

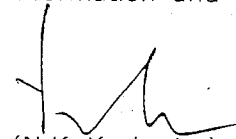
No.1-7/2015-SDF  
Government of India  
Ministry of Consumer Affairs, Food & Public Distribution  
Department of Food & Public Distribution  
[www.dfpd.nic.in](http://www.dfpd.nic.in)

Krishi Bhawan, New Delhi  
Dated the 8<sup>th</sup> November, 2015

Office Memorandum

**Subject: 127<sup>th</sup> meeting of the Standing Committee on SDF held on Monday, the 8<sup>th</sup> October, 2015 at 10.30 A.M.**

In continuation of this Ministry's O.M. of even number dated 11<sup>th</sup> September, 2015, on the above cited subject, a copy of the minutes of the 127<sup>th</sup> meeting of the Standing Committee held on 8<sup>th</sup> October, 2015, under the chairmanship of Secretary (F&PD) is enclosed for your kind information and necessary action.



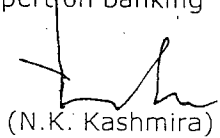
(N.K. Kashmira)  
Deputy Secretary to Govt. of India  
Member Secretary  
Tel: 2307 2338

Distribution:-

- (1) Finance Secretary, Ministry of Finance, North Block, New Delhi (Member).
- (2) Secretary, Department of Agriculture & Cooperation, Krishi Bhawan, New Delhi (Member).
- (3) Special Secretary & Financial Adviser, Department of Food & Public Distribution, Krishi Bhawan, New Delhi (as nominee of Secretary, Department of Expenditure).
- (4) The CEO, Niti Aayog, Yojna Bhawan, New Delhi (Member).
- (5) Joint Secretary, Ministry of Finance (Department of Financial Services), Jeewan Deep Building, New Delhi (Member).
- (6) Joint Secretary (S&SA), Department of Food & Public Distribution, (Member).
- (7) The Director, Directorate of Sugar & V.O., Department of Food & Public Distribution, (Member).
- (8) Director, National Sugar Institute, Kanpur (Member) Fax no. 0512-2570247.
- (9) Director General, Indian Council of Agricultural Research, Krishi Bhawan, New Delhi (Member) (Fax No.23387293).

Special Invitee:-

- (i) Representative from IFCI Fax no. 011-26230201 Expert on banking
- (ii) Representative from NCDC Fax No. 011-26962370 Expert on banking



(N.K. Kashmira)  
Deputy Secretary to Govt. of India  
Member Secretary

Copy for information:-

- (i) PS to Hon'ble Minister of Consumer Affairs, Food & Public Distribution.
- (ii) PS to Secretary, Department of Food & Public Distribution.

Minutes of the 127<sup>th</sup> Standing Committee meeting held on 8<sup>th</sup> October, 2015

The 127<sup>th</sup> meeting of the Standing Committee of the Sugar Development Fund was held on 8<sup>th</sup> October, 2015 under the Chairpersonship of Secretary (F&PD). A list of Members and Special Invitees who attended the meeting is annexed.

At the outset the Member Secretary welcomed all the Members and invitees.

The following decisions were taken.

**AGENDA ITEM NO.-1**

Action taken report

The Action taken report on the decisions taken in the 126<sup>th</sup> meeting of the Standing Committee held on 02.03.2015 was considered and accepted.

LOAN FOR SUGARCANE DEVELOPMENT

**AGENDA ITEM NO.-2**

M/s Vitthalrao Shinde Sahakari Sakhar Karkhana Ltd., Gangamainagar, Post Pimpalner, Taluka Madha, Distt. Solapur, Maharashtra.

