

No.1-1/2019-SDF
Government of India
Ministry of Consumer Affairs, Food & Public Distribution
Department of Food & Public Distribution
www.dfpd.nic.in

Room No.476, Krishi Bhawan,
New Delhi, the 14th June 2019

OFFICE MEMORANDUM

Subject: Meeting of Screening Committee of SDF for considering loan applications of Sugar Factories for Cane Development held on Thursday, the 6th June, 2019 under the Chairmanship of Joint Secretary (Sugar & Admn.)- regarding

In continuation of this Ministry's OMs of even number dated 10.05.2019 and 29.05.2019 on the subject, a copy of minutes of the meeting of Screening Committee held on 06.06.2019 at 11:00 AM under the Chairmanship of Joint Secretary (Sugar & Admn.) is enclosed for your kind information and necessary action.


(Dilip Kumar Jha)
Under Secretary (SDF)
Tel.No.23385726

DISTRIBUTION:

1. Chief Director (Sugar), [to be represented by Director (S&VO)], Directorate of Sugar, DFPD
2. Director (Finance), D/o Food & P.D.
3. Representative of ICAR (Sugarcane expert)

Special Invitees

4. The Agriculture Commissioner, Deptt. of Agriculture & Cooperation, Krishi Bhawan, New Delhi.
5. The Commissioner (CAD), Ministry of Water Resources, Shram Shakti Bhawan, New Delhi.
6. The Director, Indian Institute of Sugarcane Research, P.O Dilkhusa, Lucknow, UP
7. The Director, National Sugar Institute (NSI), Kalyanpur, Kanpur, Uttar Pradesh.
8. The Director General, Vasantdada Sugar Institute (VSI), Taluk: Haveli, Distt. Pune, Maharashtra
9. The President, Indian Sugar Mills Association (ISMA), Ansal Plaza, 2nd Floor, Block-C, August Kranti Marg, New Delhi
10. The President, National Federation of Cooperative Sugar Factories Ltd. (NFCSF), Ansal Plaza, 2nd Floor, Block-C, August Kranti Marg, New Delhi
11. Representative of Horticulture Division, Department of Agriculture Cooperation and Farmers welfare, Ministry of Agriculture and Farmers Welfare, krishi Bhawan, New Delhi


(Dilip Kumar Jha)
Under Secretary (SDF)

Copy for information to: PS to JS (Sugar & Admn.)/PA to Deputy Secretary (SDF)/US (SPF)/AD(Cost)

Minutes of the meeting of the Screening Committee under Sugar Development Fund (SDF) held on 06.06.2019

A meeting of the Screening Committee for consideration of the loan applications for Sugar Cane Development under Sugar Development Fund (SDF) was held under the Chairmanship of Joint Secretary (S&A) on 06.06.2019 at 11:00 A.M. in Room No, 41, Ground Floor, Krishi Bhawan, New Delhi. A list of participants is at Annexure-I.

At the outset, the Chairman welcomed all the Members of the Screening Committee. Thereafter, the agenda item was taken up for discussion with the permission of the chair. The observations/ recommendations are as follows:

Agenda Item No 1: Proposal of M/s Shri Sai Priya Sugar Ltd., Vishal Nagar, Hipparagi- Albal Road, Tq: Jamkhandi. Dist.: Bagalkot, Karnataka for Cane development involving SDF assistance.

M/s Shri Sai Priya Sugar Ltd., Vishal Nagar, Hipparagi- Albal Road, Tq: Jamkhandi. Dist.: Bagalkot, Karnataka has submitted a proposal for SDF loan for Cane development involving SDF assistance of Rs.540.00 lakh. The application was recommended and forwarded by the State Government of Karnataka.

2. The Sugar Factory has submitted the loan proposal with a unit cost of ₹60,000.00 per hectare for Drip Irrigation system. The Committee observed that the least amount quoted for Drip Irrigation system as per the quotations submitted by the Sugar Factory was Rs. 42,449.94 per hectare. Accordingly, the eligible loan has been revised, considering the least quotation value as under:

Sl. No.	Name of Scheme	Physical targets (ha)		Total (ha)	Unit Cost (Rs. /ha)	Financial Outlay (Rs. in lakh)		Total (Rs. in lakh)
		1st Yr.	2nd Yr.			1st Yr.	2nd Yr.	
1.	Rearing of Nurseries							
	a. Primary	75	75	150	30000	22.5	22.5	45
	b. Secondary	-	750	750	26000	-	195	195
	Total	75	825	900		22.5	217.5	240
2.	Drip Irrigation	400	200	600	42450	169.8	84.9	254.7
	Grand Total					192.3	302.4	494.7
	Factory contribution (10%)					19.23	30.24	49.47
	Loan applied					173.07	272.16	445.23

3. As on 31.03.2018 based on ABS 2017-18, the DSCR of the sugar factory and company as whole is 1.05, FACR of the sugar factory and company as a whole is 1.408, and IRR for the project is 27.68%.

