

RFC/PG/959  
RFC/LA/350

RAJASTHAN FINANCIAL CORPORATION  
(LOANS SECTION)

HEAD OFFICE,  
TILAK MARG,  
JAIPUR.

Ref. No. RFC/LA-15(6)/29

Dated : 05.04.2002

: PG CIRCULAR :

**Reg: Selected Industries-Projects of Dairy  
Sector.**

Attention is invited to the guidelines with regards to Selected Industries specified in Schedule 1/6B of PG. At Serial No. 3 of the Schedule 1/6B guidelines with regards to financing projects in Dairy Sector has been laid down/incorporated as under:-

"No loan would be sanctioned to projects for creation of new processing capacity in Dairy Sector till NOC from State Govt. /Agency concerned by the State Govt. is produced."

Keeping in view the thrust /importance for developing Dairy Sector given in Budget 2002 and also increasing demand of dairy products, it has been decided to modify the existing guidelines for financing Dairy projects at Serial No. 3 of the Selected Industries, Schedule 1/6 B of PG as under :-

(i) Projects fulfilling the norms of Milk & Milk Products order, 1992 regarding installed capacity of proposed dairy unit for handling Milk & Milk Products only be considered for finance (Extract of relevant guidelines is enclosed at Annexure "A").

(ii) Promoters contribution would not be less than 40% of the project cost.

(iii) Collateral security of immovable property having MRV not less than term loan would be furnished.

The relaxation in collateral security (not below 50% of the loan amount) be considered by the CMD.

Relaxation in the norms of collateral security if any requested be referred to HO only if the BM/DGM® (sanctioning authority as the case may be) is satisfied about the viability of the project and security of loan giving full justification for further consideration of the PCC/CMD.

All concerned are advised to take a note of above.

**(K.C GUPTA)**  
**EXECUTIVE DIRECTOR**

**Extract of Milk & Milk Product Order, 1992**

The relevant guidelines for Registration of Dairy units as per the Milk & Milk Products Order, 1992 are as under:-

**Registration:** 1. On and from the date of commencement of this order no person shall manufacture or carry on business in milk or any milk product nor create any manufacturing facility for the business, unless such person has made an application in the form specified in the first schedule along with the prescribed fee to the registering authority for obtaining the registration certificate.

2. The provisions in sub paragraph (I) shall apply to such person who handles or is equipped to handle or who has in the establishment or unit under his ownership or control (or where he has more than one such establishment all the establishment put together) installed capacity for handling milk in excess of ten thousand liters per day, or milk product containing milk solids in excess of five hundreds tones per annum.