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No. 1(1)/2014-SP-I
Government of India
Ministry of Consumer Affairs, Food & Public Distribution
Department of Food and Public Distribution

Krishi Bhawan, New Delhi
Date 19th February, 2014

To,
Shri M.G.Joshi,
Managing Director,
NFCSF, August Kranti Marg,
New Delhi-110049

**Subject: - Operational guidelines for "Scheme for Extending Financial Assistance to Sugar Undertakings (SEFASU), 2014":-
Miscellaneous representations received regarding**

Sir,

I am directed to refer your letter No. FA-1/2014/18625 dated 17th January, 2014 on the above cited subject and to say that the issues relating to operationalization of SEFASU, 2014 and appointment of Nodal Bank in this regard pertain to Department of Financial Services/Ministry of Finance.

2. It is, therefore, requested that the matter regarding inclusion of NCDC as one of the financial institutions in the scheme for extending financial assistance to sugar undertaking may be taken up with Department of Financial Services by NCDC.

Yours' faithfully


(Rajat Sehgal)
Director (SDF)
Tele:- 23383760

Handwritten:
M. G. Joshi
19-2-2014

No. 1(1)/2014-SP-I
Government of India
Ministry of Consumer Affairs, Food and Public Distribution
Department of Food and Public Distribution

Krishi Bhawan,
New Delhi
Dated 21.2.2014

OFFICE MEMORANDUM

Subject: - Operational guidelines for "Scheme for Extending Financial Assistance to Sugar Undertakings (SEFASU), 2014":- regarding

The undersigned is directed to inform that Indian Sugar Mills Association (ISMA) has represented to Department of Food and Public Distribution (DFPD) stating that sugar factories in the State of Uttarakhand and Himachal Pradesh were exempted from payment of excise duty and therefore, these sugar factories have not paid any excise duty on sugar sales but paid only cess on sugar. It has been contended that since the basic motive of the Central Government under SEFASU, 2014 is to provide interest free loans to sugar mills to make cane price payments to the farmers and the excise duty paid has been considered for the purpose of eligibility of quantum of loan, the above sugar mills should not be denied the loan only because they were not liable to pay excise duty because of the special exemption given to them. DFPD has been requested to consider the request of these sugar mills in light of the provision of notional excise duty.

2. The matter has been considered in the Department and with the approval of Hon'ble Minister it has been decided to permit sugar mills that have not paid excise duty during 2010-11, 2011-12 and 2012-13 sugar seasons due to the exemption available to them from the Excise Department should also be considered for the loans under the SEFASU-2014, quantified on the basis of notional excise duty due on the sugar released by these sugar mills during last three sugar seasons either to the open market or against levy quota. In case, if for any period, excise duty has been actually

etc

paid due to termination of exemption period, the same should be considered for that length of time.

3. Department of Financial Services is requested to issue necessary instructions to all agencies concerned with operationlization of SEFASU, 2014, to comply with the said decision.


(Rajan Sehgal)

Director (SDF)

Tele:- 011-23383760

(Ms. Snehlata Shrivastava)
Additional Secretary (DFS),
Department of Financial Services
Jeevan Deep Building,
10, Parliament Street,
New Delhi

Copy for information and necessary action to:

1. Sh. Arvind Kumar, Joint Secretary (IF), Department of Financial Services
Jeevan Deep Building, 10, Parliament Street, New Delhi
2. Chairman, NABARD, C-24, G Block, Bandra Kurla Complex, Bandra (E),
Mumbai-400051
3. Chairman, SBI, State Bank Bhawan, Central Office, 8th Floor, Madame
Cama Marg, Mumbai-400021
4. Chief Executive, Indian Banks Association, World Trade Centre, 6th Floor,
Centre 1 Building, World Trade Centre Complex, Cuff Parade, Mumbai-
400005
5. DG, ISMA
6. MD, NFCSF Ltd.
7. Secy, Sugarcane
Development &
Sugar Industry,
Uttaranchal

ISSUED
GMD
21/3/14