4. The Committee further observed that there is some discrepancy in the Recovery% and Pol% data of the last five years furnished by the Sugar Factory. The same is required to be clarified by the Sugar Factory. Also, expected benefit of Pol% Cane has not been furnished by the Sugar Factory. The same is required to be furnished by the Sugar Factory.

5. After due deliberations, the Screening committee, on the basis of the recommendation of State Government, technical and financial details, and eligible project cost, recommended SDF loan of ₹173.07 lakh for 1st year and ₹272.16 lakh for 2nd year for consideration of Standing Committee subject to furnishing the details as mentioned in para 4 above.

Minutes of the meeting of the Screening Committee held on 06.06.2019

Agenda Item No 2: Proposal of M/s Nirani Sugars Limited, 166, Kulali Cross, Jamakhandi Road, Mudhol Taluk, Bagalkot, Karnataka for Cane development involving SDF assistance.

M/s Nirani Sugars Limited, 166, Kulali Cross, Jamakhandi Road, Mudhol Taluk, Bagalkot, Karnataka has submitted a proposal for SDF loan for Cane development involving SDF assistance of Rs.540.00 lakh. The application was recommended and forwarded by the State Government of Karnataka.

2. The Committee observed that the Sugar Factory has not furnished that baseline information for 'Expected benefits on completion of the project.' Also, the information is not correlating with the information mentioned in the appraisal report. Therefore, the Committee directed to re-examine the same and deferred the proposal to be considered in future Sub-Committee meeting.

Additional Agenda Item No 01: Proposal of M/s Sahakar Shiromani Vasantrao Kale Sahakari Sakhar Karkhana Ltd., At-Post-Bhalawani, Taluka Pandharpur, Maharashtra for Cane development involving SDF assistance.

M/s Sahakar Shiromani Vasantrao Kale Sahakari Sakhar Karkhana Ltd., At-Post-Bhalawani, Taluka Pandharpur, Maharashtra has submitted a proposal for SDF loan for Cane development involving SDF assistance of Rs.540.00 lakh. The application was recommended and forwarded by the State Government of Maharashtra.

2. The Committee observed that the Sugar Factory is incurring losses during the last five financial years. Also, the DSCR of the Sugar Factory and Company as a whole for the FY 2017-18 is 0.08. Therefore, the Committee deferred the proposal with directions to re-examine the financials of the Sugar Factory.



Annexure-I

Attendance Sheet of the Screening Committee/Sub Committee Meeting held on 06.06.2019 at 11:00 AM, Room No. 41, Krishi Bhawan, New Delhi			
Sl. No.	Name of Members	Designation	Signature
1	Shri Suresh Kumar Vashishth Joint Secretary (S & A)	Chairman	
2	Shri Makarand Phadke Director (S&VO) Directorate of Sugar	Member	
3	Shri R.K.Pandey Director (Finance)	Member	
4	Representative of ICAR(Sugarcane Expert) (For Screening Committee)	Member	
5	Director, NSI, Kanpur Represented by Prof. D Swain	Member	
6	Shri L.P. Sharma DS (SDF)	Member Secretary	
SPECIAL INVITEES			
7	Agriculture Commissioner, Dept. of Agriculture (For Screening Committee)	Dr. R. P. Singh Assistant Director	
8	The Commissioner (CAD), Ministry of Water Resources (For Screening Committee)	Dr. Dimple	
9	The Director, Indian Institute of Sugarcane Research Lucknow (For Screening Committee)		
10	The Director General, Vasantdada Sugar Institute (VSI), (For Screening Committee)		
11	The President, Indian Sugar Mills Association (ISMA)	Dr. R. P. Singh Assistant Director (Policy)	
12	The President, National Federation of Cooperative Sugar Factories Ltd. (NFCFS)	G.K. THAKUR & MAHESHWARI Asst. Dir. (T&S) NFCFS	
13	Representative from STAI, New Delhi	Council Member.	
14	Representative from Horticulture Division, D/o Agriculture Cooperation and Farmers welfare	R. R. Sharma Asstt. Commr.	
15	Representative from NCDC SIRAJ A BONDHARI PUNEET K. GUPTA	Deputy Director Assistant Director	
16	Representative from IFCI Prasoon Jagdish Garwal Ambika Gupta	CGM DGM Manager	
Others			
17	Shri Dilip K. Jha	Under Secretary (SDF)	
18	Shri Kanav Dua	Asst. Director (Cost)	
19	Shri Jitendra Kumar Agrawal	Section Officer (SDF)	
20	Sh. Mangal Soresan	(SO) SPF O/o CCA	
21	RAJESH KR VERMA	US(SPF)	

6/6/19