

E-MAIL/SPEED POST

No.1-3/2022-SDF

Government of India
Ministry of Consumer Affairs, Food & Public Distribution
Department of Food & Public Distribution
www.dfpd.nic.in

Room No.581, Krishi Bhawan,
New Delhi, the **21st June, 2024**

OFFICE MEMORANDUM

Subject: The 147th Meeting of the Standing Committee of Sugar Development Fund, chaired by Secretary (F&PD), held on Thursday, 13th June, 2024 at 11:00 AM – regarding.

In continuation of this Department's O. M. of even number dated 06.06.2024 on the subject mentioned above, a copy of the minutes of 147th meeting of Standing Committee on SDF held on 13th June, 2024 under the Chairmanship of Secretary (F&PD) is enclosed herewith for kind information and necessary action.



(Sangeet)

Director (SDF)

Member Secretary

Tel.No.23383760

To

1. Finance Secretary, Ministry of Finance, North Block, New Delhi (Member).
2. Secretary, Department of Agriculture & Farmers Welfare, Krishi Bhawan, New Delhi (Member).
3. Additional Secretary & Financial Adviser, Department of Food & Public Distribution, Krishi Bhawan, New Delhi (as nominee of Secretary, Department of Expenditure)-(Member).
4. Joint Secretary, Ministry of Finance (Department of Financial Services), Jeewan Deep Building, New Delhi (Member).
5. Joint Secretary (Sugar), Department of Food & Public Distribution, (Member).
6. Director (S&VO), Directorate of Sugar, Department of Food & Public Distribution.
7. Director General, Indian Council of Agricultural Research, Krishi Bhawan, New Delhi (Nominated Additional Member as expert under First Proviso to Rule 6).
8. Director, National Sugar Institute, Kanpur (Nominated Additional Member as expert under First Proviso to Rule 6).
9. Representative from IFCI Ltd. (as special invitee from financial institution under Second Proviso to Rule 6)
10. Representative from NCDC (as special invitee from financial institution under Second Proviso to Rule 6)



(Sangeet)

Director (SDF)

Member Secretary

Copy for information to:

- (i) PS to Hon'ble Minister of Consumer Affairs, Food & Public Distribution
- (ii) PS to Hon'ble Minister of State of Consumer Affairs, Food & Public Distribution.
- (iii) Sr.PPS to Secretary, Department of Food & Public Distribution
- (iv) Chief Controller of Accounts, Department of Food & Public Distribution

Minutes of the 147th Meeting of the Standing Committee of Sugar Development Fund held on 13.06.2024 at 11.00 A.M. in the Department of Food and Public Distribution, Krishi Bhawan, New Delhi.

The 147th meeting of the Standing Committee of Sugar Development Fund (SDF) was held on 13.06.2024 under the Chairmanship of Secretary (F&PD). A list of participants is at **Annexure-I**.

At the outset, the Chairman welcomed all the members of the Standing Committee. The Committee was informed that GoI has issued Revised Operational Guidelines for Restructuring of SDF loans under Rule 26 of SDF on 28.02.2024. Salient provisions of the 'Revised Operational Guidelines for restructuring of SDF loans' were also noted highlighting the Scheme of 'One Time Settlement (OTS)' giving option to the sugar factories/undertakings for complete payment of Principal and Interest (with waiver of additional interest) for settlement of SDF loan accounts.

In this regard, Secretary (DFPD) directed to hold a VC meeting for encouraging the sugar mills to apply under OTS and for expediting recovery of SDF loan accounts. Secretary (DFPD) also suggested considering a fixed timeline for OTS scheme under revised restructuring guidelines, instead of keeping it open-ended. Further, in order to increase the recovery of SDF Dues, Department may also join the field visits with the nodal agencies in few cases. It was also observed that the OTS Scheme under restructuring of SDF loans will reduce the overall default of SDF loans and improve recovery.

After that, with the permission of the Chair, discussions held and recommendations made against each Agenda Items are as under :

Agenda No. 147.1: Action Taken Report (ATR) on the decisions/directions of the 146th Standing Committee meeting held on 02.02.2024.

The Action Taken Report (ATR) on the decisions/directions taken in the 146th Standing Committee meeting held on 02.02.2024 was considered case by case. Updated position was brought to the notice of the Committee.

Agenda No. 147.2 : M/s. Shri Saikrupa Sugar and Allied Industries Limited, Hiradgaon, Tal.-Shrigonda, Dist. Ahmednagar, Maharashtra for One Time Settlement (OTS) of SDF loans.