1. The Standing Committee had earlier considered the loan application of M/s. Vitthalrao Shinde Sahakari Sakhar Karkhana Ltd., Gangamainagar, Post Pimpalner, Taluka Madha, Distt. Solapur, Maharashtra for its cane development schemes namely, Drip Irrigation, involving SDF assistance of Rs. 540.00 lakh in its 125<sup>th</sup> meeting and had deferred it with the directions to bring the case back to the Standing Committee after clearance of levy sugar default by the sugar undertaking and decision of the Bombay High Court in which Writ petition in this regard is pending.
2. Director (S&VO), Directorate of Sugar, intimated that the sugar factory has delivered levy obligation against their 2011-12 dues and the State Government's certificates of lifting in this regard have been received. Hon'ble High Court of Bombay has accepted the fact and has disposed off the Writ Petition. In the light of the above, the SDF loan for cane development was considered by the Standing Committee.
3. The average DSCR of the sugar factory and the society as a whole is 1.03. FACR of the sugar factory and society as a whole is 1.57 as on 31.3.2015. IRR of the project is 20.646%.
4. After detailed deliberation and on the basis of Screening Committee recommendations, the Standing Committee recommended SDF loan of Rs.540-00 lakh to the sugar factory to be disbursed in two installments as under:

Year	Amount (Rs. in lakhs)
First Year	432.00
Second Year	108.00
Total	540.00

5. The sugar factory will give first pari passu charge on its assets or a higher security for SDF loan as per FACR benchmark on the date of creation of charge.

AGENDA ITEM No. 3

M/s Prabhulingeshwar Sugars & Chemicals Ltd., Siddapur, Tq. Jamkhandi Dist: Bagalkot, Karnataka-587302

1. The loan application of M/s Prabhulingeshwar Sugars & Chemicals Ltd., Siddapur, Tq. Jamkhandi Dist: Bagalkot, Karnataka-587302 for its cane development schemes namely, setting up of Modern Moist Hot Air Treatment Plants, Rearing of Seed Nurseries, Incentives to cultivators to switch over to improved sugarcane varieties, Drip Irrigation and Ratoon Management, involving SDF assistance of Rs. 539.00 lakh was considered by the Standing Committee.

2. The issue was discussed in detail and the Committee decided that for cane development loans only such proposals may be considered which strengthen the infrastructure and procurement and use of new equipments for the same. The request of the sugar factory was accordingly considered for SDF loan keeping this in view.

3. The average DSCR of the sugar factory is 2.70 and the company as a whole is 7.92. FACR of the sugar factory and company as a whole is 3.45 as on 31.3.2015. IRR of the project is 40%.

4. In the light of above, the Standing Committee considered the proposal and approved the loan only for drip irrigation for Rs. 220.00 lakhs to the sugar factory from Sugar Development Fund disbursable in two installments as under:

Year	Amount (Rs. in lakhs)
First Year	110.00
Second Year	110.00
Total	220.00

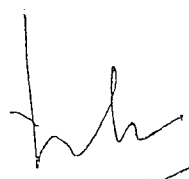
5. The purchase of equipments for drip irrigation may be done in decentralised mode, i.e. by the farmer directly, if feasible. The sugar factory will give first pari passu charge on its assets or a higher security for SDF loan as per FACR benchmark on the date of creation of charge.

LOAN FOR MODERNIZATION/REHABILITATION

AGENDA ITEM NO: 4

M/s Siddhanath Sugar Mills Ltd., Village Tirhe, Tehsil North Solapur, District Solapur, Maharashtra

1. The Standing Committee considered the loan application of M/s Siddhanath Sugar Mills Ltd. (SSML), Sugar factory at Tirhe, Tal. North Solapur, Distt- Solapur, Maharashtra for

 2

expansion of sugar plant from 2500 TCD to 6000 TCD at a cost of Rs. 9000 lakh. SDF assistance of Rs. 3285.00 lakh has been requested by the Sugar Factory.

2. The Committee was informed that it has been decided earlier in the meeting of 125<sup>th</sup> Standing Committee that no modernisation/expansion project will be considered for SDF assistance after 1.1.2015. However the applications received prior to 1.1.2015 will be examined and considered by the Committee on merits. The matter was discussed in Standing Committee in detail and the Committee was of the view that henceforth only those projects for modernisation/expansion should be considered for SDF loan which are integrated with ethanol project or cogeneration project or both and is considered essential for their technical and financial feasibility/viability.

3. From the available records and as per IFCI, it was noted that the aforesaid project includes cogen project for 14 MW also. The application of the sugar factory was accordingly considered for SDF loan.

4. The average DSCR of the sugar factory and the company as a whole is 2.22. FACR of the sugar factory and company as a whole as on 31.3.2014 is 1.46. IRR of the project is 37.02%.

