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No.1-6/2019-SDF

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

Room No.280A, Krishi Bhawan,
New Delhi, 11.10.2019

OFFICE MEMORANDUM

Subject: Meeting of Screening Committee of SDF for considering loan applications of Sugar Factories for Cane Development held on Friday, the 4th October, 2019 under the Chairmanship of Joint Secretary (Sugar & Admn.)- regarding

In continuation of this Ministry's OMs of even number dated 19.09.2019 and 03.10.2019 on the subject, a copy of minutes of the meeting of Screening Committee held on 04.10.2019 at 03:30 PM under the Chairmanship of Joint Secretary (Sugar & Admn.) is enclosed for your kind information and necessary action.


(L.P.Sharma)

Deputy Secretary (SDF)
Member Secretary
Tel.No. 23073478

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 Dilkhusha, 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


(L.P.Sharma)

Deputy Secretary (SDF)
Member Secretary

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

Minutes of the meeting of the Screening Committee under Sugar Development Fund (SDF) held on 04.10.2019

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 04.10.2019 at 03.30 P.M. Room No 167, First Floor, Krishi Bhawan, New Delhi. List of Members, Special Invitees and Sugar Factory representatives who attended the meeting is at Annexure-I.

2. At the outset, the Chairman welcomed all the Members of the Screening Committee. After that, the agenda items were taken up for discussion. The observations/ recommendations are as follows:

Agenda Item No: 1

M/s Nirani Sugars Limited, 166, Kulali Cross, Jamakhandi Road, Mudhol Taluk, Bagalkot, Karnataka - 587313 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.

The application was considered earlier by the Screening Committee in its meeting held on 06.06.2019. The Committee deferred the proposal as the Sugar Factory has not furnished the baseline information for 'Expected benefits on completion of the project.'

Now the proposal has been considered in the Screening Committee meeting held on 04.10.2019. The Sugar Factory has applied for an SDF loan of ₹540.00 lakh for the following schemes:

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	60000	240	120	360
	Grand Total					262.5	337.5	600
	Factory contribution (10%)					26.25	33.75	60
	Loan applied					236.25	303.75	540

Minutes of the Screening Committee meeting held on 04.10.2019

The information on Expected benefits on completion of the project and variety of seeds proposed to be cultivated under the Cane Development project submitted by the Sugar Factory has been perused by the Committee. Director NSI, Kanpur observed that the Sugar Factory has not furnished the details of 'area of cultivation of proposed varieties' and 'physical performance target and deliverables.' The Committee directed to obtain the same from the Sugar Factory.

As on 31.03.2018 based on ABS 2017-18, the DSCR of the sugar factory and company as a whole is 0.48, FACR of the sugar factory and company as a whole is 1.40, and IRR for the project is 12%.

Further, representative of the Sugar Factory informed the Committee that they have repaid the pending SDF Dues. The same was also reiterated by the IFCI. The Committee directed to confirm the payment status from the O/o CCA. The proposal will be placed before the Standing Committee after the receipt of the confirmation from the O/o CCA.

Subject to above, the Screening Committee, on the basis of the recommendation of State Government, technical and financial details, and eligible project cost recommended SDF loan of ₹236.25 lakh for 1st year and ₹303.75 lakh for 2nd year for consideration of the Standing Committee.

Additional Agenda Item No: 2

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.

The application was considered earlier by the Screening Committee in its meeting held on 06.06.2019. 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.

Now the proposal has been considered in the Screening Committee meeting held on 04.10.2019. The Committee has observed that SDF dues of ₹ 2,84,51,556.00 is outstanding against the Sugar Factory as per O/o CCA's letter dated 19.09.2019. The Sugar Factory has been requested to clear the dues and to furnish No Dues Certificate from the O/o CCA vide this Departments letter dated 27.09.2016.

Keeping in view of the outstanding SDF Dues, the Committee deferred the proposal.

(Signature)

Attendance Sheet of the Screening Committee/Sub Committee Meeting held on 04.10.2019 at 03:30 PM, 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	<i>Makarand</i>
3	Shri KMS Khalsa ^{on Tour} Director (Finance) ^{Ms. Hema Jaiswal} ^{Dir (Fin & Budget) L.O.}	Member	<i>Hema</i>
4	Representative of ICAR(Sugarcane Expert) (For Screening Committee)	Member	
5	Director, NSI, Kanpur	Member	<i>NSI</i>
6	Shri L.P. Sharma DS (SDF)	Member Secretary	<i>L.P. Sharma</i>
SPECIAL INVITEES			
7	Agriculture Commissioner, Dept. of Agriculture (For Screening Committee)	<i>Dr. S.K. Malhotra</i> <i>Agri Commissioner</i> <i>D.A.C.F.W.</i>	<i>Dr. K.K. Dasg</i> Joint Director <i>Dr. B.S. Patil, STA.</i>
8	The Commissioner (CAD), Ministry of Water Resources (For Screening Committee)	<i>Commissioner CAD</i> <i>Dow R. B. 29/9/19</i>	<i>R. Shimray, Dir</i> <i>CROWM.</i>
9	The Director, Indian Institute of Sugarcane Research Lucknow (For Screening Committee)		
10	The Director General, Vasantdada Sugar Institute (VSI), (For Screening Committee)		<i>VSI</i>
11	The President, Indian Sugar Mills Association (ISMA)	<i>G.K. Tarkot</i> <i>Dep. Pres.</i>	<i>ISMA</i>
12	The President, National Federation of Cooperative Sugar Factories Ltd. (NFCSF)	<i>Prakash Naitiknare</i> <i>MD, NFCSF</i>	<i>NFCSF</i>
13	Representative from STAI, New Delhi	<i>PRESIDENT</i>	<i>STAI</i>
14	Representative from Horticulture Division, D/o Agriculture Cooperation and Farmers welfare		<i>Horticulture</i>
15	Representative from NCDC <i>GIRRAJ AGNIHOTRI</i> <i>M.D. FAISAL</i>	<i>Deputy Director</i> <i>P.O.</i>	<i>NCDC</i> <i>M.D. Faical</i>
16	Representative from IFCI <i>Jagdish Garwal</i> <i>Manojrajan Sarana</i> <i>RAMSHARAN</i>	<i>DGM</i> <i>A.M.</i> <i>AGM</i>	<i>IFCI</i> <i>JG</i> <i>RAMS</i>
Others			
17	Shri Dilip K. Jha	Under Secretary (SDF)	<i>D.K. Jha</i>
18	Shri Kanav Dua	Asst. Director (Cost)	<i>Kanav</i> <i>4/10/19</i>
19	Shri Jaivir Singh	Section Officer (SDF)	<i>Jaivir</i>
20.	<i>R.K. VERMA</i>	<i>US (SPF)</i>	<i>R.K. Verma</i>