

संचिका सं० 1-2/2021- एस० डी० एफ०
भारत सरकार
उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्रालय
खाद्य और सार्वजनिक वितरण विभाग

कृषि भवन, नई दिल्ली
दिनांक: 19th March, 2021

कार्यालय ज्ञापन

Subject: Minutes of meeting of 142nd Standing Committee on SDF presided over by Secretary (F&PD) as Chairman on Wednesday, the 17th March, 2021 at 11:00 A.M. - regarding.

In continuation to this Ministry's O. M. of even number dated 05.03.2021 and 11.03.2021 on the subject mentioned above, a copy of minutes of 142nd meeting of Standing Committee held on 17.03.2021 under the Chairmanship of Secretary (F&PD) is enclosed herewith for kind information and necessary action.



(Sangeet)

Director (SDF)

Member Secretary

Tele: 2338 4653

Distribution:

1. Finance Secretary, Ministry of Finance, North Block, New Delhi (Member)
2. Secretary, Department of Agriculture & Farmers Welfare, Krishi Bhavan, New Delhi (Member)
3. Additional Secretary & Financial Adviser, Department of Food & Public Distribution, Krishi Bhavan, New Delhi (as nominee of Secretary, Department of Expenditure)-(Member)
4. Joint Secretary, Ministry of Finance (Department of Financial Services), Jiwan Deep Building, New Delhi (Member)
5. Joint Secretary (Sugar & Admn.), Department of Food & Public Distribution, (Member)
6. Director General, Indian Council of Agricultural Research, Krishi Bhawan, New Delhi (Member)
7. Director (S&VO), Directorate of Sugar, Department of Food & Public Distribution.(Member)
8. Director, National Sugar Institute, Kanpur (Member).

Special Invitee:

- (i) Representative from IFCI : Expert on banking
- (ii) Representative from NCDC : Expert on banking



(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. PSO to Secretary, Department of Food & Public Distribution
- iv. Chief Controller of Accounts, Department of Food & Public Distribution.

Minutes of the 142nd Meeting of the Standing Committee of the Sugar Development Fund held on 17th March, 2021 at 11.00 a.m. in the Department of Food & Public Distribution, Krishi Bhavan, New Delhi.

The 142nd Meeting of the Standing Committee of Sugar Development Fund (SDF) was held on 17th March, 2021 at 11.00 a.m. under the Chairmanship of Secretary (F&PD). A list of the participants is at Annexure - I.

Discussions held and recommendations made against each agenda item are as under:-

Agenda Item No.142.1: Action Taken Report on 141st Meeting of the Standing Committee

The Action Taken Report on the decision taken in the 141st Meeting of the Standing Committee held on 22nd December, 2020 was considered case by case. Updated position was brought to the notice of the Committee.

Agenda Item No.142.2: Cane Development loan – M/s Shri Sai Priya Sugar Ltd., Vishal Nagar, Hipparagi- Albal Road, Tq: Jamkhandi. Dist.: Bagalkot, Karnataka - 587311 – Extension of validity of AA.

M/s Shri Sai Priya Sugar Ltd., Vishal Nagar, Hipparagi- Albal Road, Tq: Jamkhandi. Dist.: Bagalkot, Karnataka - 587311 was sanctioned Cane Development loan of ₹ 445.23 lakh vide this Department's letter dated 26.09.2019. The validity of AA was extended up to 26.12.2020 vide letter dated 12.10.2020. The AA was expired on 26.12.2020.

It was brought to the notice of the Committee that Sugar Factory, vide their letter dated 01.03.2021, has requested to extend the validity up to 30.06.2021. The Sugar Factory informed that 'their proposal for sanction of Bank Guarantee for Rs.4.60 Cr to be obtained in Gol favour, as per the terms of sanction, is yet to be released by the Karnataka State Cooperative Apex Bank Ltd., Bengaluru reportedly due to delay in appointment of new Chairperson consequent upon supersession of the Board on expiry of its duration, by Govt of Karnataka. They further mentioned that the nomination of the Board/Chairman is likely to be decided in a couple of months before the resumption of the functioning of the Board could be ensured.