5. On the basis of available records and recommendations of the Sub-Committee, the Standing Committee recommended SDF loan of Rs. 2443.00 lakh.

6. The sugar factory will give first pari passu charge on its assets or a higher security for SDF loan as per FACR benchmark on the date of creation of charge.

**AGENDA ITEM NO: 5**

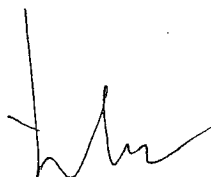
M/s Shree Halasidhanath SSK Ltd., Shankaranandnagar, Nipani-591237, Tal. Chikodi, Dist. Belgaum, Karnataka.

1. The Standing Committee considered the Application of M/s Shree Halasidhanath SSK Ltd., Shankaranandnagar, Nipani-591237, Tal. Chikodi, Dist. Belgaum, for modernisation cum expansion of sugar plant capacity from 2200 TCD to 3500 TCD at a cost of Rs.6375.00 lakh.

2. The average DSCR of the sugar factory and society as a whole is 1.63. FACR of the sugar factory and society as a whole is 1.57 as on 31.3.2014. IRR of the project is 22.5%.

3. The Standing Committee discussed the case in detail. On the basis of technical and financial data placed before it/report of the NSI, Kanpur and on the basis of recommendation of the Sub-Committee, the Committee recommended SDF loan of Rs. 2118.88 lakhs to the sugar factory.

4. The sugar factory will give first pari passu charge on its assets or a higher security for SDF loan as per FACR benchmark on the date of creation of charge.



## LOAN FOR BAGASE-BASED COGENERATION POWER PROJECTS

### AGENDA ITEM NO. 6

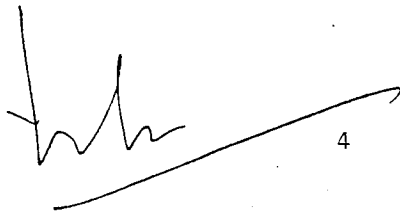
M/s Bhalkeshwar Sugars Ltd., Bajolga, Tal- Bhalki, Dist- Bidar, Karnataka.

1. The Standing Committee considered the loan Application of M/s Bhalkeshwar Sugars Ltd., Bajolga, Tal- Bhalki, Dist- Bidar, Karnataka for setting up plant for production of 14 MW Greenfield bagasse based co-generation power project.
2. On the basis of technical, financial and other data placed before the Committee, it was concluded that no refinancing of project is involved. No old plant and machinery has been considered in the project. The project has been appraised by Punjab National Bank. Term loan of Rs.4900.00 lakh has been sanctioned under consortium banking arrangement to part finance the cogen project. Technical viability of the project has been conducted by MITCON Consultancy and Engineering Services Ltd.
3. The average DSCR of the sugar factory is 2.01 and the company as a whole is 2.01. FACR of the sugar factory and company as a whole is 1.50 as on 31.3.2015. IRR of the project is 20.04%.
4. The Standing Committee discussed the case in detail and on the basis of recommendations of the Sub-Committee, recommended SDF loan of Rs.611.807 lakh.
5. The sugar factory will give first pari passu charge on its assets or a higher security for SDF loan as per FACR benchmark on the date of creation of charge:

### AGENDA ITEM NO. 7

M/s Shree Halasidhanath Sahakari Sakhar Karkhana Ltd, Shankaranandnagar, Nipani-591237, Tal. Chikodi, Dist Belgaum, Karnataka.

1. The Standing Committee considered the loan Application M/s Shree Halasidhanath Sahakari Sakhar Karkhana Ltd, Shankaranandnagar, Nipani-591237, Tal. Chikodi, Dist Belgaum, Karnataka for setting up of 15 MW bagasse based co-generation power project.
2. On the basis of technical, financial and other data placed before it, the committee concluded that the project is technically & financially viable. The financial ratios have been arrived at after considering all outstanding loans taken by sugar factory and that the proposal complies with the provisions of the SDF rules and extant guidelines. No refinancing of project is involved. No old plant and machinery has been considered in the project. Adequate raw material is available. The project has been appraised by National Cooperative Development Corporation and technical viability of the project has been done by Vasantdada Sugar Institute, Pune and NSI Kanpur has also submitted its report in the case.