The Committee considered the application of M/s. Shri Saikrupa Sugar and Allied Industries Limited, Hiradgaon, Tal.-Shrigonda, Dist. Ahmednagar, Maharashtra for One Time Settlement (OTS) of SDF Ethanol and Co-generation Loans of Rs.12,05,95,370/- and Rs.26,35,63,410/- respectively under Revised Operational Guidelines for Restructuring of loans under Rule 26 of SDF issued on 28.02.2024.

2. The application was received online through the SDF portal. The Nodal Agency, IFCI has also recommended the case of the sugar factory for OTS of SDF loans.

3. The case was considered and recommended by Committee For Rehabilitation (CFR) meeting held on 26.04.2024 for OTS of SDF loans of the sugar factory.

4. As per the defaulters list as on 30.04.2024 provided by the O/o. CCA, SDF dues position of the company is as under:

(in Rs.)

Loan Type	Ledger No	Loan Disbursed	Amount in default			
			Principal Amount	Interest	Additional Interest	Total defaults
Ethanol	VI-83	6,27,97,977	6,27,97,977	4,87,59,492	5,15,75,681	16,31,33,150
	VI-84	5,77,97,393	5,77,97,393	8,32,60,291	5,05,91,474	19,16,49,158
Cogeneration	VIII-39	26,35,63,410	26,35,63,410	18,80,90,209	16,07,75,621	61,24,29,240
Total		38,41,58,780	38,41,58,780	32,01,09,992	26,29,42,776	96,72,11,548

5. The application, alongwith CFR recommendations, was discussed in detail and the Committee observed that the company meets the eligibility criteria for OTS of the Revised Operational Guidelines dated 28.02.2024. The Committee further observed that if the proposal is accepted, this may result in recovery of Principal and Interest dues from a defaulter sugar mill and may lead to closure of default accounts of the sugar factory. The Committee was also of the view that as per the guidelines, maximum six months time may be granted for making full payment under the OTS to the sugar factory.

6. After due deliberations, the Committee recommended the OTS of the SDF Ethanol loan of Rs.25,26,15,153/- (principal of Rs.12,05,95,370/- & interest of Rs.13,20,19,783/-) & Co-generation Loan of Rs. 45,16,53,619/- (principal of Rs.26,35,63,410/- & interest of Rs.18,80,90,209/-) amounting to a total of Rs. 70,42,68,772/- (as on 30.04.2024) to the sugar factory, as per Revised Operational Guidelines dated 28.02.2024. The sugar factory is eligible for waiver of additional interest amounting to **Rs.26,29,42,776/-** (as on 30.04.2024). However, the actual amount of outstanding principal & interest to be paid by the sugar factory alongwith waiver of additional interest in full may vary as per the date of Administrative Approval for OTS. Further, normal interest at prevailing bank rate shall accrue and be charged till the date of complete payment of said principal and interest.

Agenda No. 147.3: M/s. Sakthi Sugars Limited, Sakthi Nagar, Erode District, Tamil Nadu for One Time Settlement (OTS) of SDF loan for its Modakurichi unit.

The Committee considered the application of M/s. Sakthi Sugars Limited, Poonthurai Semur, PO, Modakurichi, Erode District, Tamil Nadu for One Time Settlement (OTS) of SDF Co-generation Loan of Rs. 8,01,85,628/- under Revised Operational Guidelines for Restructuring of loans under Rule 26 of SDF issued on 28.02.2024.

2. The application was received online through the SDF portal. The Nodal Agency, IFCI has also recommended the case of the sugar factory for OTS of SDF loan.

3. The case was considered and recommended by Committee For Rehabilitation (CFR) meeting held on 21.05.2024 for OTS of SDF loan of Modakurichi unit of M/s. Sakthi Sugars Limited.

4. As per the defaulters list as on 30.04.2024 provided by the O/o. CCA, SDF dues position of the company is as under:

(in Rs.)

Loan Type	Ledger No	Loan Disbursed	Amount in default			
			Principal Amount	Interest	Additional Interest	Total defaults
Cogeneration	VIII-14	8,01,85,628	8,01,85,628	5,91,01,987	3,24,73,832	17,17,61,447

5. The application, alongwith CFR recommendations, was discussed in detail and the Committee observed that the Modakurichi unit of the company meets the eligibility criteria for OTS of the Revised Operational Guidelines dated 28.02.2024. The Committee further observed that if the proposal is accepted, this may result in recovery of Principal and Interest dues from a defaulter sugar mill and may lead to closure of default account of the sugar factory. The Committee was also of the view that as per the guidelines, maximum six months time may be granted for making full payment under the OTS to the sugar factory.

