

POLICY GUIDELINES FOR SELECTED INDUSTRIES
SCHEDULE 1/6 B

S.No.	Name of the Product	Policy
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FOOD AND FOOD PRODUCTS :						
1-	Ice Factory	Application should not be accepted for setting up ice factory for less than 10 TPD.				
2-	Cold Storage	Applications for setting up cold storage of above 2000 MT capacity may be accepted and processed if sufficient scope is found in the area.				
3-	Dairy Sector	<p>Project fulfilling the norms of Milk and Milk products Order, 1992 regarding installed capacity of proposed Dairy unit for handling Milk and Milk Products only be considered for finance. (Extract of relevant guidelines are given below).</p> <p>Registration :</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td style="text-align: center;">1-</td> <td>On and from the date of commencement of this order no person shall manufacture or carry on business in milk or any milk products nor create any manufacturing facilities for the business, unless such person has made an application in the form specified in the first schedule alongwith the prescribed fee to the registering authority for obtaining the registration certificate.</td> </tr> <tr> <td style="text-align: center;">2-</td> <td>The provisions contained in Sub-paragraph (I) shall apply to such person who handles or is equipped to handle or who was 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 litres per day, or milk product containing milk solids in excess of five hundred tones per annum.</td> </tr> </tbody> </table>	1-	On and from the date of commencement of this order no person shall manufacture or carry on business in milk or any milk products nor create any manufacturing facilities for the business, unless such person has made an application in the form specified in the first schedule alongwith the prescribed fee to the registering authority for obtaining the registration certificate.	2-	The provisions contained in Sub-paragraph (I) shall apply to such person who handles or is equipped to handle or who was 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 litres per day, or milk product containing milk solids in excess of five hundred tones per annum.
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		3-	Promoters contribution would not be less than 40% of the project cost.
		4-	Collateral Security of immovable property having MRV not less than term loan would be furnished.
		<p>The relaxation in collateral security (not below 50% of the loan amount) be considered by the CMD.</p> <p>Relaxation in the norms of collateral security, if any requested be referred to HO only if the BM/ DGM (R) (sanctioning authority as the case may be) is satisfied about viability of the project and security of loan giving full justification for further consideration of the PCC/CMD.</p>	
4-	Distilleries	i)	No New distilleries may be permitted in Alwar & Jaipur Districts.
		ii)	All distilleries will be asked to ensure recycling of treated effluents.
		iii)	No commitment by RIICO or any other agencies may be made by way of land or any distilleries/ Breweries without prior approval of the Committee of Secretaries and the Government.
TEXTILES :			
1-	Textile Printing	Loan applications may be accepted only if these are supported by NOC from Water Pollution Control Board.	

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2-	Niwar Manufacturing Units.	No more applications for setting up Niwar Manufacturing Units in Bhilwara districts will be entertained.						
3-	Spinning of Yarn	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%; text-align: center;">a)</td> <td>Financial assistance can be considered on a very selective basis for loan granted to new spinning units basically rotors. Such proposals should satisfy the usual norms of viability and should be based on Debt Equity Ratio of 1.5:1. Adequate availability of waste cotton for such units has also to be ensured.</td> </tr> <tr> <td style="text-align: center;">b)</td> <td>Expansion proposals from existing cotton spinning units may be considered for enabling them to reach upto 25000 spindles and achieve better viability in their operations provided the proposal satisfy Debt Equity Ratio of 1.5:1.</td> </tr> <tr> <td style="text-align: center;">c)</td> <td>Financial assistance to new units for spinning of shoddy yarn/woolen yarn based on worsted system can be considered.</td> </tr> </table>	a)	Financial assistance can be considered on a very selective basis for loan granted to new spinning units basically rotors. Such proposals should satisfy the usual norms of viability and should be based on Debt Equity Ratio of 1.5:1. Adequate availability of waste cotton for such units has also to be ensured.	b)	Expansion proposals from existing cotton spinning units may be considered for enabling them to reach upto 25000 spindles and achieve better viability in their operations provided the proposal satisfy Debt Equity Ratio of 1.5:1.	c)	Financial assistance to new units for spinning of shoddy yarn/woolen yarn based on worsted system can be considered.
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c)	Financial assistance to new units for spinning of shoddy yarn/woolen yarn based on worsted system can be considered.							
4-	Zero Zero Felt	Application may be accepted subject to NOC from RPCB on Zero Zero Felt with composite unit.						
5-	Readymade Garments	A cautious approach be adopted for scrutiny of the promoter in financing the readymade industry in the State. The capability and bonafides of the applicant should be carefully examined during the course of appraisal of the project. In case the unit is set up in rented premises, collateral security as per norms prescribed should be insisted upon and no relaxation should be allowed.						