4

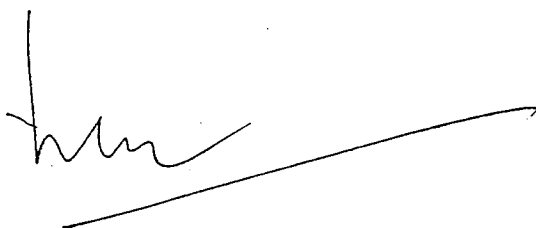
The project is likely to be completed and commissioned by Oct.2016 as informed by the Society.

3. The average DSCR of the sugar factory is 1.63 and the company as a whole is 1.63. FACR of the sugar factory and company as a whole is 1.57 as on 31.3.2014. IRR of the project is 18.5%.
4. The Standing Committee discussed the case in detail and on the basis of recommendations of the Sub-Committee, recommended SDF loan of Rs.1959.20 lakh on the basis of normative cost.
5. The sugar factory will give first pari passu charge on its assets or a higher security for SDF loan as per FACR benchmark on the date of creation of charge.

#### AGENDA ITEM NO. 8

M/s Shri Siddheshwar Sahakari Sakhar Karkhana Ltd., At Kumathe, Taluka North Solapur, Dist Solapur, Maharashtra - 413224.

1. The Standing Committee considered the loan Application M/s Shri Siddheshwar Sahakari Sakhar Karkhana Ltd., At Kumathe, Taluka North Solapur, Dist Solapur, Maharashtra - 413224 for setting up of 38 MW bagasse based cogeneration power project.
2. On the basis of technical, financial and other data placed before it, the Committee concluded that the project is technically & financially viable. The financial ratios have been arrived at after considering all outstanding loans taken by sugar factory and that the proposal complies with the provisions of the SDF rules and extant guidelines. No refinancing of project is involved. No old plant and machinery has been considered in the project. Adequate raw material is available. The project has been appraised by National Cooperative Development Corporation and technical viability of the project has been done by Avant Garde Engineers Pvt. Ltd. and NSI Kanpur has also submitted its report in the case. The project is likely to be completed and commissioned by November 2016.
3. The average DSCR of the sugar factory and the society as a whole is 1.71. FACR of the sugar factory and society as a whole is 1.82 as on 31.3.2014. IRR of the project is 20.50%.
4. The Standing Committee discussed the case in detail and on the basis of recommendations of the Sub-Committee, recommended SDF loan of Rs.5018.14 lakh.
5. The sugar factory will give first pari passu charge on its assets or a higher security for SDF loan as per FACR benchmark on the date of creation of charge.



#### AGENDA ITEM NO. 9

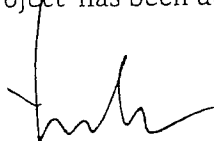
M/s Sahakar Maharshee Shivajirao Narayanrao Nagawade Sahakari Sakhar Karkhana Limited (Formerly known as The Shrigonda Sahakari Sakhar Karkhana Ltd.), At Shrigonda Factory, Post Shrigonda Sakhar Karkhana, Taluka Shrigonda, District Ahmednagar, Maharashtra.

1. The Standing Committee considered the loan Application M/s Sahakar Maharshee Shivajirao Narayanrao Nagawade Sahakari Sakhar Karkhana Limited for setting up of 26 MW bagasse based co-generation power project.
2. On the basis of technical, financial and other data placed before it, the Committee concluded that the project is technically viable, adequate raw material is available, the financial ratios have been arrived at after considering all outstanding loans taken by sugar factory and that the proposal complies with the provisions of the SDF rules and extant guidelines. No refinancing of project is involved. No old plant and machinery has been considered in the project. The project has been appraised by Maharashtra State Cooperative Bank and technical viability of the project has been done by Vasantdada Sugar Institute, Pune and NSI Kanpur has also submitted its report in the case.
3. The average DSCR of the sugar factory and the society as a whole is 3.85. FACR of the sugar factory and society as a whole is 1.50 as on 31.3.2015. IRR of the project is 18.67%.
4. The Standing Committee discussed the case in detail and on the basis of recommendations of the Sub-Committee, recommended SDF loan of Rs.3427.96 lakh.
5. The sugar factory will give first pari passu charge on its assets or a higher security for SDF loan as per FACR benchmark on the date of creation of charge.

