and 10 Drugs & Pharmaceutical items listed in the reserved items for manufacture in the SSI sector investment limit for which has already been enhanced (cf. Order S.O.655(E) dated 5 June 2003).

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

4. A copy of Government of India, Ministry of SSI letter No.4(1)/2002-SSI Board & Pol dated 28 October 2004 together with a copy of Gazette Notification dated 13 October 2004 referred to above is enclosed.

5. Please acknowledge receipt.

Yours faithfully,

(G.P.Borah)
Deputy General Manager