6. After due deliberations, the Committee recommended the OTS of the SDF Co-generation Loan of Rs.13,92,87,615/- (principal of Rs.8,01,85,628/- & interest of Rs.5,91,01,987/-) (as on 30.04.2024) to the sugar factory, as per Revised Operational Guidelines dated 28.02.2024. The sugar factory is eligible for waiver of additional interest amounting to **Rs.3,24,73,832/-** (as on 30.04.2024). However, the actual amount of outstanding principal & interest to be paid by the sugar factory alongwith waiver of additional interest in full may vary as per the date of Administrative Approval for OTS. Further, normal interest at prevailing bank rate shall accrue and be charged till the date of complete payment of said principal and interest.

Agenda No. 147.4: M/s Loknete Sunderraoji Solanke Sahakari Sakhar Karkhana Ltd., Sundarnagar, Dist- Beed, Maharashtra for One Time Settlement (OTS) of SDF loans.

The Committee considered the application of M/s Loknete Sunderraoji Solanke Sahakari Sakhar Karkhana Ltd., Sundarnagar, Dist- Beed, Maharashtra for One Time Settlement (OTS) of SDF Modernisation, Cane Development, Co-Generation Loans of Rs.1533.35 lakhs, Rs.540.00 lakhs and Rs.2893.73 lakhs respectively under Revised Operational Guidelines for Restructuring of loans under Rule 26 of SDF issued on 28.02.2024.

2. The application was received online through the SDF portal. The Nodal Agency, NCDC has also recommended the case of the sugar factory for OTS of SDF loans.

3. The case was considered and recommended by Committee For Rehabilitation (CFR) meeting held on 21.05.2024 for OTS of SDF loans of the sugar factory.

4. As per the defaulters list as on 30.04.2024 provided by the O/o CCA, SDF dues position of the company is as under :

(in Rs.)

Loan Type	Ledger No	Loan Disbursed	Amount in default			
			Principal Amount	Interest	Additional Interest	Total defaults

Cane Development	X-62	2,68,74,000	67,24,438	29,25,014	31,49,450	1,27,98,902
	X-63	48,18,000	24,09,775	21,90,550	11,99,641	57,99,966
	X-64	2,23,08,000	1,11,54,942	90,51,736	52,63,300	2,54,69,978
Cogeneration	IX-14	28,93,73,000	28,93,73,000	20,03,41,274	10,27,19,078	59,24,33,352
Modernisation	AA-30	15,33,35,000	15,33,35,000	12,90,49,458	3,01,33,265	31,25,17,723
Total		49,67,08,000	46,29,97,155	34,35,58,032	14,24,64,734	94,90,19,921

5. The application, alongwith CFR recommendations, was discussed in detail and the Committee observed that the sugar factory meets the eligibility criteria for OTS of the Revised Operational Guidelines dated 28.02.2024. The Committee further observed that if the proposal is accepted, this may result in recovery of Principal and Interest dues from a defaulter sugar mill and may lead to closure of default accounts of the sugar factory. The Committee was also of the view that as per the guidelines, maximum six months time may be granted for making full payment under the OTS to the sugar factory.

6. After due deliberations, the Committee recommended the OTS of the SDF Cane Development loan of Rs.3,44,56,455/- (principal of Rs.2,02,89,155/- & interest of Rs.1,41,67,300/-); Co-generation Loan of Rs.48,97,14,274/- (principal of Rs.28,93,73,000/- & interest of Rs.20,03,41,274/-) and Modernisation Loan of Rs.28,23,84,458/- (principal of Rs.15,33,35,000/- & interest of Rs.12,90,49,458/-) amounting to a total of Rs.80,65,55,187/- (as on 30.04.2024) to the sugar factory, as per Revised Operational Guidelines dated 28.02.2024. The sugar factory is eligible for waiver of additional interest amounting to **Rs.14,24,64,734/-** (as on 30.04.2024). However, the actual amount of outstanding principal & interest to be paid by the sugar factory alongwith waiver of additional interest in full may vary as per the date of Administrative Approval for OTS. Further, normal interest at prevailing bank rate shall accrue and be charged till the date of complete payment of said principal and interest.

Agenda No. 147.5: M/s. Kisan Veer Satara Sahakari Sakhar Karkhana Limited, Kisanveernagar, Taluka-Wai, District Satara, Maharashtra for One Time Settlement (OTS) of SDF loans.

The Committee considered the application of M/s. Kisan Veer Satara Sahakari Sakhar Karkhana Limited, Kisanveernagar, Taluka-Wai, District Satara, Maharashtra for One Time Settlement (OTS) of SDF Modernisation and Co-generation Loans of Rs.3,25,17,500/- and Rs.27,10,56,226/- respectively under Revised Operational Guidelines for Restructuring of loans under Rule 26 of SDF issued on 28.02.2024.