#### AGENDA ITEM NO. 10

M/s Fabtech Sugar Private Ltd., At Nandur, Tal. Mangalvedha, Distt. Solapur, Maharashtra.

1. The Standing Committee considered the loan Application M/s Fabtech Sugar Private Ltd., At Nandur, Tal. Mangalvedha, Distt. Solapur, Maharashtra for setting up of 21 MW greenfield bagasse based co-generation power project.
2. On the basis of technical, financial and other data placed before it, the committee concluded that the project is technically viable, adequate raw material is available, the financial ratios have been arrived at after considering all outstanding loans taken by sugar factory and that the proposal complies with the provisions of the SDF rules and extant guidelines. No refinancing of project is involved. No old plant and machinery has been considered in the project. The project has been appraised by State Bank of India and technical viability of the project has been done by Manalee Engineering, Pune.



3. The average DSCR of the sugar factory and the company as a whole is 2.07. FACR of the sugar factory and company as a whole is 1.43 as on 31.3.2014. IRR of the project is 27.15%.
4. The Standing Committee discussed the case in detail and recommended SDF loan of Rs.1237.80 lakh as admissible for a Greenfield project.
5. The sugar factory will give first pari passu charge on its assets or a higher security for SDF loan as per FACR benchmark on the date of creation of charge.

#### LOAN FOR PRODUCTION OF ANHYDROUS ALCOHOL OR ETHANOL FROM ALCOHOL

##### AGENDA ITEM NO: 11

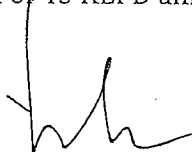
M/s Udagiri Sugar and Power Ltd., Bamani (Pare), Tal. Khanapur, Dist- Sangli, Maharashtra.

1. The Standing Committee considered the loan Application M/s Udagiri Sugar and Power Ltd., Bamani (Pare), Tal. Khanapur, Dist- Sangli, Maharashtra for setting up plant for production of 30 KLPD anhydrous alcohol or Ethanol from molasses.
2. On the basis of technical, financial and other data placed before it, the Committee concluded that the project is technically & financially viable, adequate raw material is available, the financial ratios have been arrived at after considering all outstanding loans taken by sugar factory and that the proposal complies with the provisions of the SDF rules and extant guidelines. No refinancing of project is involved. No old plant and machinery has been considered in the project. The project has been appraised by Bharati Sahakari Bank Ltd., Pune and technical viability of the project has been done by Vasantdada Sugar Institute, Pune and NSI Kanpur has also submitted its report in the case.
3. The average DSCR of the sugar factory and the company as a whole is 1.90. FACR of the sugar factory and company as a whole is 1.47 as on 31.3.2014. IRR of the project is 19.01%.
4. The Standing Committee discussed the case in detail and on the basis of recommendations of the Sub-Committee, recommended SDF loan of Rs.1257.416 lakh.
5. The sugar factory will give first pari passu charge on its assets or a higher security for SDF loan as per FACR benchmark on the date of creation of charge.

##### AGENDA ITEM NO: 12

M/s Soubhagya Laxmi Sugars Limited., At Hirenandi Village, Gokak Taluka, Belgaum District, Karnataka

1. The Standing Committee considered the loan Application M/s Soubhagya Laxmi Sugars Limited., At Hirenandi Village, Gokak Taluka, Belgaum District, Karnataka for setting up plant for production of 45 KLPD anhydrous alcohol or Ethanol from molasses.





2. On the basis of technical, financial and other data placed before it, the committee concluded that the project is technically viable, adequate raw material is available, the financial ratios have been arrived at after considering all outstanding loans taken by sugar factory and that the proposal complies with the provisions of the SDF rules and extant guidelines. No refinancing of project is involved. No old plant and machinery has been considered in the project. The project has been appraised by The Karnataka State Co-operative Apex Bank and technical viability of the project has been done by Manalee Engineering, Pune and NSI Kanpur has also submitted its report in the case.

3. The average DSCR of the sugar factory and the company as a whole is 3.99. FACR of the sugar factory and company as a whole is 1.38 as on 31.3.2015. IRR of the project is 35.86%.