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6-	Process House	Financial assistance for textile process houses at Bhilwara only shall be considered on the stringent norms as under :- i) Higher promoter's ratio of 1:1 ii) Adequate security including collateral may be ensured. iii) Project should be promoted by well experienced promoters. This guideline shall not be applicable for cases covered under RTUF Schemes.	
PRINTING PAPER & WOOD PRODUCTS :			
1-	Print-ing Press	i)	Application for setting up new and improved technology of printing press like DTP system, off-set printing etc. may only be entertained in Jaipur, Jodhpur, Udaipur, Bikaner, Alwar etc.
		ii)	Only latest technology Printing Machine should be considered on selective basis to the experienced promoters having sound financial means with following terms : A- Security Margin : 50% B- Promoter's Contribution : 50% C- Collateral security : Equal to loan amount
		All the loans in this sector shall be sanctioned at HO till the recovery position improves substantially.	
2-	Colour Lab	May be financed after ascertaining adequate scope and 100% collateral	

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		security is furnished.	
CHEMICALS AND PHARMACEUTICALS :			
1-	Pesticides Formulation	No application for setting up pesticides manufacturing should be entertained unless NOC from Director of Agriculture, Government of Rajasthan is produced. While financing such projects adequate collateral security should be obtained.	
2-	Non Power Operated Acid/Detergent	Such units will be assisted only when group of entrepreneurs opt on composite basis and approach Corporation for assistance.	
3-	Pharmaceutical Units	i)	Restrictive financing considering 40% security margin and on the condition that the unit is not being set up in rented premises.
		ii)	Clearance from Directorate of Medical & Health (Drug Control Organisation) is required before disbursement of last 20% of the sanctioned loan.
		iii)	Guidelines of pharmaceutical units may also be applied for Homeopathic and Ayurvedic Medicines.
		iv)	While financing such projects adequate collateral security should also be obtained.
MINES & MINERAL PRODUCTS :			

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S.No.	Name of the Product	Policy	
1-	Tractor Compressor	a)	A cautious approach be adopted for further financing of Tractor Compressor units at Bhilwara, Udaipur and Sirohi in particular and at other places in general.
		b)	Preference should be given to those who either have base units of their own or have mining lease of sufficient size (say 6000 Sq. Mtrs.) in their name.
		c)	Collateral security of mortgageable and marketable immovable property having value not less than the loan amount be taken in each case in addition to hypothecation of tractor compressor financed by RFC.
2-	Refractori es	Application may be accepted for financial assistance to the specialized type of sophisticated refractory units manufacturing high alumina bricks, silica bricks with high conduction carbon refractories, Zircon and ceramics fibre products. However, further financing will be considered on selective basis with adequate collateral security and that too confirming ISI specifications, sound entrepreneurship and ingestible capabilities.	
3-	Marble Cutting	The minimum promoters contribution shall be 33% of the project and debt equity ratio not exceed to 2:1. Marble mines would not be condition for establishing a marble processing unit but possessing of a mine of adequate marble reserves of good quality would be considered to be positive aspects for the project.	
4-	Hydrated Lime and	i)	Loans for hydrated lime units may be considered normally within 50/60 KMs radius where sufficient raw material deposits of

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	Quick Lime	<p>requisite grade are available.</p> <p>ii) No application is to be accepted in Udaipur Region.</p> <p>iii) While financing such projects adequate collateral security should also be ensured and it should also be ensured that good quality of raw material is available in plenty.</p>
5-	Mineral Grinding	No application for financial assistance for setting up of mineral grinding units (Marble Chips and Powder) in Alwar district be accepted unless backed by 100% collateral security on merit of the case.
6-	Granite Slabs	Granite units for manufacturing of slabs (2' X8' & above) based on kerosene (excluding slabs manufactured by Gangsaw) may be considered for financial assistance on merits with 100% collateral security.
METAL PRODUCTS :		
1-	Auto leaf Springs	<p>In view of substantial number of units already financed by the Corporation, no application for Auto leaf spring units may be accepted.</p> <p>Application from such units who are having satisfactory marketing tie-up or who have been granted ancillary status by leading vehicle manufacturing units may be continue to be accepted. Before registering such application prior reference to be made to HO. However, while financing such project 100% collateral security should be obtained and proper scope should also be ascertained.</p>
2-	SS Rolling	The minimum promoter contribution shall not be less than 50% of project

