

“SYND RICE MILLS” – A SPECIAL SCHEME FOR FINANCING RICE MILLING ACTIVITY

Paddy undergoes various stages of processing in Rice Mills before it reaches the market as “Rice” for consumption. These stages of processing are carried out by Rice Mills located in different parts of country predominantly in paddy growing belts and the mills require financial assistance for processing paddy. Therefore, a special scheme to meet the credit requirements of Rice Mills is formulated taking into consideration the policy guidelines of RBI on lending to Priority Sector.

- Existing profit making units and new units subject to satisfactory rating under the rating system of the bank. Takeover of proposal of good unit is also entertained subject to take-over norms of the Bank.
- Term loans extended for acquisition of machinery / construction of factory building for modernization/ expansion.
- Working capital requirements met in the form of Cash Credit limit, Overdraft, Bank guarantee, Letter of Credit etc., only for Rice Millers. But, Rice Millers doing milling activity on Job work basis are not eligible for working capital limit.
- The term loans are repayable in 7 years including a gestation of 6 months. Interest to be serviced during the gestation period.
- Renewal of working capital limit is subject to to annual review and satisfactory conduct of account