4. The Standing Committee discussed the case in detail and on the basis of recommendations of the Sub-Committee, recommended SDF loan of Rs.928.28 lakh.

5. The sugar factory will give first pari passu charge on its assets or a higher security for SDF loan as per FACR benchmark on the date of creation of charge.

AGENDA ITEM NO: 13

M/s Kumbhi Kasari Sahakari Sakhar Karkhana Ltd., Kuditre, Taluk Karveer, District Kolhapur, Maharashtra for modernization-cum-expansion of sugar factory. (Modernisation Scheme)

1. The case of sugar factory for considering the expanded capacity as 5000 TCD in place of 5500 TCD and extending the validity of Administrative Approval from 30.6.2015 to 31.12 2015 for the sanctioned modernisation cum expansion project was placed before Standing Committee meeting.

2. The committee was informed that the sugar factory was sanctioned SDF loan for modernization cum expansion of crushing capacity from 3000 TCD to 5500 TCD. However EIA and NOC furnished by sugar factory were granted for modernisation cum expansion of sugar factory from 3000 to 5000 TCD. In this regard, NCDC clarified that the society had applied for sanction of financial assistance for modernisation-cum expansion of sugar factory from 3000 to 5500 TCD. However, after appraising the proposal, NCDC assessed the expanded capacity at 5000 TCD on the basis of 22 hr crushing operation. Accordingly Probability projections were carried out considering the expanded capacity of 5000 TCD.

3. The Standing Committee deliberated on the above issues and agreed that the expanded capacity may be considered as 5000 TCD in place of 5500 TCD. The Committee also approved the extension of validity of Administrative Approval till 31.12 2015.



Agenda Item No. 14

M/s Kumbhi Kasari SSK Ltd., Kuditre, Tal. Karvir, Dist. Kolhapur, Maharashtra.  
(Bagasse based co-generation power project )

The case for extending the validity period of Administrative Approval in respect of M/s Kumbhi Kasari SSK Ltd., Kuditre, Tal. Karvir, Dist. Kolhapur, Maharashtra, for setting up 17.5 MW bagasse based co-generation power project was considered in the Standing Committee meeting. The Standing Committee discussed the case in detail and approved extension of the validity of Administrative Approval for further six months i.e. upto 31.12.2015.

Agenda Item No.15

M/s Gangamai Industries and Constructions Ltd., Sugar and Cogeneration Unit: Village Najik Babhulgaon, PO Rakshi, Taluk Shevgaon, District Ahmednagar, Maharashtra.  
(Bagasse based co-generation power project )

The case for Ex-post-facto approval of the Standing Committee on relaxation in the condition of AA and extension in the validity of AA was placed before Standing Committee meeting. The Standing Committee discussed the case in detail and granted ex-post-facto approval of extension of validity of AA upto 30.06.2015 and approved the relaxation in the condition of submission of NOC (consent to operate) from PCB in view of submission of undertaking/cheques as security.

AGENDA ITEM NO: 16

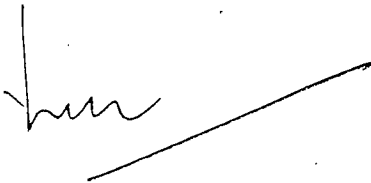
M/s. Gangamai Industries and Constructions Ltd., Sugar and Cogeneration Unit: Village Najik Babhulgaon, PO Rakshi, Taluk Shevgaon, District Ahmednagar, Maharashtra.  
(Modernisation Project)

The case for extending the validity of administrative approval of the sugar factory for modernisation cum expansion loan was placed before Standing Committee meeting. The Standing Committee discussed the case in detail and approved the extension of validity of AA upto 31.03.2016.

Agenda Item No17

M/s Rai Bahadur Narain Singh Sugar Mills Ltd., Lhaksar, Distt. Haridwar, Uttarakhand.  
(Ethanol Project)

1. The case for extending the validity period of Administrative Approval in respect of Sanction of SDF loan to the sugar factory, for setting up 60 KLPD anhydrous alcohol or ethanol project was placed before Standing Committee meeting. The Committee was informed by IFCI that the company could not pass the resolution required under Section 180 (1)(c) of company act 2013 for borrowing power. It has filed a petition with Company law Board and hearing is taking place. Further, in the absence of borrowing power resolution and NOCs from Bankers



and Income Tax Department, IFCI could not create charge by executing necessary legal documents.