2. The application was received online through the SDF portal. The Nodal Agency, NCDC has also recommended the case of the sugar factory for OTS of SDF loans.

3. The case was considered and recommended by Committee For Rehabilitation (CFR) meeting held on 21.05.2024 for OTS of SDF loans of the sugar factory.

4. As per the defaulters list as on 30.04.2024 provided by the O/o CCA, SDF dues position of the society is as under:

(in Rs.)

Loan Type	Ledger No	Loan Disbursed	Amount in default			
			Principal Amount	Interest	Additional Interest	Total defaults
Modernisation	Z-85	3,25,17,500	3,25,17,500	3,43,97,970	54,02,603	7,23,18,073
Cogeneration	VIII-58	27,10,56,226	27,10,56,226	31,96,05,153	11,40,59,026	70,47,20,405
Total		30,35,73,726	30,35,73,726	35,40,03,123	11,94,61,629	77,70,38,478

5. The application, alongwith CFR recommendations, was discussed in detail and the Committee observed that the sugar factory meets the eligibility criteria for OTS of the Revised Operational Guidelines dated 28.02.2024. The Committee further observed that if the proposal is accepted, this may result in recovery of Principal and Interest dues from a defaulter sugar mill and may lead to closure of default accounts of the sugar factory. The Committee was also of the view that as per the guidelines, maximum six months time may be granted for making full payment under the OTS to the sugar factory.

6. After due deliberations, the Committee recommended the OTS of the SDF Modernisation loan of Rs.6,69,15,470/- (principal of Rs.3,25,17,500/- & interest of Rs.3,43,97,970/-) and Cogeneration Loan of Rs. 59,06,61,379/- (principal of Rs.27,10,56,226/-& interest of Rs.31,96,05,153/-) amounting to a total of Rs.65,75,76,849/- (as on 30.04.2024) to the sugar factory, as per Revised Operational Guidelines dated 28.02.2024. The sugar factory is eligible for waiver of additional interest amounting to **Rs.11,94,61,629/-** (as on 30.04.2024). However, the actual amount of outstanding principal & interest to be paid by the sugar factory alongwith waiver of additional interest in full may vary as per the date of Administrative Approval for OTS. Further, normal interest at prevailing bank rate shall accrue and be charged till the date of complete payment of said principal and interest.

Agenda No. 147.6: Review & Recoveries of SDF Loans

The Committee reviewed the progress made on recovery of SDF dues during FY 2024-25 (up to 30.04.2024) and directed to take necessary steps to expedite the recovery for current Financial Year.

Last Five Years Recoveries as per O/o CCA		
(Rs. in Crore)		
Sl. No.	Year	Recovered Amount
1	2019-20	524
2	2020-21	561
3	2021-22	571
4	2022-23	419

5	2023-24	403
6	2024-25 as on 30.04.2024 (i.e. for 1 month)	23

2. It was noted that the One Time Settlement of SDF loans may result in increase in recovery of SDF loans for current Financial Year.

The meeting ended with Vote of Thanks to the Chair.

Officials attending 147th Standing Committee Meeting, scheduled on **13.06.2024**
at **11:00 AM** in **Room No. 167**, Krishi Bhawan:

Attendance Sheet

Sl. No.	Name/ Designation	Signature
1 ✓	Secretary (DFPD)	Present
2 ✓	Joint Secretary (Sugar)	Present
3 ✓	Director (SDF)	Present
4 ✓	Additional Secretary & Finance Advisor	Present
5	DS (Finance)	—
6	Principal Scientist (Commercial Crops) ICAR, Krishi Bhawan	Present
7	Under Secretary, DFS	Abdul Gaffar
8	Chief Controller of Accounts	— on leave —
9	DY, (Commercial Crops) Ministry of A & FW	Present
Special Invites		
1	NSI Kanpur	VC
2	NCDC Representative GIRAJ AGNIWALE PRATIK MISHRA DEPUTY DIRECTOR	Present
3	IFCI Representative - Deepak Mishra, GM	Present
4	Jyoti Gupta, S.A.O. Food	Present
5	VIKAS SINGH, DYCA (on behalf of CCA)	Present
6	MANTOSH KUMAR OSH, S.O(CA)	7011332177
7	Dr. K.K. Dash AC(Crops), DA&FW	OM
8	Meena, IFCI Ltd.	Meena
9	Ram PRASAD, P.O.	Present
10		