

F.No. 7-23/2014-SDF
Government of India
Ministry of Consumer Affairs, Food & Public Distribution
Department of Food & Public Distribution

Krishi Bhawan, New Delhi
Dated: 14th February, 2024.

To,

1. The Chief General Manager,
IFCI Ltd., IFCI Tower 61,
Nehru Place, New Delhi- 110019
2. The Chief Director (Sugar)
NCDC 4-Siri Industrial Area Hauz Khas,
New Delhi-110016

Subject:- Guidelines for Swapping of Land and Appointment of Security Trustee- reg.
Reference : (i) Minutes on 146th Standing Committee on SDF issued vide OM dated 1-3/2022- SDF Dated 07.02.2024.

Sir,

I am directed to refer to the aforesaid communication on the subject matter and to hereby issue Guidelines for Swapping of Land and Appointment of Security Trustee in view of recommendation of 146th Standing Committee on SDF and further approved by the Competent Authority as follows:

- A. **SWAPPING OF LAND**:- the swapping of land may be allowed on a case-to-case basis, subject to the following conditions:
- i. the sugar factory/undertaking is meeting the FACR benchmark as per extant SDF guidelines after such swapping of land provided that value in rupees for the land being mortgaged/remortgaged shall be more than the value of the land being released, so as to ensure that there is no deterioration in the FACR post-swapping and to ensure that there is no dilution on the security of SDF loans post-swapping.
 - ii. the value of land proposed for swapping be considered based on circle rate of the concerned State Government/ local authorities or valuation by the registered valuer, whichever is lower.
 - iii. such scheme is also approved by all other lenders (charge holders).
 - iv. The sugar mill/ company as well as its group units shall not be a defaulter in respect of Levy, Levy Sugar Price Equalization Fund (LSPEF) and SDF Dues.
- B. **APPOINTMENT OF SECURITY TRUSTEE**:- the proposal of granting NOC for the appointment of security trustee, may be allowed on a case to case basis , subject to the following conditions:
- i. Approval of all other lenders (charge holders);

- ii. Borrower (sugar mill/ sugar undertaking or company) has to bear the fees to Security Trustee and related expenses for this service on behalf of SDF.
 - iii. Security Trustee shall not dilute any charge of SDF without written consent of SDF. In this regard, the Security Trustee will submit a written affidavit to ensure compliance to this point.
2. These guidelines may be brought to the notice of all stakeholders.
 3. This issues with the approval of Competent Authority.

Yours faithfully,



(Sangeet)
Director (SDF)
Tel No. 011-23383760

Copy to: DFPD Website & SDF Portal (for information of all stakeholders).