2. The Standing Committee discussed the case in detail and keeping in view the above circumstances rejected the request of the sugar factory for extending the validity of AA.

#### AGENDA ITEM NO.18

M/s Uttam Sugar Mills Limited, Unit-Shermau, Tehsil Naku, District- Saharanur, Uttar Pradesh (Sugarcane Development project)

The case for Ex-post-facto approval of the Standing Committee on relaxation of levy sugar obligation before disbursal of cane development loan was placed before Standing Committee meeting. The Committee was informed that the lifting of Levy Sugar has been completed in the case of sugar factory. The Standing Committee discussed the case in detail and recommended the ex-post -facto approval for relaxation of levy sugar obligation before disbursement of loan.

#### AGENDA ITEM NO.19

M/s Uttam Sugar Mills Limited, Libberheri, Tehsil- Roorkee, District-Haridwar, Uttarakhand. (Sugarcane Development project)

The case for Ex-post-facto approval of the Standing Committee on relaxation of levy sugar obligation before disbursal of cane development loan was placed before Standing Committee meeting. The Committee was informed that the lifting of Levy Sugar has been completed in the case of sugar factory. The Standing Committee discussed the case in detail and recommended the ex-post -facto approval for relaxation of levy sugar obligation before disbursement of loan.

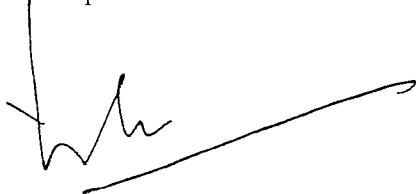
#### AGENDA ITEM NO: 20

M/s Satish Sugars Limited Taluk-Gokak, District-Belgaum, Karnataka. (Sugarcane Development project)

1. The case for extending the validity of administrative approval dated 12/06/2013 in respect of cane development loan of the sugar factory was placed before Standing Committee meeting.

2. The Committee was informed that the State Government of Karnataka has forwarded Utilization Certificate of 1<sup>st</sup> instalment of Rs. 361.35 lakhs and has recommended for release of Rs. 178.65 lakh towards the 2<sup>nd</sup> Instalment of SDF loan to the sugar factory.

3. The Standing Committee discussed the case in detail and approved the extension of validity of AA upto 31.12.2015.



## AGENDA ITEM NO: 21

Closure of the cases - For information of the Standing Committee -reg.

1. The cases for closing of proposal for setting up of 26 MW Greenfield bagasse based co-generation power project and for Setting up Greenfield plant for production of 45 KLPD ethanol in case of M/s Chincholi Sugar & Bio Industries Limited, Chincholi, gulbarga Main Road, Chincholi, Gulbarga District, 585307, Karnataka were placed before Standing Committee meeting.
2. The Committee was informed that despite the lapse of more than two years from the sanction of SDF cogeneration loan, company has not shown due diligence in implementation of the sugar, cogen, ethanol projects as revealed in the reports of Directorate of Sugar and State Government of Karnataka.
3. The Standing Committee discussed the case in detail and recommended the closure of both the cases.

## AGENDA ITEM NO: 22

Extension of Validity of the Administrative Approval

1. Administrative Approvals are valid for one year during which the sugar factory concerned must apply for disbursement of loan from SDF with complete documentation and completion of necessary formalities.
2. At present, in exceptional circumstances, for which reasons are to be recorded in writing, one extension of three months by Joint Secretary (Sugar) and another extension of three months by Secretary (F&PD) as Chairman of the Standing Committee may be granted. For further extension of validity of Administrative Approval, the case is required to be put up to Standing Committee.
3. However, it has been observed that due to various procedural delays, the sugar factories are quite often, not able to get mandatory clearances and complete necessary formalities and have been frequently approaching the Department for extension of AA. The Committee accordingly considered and approved the following proposal of the Department:

Request for Extensions of validity of Administrative Approval received within validity period for justifiable reasons may be considered at the level of JS (S&SA), and two extensions of three months each, may be permitted. After two such extensions granted by JS(S&SA), further extension of six months may be granted by Secretary F&PD. After giving one year of such extension, there shall be no further extension in any case except in the case where NOC from PCB or EIA are awaited, in which case the matter may be brought to the Standing Committee for consideration and a maximum of one year extension may be granted/considered by the Standing Committee.