The Agenda was discussed in detail in the meeting. After due deliberations, the Committee recommended to agree to the proposal as mentioned below:

- a. Condonation of delay in the submission of the request for extension of validity of AA.
- b. Extend the validity of AA for six months, i.e. up to 26.06.2021.


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Agenda Item No.142.3: Proposal of Ratification of extension given in the validity of AA in respect of M/s Yedeshwari Agro Products Ltd., Pavansoot Nagar, At. Anandgaon (Sarni), Post: Javalban, Tal. – Kaij, Distt. – Beed, Maharashtra for setting up of 45 KLPD Anhydrous Alcohol or Ethanol Plant.

After due deliberations, the Standing Committee ratified the decision to extend the validity of AA for a period of three months i.e., up to 17.05.2021.

Agenda Item No.142.4: Cane Development loan – Expiry of AA – de-sanction of SDF Cane Development Loan of Rs.270.00 lakh and Closure of loan application – Information to the Standing Committee.

A Cane Development loan of ₹270.00 lakh was sanctioned to M/s Vishwasrao Naik Sahakari Sakhar Karkhana Ltd., Yashwantnagar, Post- Chikhali, Tal. Shirala, Dist.- Sangli, Maharashtra vide Administrative Approval (AA) dated 15.02.2019.

T.P.A. was executed on 04.09.2019. NOC for the creation of charge was issued vide letter dated 23.11.2020.

As per point 4(f) of the AA, 'the sugar factory should submit their request for the disbursement of the first instalment of the sanctioned amount to SDF Section through the State Government of Maharashtra within a period of ten months from the date of issue of sanction. The validity of the administrative approval for availing the first instalment of loan is one year.' The validity of AA was extended up to 14.02.2021.

The validity of AA expired on 15.02.2021, and the Sugar Factory did not complete the necessary formalities for the disbursement of the loan. Further, no extension request for the validity of AA has been received from the Sugar Factory.

The Sugar Factory informed that 'they are unable to create the charge on sugar factory assets in the stipulated period due to unavoidable circumstances which are beyond to the control of the sugar factory. Now, their management decided not to avail SDF loan sanctioned for cane development and they requested to de sanction the SDF loan sanctioned vide your letter No. 5-1/2015-SDF dated 15/02/2019.'

Since the Sugar Factory is not willing to avail Cane Development loan, this Department has agreed to the request of the Sugar Factory to de-sanction the loan.

The Standing Committee noted the same.

Agenda Item No. 142.5: Discontinuation of SDF loans for the purpose of expansion of capacity under Rule 16 of SDF Rules, 1983.

The Committee observed the prevailing market conditions of sugar sector having surplus stocks despite diversion of the sugar and cane juice for production of ethanol.

After due deliberation, the Committee recommended the proposal to continue the arrangement to discontinue the financing of expansion projects through the SDF for a period till 31.03.2022 and this arrangement may be reviewed after one year.


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Agenda No. 142.6: Review of recovery of SDF loans

The Committee noted the progress made on recovery of SDF dues in respect of five defaulting sugar factories each being monitored by IFCI & NCDC. The committee noted that total default in respect of SDF loans as on 28.02.2021 is Rs. 2821.82 crore (Principal Rs. 1164.53 crore, Interest Rs. 970.13 crore and Additional Interest Rs. 687.16 crore).

NCDC informed that they have received Rs. 179.36 crore towards repayment of SDF dues during current FY upto 12.03.2021, out of which an amount of Rs. 83 crore has been received from the defaulting sugar mills. Representative of NCDC informed that the agency is expected to make total recovery of about Rs. 190 crore in the current financial year.

IFCI informed that they have received Rs. 282 crore towards repayment of SDF dues during current FY uptill date, out of which an amount of Rs. 50 crore has been received from the defaulting sugar mills. The committee directed IFCI to intensify their efforts for the recovery of SDF dues and complete the target for recovery during current FY.

The Committee directed to further review the default status in detail in the recovery meeting with the nodal agencies being held regularly.

The meeting ended with vote of thanks to the Chair.


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