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	Mill	<p>cost. In case promoter is not in a position to bring the required contribution, then the collateral security equal to the value of double the amount of short fall in the promoters contribution shall be insisted upon. However, in no case the PC shall be less than the 40% of the project cost. For relaxation in the above norms, if any, in a particular case, the same would be forwarded by the concerned branch to the HO for consideration forwarding the full details of the case giving reasons and justification in support of his recommendations for the relaxation required in a particular case. For existing units, the cases would be examined /appraised subject to the norms followed under Normal Term Loan Scheme.</p>	
3-	Guar Gum	A)	<p>The Corporation will adopt a cautious approach for financing the guar gum projects.</p>
		B)	<p>In case of split unit :</p> <p>For new units : Minimum promoters contribution may be kept at 40% and minimum 50% collateral security will be required.</p> <p>For relaxation in the above norms, if any in a particular case, the same would be forwarded by the concerned Branch to HO for consideration forwarding the full details of the case giving reasons and justification in support of his recommendations for the relaxation required in a particular case.</p> <p>In Existing units :</p> <p>The case would be examined /appraised subject to the norms followed under Normal Term Loan Scheme.</p>

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		C)	In case of powder manufacturing units : In the case of powder manufacturing units, the decision should be taken at HO level as per the existing guidelines.
4-	Brick Kilns	No new application for setting up brick kilns having moving chimneys will be entertained. Applications for brick kilns having pollution control systems and fixed chimneys alongwith NOC / consent from RPCB only may be accepted having adequate collateral security.	
5-	Plastic Processing Units	i)	The unit promoted by experienced persons in the line with sound financial base shall be considered only in the potential areas like Jaipur, Udaipur, Jodhopur, Kota and Alwar Districts.
		ii)	The project having cost estimate of Rs. 50.00 lacs and above based on latest technology plastic processing machines with higher standard of automations and performance shall be considered.
		iii)	However, proposal of expansion /modernization or existing unit shall be considered irrespective of project cost, on their merits. OR If marketing scope is found at a particular place and the promoter is prepared to provide 100% collateral security for term loan on fixed assets and 150% for WCTL (in case the loan is applied under SWS), such projects may also be financed within the sanctioning power of Branch Office /RO.
6-	Dall and	i)	The promoter contribution shall not be less than 60% of the

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	Oil Mill project		project cost.
		ii)	Collateral Security equivalent to term loan amount for fixed assets and 150% of the WCTL, if any, considered shall be furnished.

Note : The above polices are framed from time to time and are subject to review and change at any time by the Corporation at its sole discretion without any notes. The above guidelines will be applicable on new units and would not be applicable in general on cases of existing units going for expansion unless it is specifically provided in the guidelines itself as to its applicability on expansion cases as well. These guidelines would not be applicable on the good borrower and to the unit promoted by existing borrowers looking satisfactory payment behaviour with the Corporation.

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3-	Industrial Fasteners	The loan application may be considered for financing outside residential area and not in rented premises.
4-	Recovery of Zinc from Zinc Ash Units	Application for extending financial assistance for recovery of Zinc from Zinc ash and brass ash units may be accepted provided : Promoters have sufficient experience in the line. They have firm arrangements for continuous technology consultancy and assurance for non interrupted supply of power and raw material.
5-	Grinding Media	Applications only from the units which propose to go in for product mix particularly with forged automobile and engineering components alongwith grinding media with adequate collateral security may be considered.
6-	Metallic Yarn	Applications for setting up metallic yarn units are not to be accepted except at Khendela, District Siker from entrepreneur who are established in Metallic Yarn trade but adequate collateral security is to be obtained.
7-	The Plant & Equipments including VCR, Deck, CTV & Recording Deck.	The application for financial assistance to such units accepted at Branch shall be forwarded to HO for further processing.

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OTHERS :		
1-	Drilling Bits	Applicant desiring of setting up this type of industry shall be offered existing sick closed units available for sale with the Corporation.
2-	Transformer Units	No new application for manufacturing & repair of Transformer is to be registered for Jaipur & Dausa Districts unless backed by 100% collateral security to no restriction of the State Government.