AGENDA ITEM NO: 23

M/s. Lokmangal Sugar Ethanol and Cogeneration Industries Ltd., Village  
Bhandarkawathe, Taluka South Solapur, District Solapur, Maharashtra  
(Modernisation Project)

The case of sugar factory for extending the time for issuing the AA from 6 months to 31.12.2015 was placed before Standing Committee.

2. The committee was informed that the case of the sugar factory for modernisation cum expansion from 2500 to 6000 TCD was considered in the previous Standing Committee meeting held on 18.6.2012. At that time, the Committee approved the case for assistance of Rs.6045.60 lakh for modernization. However, it was also directed that the administrative approval be issued only after receipt of NOC from the State PCB and EIA clearance from the Ministry of Environment. It was also directed that these requirements be completed by the sugar factory within six months, failing which the issue of administrative approval may be cancelled.

3. The Committee discussed the case in detail and decided that since the requisite documents have now been received and the delay was not on the part of the sugar factory, the time for issuing AA may be extended for 6 months i.e. upto 31.12.2015.

**ADDITIONAL RECOMMENDATIONS OF THE STANDING COMMITTEE:**

1. It was also decided that while issuing the Administrative Approval in cane development scheme, a condition may be added that the sugar factory is required to submit the Utilization Certificate of first installment strictly within six months from the disbursement of first installment of loan failing which the second installment of the loan sanctioned may not be disbursed and the amount of first installment may be recovered with interest in lumpsum.

2. It was proposed by the SS&FA, DFPD, Member of Standing Committee that the sugar factories are required to clear Levy Sugar Obligation before disbursement of loan and status of the Levy Sugar obligation clearances may be reflected in the Agenda along with LSPEF and SDF dues. The proposal was approved by the Committee.



ATTENDANCE SHEET OF PARTICIPANTS OF 127<sup>TH</sup> MEETING OF  
STANDING COMMITTEE OF SDF HELD ON 8<sup>TH</sup> OCTOBER, 2015 AT 10.30 A.M.

Sl. No.	Name, Designation & Organization	Name in Capital & Signature
1.	Ms. Vrinda Sarup, Secretary & Chairman	Deptt. of Food and Public Distribution
2.	Shri. P.K. Jha Special Secretary and Financial Advisor	Deptt. of Food and Public Distribution
3.	Finance Secretary, Ministry of Finance.	Represented by Special Secretary & FA Deptt. of Food and Public Distribution
4.	Joint Secretary, Ministry of Finance, Deptt. of Financial Services (Banking Division)	
5.	Shri Prashant Trivedi, Joint Secretary (S&SA)	Deptt. of Food and Public Distribution
6.	Shri S.K. Jaswal, <del>CEO</del> , Dy. Adviser	NITI Aayog
7.	Shri G.S. Sahu, Director (S&SA)	Deptt. of Food and Public Distribution
8.	Shri Narendra Mohan, Director	National Sugar Institute, Kanpur
9.	Dr. R.P. Singh, Assistant Director (Crops)	Deptt. of Agriculture & Cooperation
10	Dr. Y.P. Singh PS(CC)	Indian Council of Agricultural of Research
11.	Shri N.K.Kashima DS(SDF) & Member Secretary	Deptt. of Food and Public Distribution
	<b>SPECIAL INVITEES</b>	
12	Shri Bikash Kanti Roy General Manger Ms. Sikha Gupta, Assistant General Manager Shri S.Chandrasekaran Assistant General Manager	IFCI Limited, New Delhi
13.	Shri A.K.Singh, CD (Sugar) Shri K.P. Vaish Adviser Shri R.K. Mangla, Dy. Director (Sugar)	National Co-operative Development Corporation
	<b>OTHERS</b>	
14.	Shri. R.K. Pandey, Deputy Secretary (Finance)	Deptt. of Food and Public Distribution
15.	Shri Rajesh Kumar Verma, Under Secretary (SDF)	Deptt. of Food and Public Distribution
16.	Shri Manmohan Kumar, Section Officer (SDF)	Deptt. of Food and Public Distribution